



Shire of Wyndham East Kimberley

Interim Monthly Financial Report 2017/18

As at 30 September 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 30 September 2017

	YTD Actual 2017/18 \$	YTD Budget 2017/18 \$	YTD Variance 2017/18 \$	%	
Estimated Surplus/(Deficit) July 1 B/Fwd	1,828,735	2,573,358	(744,623)	-29%	▼
Revenue					
General Purpose Funding	588,650	552,275	36,375	7%	▲
Governance	7,306	6,447	859	13%	▲
Law, Order and Public Safety	396,151	383,711	12,440	3%	▲
Health	13,405	10,710	2,695	25%	▲
Education and Welfare	2,881	2,811	70	3%	▲
Housing	37,243	41,379	(4,136)	-10%	▼
Community Amenities	2,002,409	2,011,811	(9,402)	0%	▼
Recreation and Culture	270,037	290,662	(20,625)	-7%	▼
Transport	1,119,136	934,156	184,980	20%	▲
Economic Services	10,179	26,451	(16,272)	-62%	▼
Other Property and Services	1,086	6,000	(4,914)	-82%	▼
	4,448,483	4,266,412	182,070	4%	▲
Expenses					
General Purpose Funding	(17,082)	(40,207)	23,125	-58%	▼
Governance	(211,066)	(305,247)	94,181	-31%	▼
Law, Order and Public Safety	(283,213)	(318,986)	35,773	-11%	▼
Health	(70,414)	(77,192)	6,778	-9%	▼
Education and Welfare	(57,554)	(35,974)	(21,580)	60%	▲
Housing	(115,681)	(128,546)	12,865	-10%	▼
Community Amenities	(1,113,933)	(1,186,170)	72,236	-6%	▼
Recreation and Culture	(1,396,377)	(1,598,070)	201,693	-13%	▼
Transport	(2,354,582)	(2,536,950)	182,368	-7%	▼
Economic Services	(58,407)	(132,411)	74,004	-56%	▼
Other Property and Services	(241,168)	(480,987)	239,820	-50%	▼
	(5,919,477)	(6,840,740)	921,263	-13%	▼
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	1,590,589	1,257,530	333,059	26%	▼
Movement in employee benefit provisions	0	0	0	0%	▼
Amount attributable to operating activities	1,948,329	1,256,560	691,769	55%	▲
INVESTING ACTIVITIES					
Non-operating grants, subsidies and contributions	578,975	1,355,729	(776,754)	-57%	▲
Purchase property, plant and equipment	(146,934)	(193,864)	46,930	-24%	▼
Purchase and construction of infrastructure	(4,558,967)	(4,759,482)	200,515	-4%	▼
Proceeds from disposal of assets	16,466	0	16,466	0%	▼
Amount attributable to investing activities	(4,110,459)	(3,597,617)	(512,842)	14%	▼
FINANCING ACTIVITIES					
Repayment of debentures	(177,196)	(177,196)	0	0%	▼
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)	(35,786)	(48,369)	12,583	-26%	▼
Transfers from Reserves (Restricted Assets)	1,902,892	0	1,902,892	0%	▼
Amount attributable to financing activities	1,689,911	(225,565)	1,915,475	-849%	▼
Surplus/(deficiency) before general rates	(472,219)	(2,566,622)	2,094,403	-82%	▲
Total amount raised from general rates	10,418,693	10,376,870	41,824	0%	▲
Net current assets at June 30 c/fwd - surplus/(deficit)	9,946,474	7,810,248	2,136,226		▲

Shire of Wyndham East Kimberley

Note to Statement of Financial Activity (Interim Report)

Net Current Assets as at 30 September 2017

Composition of Estimated Net Current Asset Position

	YTD Actual 2017/18	Brought Forward 1 July 2017
CURRENT ASSETS		
① Cash - Municipal (Unrestricted)	5,740,900	1,206,868
Cash Investments - Restricted Reserves	8,436,564	8,392,587
Cash - Restricted Reserves	5,473,577	7,374,704
Receivables	5,506,357	2,258,580
Inventories	18,515	21,384
	<u>25,175,913</u>	<u>19,254,123</u>
LESS: CURRENT LIABILITIES		
Payables and Provisions	(1,319,298)	(1,658,097)
Less:		
Restricted - Reserves	(13,910,141)	(15,767,291)
② NET CURRENT ASSET POSITION	<u>9,946,474</u>	<u>1,828,735</u>
Less:		
Restricted - Reserves	(908,297)	
Restricted - Unspent Grants & Loans	(507,032)	
ADJUSTED NET CURRENT ASSET POSITION	<u><u>8,531,145</u></u>	<u><u>1,828,735</u></u>

