



Shire of Wyndham East Kimberley

Interim Monthly Financial Report 2017/18

As at 31 August 2017

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Financial Activity Legend:
Above Budget Expectations: ▲
Below Budget Expectations: ▼

Shire of Wyndham East Kimberley

Statement of Financial Activity (Interim Report)

Year to Date Actual v Year to Date Budget
as at 31 August 2017

	YTD Actual 2017/18 \$	YTD Budget 2017/18 \$	YTD Variance 2017/18 \$	%	
Estimated Surplus/(Deficit) July 1 B/Fwd	2,573,358	2,573,358	0	0%	▼
Revenue					
General Purpose Funding	507,937	509,487	(1,550)	0%	▼
Governance	5,978	4,298	1,680	39%	▲
Law, Order and Public Safety	393,461	379,881	13,580	4%	▲
Health	6,150	9,544	(3,394)	-36%	▼
Education and Welfare	1,921	1,874	47	3%	▲
Housing	22,456	27,586	(5,130)	-19%	▼
Community Amenities	1,911,304	1,910,584	720	0%	▲
Recreation and Culture	217,724	234,732	(17,008)	-7%	▼
Transport	693,673	590,092	103,581	18%	▲
Economic Services	8,498	17,634	(9,136)	-52%	▼
Other Property and Services	1,086	6,000	(4,914)	-82%	▼
	3,770,188	3,691,711	78,477	2%	▲
Expenses					
General Purpose Funding	(8,188)	(27,310)	19,122	-70%	▼
Governance	(147,284)	(203,032)	55,748	-27%	▼
Law, Order and Public Safety	(113,130)	(133,624)	20,494	-15%	▼
Health	(47,423)	(53,580)	6,157	-11%	▼
Education and Welfare	(37,536)	(26,021)	(11,515)	44%	▲
Housing	(43,455)	(60,463)	17,007	-28%	▼
Community Amenities	(711,537)	(786,268)	74,731	-10%	▼
Recreation and Culture	(869,531)	(988,189)	118,658	-12%	▼
Transport	(1,467,266)	(1,495,800)	28,534	-2%	▼
Economic Services	(32,865)	(88,719)	55,854	-63%	▼
Other Property and Services	(107,275)	(325,190)	217,915	-67%	▼
	(3,585,490)	(4,188,196)	602,706	-14%	▼
Operating activities excluded from budget					
(Profit)/Loss on asset disposals	0	0	0	0%	▼
Loss on revaluation of non current assets	0	0	0	0%	▼
Depreciation on assets	722,794	505,435	217,359	43%	▼
Movement in employee benefit provisions	0	0	0	0%	▼
Amount attributable to operating activities	3,480,851	2,582,308	898,543	35%	▲
INVESTING ACTIVITIES					
Non-operating grants, subsidies and contributions	142,300	197,600	(55,300)	-28%	▲
Purchase property, plant and equipment	(1,038)	(17,576)	16,538	-94%	▼
Purchase and construction of infrastructure	(2,006,082)	(2,015,000)	8,918	0%	▼
Proceeds from disposal of assets	16,466	0	16,466	0%	▼
Amount attributable to investing activities	(1,848,354)	(1,834,976)	(13,378)	1%	▼
FINANCING ACTIVITIES					
Repayment of debentures	(168,970)	(136,017)	(32,954)	24%	▲
Proceeds from new debentures	0	0	0	0%	▼
Proceeds from self supporting loans	0	0	0	0%	▼
Advances to community groups	0	0	0	0%	▼
Transfers to Reserves (Restricted Assets)	0	(32,246)	32,246	-100%	▼
Transfers from Reserves (Restricted Assets)	0	0	0	0%	▼
Amount attributable to financing activities	(168,970)	(168,263)	(708)	0%	▲
Surplus/(deficiency) before general rates	1,463,527	579,069	884,457	153%	▲
Total amount raised from general rates	10,409,045	10,376,870	32,176	0%	▲
Net current assets at June 30 c/fwd - surplus/(deficit)	11,872,572	10,955,939	916,633		▲

Shire of Wyndham East Kimberley

Statement of Financial Activity (Interim Report)

