



Shire of Wyndham East Kimberley

Monthly Financial Report 2018/19

As at 30 November 2018

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

Shire of Wyndham East Kimberley

Statement of Financial Activity Year to Date Actual v Year to Date Budget as at 30 November 2018

	YTD Actual 2018/19 \$	YTD Budget 2018/19 \$	YTD Variance 2018/19 \$	%	
Estimated Surplus/(Deficit) July 1 B/Fwd	2,834,174	2,834,174	0	0%	▼
Revenue					
General Purpose Funding	1,256,307	1,265,384	(9,077)	-1%	▼
Governance	11,435	5,705	5,730	100%	▲
Law, Order and Public Safety	398,467	421,071	(22,604)	-5%	▼
Health	17,704	24,665	(6,961)	-28%	▼
Education and Welfare	4,802	4,790	12	0%	▲
Housing	54,643	60,945	(6,303)	-10%	▼
Community Amenities	2,255,773	2,166,951	88,822	4%	▲
Recreation and Culture	327,028	339,188	(12,160)	-4%	▼
Transport	1,921,080	1,843,660	77,420	4%	▲
Economic Services	33,090	37,295	(4,205)	-11%	▼
Other Property and Services	89,383	6,915	82,468	1193%	▲
	6,369,713	6,176,568	193,144	3%	▲
Expenses					
General Purpose Funding	(164,682)	(135,104)	(29,578)	22%	▲
Governance	(240,954)	(303,348)	62,394	-21%	▼
Law, Order and Public Safety	(531,273)	(551,212)	19,938	-4%	▼
Health	(107,180)	(119,440)	12,260	-10%	▼
Education and Welfare	(55,456)	(60,456)	5,000	-8%	▼
Housing	(202,773)	(211,982)	9,209	-4%	▼
Community Amenities	(1,662,039)	(1,757,433)	95,394	-5%	▼
Recreation and Culture	(2,669,918)	(2,738,905)	68,987	-3%	▼
Transport	(4,593,977)	(4,287,846)	(306,131)	7%	▲
Economic Services	(324,650)	(282,885)	(41,765)	15%	▲
Other Property and Services	(375,628)	(788,090)	412,462	-52%	▼
	(10,928,531)	(11,236,701)	308,170	-3%	▼
Operating activities excluded from budget					
(Profit)/Loss on asset disposals	0	(2,165)	2,165	-100%	▼
Loss on revaluation of non current assets	0	0	0	0%	▼
Depreciation on assets	3,062,787	2,560,365	502,422	20%	▲
Movement in employee benefit provisions	0	0	0	0%	▼
	1,338,143	332,242	1,005,901	303%	▲
INVESTING ACTIVITIES					
Non-operating grants, subsidies and contributions	3,814,108	3,781,035	33,073	1%	▲
Purchase property, plant and equipment	(439,148)	(434,263)	(4,885)	1%	▲
Purchase and construction of infrastructure	(6,659,753)	(6,619,977)	(39,776)	1%	▲
Proceeds from disposal of assets	4,885	0	4,885	0%	▼
	(3,279,909)	(3,273,205)	(6,704)	0%	▼
FINANCING ACTIVITIES					
Repayment of debentures	(300,466)	(296,874)	(3,592)	1%	▲
Proceeds from new debentures	0	0	0	0%	▼
Proceeds from self supporting loans	0	3,990	(3,990)	-100%	▲
Advances to community groups	0	0	0	0%	▼
Transfers to Reserves (Restricted Assets)	(157,700)	0	(157,700)	0%	▲
Transfers from Reserves (Restricted Assets)	0	0	0	0%	▼
	(458,166)	(292,884)	(165,282)	56%	▲
Surplus/(deficiency) before general rates	(2,399,931)	(3,233,847)	833,916	-26%	▲
Total amount raised from general rates	10,426,614	10,426,634	(20)	0%	▼
Net current assets at June 30 c/fwd - surplus/(deficit)	8,026,682	7,192,786	833,896		▲