① Cash - Municipal brought forward balances represented by:		
Cash on Hand	1,850	1,850
Cash at Bank - Municipal		
Unrestricted	4,323,720	1,205,018
Restricted - Reserves	908,297	0
Restricted - Unspent Grants & Loans	507,032	0
	<u>5,740,900</u>	<u>1,206,868</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.

Shire of Wyndham East Kimberley
Notes to Statement of Financial Activity (Interim Report)
For the Period Ended 30 September 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.
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Governance

▲

859 No material variances to report

Law, Order and Public Safety

▲

12,440 No material variances to report

Health

▲

2,695 No material variances to report

Education and Welfare

▲

70 No material variances to report

Housing

▼

(4,136) No material variances to report

Community Amenities

▼

(9,402) No material variances to report

Recreation and Culture

▼

(20,625) 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.
Aircraft Landing Fees - East Kimberley Regional Airport	67,100	▲	Timing difference between billing and budget for 3 months to September
Passenger Handling Fees - East Kimberley Regional Airport	21,400	▲	Timing difference between billing and budget for 3 months to September
Leases - East Kimberley Regional Airport Terminal	(27,000)	▼	Timing difference between billing and budget for 3 months to September

Economic Services

▼

(16,272) 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 30 September 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	▼		
	23,125		Timing difference variances mainly in debt collection(\$9k) and admin costs allocated (\$10k)
Governance	▼		
Administration Salary and Wages Allocated - Members of Council	27,400	▼	Non cash timing variance associated with allocation of overheads
Occupational Safety and Health	11,898	▼	Timing variance between budget and actual expenditure
Legal Fees	13,170	▼	Timing variance between budget and actual expenditure
Loan 129 - Kununurra Administration Building Loan 2015 - Interest	17,761	▼	Timing variance between budget and actual expenditure
Law, Order and Public Safety	▼		
	35,773		No material variances to report
Health	▼		
	6,778		No material variances to report
Education and Welfare	▲		
	(21,580)		No material variances to report
Housing	▼		
	12,865		Insurance - Staff Housing
Community Amenities	▼		
Community Grants	66,462	▼	A number of Community grants not yet applied for by various organisations.
Recreation and Culture	▼		
Administration Salary and Wages Allocated - Kununurra Parks and Gardens	(23,900)	▲	Non cash item. Variance due to timing of cost allocation based on actual expenditure for the sub programme.
Foreshores and Boat Ramps - Wyndham	17,624	▼	Variance due to timing of planned maintenance
Direct Salaries - Wyndham Swimming Complex	9,875	▼	Variance due to timing of casual work
Pool Operating - Wyndham Swimming Complex	7,132	▼	Variance due to timing of utility bills
Admin Overheads Allocated - Kununurra Swimming Complex	8,629	▼	Non cash timing variance due to overhead allocation
Administration Salary and Wages Allocated - Kununurra Swimming Complex	12,382	▼	Non cash timing variance due to overhead allocation
Pool Operating - Kununurra Swimming Complex	13,136	▼	Variance due to timing of utility bills
Admin Overheads Allocated - Public Halls	6,082	▼	Non cash timing variance due to overhead allocation
Administration Salary and Wages Allocated - Public Halls	11,329	▼	Non cash timing variance due to overhead allocation
Building Operating - Kununurra Leisure Centre	19,990	▼	Variance due to timing of cleaning and receipt of utility bills.
Administration Salary and Wages Allocated - Kununurra Leisure Centre	18,436	▼	Non cash timing variance due to overhead allocation
Admin Overheads Allocated - Kununurra Leisure Centre	10,526	▼	Non cash timing variance due to overhead allocation
Joint Use Contribution - Libraries	32,500	▼	Variance due to timing of library charges from Kununurra District High School
Transport	▼		
Urban Road Maintenance - Wyndham	39,400	▼	Lower maintenance activity compared to budget due to short staffing in Wyndham.
Rural Road Maintenance	48,667	▼	Some closing grades were made unnecessary due to ongoing WANDRRA works. However, additional works will be required toward end of June.
Administration Salary and Wages Allocated - Streets, Roads & Bridges - Maintenance	(187,400)	▲	Temporary timing variance due to cost allocation.
Direct Salaries - Airport Screening and Reporting	36,400	▼	Several vacant positions relating to Airport Screening and Reporting.
Administration Salary and Wages Allocated - East Kimberley Regional Airport	34,833	▼	Non cash variance due to allocation of overheads
Admin Overheads Allocated - East Kimberley Regional Airport	35,200	▼	Non cash variance due to allocation of overheads
Airport Outbuilding Building Maintenance - Wyndham Airport	30,000	▼	Variance due to timing of expenditure compared to budget
Consultant AEP Field Exercise	19,592	▼	Variance due to timing of expenditure compared to budget
Plant Operating Costs - East Kimberley Regional Airport	12,847	▼	Variance due to timing of expenditure compared to budget
East Kimberley Regional Airport - Terminal Operating costs	14,587	▼	Variance due to timing of expenditure compared to budget
WANDRRA Monsoonal Trough and Associated Flooding (January 2017) - Expenditure	36,800	▼	Much of the WANDRRA expenditure thus far has been capital.
Direct Salaries - East Kimberley Regional Airport	21,900	▼	Delays in filling two vacant positions and slight differences in budgeted and actual shifts.
Economic Services	▼		
Administration Salary and Wages Allocated - Other Economic Services	23,356	▼	Non cash timing difference associated with overhead allocations.
Direct Salaries - Economic Development Services	28,000	▼	Vacant position currently advertised. Potential budget saving.

