



Shire of Wyndham East Kimberley

Interim Monthly Financial Report 2018/19

As at 30 September 2018

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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 2018

	YTD Actual 2018/19 \$	YTD Budget 2018/19 \$	YTD Variance 2018/19 \$	%	
Estimated Surplus/(Deficit) July 1 B/Fwd	1,622,636	1,622,636	0	0%	▼
Revenue					
General Purpose Funding	705,718	653,043	52,675	8%	▲
Governance	2,155	3,423	(1,268)	-37%	▼
Law, Order and Public Safety	354,415	406,737	(52,322)	-13%	▼
Health	4,448	8,299	(3,851)	-46%	▼
Education and Welfare	2,881	2,874	7	0%	▲
Housing	33,779	36,567	(2,789)	-8%	▼
Community Amenities	2,047,475	2,077,317	(29,842)	-1%	▼
Recreation and Culture	217,150	211,017	6,133	3%	▲
Transport	854,678	1,131,045	(276,367)	-24%	▼
Economic Services	22,616	22,377	239	1%	▲
Other Property and Services	57,883	3,874	54,009	1394%	▲
	4,303,198	4,556,573	(253,375)	-6%	▼
Expenses					
General Purpose Funding	(24,499)	(17,002)	(7,497)	44%	▲
Governance	(149,872)	(201,604)	51,732	-26%	▼
Law, Order and Public Safety	(309,535)	(346,973)	37,437	-11%	▼
Health	(58,349)	(70,264)	11,915	-17%	▼
Education and Welfare	(30,852)	(66,342)	35,490	-53%	▼
Housing	(125,087)	(139,942)	14,855	-11%	▼
Community Amenities	(981,905)	(1,286,841)	304,936	-24%	▼
Recreation and Culture	(1,488,996)	(1,625,764)	136,768	-8%	▼
Transport	(2,727,968)	(2,683,152)	(44,816)	2%	▲
Economic Services	(234,489)	(287,028)	52,539	-18%	▼
Other Property and Services	(322,347)	(391,320)	68,973	-18%	▼
	(6,453,899)	(7,116,232)	662,332	-9%	▼
Operating activities excluded from budget					
(Profit)/Loss on asset disposals	0	11,043	(11,043)	-100%	▲
Loss on revaluation of non current assets	0	0	0	0%	▼
Depreciation on assets	1,833,207	1,536,219	296,988	19%	▲
Movement in employee benefit provisions	0	0	0	0%	▼
Amount attributable to operating activities	1,305,141	610,239	694,902	114%	▲
INVESTING ACTIVITIES					
Non-operating grants, subsidies and contributions	219,024	566,244	(347,221)	-61%	▼
Purchase property, plant and equipment	(1,504,205)	(1,654,802)	150,597	-9%	▼
Purchase and construction of infrastructure	(3,015,791)	(1,324,046)	(1,691,745)	128%	▲
Proceeds from disposal of assets	0	0	0	0%	▼
Amount attributable to investing activities	(4,300,972)	(2,412,604)	(1,888,368)	78%	▼
FINANCING ACTIVITIES					
Repayment of debentures	(182,021)	(198,684)	16,663	-8%	▼
Proceeds from new debentures	0	0	0	0%	▼
Proceeds from self supporting loans	0	2,394	(2,394)	-100%	▲
Advances to community groups	0	0	0	0%	▼
Transfers to Reserves (Restricted Assets)	(85,216)	0	(85,216)	0%	▲
Transfers from Reserves (Restricted Assets)	0	0	0	0%	▼
Amount attributable to financing activities	(267,237)	(196,290)	(70,947)	36%	▲
Surplus/(deficiency) before general rates	(3,263,068)	(1,998,655)	(1,264,413)	63%	▼
Total amount raised from general rates	10,426,614	10,420,934	5,680	0%	▲
Net current assets at June 30 c/fwd - surplus/(deficit)	7,165,897	8,403,050	(1,237,153)		▼

Shire of Wyndham East Kimberley
Note to Statement of Financial Activity (Interim Report)