Budget Remaining to Collect/Spend
as at 31 August 2017

	YTD Actual 2017/18 \$	Annual Budget 2017/18 \$	Budget Remaining (Original Budget less YTD Actual) 2017/18 \$	%	
Estimated Surplus/(Deficit) July 1 B/Fwd	2,573,358	2,573,358	0	0%	▼
Revenue					
General Purpose Funding	507,937	2,209,111	1,701,174	77%	▼
Governance	5,978	25,800	19,822	77%	▼
Law, Order and Public Safety	393,461	447,171	53,710	12%	▼
Health	6,150	95,117	88,967	94%	▼
Education and Welfare	1,921	11,242	9,321	83%	▼
Housing	22,456	165,540	143,084	86%	▼
Community Amenities	1,911,304	3,008,715	1,097,411	36%	▼
Recreation and Culture	217,724	764,343	546,618	72%	▼
Transport	693,673	4,215,656	3,521,983	84%	▼
Economic Services	8,498	116,290	107,792	93%	▼
Other Property and Services	1,086	83,059	81,973	99%	▼
	3,770,188	11,142,043	7,371,855	66%	▼
Expenses					
General Purpose Funding	(8,188)	(409,693)	(401,505)	98%	▼
Governance	(147,284)	(1,275,652)	(1,128,368)	88%	▼
Law, Order and Public Safety	(113,130)	(1,086,626)	(973,496)	90%	▼
Health	(47,423)	(289,989)	(242,566)	84%	▼
Education and Welfare	(37,536)	(255,602)	(218,066)	85%	▼
Housing	(43,455)	(569,576)	(526,121)	92%	▼
Community Amenities	(711,537)	(4,765,162)	(4,053,625)	85%	▼
Recreation and Culture	(869,531)	(6,770,491)	(5,900,960)	87%	▼
Transport	(1,467,266)	(10,911,110)	(9,443,844)	87%	▼
Economic Services	(32,865)	(705,106)	(672,241)	95%	▼
Other Property and Services	(107,275)	(875,833)	(768,558)	88%	▼
	(3,585,490)	(27,914,841)	(24,329,351)	87%	▼
Operating activities excluded from budget					
(Profit)/Loss on asset disposals	0	(20,251)	(20,251)	100%	▲
Loss on revaluation of non current assets	0	0	0	0%	▲
Depreciation on assets	722,794	7,374,523	6,651,729	90%	▲
Movement in employee benefit provisions	0	0	0	0%	▲
Amount attributable to operating activities	3,480,851	(6,845,168)	(10,326,018)	151%	▼
INVESTING ACTIVITIES					
Non-operating grants, subsidies and contributions	142,300	11,448,756	11,306,456	99%	▲
Purchase property, plant and equipment	(1,038)	(2,428,494)	(2,427,456)	100%	▼
Purchase and construction of infrastructure	(2,006,082)	(16,049,775)	(14,043,693)	88%	▼
Proceeds from disposal of assets	16,466	248,818	232,352	93%	▲
Amount attributable to investing activities	(1,848,354)	(6,780,695)	(4,932,341)	73%	▼
FINANCING ACTIVITIES					
Repayment of debentures	(168,970)	(1,044,643)	(875,672)	84%	▼
Proceeds from new debentures	0	50,000	50,000	100%	▲
Proceeds from self supporting loans	0	2,128	2,128	100%	▲
Advances to community groups	0	(50,000)	(50,000)	100%	▼
Transfers to Reserves (Restricted Assets)	0	(5,469,067)	(5,469,067)	100%	▼
Transfers from Reserves (Restricted Assets)	0	9,760,576	9,760,576	100%	▼
Amount attributable to financing activities	(168,970)	3,248,994	3,417,965	105%	▼
Surplus/(deficiency) before general rates	1,463,527	(10,376,868)	(11,840,394)	114%	▲
Total amount raised from general rates	10,409,045	10,376,870	(32,176)	0%	▲
Net current assets at June 30 c/fwd - surplus/(deficit)	11,872,572	0	(11,872,572)		▲

Shire of Wyndham East Kimberley
Notes to Statement of Financial Activity (Interim Report)
For the Period Ended 31 August 2017

Explanation of Material Variances (between YTD Budget and YTD Actual)

Variances +/- 100,000 and 10% at Financial Statement Level

Variances +/- \$20,000 and 10% at Account Level

Operating

Recurrent Income - Excluding Rates

▲

Rates

No material variances to report

General Purpose Funding

▼

Grants Commission - Local Road Funding Grant

23,900

▲

Variance relates to Financial Assistance Grants budgeted using last year's actuals. Final funding grant value was not available. Budget to be amended, therefore.

Governance

▲

1,680

No material variances to report

Law, Order and Public Safety

▲

13,580

No material variances to report

Health

▼

(3,394)

No material variances to report

Education and Welfare

▲

47

No material variances to report

Housing

▼

(5,130)

No material variances to report

Community Amenities

▲

720

No material variances to report

Recreation and Culture

▼

(17,008)

No material variances to report

Transport

▲

MRWA Direct Grants

113,800

▲

Grant income of \$113k allocated by Main Roads WA after budget adoption. Budget to be amended at the Mid Year Budget Review.