Shire of Wyndham East Kimberley

Note to Statement of Financial Activity

Net Current Assets

as at 30 November 2018

Composition of Estimated Net Current Asset Position

	YTD Actual 2018/19	Brought Forward 1 July 2018
CURRENT ASSETS		
① Cash - Municipal (Unrestricted)	8,806,400	2,933,354
Cash Investments - Restricted Reserves	11,514,229	12,390,559
Cash - Restricted Reserves	633,843	3,546,193
Receivables	3,819,950	2,864,614
Inventories	18,175	15,414
	<u>24,792,597</u>	<u>21,750,133</u>
LESS: CURRENT LIABILITIES		
Payables and Provisions	(234,822)	(2,979,207)
Less:		
Restricted - Reserves	(12,148,072)	(15,936,752)
② NET CURRENT ASSET POSITION	<u>12,409,704</u>	<u>2,834,174</u>
Less:		
Restricted - Grants	(1,961,964)	
Restricted - Unspent Loans	(459,963)	
Restricted - Capital works reserve	(1,961,095)	
ADJUSTED NET CURRENT ASSET POSITION	<u><u>8,026,682</u></u>	<u><u>2,834,174</u></u>
① Cash - Municipal brought forward balances represented by:		
Cash on Hand	1,550	1,550
Cash at Bank - Municipal		
Unrestricted	4,421,828	2,931,804
Restricted - Grants	1,961,964	
Restricted - Loans	459,963	
Restricted - Capital works reserve	1,961,095	
	<u>8,806,400</u>	<u>2,933,354</u>

② Net current asset position and Unrestricted cash will remain overstated until the position of grants/loans and reserves are finalised for the 2018/19 financial year.

Shire of Wyndham East Kimberley
Notes to Statement of Financial Activity
as at 30 November 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	▼	(9,077)	
Rates Revenue - Interim Rates	31,208	▼	Decreased income. Due to the uncertainty and fluctuation throughout the year interim rates were not included in the budget. Budget to be amended at the Mid-Year Budget Review.
Non Payment Penalty Interest - Rates	(59,892)	▲	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.
Grants Commission - General Purpose Grant	25,369	▼	Actual amounts granted lower than budgeted. Budget to be amended at the Mid-Year Budget Review.
Governance	▲	5,730	
No material variances to report			
Law, Order and Public Safety	▼	(22,604)	
LGGS Grant income - Brigades (DFES - Reimbursement)	22,901	▲	Increased income due to reimbursements from DFES which offsets with YTD expenditure. Budget to be amended at the Mid-Year Budget Review.
Emergency Services Levy - Rates	(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	▼	(6,961)	
No material variances to report			
Education and Welfare	▲	12	
No material variances to report			
Housing	▼	(6,303)	
No material variances to report			
Community Amenities	▲	88,822	
Rubbish Disposal Charges	(76,181)	▲	Additional waste income than expected year to date.
Recreation and Culture	▼	(12,160)	
No material variances to report			
Transport	▲	77,420	
MRWA Direct Grants	(96,565)	▲	Increased grant income. Budget to be amended at the Mid-Year Budget Review.
Economic Services	▼	(4,205)	
No material variances to report			
Other Property and Services	▲	82,468	
			Timing variance. Increased income related to \$5k Diesel fuel rebate.
Other income - Public work overheads	78,435	▲	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
as at 30 November 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		▲	29,578
No material variances to report			Non cash item. Timing variance of 27k related to admin allocations.
Governance		▼	(62,394)
No material variances to report			Timing variances at account level
Law, Order and Public Safety		▼	(19,938)
No material variances to report			
Health		▼	(12,260)
No material variances to report			Timing variances at account level
Education and Welfare		▼	(5,000)
No material variances to report			Timing variance of insurance allocations and building maintenance
Housing		▼	(9,209)
No material variances to report			Timing variance of insurance allocations, Building maintenance & admin allocations which is a non-cash item.
Community Amenities		▼	(95,394)
Direct Salaries - Community Development Services	(32,989)	▼	Potential savings due to staff vacancies.
Recreation and Culture		▼	(68,987)
Depreciation - Kununurra Parks and Gardens	28,834	▲	Timing variance related to maintenance and operations, insurance allocations and admin allocations which is a non cash item.
Transport		▲	306,131
Administration Salary and Wages Allocated - Streets, Roads & Bridges - Maintenance	61,120	▲	Non cash item. Variance due to cost allocation based on actual expenditure for the sub programme and administration overheads.
Depreciation - Streets, Roads & Bridges - Maintenance	410,988	▲	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.
Administration Salary and Wages Allocated - East Kimberley Regional Airport	(33,863)	▼	Non cash item. Variance due to cost allocation based on actual expenditure for the sub programme and administration overheads.
Depreciation - East Kimberley Regional Airport	57,376	▲	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	(46,854)	▼	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		▲	41,765
Direct Salaries - Building Control	31,999	▲	Increased expenditure due to temporary staff to cover leave and training. Long service leave journals to be processed.
Other Property and Services		▼	(412,462)
Indirect Salaries - Outdoor Workforce	(86,423)	▼	Timing variance related to insurance allocations.
Direct Salaries - Financial Services	(23,459)	▼	Timing variance. Salary and leave allocations to be reviewed.
Direct Salaries - Organisational Development	(53,519)	▼	Timing variance. Leave accruals to be reviewed.
ABC Allocations	(96,898)	▲	Potential savings due to staff vacancies.
Direct Salaries - Property Management	(31,546)	▲	Non cash item. Variance due to cost allocation based on actual expenditure for the sub programme and administration overheads.
Direct Salaries - Development Services	(26,545)	▼	Potential savings due to staff vacancies.
Plant Operating Cost Allocated	(25,892)	▼	Potential savings due to staff vacancies.
		▲	Non Cash Item. Variance due to cost allocation based on actual expenditure related to plant operations..
Non Cash Expenditure and Revenue			
Depreciation - Kununurra Parks and Gardens	(28,834)	▲	
Depreciation - Streets, Roads & Bridges - Maintenance	(410,988)	▲	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	(57,376)	▲	
Depreciation - Wyndham Airport	46,854	▼	
INVESTING ACTIVITIES			
Non-operating grants, subsidies and contributions		▲	(33,073)
Insurance Claim Revenue - Capital Recovery	(30,000)	▲	Income related to insurance settlement received for Wyndham pool & basketball courts. Budget to be amended during the budget review.

