

# Quarterly Financial Report

March 2026





### **Acknowledgement**

Frankston City Council acknowledges the Bunurong people of the Kulin Nation as the Traditional Custodians of the lands and waters in and around Frankston City, and value and recognise local Aboriginal and Torres Strait Islander cultures, heritage and connection to land as a proud part of a shared identity for Frankston City.

Council pays respect to Elders past and present and recognises their importance in maintaining knowledge, traditions and culture in our community.

Council also respectfully acknowledges the Bunurong Land Council as the Registered Aboriginal Party responsible for managing the Aboriginal cultural heritage of the land and waters where Frankston City Council is situated.

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## Financial summary










The March consolidated surplus of \$33.201 million for the underlying operating result reflects an unfavourable variance of \$4.884 million compared to the year to date 2025-2026 budget surplus position of \$38.085 million.

### Consolidated Income Statement for March 2026




Description	Year to Date		(Fav)/Unfav Variance \$'000
	March-26 Actual \$'000	March-26 Budget \$'000	
<i>Operating</i>			
Revenue	202,926	206,698	3,772
Expenditure	167,034	169,379	(2,345)
Gain/(Loss) on disposal of assets	(2,691)	766	3,457
<b>Underlying operational result</b>	<b>33,201</b>	<b>38,085</b>	<b>4,884</b>
<i>Capital</i>			
Revenue	26,021	21,367	(4,654)
<b>Operational surplus/(deficit)</b>	<b>59,222</b>	<b>59,452</b>	<b>230</b>

## Financial Performance Scorecard (Frankston City Council excluding Peninsula Leisure Pty Ltd)

The table below highlights Council's current and projected performance across a range of key financial indicators (KPI's). KPI's provide useful analysis of Council's financial position and performance and should be used in the context of the organisation's objectives.

Key Indicator	Year to Date
	Actual vs Budget
Operating revenue	
Underlying operational result	
Operating result for the year	
Operating expenditure	
External Funding sources	
Investment	
Working capital ratio	
Rates collection	
Loan borrowings	

### Legend

-  On or better than target
-  0-10% variance from target
-  Over 10% variance from target

Refer to Appendix A for detailed financial statements.

# Financial Performance

(Frankston City Council excluding Peninsula Leisure Pty Ltd)

The following quarterly financial report provides a summary and analysis of Council's financial performance for the nine months to March 2026. The report is designed to ensure consistency with the 2025-2026 adopted budget, compliance with statutory requirements and to measure Council's overall financial performance.

## Financial results for Frankston City Council excluding Peninsula Leisure Pty Ltd

### Summary - Income Statement

Description	Year to Date		
	March-26 Actual \$'000	March-26 Budget \$'000	(Fav)/Unfav Variance \$'000
<i>Operating</i>			
Revenue	192,143	194,774	2,631
Expenditure	156,895	157,940	(1,045)
Gain/(Loss) on disposal of assets	(2,691)	766	3,457
<b>Underlying operational result</b>	<b>32,557</b>	<b>37,600</b>	<b>5,043</b>
<i>Capital</i>			
Revenue	26,021	21,367	(4,654)
<b>Operational surplus/(deficit)</b>	<b>58,578</b>	<b>58,967</b>	<b>389</b>

The underlying operating result for March 2026 reflects a negative variance of \$5.043 million. Council's third quarter underlying operating position is indicating a surplus of \$32.557 million, this is a \$5.043 million unfavourable variance compared to the third quarter 2025-2026 budget position of \$37.600 million surplus.

See **Appendix A** for the detailed Frankston City Council income statement.

The consolidated result including Peninsula Leisure is a surplus of \$33.201 million which is \$4.884 million unfavourable compared to budget.

See **Appendix B** for the detailed consolidated income statement.

A summary of the key financial data for Frankston City Council excluding Peninsula Leisure Pty Ltd is as follows:

	Mar-26 YTD Actual \$'000s	Mar-26 YTD Budget \$'000s	Variance \$'000s	Variance %
Underlying operating result (1)	32,557	37,600	(5,043)	(13.41)%
Cash and investments	95,034	44,109	50,925	215.45%
Capital works expenditure	43,420	49,944	(6,524)	(13.06)%

( ) Denotes negative result

(1) The underlying operating result is one of Council's key indicators of financial performance as it measures Council's day to day operating activities. It excludes one-off items such as capital grants and contributions as well as non-monetary assets.

The underlying operating result is of most concern as Council's long term financial viability depends on its ability to make an operating surplus on a day-to-day basis in order to fund the replacement of assets and to fund new projects. In the longer term this result must be brought to a balanced or surplus result.

A detailed analysis of the September quarterly results is provided in the following report.

See **Appendix E** for a detailed analysis of the Local Supports Package.

# Income Statement (Frankston City Council excluding Peninsula Leisure Pty Ltd)

The March 2026 financial performance position highlights some key outcomes that are covered in the points below.