Net Current Assets
as at 30 September 2018

Composition of Estimated Net Current Asset Position

	YTD Actual 2018/19	Brought Forward 1 July 2018
CURRENT ASSETS		
① Cash - Municipal (Unrestricted)	9,003,562	841,008
Cash Investments - Restricted Reserves	11,440,763	12,390,559
Cash - Restricted Reserves	632,897	5,482,093
Receivables	4,663,296	2,855,038
Inventories	18,175	15,414
	<u>25,758,694</u>	<u>21,584,111</u>
LESS: CURRENT LIABILITIES		
Payables and Provisions	(2,115,701)	(2,978,092)
Less:		
Restricted - Reserves	(16,456,682)	(17,872,652)
② NET CURRENT ASSET POSITION	<u>7,186,311</u>	<u>733,367</u>
Less:		
<i>Restricted - Grants</i>	(1,961,964)	
<i>Restricted - Unspent Loans</i>	(459,963)	
<i>Restricted - Capital works reserve</i>	(1,961,095)	
ADJUSTED NET CURRENT ASSET POSITION	<u>2,803,289</u>	<u>733,367</u>
① Cash - Municipal brought forward balances represented by:		
Cash on Hand	1,550	1,550
Cash at Bank - Municipal		
Unrestricted	4,618,990	839,458
Restricted - Grants	1,961,964	
Restricted - Loans	459,963	
Restricted - Capital works reserve	1,961,095	
	<u>9,003,562</u>	<u>841,008</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 2018

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 Income - Excluding Rates

General Purpose Funding

Non Payment Penalty Interest - Rates

▲

52,675

(50,366)

▲

Increased income due to more ratepayers paying later than anticipated and arrears interest applied in September. Budget to be amended in mid year budget review.

Governance

No material variances to report

▼

(1,268)

Law, Order and Public Safety

Emergency Services Levy - Rates

▼

(52,322)

(54,127)

▼

Levy collected behalf of DFES. Decrease in levy will be offset by levy payment. Budget to be amended at the Mid-Year Budget Review.

Health

No material variances to report

▼

(3,851)

Education and Welfare

No material variances to report

▲

7

Housing

No material variances to report

▼

(2,789)

Community Amenities

Rubbish Disposal Charges

(47,835)

▲

(29,842)

Contribution - Strategic and Land Use Planning

72,000

▼

Income received in 2017/18. Budget to be amended at the Mid-Year Budget Review.

Recreation and Culture

No material variances to report

▲

6,133

Transport

MRWA Direct Grants

114,842

▼

(276,367)

Aircraft Landing Fees - East Kimberley Regional Airport

121,078

▼

Timing Variance. Invoice raised in October 2018. Timing Variance. No variance in aircraft landings year to date. Awaiting Avdata to remit payment.

Passenger Handling Fees - East Kimberley Regional Airport

42,563

▼

Timing Variance. Invoice for August raised in October.

Leases - East Kimberley Regional Airport Terminal

(30,138)

▲

Timing Variance. Invoice raised in advance.

Economic Services

No material variances to report

▲

239

Other Property and Services

Other income - Public work overheads

48,601

▲

54,009

Timing variance. Increased income related to \$5k Diesel fuel rebate.

Increased income due to Facebook lease income. Budget to be amended during the Mid-year Budget Review

Shire of Wyndham East Kimberley
Notes to Statement of Financial Activity (Interim Report)
For the Period Ended 30 September 2018