Shire of Wyndham East Kimberley
Notes to Statement of Financial Activity
as at 30 November 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

Purchase property, plant and equipment ▲ 4,885
 No material variances to report

Purchase and construction of infrastructure ▲ 39,776
 No material variances to report

Proceeds from disposal of assets ▼ 4,900
 No material variances to report

FINANCING ACTIVITIES

Repayment of debentures ▲ (3,600)
 No material variances to report

Proceeds from new debentures ▼ -
 No material variances to report

Proceeds from self supporting loans ▲ (4,000)
 No material variances to report

Advances to community groups ▼ -

Transfers to Reserves (Restricted Assets) ▲ (157,700)
 Reserve investment interest

Transfers from Reserves (Restricted Assets) ▼ -
 No material variances to report

Shire of Wyndham East Kimberley

Statement of Financial Activity Budget Remaining to Collect/Spend as at 30 November 2018

	YTD Actual	Revised Annual Budget	Annual Budget	Budget Remaining (Budget less YTD Actual)	
	2018/19 \$	2018/19 \$	2018/19 \$	2018/19 \$	%
Estimated Surplus/(Deficit) July 1 B/Fwd	2,834,174	2,834,174	1,622,636	(1,211,538)	-43% ▲
Revenue					
General Purpose Funding	1,256,307	2,462,981	2,462,981	1,206,674	49% ▼
Governance	11,435	47,551	47,551	36,116	76% ▼
Law, Order and Public Safety	398,467	468,486	468,486	70,019	15% ▼
Health	17,704	85,000	85,000	67,296	79% ▼
Education and Welfare	4,802	11,500	11,500	6,698	58% ▼
Housing	54,643	146,280	146,280	91,638	63% ▼
Community Amenities	2,255,773	2,823,441	2,895,441	639,668	23% ▼
Recreation and Culture	327,028	671,484	671,484	344,456	51% ▼
Transport	1,921,080	4,374,726	4,374,726	2,453,646	56% ▼
Economic Services	33,090	89,500	89,500	56,410	63% ▼
Other Property and Services	89,383	71,471	71,471	(17,912)	-25% ▲
	6,369,713	11,252,421	11,324,421	4,954,708	44% ▼
Expenses					
General Purpose Funding	(164,682)	(298,312)	(298,312)	(133,630)	45% ▼
Governance	(240,954)	(875,979)	(865,979)	(625,025)	70% ▼
Law, Order and Public Safety	(531,273)	(1,156,524)	(1,156,524)	(625,251)	53% ▼
Health	(107,180)	(289,036)	(289,036)	(181,856)	63% ▼
Education and Welfare	(55,456)	(200,635)	(160,635)	(105,179)	52% ▼
Housing	(202,773)	(462,740)	(462,740)	(259,967)	56% ▼
Community Amenities	(1,662,039)	(4,791,677)	(4,791,677)	(3,129,638)	66% ▼
Recreation and Culture	(2,669,918)	(6,644,572)	(6,657,167)	(3,987,249)	60% ▼
Transport	(4,593,977)	(10,548,753)	(10,548,753)	(5,954,776)	56% ▼
Economic Services	(324,650)	(594,999)	(591,999)	(267,349)	42% ▼
Other Property and Services	(375,628)	(957,224)	(957,224)	(581,596)	62% ▼
	(10,928,531)	(26,820,451)	(26,780,046)	(15,851,515)	59% ▼
Operating activities excluded from budget					
(Profit)/Loss on asset disposals	0	89,773	89,773	89,773	100% ▼
Loss on revaluation of non current assets	0	0	0	0	0% ▲
Depreciation on assets	3,062,787	6,144,866	6,144,866	3,082,079	50% ▼
Movement in employee benefit provisions	0	0	0	0	0% ▲
Amount attributable to operating activities	1,338,143	(6,499,218)	(7,598,351)	(8,936,494)	118% ▼
INVESTING ACTIVITIES					
Non-operating grants, subsidies and contributions	3,814,108	7,877,054	7,877,054	4,062,946	52% ▲
Purchase property, plant and equipment	(439,148)	(2,926,247)	(2,548,468)	(2,109,320)	72% ▼
Purchase and construction of infrastructure	(6,659,753)	(13,200,513)	(12,526,013)	(5,866,260)	44% ▼
Proceeds from disposal of assets	4,885	359,583	359,583	354,698	99% ▲
Amount attributable to investing activities	(3,279,909)	(7,890,123)	(6,837,844)	(3,557,935)	45% ▼
FINANCING ACTIVITIES					
Repayment of debentures	(300,466)	(903,765)	(903,765)	(603,299)	67% ▼
Proceeds from new debentures	0	0	0	0	0% ▲
Proceeds from self supporting loans	0	9,576	9,576	9,576	100% ▲
Advances to community groups	0	0	0	0	0% ▲
Transfers to Reserves (Restricted Assets)	(157,700)	(1,468,810)	(1,471,252)	(1,313,552)	89% ▼
Transfers from Reserves (Restricted Assets)	0	6,425,704	4,395,756	4,395,756	68% ▼
Amount attributable to financing activities	(458,166)	4,062,705	2,030,315	2,488,481	61% ▼
Surplus/(deficiency) before general rates	(2,399,931)	(10,326,636)	(12,405,880)	(10,005,948)	97% ▲
Total amount raised from general rates	10,426,614	10,426,634	10,426,634	20	0% ▼
Net current assets at June 30 c/fwd - surplus/(deficit)	8,026,682	0	0	(8,026,682)	▲