Description	Year to Date			Full Year		
	Actual \$'000	Budget \$'000	(Fav)/Unfav Variance \$'000	Forecast \$'000	Budget \$'000	(Fav)/Unfav Variance \$'000
<b>Revenue</b>						
Rates and charges	154,687	154,912	225	155,780	155,780	-
Government grants - operating	12,343	17,141	4,798	16,204	22,255	6,051
User fees and charges	15,788	14,989	(799)	19,929	19,779	(150)
Statutory fees and fines	4,546	4,613	67	6,501	6,984	483
Other Income	4,779	3,119	(1,660)	5,301	4,076	(1,225)
Proceeds from sale of property, infrastructure, plant and equipment	(2,691)	766	3,457	1,142	1,022	(120)
<b>Total income</b>	<b>189,452</b>	<b>195,540</b>	<b>6,088</b>	<b>204,857</b>	<b>209,896</b>	<b>5,039</b>
<b>Expenditure</b>						
Employee costs	64,358	66,942	(2,584)	86,100	90,619	(4,519)
Materials and services	54,673	56,154	(1,481)	82,605	80,044	2,561
Depreciation	31,871	28,596	3,275	42,370	37,787	4,583
Amortisation - intangible assets	923	923	-	1,230	1,230	-
Amortisation - right of-use assets	78	142	(64)	285	355	(70)
Finance costs	1,400	1,535	(135)	2,047	2,047	-
Finance costs - leases	3	11	(8)	27	27	-
Bad and doubtful debts	74	192	(118)	194	256	(62)
Other expenses	3,515	3,445	70	4,473	4,340	133
<b>Total expenditure</b>	<b>156,895</b>	<b>157,940</b>	<b>(1,045)</b>	<b>219,331</b>	<b>216,705</b>	<b>2,626</b>
<b>Underlying surplus / (deficit)</b>	<b>32,557</b>	<b>37,600</b>	<b>5,043</b>	<b>(14,474)</b>	<b>(6,809)</b>	<b>7,665</b>
Contributions - capital	437	617	180	1,064	617	(447)
Government grants - capital	20,857	19,168	(1,689)	27,074	25,557	(1,517)
Contributions - non monetary assets	3,647	-	(3,647)	4,447	800	(3,647)
Contributions - cash	1,080	1,582	502	2,204	2,110	(94)
<b>Surplus / (deficit) for the period</b>	<b>58,578</b>	<b>58,967</b>	<b>389</b>	<b>20,315</b>	<b>22,275</b>	<b>1,960</b>

**Underlying operating result:** The underlying operating result is directly attributable to services and excludes items such as capital grants and contributions and non-monetary assets. The impact of the underlying operating result is of most concern as this is the key indicator of financial performance.

Council's third quarter underlying operating position is indicating a surplus of \$32.557 million, this is a \$5.043 million unfavourable variance compared to the expected third quarter 2025-26 budget position of a surplus of \$37.600 million.

The significant factors which contribute to the variance in the year-to-date actuals versus the adopted budget are:

**Grants – operating – \$4.8 million unfavourable variance.** The decrease in government funding relates to the following areas:

- \$3.8 million less in Financial Assistance Grants than expected due to the fact that 50% (c \$5.2m) of the 2025-26 grants allocation was received last financial year, earlier than budgeted.
- \$0.8 million lower grants for Family Health Support Services due to lower Aged Care services provided.

**Other Income – \$1.7 million favourable variance.** The favourable variance is mainly due to the following:

- \$1.1 million increase in interest on investments due to higher level of funds invested.
- \$0.2 million increase for an unbudgeted insurance claim.
- \$0.1 million increase sponsorships received for community events.

**Net gain (or loss) on disposal of assets – \$3.5 million unfavourable variance.** The loss on asset disposals relates to the following:

- \$2.9 million write-off associated with the demolition of the Frankston District Basketball Stadium which was unbudgeted.

**Employee Costs - \$2.6 million favourable variance.** The favourable position in Employee Costs is mainly due to:

- \$2.6 million reduction where staff vacancies have existed and have been forecast to potentially continue. Areas most affected by staff vacancies are Operations, Safer Communities, Family Health Support Services and City Futures.

**Materials and Services - \$1.5 million favourable variance.** The favourable position in Materials and Services is mainly due to:

- \$1.1 million lower than anticipated expenditure for contract services across Operations. These are expected to be fully spent by the end of the financial year.
- \$0.7 million lower green waste collection and disposal costs due to timing of the bin roll out.
- \$0.5 million lower than anticipated for utilities and communication costs.
- Offset by \$0.9 million higher than anticipated write-offs for operational works in capital projects from prior years.

**Depreciation - \$3.3 million unfavourable variance.** The unfavourable position in Depreciation is mainly due to:

- \$1.4 million higher in buildings following the componentisation of buildings in 2024-25.
- \$1.9 million higher in other asset classes following revaluation and indexation in 2024-25.

**Operating Result:** The operating result for the first nine months to March 2026 indicates a surplus of \$58.578 million, this is a \$0.389 million unfavourable variance compared to the adopted third quarter 2025-2026 budget position of \$58.967 million surplus. This unfavourable variance is due to the reasons as described above offset by \$3.647 million for non-monetary contributions and \$1.689 million higher capital grants received.

## Capital Works Statement (Frankston City Council excluding Peninsula Leisure Pty Ltd)

	Year to Date			Full Year		
	Actual \$'000	Budget \$'000	Variance \$'000	Forecast \$'000	Budget \$'000	Variance \$'000
<b>Property</b>						
Total property	26,651	27,427	(776)	40,711	36,922	(3,789)
<b>Plant and equipment</b>						
Total plant and equipment	3,274	3,610	(336)	6,757	6,840	83
<b>Infrastructure</b>						
Total infrastructure	13,495	18,907	(5,412)	26,695	29,100	2,405
<b>Total capital works expenditure</b>	<b>43,420</b>	<b>49,944</b>	<b>(6,524)</b>	<b>74,163</b>	<b>72,862</b>	<b>(1,301)</b>
<b>Funding:</b>						
<b>External</b>						
Government grants	20,857	20,702	155	27,097	25,557	(1,540)
Contributions	262	300	(38)	363	617	254
Proceeds from sale of assets	1,622	945	677	2,193	1,472	(721)
Other income	-	-	-	-	-	-
<b>Total external funding</b>	<b>22,741</b>	<b>21,947</b>	<b>794</b>	<b>29,653</b>	<b>27,646</b>	<b>(2,007)</b>
<b>Internal</b>						
Reserve funds	4,106	4,896	(790)	8,796	8,463	(333)
Loan borrowings	-	3,350	(3,350)	8,910	9,490	580
Rates funding	16,573	19,751	(3,178)	26,802	27,263	461
<b>Total internal funding</b>	<b>20,679</b>	<b>27,997</b>	<b>(7,318)</b>	<b>44,508</b>	<b>45,216</b>	<b>708</b>
<b>Total funding</b>	<b>43,420</b>	<b>49,944</b>	<b>(6,524)</b>	<b>74,161</b>	<b>72,862</b>	<b>(1,299)</b>

After nine months of the year, expenditure is \$43.420 million against a year to date adopted budget of \$49.944 million.