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 Expenditure	▼	
General Purpose Funding	▲	7,497
No material variances to report		
Governance	▼	(51,732)
		Timing variance of \$14k related to audit fees, \$5k of loan interest & \$18k related to admin allocations which is a non-cash item
Law, Order and Public Safety	▼	(37,437)
No material variances to report		Potential savings of \$13k related to salary due staff vacancies and \$11k related to admin overheads. \$16k related to ESL payments which will be reviewed in October.
Health	▼	(11,915)
No material variances to report		Potential savings of \$6k related to salary due staff vacancies and \$4k related to admin overheads.
Education and Welfare	▼	(35,490)
TAMS Program (Take Away Alcohol Management System)	(25,000)	▼
		Timing Variance. Awaiting supplier invoice
Housing	▼	(14,855)
No material variances to report		
Community Amenities	▼	(304,936)
Kununurra Landfill Site - Capping Existing Site	(50,000)	▼
		Capping is deferred to 2019/20. Funded by Waste Management reserve. Budget to be amended at the Mid-Year Budget Review.
Community Grants	(83,232)	▼
		Timing Variance. Community Grants program is in progress for 2018/19.
Develop Community safety plan	(70,000)	▼
		Timing variance. Draft plan is in progress, which will be presented to community consultation.
Direct Salaries - Community Development Services	(27,104)	▼
		Potential savings due to staff vacancies.
Recreation and Culture	▼	(136,768)
		Timing variance of \$31k related to maintenance and operations and \$23k related to insurance. \$52k is related to depreciation and admin allocations which is a non cash item.
Joint Use Contribution - Libraries	(26,836)	▼
		Timing Variance. Awaiting Supplier invoice
Street Lighting Upgrades	(181,560)	▼
		Timing variance. Project is in progress.
Administration Salary and Wages Allocated - Streets, Roads & Bridges - Maintenance	103,201	▲
		Non cash item. Variance due to cost allocation based on actual expenditure for the sub programme and administration overheads.
Admin Overheads Allocated - Streets, Roads & Bridges - Maintenance	52,003	▲
		Non cash item. Variance due to cost allocation based on actual expenditure for the sub programme and administration overheads.
Depreciation - Streets, Roads & Bridges - Maintenance	242,412	▲
		Non cash item. Due to increase in the Unsealed roads asset values during the revaluation in 2017/18. Budget to be amended during the budget review.
Insurance - East Kimberley Regional Airport	(26,510)	▼
		Timing Variance. Invoice processed in October 2018.
Depreciation - East Kimberley Regional Airport	34,036	▲
		Non cash item. Due to increase in asset values during the revaluation and asset additions in 2017/18. Budget to be amended during the budget review.
Depreciation - Wyndham Airport	(28,089)	▼
		Non cash item. Due to increase in asset values during the revaluation and asset additions in 2017/18. Budget to be amended during the budget review.
Economic Services	▼	(52,539)
Marketing Tourism - EK and North West	(47,000)	▼
		Timing Variance. Due to EKA group additional funding for Melbourne flights yet to be processed.
Other Property and Services	▼	(68,973)
		Monthly profiling for direct salaries and vehicle expenses to be reviewed.
Administration Salary and Wages Allocated - General Administration Overheads	93,796	▲
		Non cash item. Variance due to cost allocation based on actual expenditure for the sub programme and administration overheads.
Direct Salaries - Organisational Development	(27,655)	▼
		Potential savings due to staff vacancies.
Software Licencing - Information Services	(29,464)	▼
		Timing variance. Awaiting supplier invoice.
Plant Operating Cost Allocated	31,723	▼
		Non Cash Item. Variance due to cost allocation based on actual expenditure related to plant operations..
Insurance - Unclassified	(24,742)	▼
		Timing variance of \$24k related to 2018/2019 Scheme Membership contribution credit which will be allocated.

Shire of Wyndham East Kimberley
Notes to Statement of Financial Activity (Interim Report)
For the Period Ended 30 September 2018

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

Depreciation - Streets, Roads & Bridges - Maintenance	(242,412)	▲	Non cash item. Due to increase in asset values during the revaluation and asset additions in 2017/18. Budget to be amended during the budget review.
Depreciation - East Kimberley Regional Airport	(34,036)	▲	

INVESTING ACTIVITIES

Non-operating grants, subsidies and contributions	▼	347,221	
Safer Communities Program Grant - CCTV	80,015	▼	Timing variance. Income based on progress claim for the project.
Aboriginal Roads Funding - State Grants	51,000	▼	Timing variance. Invoice raised in October 2018.
Regional Road Group Grants	204,000	▼	Timing variance. Income based on progress claim for the project.
Purchase property, plant and equipment	▼	(150,597)	
Plant and Equipment - Wyndham Swimming Complex	38,477	▲	Capital works continued in to 2018/19. Unspent reserve and expenditure will be carried forward to 2018/19. Budget to be amended during the budget review.
Wyndham Multipurpose Court - Renewal/Upgrade	30,000	▲	Works due to vandalism in 2017/18. Expense will be offset by insurance settlement.
Purchase and construction of infrastructure	▲	1,691,745	
Bridges (5116) - D4 Weaber Plain Rd	(187,760)	▼	Timing variance. Project in progress.
WANDRRA Monsoonal Trough and Associated Flooding - (January 2017) Expenditure	347,548	▲	Timing variance. Project in progress.
Kalumburu Road - Re-sheet	414,547	▲	Timing variance. Project in progress.
Lake Argyle Road - Widening	177,265	▲	Timing variance. Project in progress.
Bridge Capital	129,892	▲	Capital works continued in to 2018/19. Unspent reserve and expenditure will be carried forward to 2018/19. Budget to be amended during the budget review.
Footpath renewal	24,651	▲	Timing variance. Project commenced earlier than anticipated.
Drainage Upgrade - Gambier Street, Wyndham	145,494	▲	Capital works continued in to 2018/19. Unspent reserve and expenditure will be carried forward to 2018/19. Budget to be amended during the budget review.
Road and Drainage Upgrade - Nutwood & Rosewood and surrounds	394,985	▲	Capital works continued in to 2018/19. Unspent reserve and expenditure will be carried forward to 2018/19. Budget to be amended during the budget review.
Wyndham Waste Water Treatment Facility	59,920	▲	Capital works continued in to 2018/19. Unspent reserve and expenditure will be carried forward to 2018/19. Budget to be amended during the budget review.
Proceeds from disposal of assets	▼	-	
No material variances to report			