Shire of Wyndham East Kimberley
Notes to Statement of Financial Activity (Interim Report)
For the Period Ended 30 September 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

Other Property and Services

▼

Public Works Overheads Allocated - Payroll	20,422	▲	Non cash timing difference associated with overhead allocations.
Indirect Salaries - Outdoor Workforce	14,500	▼	Timing variance, and staff provisions still to process.
Administration Salary and Wages Allocated - Public Works Overheads	12,148	▼	Non cash timing difference associated with overhead allocations.
Recruitment and Relocation	16,213	▼	Timing variance, and staff provisions still to process.
Direct Salaries - Wyndham Administration	25,923	▼	Timing variance, and staff provisions still to process.
Direct Salaries - Executive	16,738	▼	Timing variance, and staff provisions still to process.
Direct Salaries - Customer Service and Records	23,918	▼	Timing variance, and staff provisions still to process.
Direct Salaries - Organisational Development	25,786	▼	Timing variance, and staff provisions still to process.
Office Expenses - Kununurra Administration	11,200	▼	Timing of office stationery and grocery billings
System Development - Operational	17,979	▼	Non cash item associated with allocation of wages based on actual expenditure for the sub programme.
Gross Salaries and Wages	105,800	▼	Timing due to several vacancies across the Shire

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.
Regional Road Group Grants	272,400	▲	Receipt of Regional Group grants slightly ahead of budget.
WANDRRA Funding - Monsoonal Trough and Associated Flooding	(952,741)	▼	Variance due to timing of WANDDRA grants. \$845k subsequently received in October.

Purchase property, plant and equipment

▼

46,930

No material variances to report

Purchase and construction of infrastructure

▼

Kalumburu Road - Re-sheet	111,200	▼	Timing variance. Contract awarded. Cost to occur at a later satge.
WANDRRA Monsoonal Trough and Associated Flooding	(575,000)	▲	Timing variance activity and expenditure slightly ahead of budget.
Road and Drainage Upgrade - Nutwood & Rosewood and surrounds	319,776	▼	Timing variance. Expenditure expected to catchup with budget eventually.
Drainage Upgrade - Gambier Street, Wyndham	150,000	▼	Timing variance. Expenditure expected to catchup with budget eventually.
Road Reseals - Townsites	(459,500)	▲	Road reseal costs far ahead of annual budget
Lake Argyle Road - Widening	628,000	▼	Timing variance. Expenditure expected to catchup with budget eventually.