The delivery of the 2025-2026 Capital Works Program is currently behind schedule but forecast to be above budget by the end of the financial year. Refer to **Appendix B Attachment B**.

## Balance Sheet (Frankston City Council excluding Peninsula Leisure Pty Ltd)

The balance sheet as at 31 March 2026 indicates a continued satisfactory result. Council's net assets are valued at \$2.276 billion at the end of March 2026 and are forecast to be \$2.343 billion at the end of June 2026.

A comparison of total current assets of \$171.764 million with total current liabilities of \$86.593 million (working capital ratio YTD of 1.98 to 1) depicts a satisfactory financial position.

### Schedule of reserves as at 31 March 2026

	Opening Balance 01/07/2025 \$'000	Transfer to reserve \$'000	Transfer from reserve \$'000	Closing balance 31/03/2026 \$'000
<b>Statutory reserves</b>				
Public resort and recreation	1,122	985	(211)	1,896
Subdivision roadworks	133	-	(39)	94
Infrastructure assets	74	-	(74)	-
Car parking	10	-	(10)	-
<b>Total statutory reserves</b>	<b>1,339</b>	<b>985</b>	<b>(334)</b>	<b>1,990</b>
<b>Discretionary reserves</b>				
Strategic asset reserve	2,893	-	(27)	2,866
Loan sinking fund	14,328	1,213	-	15,541
Unexpended grant reserve	5,883	-	(5,526)	357
PARC asset management sinking fund	8,066	750	(3,332)	5,484
Capital projects reserve	5,942	1,268	(432)	6,778
Resource efficiency reserve	92	6	-	98
Waste recycling and resource recovery reserve	2,239	-	-	2,239
Economic Development grants reserve	231	-	(119)	112
<b>Total other reserves</b>	<b>39,674</b>	<b>3,237</b>	<b>(9,436)</b>	<b>33,475</b>
<b>Total reserves</b>	<b>41,013</b>	<b>4,222</b>	<b>(9,770)</b>	<b>35,465</b>

The strategic asset reserve has been established to assist in the delivery of community infrastructure highlighted in the Council & Wellbeing Plan.

## Balance Sheet (cont'd) (Frankston City Council excluding Peninsula Leisure Pty Ltd)

Trade and other receivables	Mar-25 \$'000	Mar-26 \$'000
<b>Current receivables</b>		
Ratepayer receivables	63,316	69,579
Special rates & charges	207	79
Infringements	7,865	8,140
Provision for doubtful debts - infringements	(2,978)	(3,074)
Other receivables	6,318	1,821
Provision for doubtful debts - other debtors	(62)	(42)
	74,666	76,503
<b>Non-current receivables</b>		
Special rates & charges	368	380
<b>Total receivables</b>	75,034	76,883

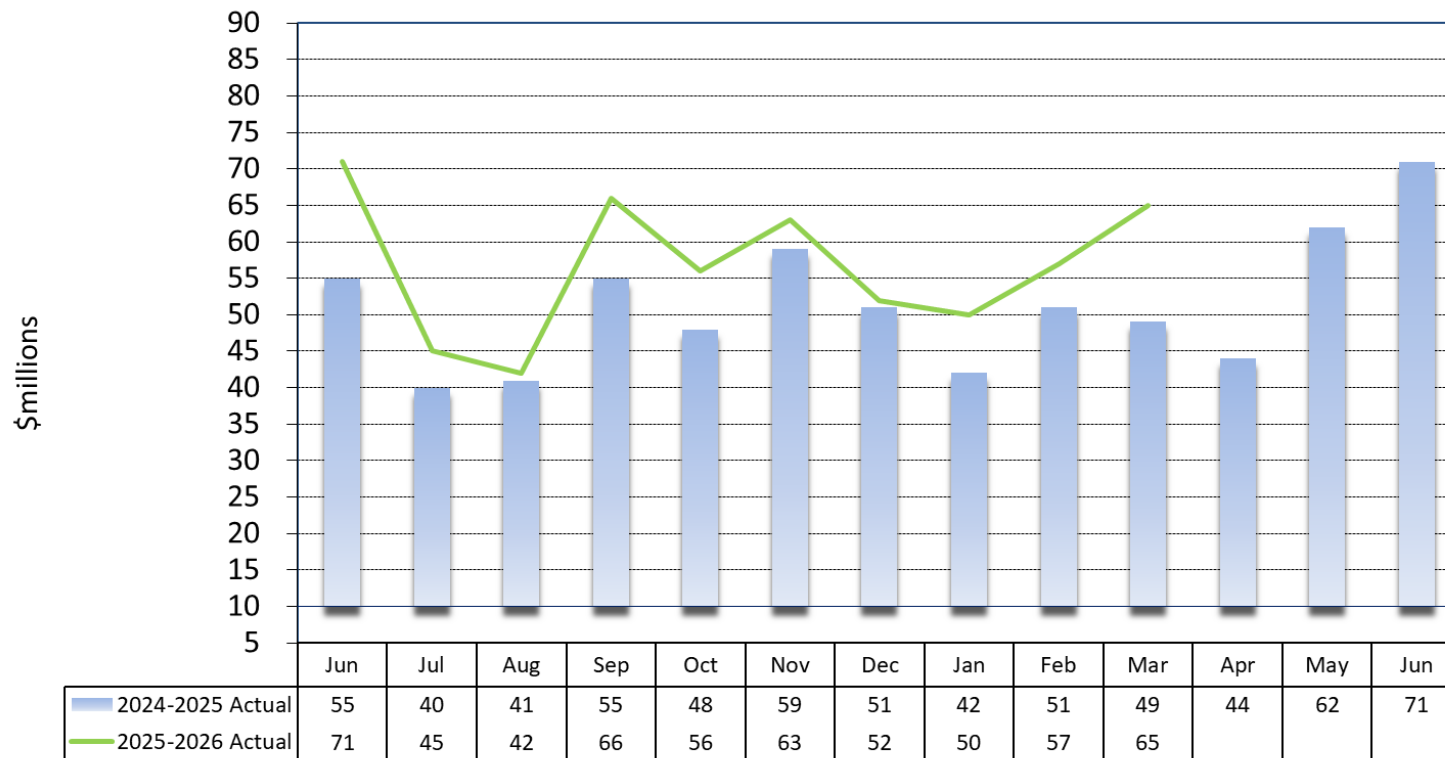
Accounts receivable balances were \$76.883 million as at 31 March 2026, up from \$75.034 million as at 31 March 2025.