Economic Services

▼

(9,136)

No material variances to report

Other Property and Services

▼

(4,914)

No material variances to report

Shire of Wyndham East Kimberley
Notes to Statement of Financial Activity (Interim Report)
For the Period Ended 31 August 2017

Explanation of Material Variances (between YTD Budget and YTD Actual)

Variances +/- 100,000 and 10% at Financial Statement Level

Variances +/- \$20,000 and 10% at Account Level

Recurrent Expenditure	▼		
General Purpose Funding	▼		
	19,122		No material variances to report
Governance	▼		
	55,748		No material variances to report
Law, Order and Public Safety	▼		
	20,494		No material variances to report
Health	▼		
	6,157		No material variances to report
Education and Welfare	▲		
	(11,515)		No material variances to report
Housing	▼		
	17,007		Insurance - Staff Housing
Community Amenities	▼		
	74,731		No material variances to report
Recreation and Culture	▼		
Administration Salary and Wages Allocated - Kununurra Parks and Gardens	(22,600)	▲	Non cash item. Variance due to timing of cost allocation based on actual expenditure for the sub programme.
Transport	▼		
Urban Road Maintenance - Wyndham	29,000	▼	Timing variance. Maintenance works substantially complete. Invoices awaited.
Administration Salary and Wages Allocated - Streets, Roads & Bridges - Maintenance	(98,400)	▲	Temporary timing variance due to cost allocation.
Direct Salaries - Airport Screening and Reporting	25,800	▼	Several vacant positions relating to Airport Screening and Reporting.
Economic Services	▼		
Direct Salaries - Economic Development Services	20,000	▼	Vacant position currently advertised. Potential budget saving.
Other Property and Services	▼		
Less Allocates - Direct Wages Allocated	(56,500)	▲	Non cash item associated with allocation of wages based on actual expenditure for the sub programme.

Shire of Wyndham East Kimberley
Notes to Statement of Financial Activity (Interim Report)
For the Period Ended 31 August 2017

Explanation of Material Variances (between YTD Budget and YTD Actual)

Variances +/- 100,000 and 10% at Financial Statement Level

Variances +/- \$20,000 and 10% at Account Level

Non Cash Expenditure and Revenue

INVESTING ACTIVITIES

Non-operating grants, subsidies and contributions

▲

Aboriginal Roads Funding - State Grants	(60,800)	▼	Timing variance. Income timing is uncertain and associated with Kalumburu road re-sheeting.
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Purchase property, plant and equipment

▼

16,538

No material variances to report

Purchase and construction of infrastructure

▼

Kalumburu Road - Re-sheet	75,000	▼	Timing variance. Contract awarded. Cost to occur at a later satge.
Lake Argyle Road - Widening	(42,300)	▲	Timing variance. Expenditure has occurred slightly earlier than budget.

Proceeds from disposal of assets

▼

-

No material variances to report

FINANCING ACTIVITIES

Repayment of debentures

▲

Loan 120 - Kununurra Childcare Centre - Principal Repayments	(33,000)	▲	Timing variance. Loan repayment occurred earlier than budget.
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Proceeds from new debentures

▼

-

No material variances to report

Proceeds from self supporting loans

▼

-

No material variances to report

Advances to community groups

▼

-

No material variances to report

Transfers to Reserves (Restricted Assets)

▼

-

No material variances to report

Transfers from Reserves (Restricted Assets)

▼

No material variances to report

Shire of Wyndham East Kimberley

Note to Statement of Financial Activity (Interim Report)

Net Current Assets as at 31 August 2017

Composition of Estimated Net Current Asset Position

	YTD Actual 2017/18	Brought Forward 1 July 2017
CURRENT ASSETS		
① Cash - Municipal (Unrestricted)	8,346,801	7,604,855
Cash Investments - Restricted Reserves	8,428,705	8,392,587
Cash - Restricted Reserves	977,828	976,717
Receivables	9,448,777	2,258,580
Inventories	19,041	21,384
	<u>27,221,153</u>	<u>19,254,123</u>
LESS: CURRENT LIABILITIES		
Payables and Provisions	(5,942,047)	(1,658,055)
Less:		
Restricted - Reserves	(9,406,533)	(9,369,304)
② NET CURRENT ASSET POSITION	<u>11,872,572</u>	<u>8,226,765</u>
Less:		
Restricted - Reserves	(1,938,117)	(1,938,117)
Restricted - Unspent Grants & Loans	(1,521,841)	(1,521,841)
③ ADJUSTED NET CURRENT ASSET POSITION	<u><u>8,412,614</u></u>	<u><u>4,766,807</u></u>