FINANCING ACTIVITIES

Repayment of debentures	▼	16,700	
No material variances to report			
Proceeds from new debentures	▼	-	
No material variances to report			
Proceeds from self supporting loans	▲	(2,400)	
No material variances to report			
Advances to community groups	▼	-	
Transfers to Reserves (Restricted Assets)	▲	(85,216)	Reserve investment interest
Transfers from Reserves (Restricted Assets)	▼	-	
No material variances to report			

Shire of Wyndham East Kimberley

Statement of Financial Activity (Interim Report)

Budget Remaining to Collect/Spend

as at 30 September 2018

	YTD	Annual Budget	Budget Remaining	
	Actual		(Budget less YTD Actual)	
	2018/19	2018/19	2018/19	%
	\$	\$	\$	
Estimated Surplus/(Deficit) July 1 B/Fwd	1,622,636	1,622,636	0	0% ▼
Revenue				
General Purpose Funding	705,718	2,462,981	1,757,263	71% ▼
Governance	2,155	47,551	45,396	95% ▼
Law, Order and Public Safety	354,415	468,486	114,071	24% ▼
Health	4,448	85,000	80,552	95% ▼
Education and Welfare	2,881	11,500	8,619	75% ▼
Housing	33,779	146,280	112,502	77% ▼
Community Amenities	2,047,475	2,895,441	847,966	29% ▼
Recreation and Culture	217,150	671,484	454,334	68% ▼
Transport	854,678	4,374,726	3,520,048	80% ▼
Economic Services	22,616	89,500	66,884	96% ▼
Other Property and Services	57,883	71,471	13,588	19% ▼
	4,303,198	11,324,421	7,021,223	62% ▼
Expenses				
General Purpose Funding	(24,499)	(298,312)	(273,813)	92% ▼
Governance	(149,872)	(865,979)	(716,107)	81% ▼
Law, Order and Public Safety	(309,535)	(1,156,524)	(846,989)	72% ▼
Health	(58,349)	(289,036)	(230,687)	80% ▼
Education and Welfare	(30,852)	(160,635)	(129,783)	80% ▼
Housing	(125,087)	(462,740)	(337,653)	73% ▼
Community Amenities	(981,905)	(4,791,677)	(3,809,772)	80% ▼
Recreation and Culture	(1,488,996)	(6,657,167)	(5,168,171)	78% ▼
Transport	(2,727,968)	(10,548,753)	(7,820,785)	74% ▼
Economic Services	(234,489)	(591,999)	(357,510)	56% ▼
Other Property and Services	(322,347)	(957,224)	(634,877)	67% ▼
	(6,453,899)	(26,780,046)	(20,326,147)	76% ▼
Operating activities excluded from budget				
(Profit)/Loss on asset disposals	0	89,773	89,773	100% ▼
Loss on revaluation of non current assets	0	0	0	0% ▲
Depreciation on assets	1,833,207	6,144,866	4,311,659	70% ▼
Movement in employee benefit provisions	0	0	0	0% ▲
Amount attributable to operating activities	1,305,141	(7,598,351)	(8,903,492)	117% ▼
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	219,024	8,108,635	7,889,612	108% ▲
Purchase property, plant and equipment	(1,504,205)	(8,501,198)	(6,996,993)	82% ▼
Purchase and construction of infrastructure	(3,015,791)	(4,825,619)	(1,809,828)	38% ▼
Proceeds from disposal of assets	0	359,583	359,583	100% ▲
Amount attributable to investing activities	(4,300,972)	(4,858,599)	(557,627)	10% ▼
FINANCING ACTIVITIES				
Repayment of debentures	(182,021)	(903,765)	(721,744)	80% ▼
Proceeds from new debentures	0	0	0	0% ▲
Proceeds from self supporting loans	0	9,576	9,576	100% ▲
Advances to community groups	0	0	0	0% ▲
Transfers to Reserves (Restricted Assets)	(85,216)	(1,471,252)	(1,386,036)	0% ▼
Transfers from Reserves (Restricted Assets)	0	4,395,756	4,395,756	100% ▼
Amount attributable to financing activities	(267,237)	2,030,315	2,297,552	0% ▼
Surplus/(deficiency) before general rates	(3,263,068)	(10,426,635)	(7,163,567)	0% ▲
Total amount raised from general rates	10,426,614	10,426,634	20	0% ▼
Net current assets at June 30 c/fwd - surplus/(deficit)	7,165,897	0	(7,152,781)	▲