For a full balance sheet please refer to **Appendix B Attachment C**.

## Cash Flow (Frankston City Council excluding Peninsula Leisure Pty Ltd)

Council's cash flow statement provides information in regards to net cash flow from operating activities, cash flows from investing activities and cash flows from financing activities. These results provide information in regards to cash generated or spent on the different type of activities undertaken by Council.

The net cash flows from operating activities measure cash generated from Council's ongoing day to day operations. It is imperative that a surplus is generated from cash flows from operations as these funds are used to fund capital works (investing activities) as well as repaying any loans (financing activities). Refer to **Appendix B Attachment D** for the cash flow statement.



## Loans (Frankston City Council excluding Peninsula Leisure Pty Ltd)

Council is within the approved principles of loan funding and has ensured that Council is within prudential limits set by the Victorian Government.

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Expense \$'000	Balance 30 June \$'000	Liquidity (CA/CL)	Debt Commit (Debt / Total Rates)	Debt Serv (Serv Costs / Total Revenue)
2024-25	9,731	1,192	1,632	46,335	1.41	30.71%	1.9%
2025-26	9,490	18,999	2,047	36,767	1.33	23.60%	13.5%
2026-27	18,024	4,855	1,960	49,936	1.24	31.09%	4.2%
2027-28	9,475	6,226	2,364	53,185	1.19	32.20%	5.2%
2028-29	3,170	7,041	2,365	49,314	1.18	28.98%	5.5%
Victorian State Government Prudential Ratio Limits - Risk Assessment				High	Below 1.10	Above 80%	Above 10%
				Medium	1.10 - 1.20	60%-80%	5% -10%
				Low	Above 1.20	Below 60%	Below 5%

The status of Council's loan borrowings as at the 31 March 2026 are listed in the table below:

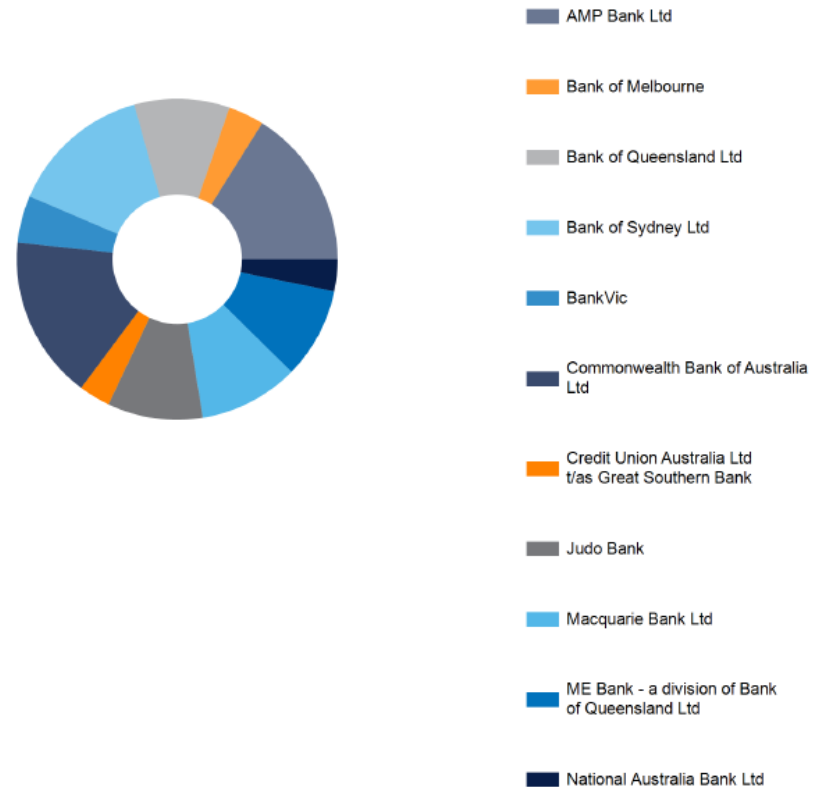
Financial institution	Debt principal @ 30-06-2025 \$'000's	Principal repaid \$'000's	New borrowings \$'000's	Debt principal @ 31-03-2026 \$'000's	Interest \$'000's	Loan repayments due over next 12 months \$'000's
National Australia Bank	10,218	364	-	9,854	524	1,183
National Australia Bank - MAV	15,542	-	-	15,542	462	15,542
Treasury Corporation Victoria	20,595	2,788	-	17,807	414	4,638
<b>Total</b>	<b>46,355</b>	<b>3,152</b>	<b>-</b>	<b>43,203</b>	<b>1,400</b>	<b>21,363</b>

