

## QUARTERLY FINANCIAL REPORT - MARCH 2025

---

Report Author: Executive Officer Management Accounting  
Responsible Officer: Director Corporate Services  
Ward(s) affected: (All Wards);

---

### SUMMARY

This report outlines Council's financial performance and financial position for the period ended 31 March 2025.

The Income Statement shows an overall favourable year to date (YTD) variance of \$268,000 representing 2.3 per cent of YTD Budget. This reflects the combined result of higher than budgeted operating income of \$6.047 million and higher than budgeted operating expenses of \$5.924 million.

Council's overall financial position at the end of this quarter is sound.

### RECOMMENDATION

***That Council receives and notes the Finance Report for the quarter ended 31 March 2025.***

### RELATED COUNCIL DECISIONS

Not applicable.

### DISCUSSION

#### ***Purpose and Background***

Council adopted the 2024-2025 Budget.

Budgeted surplus reflects the amount by which operating revenue exceeds operating expenses, in accordance with relevant accounting standards.

Operating expenditure excludes non-operating transactions such as capital works and investments, which are separately detailed in the report.

The report compares actual performance to budgeted targets at this stage of the financial year.

## ***Summary of year-to-date results***

### Comprehensive Result (Net Surplus)

Year To Date (YTD) comprehensive result of \$11.9 million is \$268,000 above the adopted budget. This is due to:

- Overall revenue is \$6 million above budget, this predominantly relates to the receipt of storm recovery grants and the timing difference in financial assistance grants from the Victoria Local Grants Commission.
- Overall expenses are over budget by \$5.9 million, this predominantly relates to:
  - Overspend in Employee benefits \$0.5 million due to the EBA salary increase of 2.75 percent compared to budget of 2.25 percent.
  - Materials and services are \$4.8 million over budget due to the external contract costs associated with storm recovery works.
  - Depreciation and amortisation \$0.5 million due to the capitalisation of assets in the prior year.

### Balance Sheet

The balance sheet reflects Council's financial position at 31 March 2025 and is prepared in compliance with the Australian Accounting Standards

The Balance Sheet presents a working capital of \$16.7 million (total current assets of \$98.1 million less total current liabilities of \$81.4 million). This reflects Council's ability to meet its short term obligations as they fall due.

### Cash Flow Statement

The statement of cash flows captures Council's actual cash transactions for the period.

Council is showing a cash position of \$46.7 million after all transactions for the period to date. The \$46.7 million includes a loan \$20.4 million being drawn down as per the budget.

### Capital Program

The capital works report detailing YTD spend by asset class.

Year to Date capital expenditure of \$40.7 million is \$8.7 million or 17.5 percent below the YTD Adopted Budget of \$49.4 million. Underspend is due to delays expected external approvals in the projects planning, design and permit stages.

## **Relevant Law**

Local Government Act 2020, section 101 financial management principles.  
Local Government Act 2020, section 97 quarterly budget report.  
Australian accounting standards.

## **FINANCIAL ANALYSIS**

The attached report outlines the financial performance and position of Council's activities as at the end of March 2025 with variance commentaries on overall performance.

## **STRATEGIC CONTEXT**

Sound financial management and reporting of Council's activities forms part of Council's commitment to be a High Performing Organisation, one of the five Key Strategic Objectives outlined in the Council Plan.

## **RISK ASSESSMENT**

A risk assessment has been considered in relation to the financial report and deemed an acceptable level of risk

## **CONFLICTS OF INTEREST**

No officers and/or delegates acting on behalf of the Council through the Instrument of Delegation and involved in the preparation and/or authorisation of this report have any general or material conflict of interest as defined within the *Local Government Act 2020*.

## **ATTACHMENTS TO THE REPORT**

1. Financial Report – March 2025