REPORT ON INVESTMENT PORTFOLIO AS AT 30 September 2018

INVESTMENT POLICY - CP FIN - 3203				INVESTMENTS REGISTER 2018-19							
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%								
<small>Note: "S & P" relates to Standard & Poors credit rating agency</small>											
TERM TO MATURITY FRAMEWORK											
Overall Portfolio Term to Maturity Limits											
<i>Portfolio % < 1 year</i>		<i>100% max 40% min</i>									
<i>Portfolio % > 1 year</i>		<i>60%</i>									
<i>Portfolio % > 3 year</i>		<i>35%</i>									
Individual Investment Maturity Limits											
<i>Authorised Deposit Institution</i>		<i>12 Months</i>									
<i>State/Commonwealth Government Bonds</i>		<i>3 years</i>									
				Institution Name	S&P Rating	Term to Maturity	Interest Rate	Maturity Date	Principal	Interest on Maturity	% of portfolio
				MUNICIPAL FUNDS							
				Bankwest		4 Months	2.74%	27-Dec-18	2,012,213.68	18,428.57	11%
				NAB		3 Months	2.63%	12-Dec-18	1,000,000.00	6,556.99	6%
				Bankwest		30 Days	2.20%	11-Oct-18	1,000,000.00	1,808.22	6%
				Bankwest		62 Days	2.52%	12-Nov-18	1,000,000.00	4,280.55	6%
				Bankwest		120 Days	2.66%	11-Jan-19	1,000,000.00	8,745.21	6%
				TOTAL MUNICIPAL INVESTMENTS							
				6,012,213.68 39,819.53 34%							
				RESERVE FUNDS							
				NAB		90 Days	2.64%	1-Nov-18	1,105,024.61	7,193.26	6%
				CBA		4 Months	2.71%	19-Nov-18	1,919,862.86	17,390.28	11%
				CBA		4 Months	2.72%	19-Nov-18	1,044,998.42	9,656.36	6%
				CBA		4 Months	2.65%	9-Jan-19	1,000,000.00	8,712.33	6%
				NAB		4 Months	2.67%	15-Oct-18	523,563.27	3,446.92	3%
				Bankwest		120 Days	2.70%	11-Dec-18	1,020,521.16	9,058.87	6%
				NAB		90 Days	2.63%	12-Nov-18	1,020,626.24	6,692.23	6%
				NAB		90 Days	2.63%	12-Nov-18	1,020,626.24	6,692.23	6%
				Westpac		4 Months	2.53%	14-Nov-18	1,016,757.86	8,668.63	6%
				Westpac		4 Months	2.53%	14-Nov-18	762,568.39	6,501.47	4%
				NAB		3 Months	2.73%	18-Oct-18	1,006,213.70	9,031.11	6%
				TOTAL RESERVE INVESTMENTS							
				11,440,762.75 93,043.69 64%							
				TRUST FUNDS - T292							
				Bankwest		4 Months	2.67%	29-Jan-19	472,686.05	4,253.01	3%
				TOTAL TRUST INVESTMENTS							
				472,686.05 4,253.01 3%							
				TOTAL INVESTMENTS HELD & INTEREST PAID							
				17,925,662.48 137,116.22 100%							

Counterparty Credit