## Investments (Frankston City Council excluding Peninsula Leisure Pty Ltd)

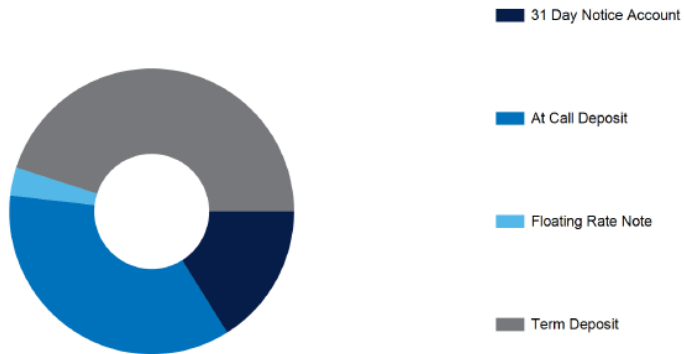
Council is complying with its Investment Policy (adopted by Council on 16 December 2019) that ensures effective and responsible utilisation of Council’s surplus cash funds within the government legislative framework and applicable Federal and State regulations. Council’s investment holdings as at 31 March 2026 were \$63.657 million.

Council’s investments as at the 31 March 2026 are listed in the tables below.

**Market Value by Issuer**



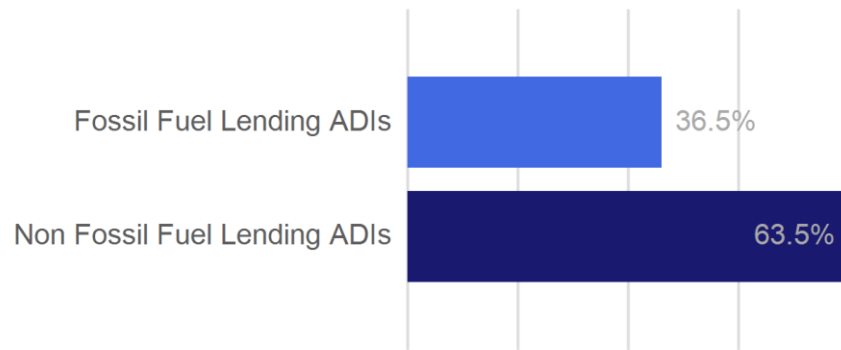
**Market Value by Security Type**



## Investments cont'd (Frankston City Council excluding Peninsula Leisure Pty Ltd)

### Portfolio Fossil Fuel Summary

Council's portfolio comprises 63.5% of investments with non-fossil fuel lenders with the remainder still funding fossil fuel related organisations or programs.



ADIs (Authorised deposit-taking institutions)

# Appendix A – Financial Statements – Frankston City Council

## Attachment A Income Statement for the period ending 31 March 2026

Description	Year to Date			Full Year		
	Actual \$'000	Budget \$'000	(Fav)/Unfav Variance \$'000	Forecast \$'000	Budget \$'000	(Fav)/Unfav Variance \$'000
<b>Revenue</b>						
Rates and charges	154,687	154,912	225	155,780	155,780	-
Government grants - operating	12,343	17,141	4,798	16,204	22,255	6,051
User fees and charges	15,788	14,989	(799)	19,929	19,779	(150)
Statutory fees and fines	4,546	4,613	67	6,501	6,984	483
Other Income	4,779	3,119	(1,660)	5,301	4,076	(1,225)
Proceeds from sale of property, infrastructure, plant and equipment	(2,691)	766	3,457	1,142	1,022	(120)
<b>Total income</b>	<b>189,452</b>	<b>195,540</b>	<b>6,088</b>	<b>204,857</b>	<b>209,896</b>	<b>5,039</b>
<b>Expenditure</b>						
Employee costs	64,358	66,942	(2,584)	86,100	90,619	(4,519)
Materials and services	54,673	56,154	(1,481)	82,605	80,044	2,561
Depreciation	31,871	28,596	3,275	42,370	37,787	4,583
Amortisation - intangible assets	923	923	-	1,230	1,230	-
Amortisation - right of-use assets	78	142	(64)	285	355	(70)
Finance costs	1,400	1,535	(135)	2,047	2,047	-
Finance costs - leases	3	11	(8)	27	27	-
Bad and doubtful debts	74	192	(118)	194	256	(62)
Other expenses	3,515	3,445	70	4,473	4,340	133
<b>Total expenditure</b>	<b>156,895</b>	<b>157,940</b>	<b>(1,045)</b>	<b>219,331</b>	<b>216,705</b>	<b>2,626</b>
<b>Underlying surplus / (deficit)</b>	<b>32,557</b>	<b>37,600</b>	<b>5,043</b>	<b>(14,474)</b>	<b>(6,809)</b>	<b>7,665</b>
Contributions - capital	437	617	180	1,064	617	(447)
Government grants - capital	20,857	19,168	(1,689)	27,074	25,557	(1,517)
Contributions - non monetary assets	3,647	-	(3,647)	4,447	800	(3,647)
Contributions - cash	1,080	1,582	502	2,204	2,110	(94)
<b>Surplus / (deficit) for the period</b>	<b>58,578</b>	<b>58,967</b>	<b>389</b>	<b>20,315</b>	<b>22,275</b>	<b>1,960</b>