Proceeds from disposal of assets

▼

-

No material variances to report

FINANCING ACTIVITIES

Repayment of debentures

▼

-

No material variances to report

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)

▼

Financial Assistance Grants	1,902,892	▲	Capital grants received last financial year but relating to this year's allocation.
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Shire of Wyndham East Kimberley

Statement of Financial Activity (Interim Report)

Budget Remaining to Collect/Spend
as at 30 September 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	1,828,735	2,573,358	744,623	29%	▼
Revenue					
General Purpose Funding	588,650	2,209,111	1,620,461	73%	▼
Governance	7,306	25,800	18,494	72%	▼
Law, Order and Public Safety	396,151	447,171	51,020	11%	▼
Health	13,405	95,117	81,712	86%	▼
Education and Welfare	2,881	11,242	8,361	74%	▼
Housing	37,243	165,540	128,297	78%	▼
Community Amenities	2,002,409	3,008,715	1,006,306	33%	▼
Recreation and Culture	270,037	764,343	494,306	65%	▼
Transport	1,119,136	4,215,656	3,096,520	73%	▼
Economic Services	10,179	116,290	106,111	91%	▼
Other Property and Services	1,086	83,059	81,973	99%	▼
	4,448,483	11,142,043	6,693,560	60%	▼
Expenses					
General Purpose Funding	(17,082)	(409,693)	(392,611)	96%	▼
Governance	(211,066)	(1,275,652)	(1,064,586)	83%	▼
Law, Order and Public Safety	(283,213)	(1,086,626)	(803,413)	74%	▼
Health	(70,414)	(289,989)	(219,575)	76%	▼
Education and Welfare	(57,554)	(255,602)	(198,048)	77%	▼
Housing	(115,681)	(569,576)	(453,895)	80%	▼
Community Amenities	(1,113,933)	(4,765,162)	(3,651,229)	77%	▼
Recreation and Culture	(1,396,377)	(6,770,491)	(5,374,114)	79%	▼
Transport	(2,354,582)	(10,911,110)	(8,556,528)	78%	▼
Economic Services	(58,407)	(705,106)	(646,699)	92%	▼
Other Property and Services	(241,168)	(875,833)	(634,666)	72%	▼
	(5,919,477)	(27,914,840)	(21,995,363)	79%	▼
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	1,590,589	7,374,523	5,783,934	78%	▲
Movement in employee benefit provisions	0	0	0	0%	▲
Amount attributable to operating activities	1,948,329	(6,845,168)	(8,793,497)	128%	▼
INVESTING ACTIVITIES					
Non-operating grants, subsidies and contributions	578,975	11,448,756	10,869,781	95%	▲
Purchase property, plant and equipment	(146,934)	(2,428,494)	(2,281,560)	94%	▼
Purchase and construction of infrastructure	(4,558,967)	(16,049,775)	(11,490,808)	72%	▼
Proceeds from disposal of assets	16,466	248,818	232,352	93%	▲
Amount attributable to investing activities	(4,110,459)	(6,780,695)	(2,670,236)	39%	▼
FINANCING ACTIVITIES					
Repayment of debentures	(177,196)	(1,044,643)	(867,447)	83%	▼
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)	(35,786)	(5,469,067)	(5,433,282)	99%	▼
Transfers from Reserves (Restricted Assets)	1,902,892	9,760,576	7,857,684	81%	▼
Amount attributable to financing activities	1,689,911	3,248,994	1,559,084	48%	▼
Surplus/(deficiency) before general rates	(472,219)	(10,376,868)	(9,904,649)	95%	▲
Total amount raised from general rates	10,418,693	10,376,870	(41,824)	0%	▲
Net current assets at June 30 c/fwd - surplus/(deficit)	9,946,474	0	(9,946,474)		▲

REPORT ON INVESTMENT PORTFOLIO AS AT 30 September 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		

Counterparty Credit

Counterparty	Percentage
Bankwest	36%
National Australia Bank	36%
Commonwealth Bank	11%
Westpac Banking Corporation Ltd	17%

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	2.50%	5-Dec-17	790,631.32	4,873.75	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		3 Months	2.51%	18-Dec-17	512,913.40	3,174.44	6%
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					8,436,563.92	61,099.22	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					8,896,629.42	63,725.00	100%