REPORT ON INVESTMENT PORTFOLIO AS AT 30 November 2018

INVESTMENT POLICY - CP FIN - 3203				INVESTMENTS REGISTER 2018-19											
S&P Rating		Portfolio Credit Framework	Counterparty Credit Framework	Institution Name	S&P Rating	Term to Maturity	Interest Rate	Maturity Date	Principal	Interest on Maturity	% of portfolio				
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>													
<div style="text-align: center;"> <h3>Counterparty Credit</h3> <p>Bankwest 41% National Australia Bank 37% Commonwealth Bank 22% Westpac Banking Corporation Ltd 0%</p> </div>				MUNICIPAL FUNDS											
				Bankwest		4 Months	2.74%	27-Dec-18	2,012,213.68	18,428.57	11.18%				
				NAB		3 Months	2.63%	12-Dec-18	1,000,000.00	6,556.99	5.56%				
				Bankwest		120 Days	2.67%	8-Feb-19	1,001,808.22	8,793.95	5.57%				
				NAB		50 Days	2.27%	11-Jan-19	1,000,000.00	3,109.59	5.56%				
				Bankwest		120 Days	2.66%	11-Jan-19	1,000,000.00	8,745.21	5.56%				
				TOTAL MUNICIPAL INVESTMENTS						6,014,021.90	45,634.31	33.41%			
				RESERVE FUNDS											
				NAB		120 Days	2.68%	1-Mar-19	1,112,217.87	9,799.71	6.18%				
				CBA		119 Days	2.65%	18-Mar-19	1,936,489.92	16,730.74	10.76%				
				CBA		119 Days	2.65%	18-Mar-19	1,053,612.02	9,102.92	5.85%				
				CBA		4 Months	2.65%	9-Jan-19	1,000,000.00	8,712.33	5.56%				
				NAB		120 Days	2.65%	12-Feb-19	527,010.19	4,591.49	2.93%				
				Bankwest		120 Days	2.70%	11-Dec-18	1,020,521.16	9,058.87	5.67%				
				NAB		126 Days	2.68%	18-Mar-19	1,027,318.48	9,504.24	5.71%				
NAB		126 Days	2.68%	18-Mar-19	1,027,318.48	9,504.24	5.71%								
Bankwest		124 Days	2.67%	18-Mar-19	1,025,426.49	9,301.32	5.70%								
Bankwest		124 Days	2.67%	18-Mar-19	769,069.86	6,975.99	4.27%								
NAB		4 Months	2.65%	18-Feb-19	1,015,244.82	9,066.28	5.64%								
TOTAL RESERVE INVESTMENTS						11,514,229.29	102,348.13	63.96%							
TRUST FUNDS - T292															
Bankwest		4 Months	2.67%	29-Jan-19	472,686.05	4,253.01	2.63%								
TOTAL TRUST INVESTMENTS						472,686.05	4,253.01	2.63%							
TOTAL INVESTMENTS HELD & INTEREST PAID						18,000,937.24	152,235.45	100.00%							