Attachment B Capital Works Statement for the period ending 31 March 2026

	Year to Date			Full Year		
	Actual \$'000	Budget \$'000	Variance \$'000	Forecast \$'000	Budget \$'000	Variance \$'000
<b>Property</b>						
Land	2	-	2	302	-	(302)
Buildings	26,649	27,427	(778)	40,409	36,922	(3,487)
<b>Total property</b>	<b>26,651</b>	<b>27,427</b>	<b>(776)</b>	<b>40,711</b>	<b>36,922</b>	<b>(3,789)</b>
<b>Plant and equipment</b>						
Heritage plant and equipment	-	-	-	-	-	-
Plant, machinery and equipment	1,648	1,676	(28)	3,311	3,445	134
Fixtures, fittings and furniture	245	153	92	663	500	(163)
Computers and telecommunications	1,050	1,382	(332)	2,253	2,335	82
Library books	331	399	(68)	530	560	30
<b>Total plant and equipment</b>	<b>3,274</b>	<b>3,610</b>	<b>(336)</b>	<b>6,757</b>	<b>6,840</b>	<b>83</b>
<b>Infrastructure</b>						
Roads	1,657	4,691	(3,034)	6,285	7,034	749
Bridges	69	149	(80)	156	155	(1)
Footpaths and cycleways	2,576	2,335	241	4,275	3,927	(348)
Drainage	515	1,143	(628)	1,909	2,768	859
Recreational, leisure and community facilities	3,109	4,462	(1,353)	5,677	5,464	(213)
Waste management	36	110	(74)	225	225	-
Parks, open space and streetscapes	5,260	5,877	(617)	7,776	9,387	1,611
Off street car parks	273	140	133	322	140	(182)
Other infrastructure	-	-	-	70	-	(70)
<b>Total infrastructure</b>	<b>13,495</b>	<b>18,907</b>	<b>(5,412)</b>	<b>26,695</b>	<b>29,100</b>	<b>2,405</b>
<b>Total capital works expenditure</b>	<b>43,420</b>	<b>49,944</b>	<b>(6,524)</b>	<b>74,163</b>	<b>72,862</b>	<b>(1,301)</b>

Attachment C Balance Sheet for the period ending 31 March 2026

	Prior Year Full Year \$'000	Year to date Actual 2025-2026 \$'000	Full Year Budget 2025-2026 \$'000		Prior Year Full Year \$'000	Year to date Actual 2025-2026 \$'000	Full Year Budget 2025-2026 \$'000
<b>Assets</b>				<b>Liabilities</b>			
<b>Current assets</b>				<b>Current liabilities</b>			
Cash and cash equivalents	70,716	64,807	30,562	Trade and other payables	17,108	12,940	26,416
Trade and other receivables	38,399	76,503	28,354	Trust funds and deposits	8,943	16,498	7,069
Other financial assets	17,629	28,220	13,547	Unearned income	30,476	17,999	3,100
Inventories	146	207	216	Provisions	19,590	19,095	18,672
Non-current assets held for sale	1,104	-	-	Lease liability	11	105	353
Other assets	5,553	2,027	4,615	Interest-bearing loans and borrowings	19,797	19,956	4,213
<b>Total current assets</b>	<b>133,547</b>	<b>171,764</b>	<b>77,294</b>	<b>Total current liabilities</b>	<b>95,925</b>	<b>86,593</b>	<b>59,823</b>
<b>Non-current assets</b>				<b>Non-current liabilities</b>			
Trade and other receivables	306	380	164	Provisions	3,840	4,978	4,560
Investment in subsidiary	300	300	300	Interest-bearing loans and borrowings	26,559	23,247	32,554
Other financial assets	2,007	2,007	-	Lease liability	-	113	637
Intangible assets	3,421	3,792	2,522	<b>Total non-current liabilities</b>	<b>30,399</b>	<b>28,338</b>	<b>37,751</b>
Right of Use	(2)	347	976	<b>Total liabilities</b>	<b>126,324</b>	<b>114,931</b>	<b>97,574</b>
Property, infrastructure, plant and equipment	2,203,859	2,212,032	2,158,956	<b>Net assets</b>	<b>2,217,114</b>	<b>2,275,691</b>	<b>2,142,638</b>
<b>Total non-current assets</b>	<b>2,209,891</b>	<b>2,218,858</b>	<b>2,162,918</b>	<b>Equity</b>			
<b>Total assets</b>	<b>2,343,438</b>	<b>2,390,622</b>	<b>2,240,212</b>	Accumulated surplus	872,375	936,500	893,966
				Other reserves	1,344,739	1,339,191	1,248,672
				<b>Total equity</b>	<b>2,217,114</b>	<b>2,275,691</b>	<b>2,142,638</b>

Attachment D Cash Flow Statement as at 31 March 2026

Description	2024-2025 Actual \$'000	Mar-26 Actual \$'000	2025-2026 Budget \$'000
<b>Cash Flow from operating activities</b>			
Rates and charges	147,003	114,018	155,947
Grants - operating	28,060	12,607	22,734
Grants - capital	30,404	9,033	25,557
User fees	18,998	18,380	21,230
Statutory fees and fines	6,119	4,292	7,228
Contributions - monetary	2,880	1,516	2,741
Interest received	3,116	2,506	1,890
Other receipts	2,363	2,271	2,562
Net GST refund	569	1,677	11,254
Net movement in trust funds	2,304	7,556	206
Employees costs	(83,823)	(67,212)	(90,340)
Materials and services	(81,672)	(52,097)	(93,158)
Short-term, low value and variable lease payments	(551)	(625)	(308)
Other payments	(3,377)	(2,844)	(4,206)
<b>Net cash provided by/(used in) operating activities</b>	<b>72,393</b>	<b>51,078</b>	<b>63,337</b>
<b>Cash flows from investing activities</b>			
Payments for fixed assets	(57,688)	(43,417)	(71,362)
Proceeds from sale of assets	1,864	1,644	1,472
Payments for Investments with greater than three months maturity	(7,582)	(10,592)	2,500
<b>Net cash provided by/(used in) investing activities</b>	<b>(63,406)</b>	<b>(52,365)</b>	<b>(67,390)</b>
<b>Cash flows from financing activities</b>			
Finance costs	(1,626)	(1,247)	(2,047)
Interest paid - lease liability	(2)	(3)	(27)
Repayment of lease liability	(34)	(220)	(344)
Proceeds of borrowings	9,732	-	9,490
Repayment of borrowings	(1,192)	(3,152)	(18,999)
<b>Net cash provided by/(used in) financing activities</b>	<b>6,878</b>	<b>(4,622)</b>	<b>(11,927)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>15,865</b>	<b>(5,909)</b>	<b>(15,980)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>54,851</b>	<b>70,716</b>	<b>46,542</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>70,716</b>	<b>64,807</b>	<b>30,562</b>