① **Cash - Municipal brought forward balances represented by:**

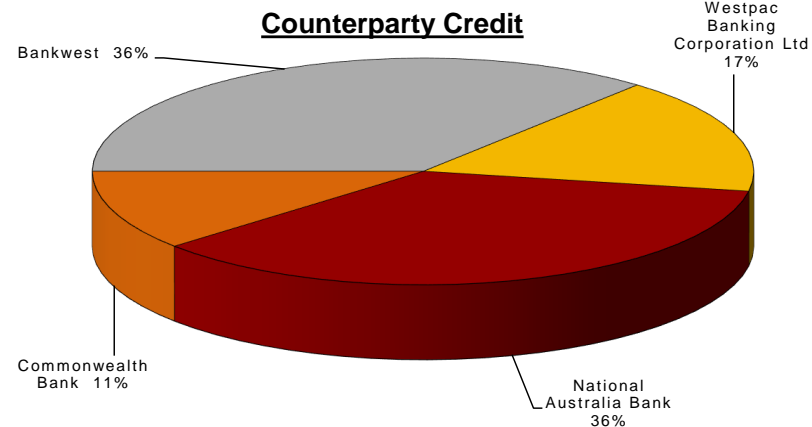
Cash on Hand	1,850	1,850
Cash at Bank - Municipal		
Unrestricted	4,884,993	4,143,047
Restricted - Reserves	1,938,117	1,938,117
Restricted - Unspent Grants & Loans	1,521,841	1,521,841
	<u>8,346,801</u>	<u>7,604,855</u>

② Net current asset position and Unrestricted cash will remain overstated until the position of grants/loans and reserves are finalised for the 2017/18 financial year.

③ Adjusted net current asset position and Unrestricted cash calculated based on the 2016/17 estimates from the 2017/18 adopted budget.

REPORT ON INVESTMENT PORTFOLIO AS AT 31 August 2017

INVESTMENT POLICY - CP FIN - 3203			
S&P Rating		Portfolio Credit Framework	Counterparty Credit Framework
Long Term	Short Term	Direct Investment Maximum %	
AAA	A-1+	100%	45%
AA	A-1	100%	35%
A	A-2	60%	20%
Note: "S & P" relates to Standard & Poors credit rating agency			
TERM TO MATURITY FRAMEWORK			
Overall Portfolio Term to Maturity Limits			
Portfolio % < 1 year		100% max 40% min	
Portfolio % > 1 year		60%	
Portfolio % > 3 year		35%	
Individual Investment Maturity Limits			
Authorised Deposit Institution		12 Months	
State/Commonwealth Government Bonds		3 years	



Institution Name	S&P Rating	Term to Maturity	Interest Rate	Maturity Date	Principal	Interest on Maturity	% of portfolio
MUNICIPAL FUNDS							
TOTAL MUNICIPAL INVESTMENTS							
RESERVE FUNDS							
NAB	A-1+/AA	3 Months	2.46%	6-Sep-17	785,864.46	4,766.86	9%
Bankwest		2 Months	2.40%	6-Nov-17	1,078,417.93	6,452.78	12%
NAB		4 Months	2.53%	20-Nov-17	1,877,102.30	11,710.03	21%
CBA		4 Months	2.24%	17-Nov-17	1,020,897.12	8,352.67	11%
NAB		4 Months	2.46%	19-Sep-17	509,820.95	3,092.45	6%
Westpac		3 Months	1.87%	31/07/2017	-	1,856.13	0%
Bankwest		3 Months	2.44%	29-Nov-17	1,134,018.54	9,097.00	13%
Westpac		3 Months	2.25%	30-Nov-17	1,018,239.13	7,657.72	11%
Bankwest		3 Months	2.40%	23-Nov-17	1,004,344.18	7,924.69	11%
TOTAL RESERVE INVESTMENTS					8,428,704.61	60,910.33	95%
TRUST FUNDS - T292							
Westpac	A-1+/AA	4 Months	2.24%	30-Oct-17	460,065.50	2,625.78	5%
TOTAL TRUST INVESTMENTS					460,065.50	2,625.78	5%
TOTAL INVESTMENTS HELD & INTEREST PAID					8,888,770.11	63,536.11	100%

Prepared By :

Checked By :