## Appendix B – Consolidated Income Statement including Peninsula Leisure Pty Ltd

Description	Year to Date			Full Year		
	Actual	Budget	(Fav)/Unfav	Forecast	Budget	(Fav)/Unfav
	\$'000	\$'000	Variance \$'000	\$'000	\$'000	Variance \$'000
<b>Revenue</b>						
Rates and charges	154,687	154,912	225	155,780	155,780	-
Government grants - operating	12,367	17,141	4,774	16,204	22,255	6,051
User fees and charges	25,159	25,460	301	33,890	33,740	(150)
Statutory fees and fines	4,546	4,613	67	6,501	6,984	483
Other Income	6,167	4,572	(1,595)	7,239	6,014	(1,225)
Proceeds from sale of property, infrastructure, plant and equipment	(2,691)	766	3,457	1,142	1,022	(120)
<b>Total income</b>	<b>200,235</b>	<b>207,464</b>	<b>7,229</b>	<b>220,756</b>	<b>225,795</b>	<b>5,039</b>
<b>Expenditure</b>						
Employee costs	71,181	74,544	(3,363)	96,237	100,756	(4,519)
Materials and services	57,453	59,345	(1,892)	86,859	84,299	2,560
Depreciation	32,021	28,757	3,264	42,586	38,002	4,584
Amortisation - intangible assets	925	923	2	1,230	1,230	-
Amortisation - right of-use assets	78	142	(64)	285	355	(70)
Finance costs	1,400	1,535	(135)	2,047	2,047	-
Finance costs - leases	3	11	(8)	27	27	-
Bad and doubtful debts	74	192	(118)	194	256	(62)
Other expenses	3,899	3,930	(31)	5,119	4,986	133
<b>Total expenditure</b>	<b>167,034</b>	<b>169,379</b>	<b>(2,345)</b>	<b>234,584</b>	<b>231,958</b>	<b>2,626</b>
<b>Underlying surplus / (deficit)</b>	<b>33,201</b>	<b>38,085</b>	<b>4,884</b>	<b>(13,828)</b>	<b>(6,163)</b>	<b>7,665</b>
Contributions - capital	437	617	180	1,064	617	(447)
Government grants - capital	20,858	19,168	(1,690)	27,074	25,557	(1,517)
Contributions - non monetary assets	3,647	-	(3,647)	4,447	800	(3,647)
Contributions - cash	1,079	1,582	503	2,204	2,110	(94)
<b>Surplus / (deficit) for the period</b>	<b>59,222</b>	<b>59,452</b>	<b>230</b>	<b>20,961</b>	<b>22,921</b>	<b>1,960</b>

## Appendix C – Consultant expenditure as at 31 March 2026

	Year to Date Actual	Full Year Adopted Budget	% of Budget Spent	Note
<b>Corporate and Commercial Services</b>				
Waste Circularity	107,776	238,500	45%	
Financial and Integrated Planning	32,588	57,845	56%	
Governance	3,950	2,000	197%	1
Procurement, Property and Risk	105,172	199,000	53%	
	<b>249,485</b>	<b>497,345</b>	<b>50%</b>	
<b>Customer Innovation and Arts</b>				
People and Culture	68,192	110,810	62%	
Business and Information Technology	54,501	100,000	55%	
Customer Experience & Transformation	28,691	115,000	25%	
Arts and Culture	41,874	113,500	37%	
Community Relations	-	-	0%	
	<b>193,257</b>	<b>439,310</b>	<b>44%</b>	
<b>Communities</b>				
Communities Directorate Management	-	-	0%	
Community Strengthening	104,425	48,000	218%	2
Family Health Support Services	9,288	5,000	186%	3
Safer Communities	-	7,200	0%	
Development Services	35,680	140,000	25%	
City Futures	423,558	596,497	71%	
	<b>572,950</b>	<b>796,697</b>	<b>72%</b>	
<b>Infrastructure and Operations</b>				
Operations	9,000	-	0%	
Engineering Services	110,182	164,500	67%	
Building Infrastructure	1,500	10,000	15%	
Capital Works Delivery	2,206	-	0%	
Sustainable Assets	1,190	14,000	9%	
	<b>124,079</b>	<b>188,500</b>	<b>66%</b>	
<b>Non-Departmental Areas</b>				
Overheads	33,100	32,500	102%	
	<b>33,100</b>	<b>32,500</b>	<b>102%</b>	
<b>Total expenditure</b>	<b>1,172,871</b>	<b>1,954,352</b>	<b>60%</b>	

### Notes

1. Consultant engaged to run the Councillor Leadership Session 5 November 2025
2. Consultants engaged for the rugby feasibility study and Disability Access and Inclusion Plan
3. Consultant engaged to undertake MCH clinical supervision

## Appendix D – General Operating expenditure as at 31 March 2026

	Year to Date Actual	Full Year Adopted Budget	% of Budget Spent	Note
<b>CEO</b>				
Chief Executive Officer	436	-	0%	
	<b>436</b>	<b>-</b>	<b>0%</b>	
<b>Corporate and Commercial Services</b>				
Corporate and Commercial Services Directorate Manag	2,420	2,400	101%	
Waste Circularity	543	7,050	8%	
Financial and Integrated Planning	940	3,050	31%	
Governance	4,853	2,600	187%	1
Procurement, Property and Risk	6,766	31,300	22%	
	<b>15,522</b>	<b>46,401</b>	<b>33%</b>	
<b>Customer Innovation and Arts</b>				
People and Culture	8,308	15,598	53%	
Business and Information Technology	1,182	5,000	24%	
Customer Experience & Transformation	3,395	11,500	30%	
Customer Innovation & Arts Directorate Managemen	5,399	1,000	540%	2
Arts and Culture	25,112	59,921	42%	
Community Relations	13,828	1,500	922%	3
	<b>57,224</b>	<b>94,519</b>	<b>61%</b>	
<b>Communities</b>				
Communities Directorate Management	1,379	-	0%	
Community Strengthening	53,875	51,353	105%	
Family Health Support Services	12,028	24,591	49%	
Safer Communities	13,237	5,845	226%	4
Development Services	1,477	6,830	22%	
City Futures	6,968	8,600	81%	
	<b>88,965</b>	<b>97,220</b>	<b>92%</b>	
<b>Infrastructure and Operations</b>				
Infrastructure and Operations Directorate Managemen	9,926	7,000	142%	5
Operations	5,223	15,400	34%	
Engineering Services	221	1,000	22%	
Building Infrastructure	-	2,000	0%	
Capital Works Delivery	658	1,600	41%	
Sustainable Assets	4,910	2,432	202%	6
	<b>20,938</b>	<b>29,432</b>	<b>71%</b>	
<b>Total expenditure</b>	<b>183,086</b>	<b>267,571</b>	<b>68%</b>	

### Notes

1. Installation of OAM Honour board
2. Catering associated with the Future Leadership Workshop - Innovation and Design Thinking and Directorate Excellence Awards
3. Catering for the Consul General of Japan meeting, Chinese Ambassador visit and Dunkley Housing Forum
4. Printing of Parking Permits and Infringement books
5. Catering associated with the Directorate Excellence Awards
6. Catering for the Asset Management System demonstrations

## Appendix E – Local Supports Package expenditure as at 31 March 2026

Description	Year to Date			Comment
	31-Mar Actual	Annual Budget	Available Funds	
<b>Support</b>				
Immediate grant support for 21 local agencies	203,149	212,000	8,851	20 organisations have submitted invoices plus funding ceremony costs, one organisation is still finalising an acquittal.
Immediate grant support for 9 local organisations	45,000	45,000	-	
Langwarrin Men's Shed	5,000	5,000	-	
Frankston Life: Street Chaplaincy Program	7,000	7,000	-	
Victoria Police Blue Ribbon - Peninsula Branch	20,000	20,000	-	
Community Support Frankston	45,000	45,000	-	
Frankston Charitable Trust	30,000	30,000	-	
Ratepayer Rewards vouchers PARC/Pines Pool	5,511	32,368	26,857	143 Aquatic Group Access, 18 Full Centre Access and 18 Membership upgrades provided
Ratepayer Rewards vouchers Frankston Arts Centre	25,489	32,368	6,879	764 vouchers redeemed plus system setup
Ratepayer Rewards vouchers At Call Hard Waste	2,250	32,321	30,071	75 vouchers redeemed
Victoria Police Blue Ribbon - Peninsula Branch	20,000	20,000	-	Funding reallocated by Council 8 September 2025 from Ratepayer Rewards Program
Activity Participation Subsidy	19,713	130,000	110,287	49 activity participation subsidies have been paid
Additional Child and Youth Inclusion Grants	30,187	45,000	14,813	Existing budget of \$62,000 has also been utilised
Grant to Menzies	40,000	40,000	-	
Food relief distribution centre	-	-	-	Funding of \$50,000 reallocated by Council 8 September 2025 to grant support (\$45,000) and Additional Child and Youth Inclusion Grants (\$5,000)
<b>Safety</b>				
Extend Community Connectors program to Station Street	36,364	40,000	3,636	
Expand Rapid Response Program outside of CBD	76,956	157,000	80,044	Includes the purchase of a Hyundai Iload van and staffing costs
Frankston Neighbourhood Watch	10,000	10,000	-	
Graffiti Reporting Rewards program and graffiti removal kits	2,735	10,000	7,265	60 graffiti removal kits have been purchased, 38 distributed to residents
CCTV mapping feasibility study staff time to develop study	-	-	-	
<b>Hardship</b>				
Peninsula Community Legal Centre - rental stress support	50,000	50,000	-	
Peninsula Community Legal Centre - school based legal clinic	50,000	50,000	-	
12 month freeze on pet registrations fees	-	51,048	51,048	This will be reflected in quarter 4
Temporary waiving of select service fees and charges	18,265	56,895	38,630	
<b>Business and Event Attraction</b>				
Trader Assistance Directory	2,891	5,000	2,109	
Frankston Business Collective	150,000	150,000	-	
Urgent Grants additional \$15k	-	15,000	15,000	Existing budget of \$10,350 to be utilised first
Business Grants to increase local employment opportunities	-	30,000	30,000	
Destination Event (additional non CBD)	-	60,000	60,000	Winter Fire Festival is scheduled for mid - June
Celebration of Frankston City's 60th anniversary	592	30,000	29,408	
Committee for Frankston and Mornington Peninsula	15,000	15,000	-	
<b>Environment &amp; Wellbeing</b>				
Accessible beach pilot	159,177	105,000	(54,177)	\$164k in Sponsorship funds received towards this program. \$120k expected to be held for Yr 2
Frankston Surf Life Saving Club	-	7,000	7,000	
Seaford Surf Life Saving Club	7,000	7,000	-	
3199 Frankston Beach Patrol	-	3,000	3,000	
3198 Seaford Beach Patrol	3,000	3,000	-	
Indigenous Tree Sapling Giveaway	17,000	17,000	-	The tree giveaway has commenced with 560 trees collected so far.
Can Swim' learn to swim program (PARC)	75,000	75,000	-	
School Planting Program	18,000	18,000	-	
<b>Underlying operational result</b>	<b>1,190,279</b>	<b>1,661,000</b>	<b>470,721</b>	



## How to contact us

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### Interpreter services:

We cater for people of  
all backgrounds  
Please call 131 450

### National Relay Service:

If you are deaf, hard of hearing  
and/or have a speech impairment  
you can contact the Council using  
the National Relay Service.

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