



SHIRE OF WYNDHAM | EAST KIMBERLEY

MONTHLY FINANCIAL REPORT 2019/20

FOR THE PERIOD ENDED 29 FEBRUARY 2020

29 February 2020

SHIRE OF WYNDHAM EAST KIMBERLEY

**MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the Period Ended 29 February 2020**

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

STATUTORY REPORTING PROGRAMS

	Original Budget	Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
	\$	\$	\$	\$	\$	%	
Opening Funding Surplus / (Deficit)	4,421,685	4,539,474	4,539,474	4,539,474	0	0.0%	
Revenue from operating activities							
Governance	25,100	25,100	16,733	15,116	(1,617)	(9.7%)	
General Purpose Funding - Rates	10,428,336	10,428,336	10,428,336	10,433,956	5,620	0.1%	
General Purpose Funding - Other	2,489,063	2,455,499	1,803,327	1,806,147	2,820	0.2%	
Law, Order and Public Safety	419,400	419,400	406,767	424,310	17,543	4.3%	
Health	80,500	80,500	23,333	64,808	41,474	177.7%	
Education and Welfare	11,500	11,500	7,667	7,684	17	0.2%	
Housing	143,880	143,880	95,920	73,197	(22,723)	(23.7%)	
Community Amenities	2,841,000	2,841,000	2,465,000	2,669,578	204,578	8.3%	▲
Recreation and Culture	655,060	655,060	463,373	479,064	15,691	3.4%	
Transport	5,040,265	5,150,782	2,693,610	2,820,248	126,638	4.7%	▲
Economic Services	105,000	125,000	80,000	61,945	(18,055)	(22.6%)	
Other Property and Services	48,004	103,004	90,336	87,597	(2,739)	(3.0%)	
Total Revenue from operating activities	22,287,108	22,439,061	18,574,403	18,943,648	369,246	2.0%	▲
Expenditure from operating activities							
Governance	(787,262)	(841,762)	(655,449)	(618,021)	37,428	5.7%	
General Purpose Funding	(315,675)	(315,675)	(108,842)	(53,082)	55,760	51.2%	
Law, Order and Public Safety	(1,167,189)	(1,167,189)	(782,492)	(869,119)	(86,627)	(11.1%)	
Health	(271,002)	(271,002)	(185,139)	(205,839)	(20,700)	(11.2%)	
Education and Welfare	(161,706)	(161,706)	(112,397)	(155,317)	(42,921)	(38.2%)	
Housing	(340,775)	(340,775)	(238,284)	(207,303)	30,981	13.0%	
Community Amenities	(4,534,377)	(4,576,077)	(3,059,096)	(3,140,373)	(81,277)	(2.7%)	
Recreation and Culture	(6,210,448)	(6,243,411)	(4,213,183)	(4,044,268)	168,915	4.0%	▲
Transport	(11,047,833)	(11,117,833)	(7,370,034)	(6,829,798)	540,237	7.3%	▲
Economic Services	(2,030,911)	(2,005,911)	(704,618)	(575,672)	128,946	18.3%	▲
Other Property and Services	(962,370)	(962,370)	(665,045)	(375,906)	289,139	43.5%	▲
Total Expenditure from operating activities	(27,829,551)	(28,003,714)	(18,094,579)	(17,074,698)	1,019,881	5.6%	▲
Non-cash amounts excluded from operating activities							
Profit/(Loss) on asset disposals	2,411	2,411	(9,179)	0	9,179	(100.0%)	
Depreciation on assets	6,400,705	6,400,705	4,267,137	4,115,252	(151,885)	(3.6%)	▲
Amount attributable to operating activities	5,282,358	5,377,937	9,277,255	10,523,677	1,246,422	13.4%	▲
Investing Activities							
Non-operating grants, subsidies and contributions	3,697,977	4,041,376	2,616,738	1,178,007	(1,438,730)	(55.0%)	▼
Purchase property, plant and equipment	(1,023,000)	(1,411,579)	(1,060,579)	(823,871)	236,708	22.3%	▲
Purchase and construction of infrastructure	(7,803,720)	(9,659,356)	(5,912,650)	(2,827,384)	3,085,265	52.2%	▲
Proceeds from disposal of assets	105,000	111,500	104,000	105,900	1,900	1.8%	
Amount attributable to investing activities	(5,023,743)	(6,918,059)	(4,252,491)	(2,367,348)	1,885,143	44.3%	▲
Financing Activities							
Proceeds from self supporting loans	9,837	9,837	6,558	6,529	(29)	(0.4%)	
Transfer from Reserves	2,790,888	5,044,072	0	0	0	0.0%	
Repayment of Debentures	(779,311)	(779,311)	(483,936)	(483,783)	153	(0.0%)	
Transfer to Reserves	(2,280,029)	(2,637,712)	(57,788)	(180,115)	(122,327)	211.7%	
Amount attributable to financing activities	(258,615)	1,636,886	(535,166)	(657,369)	(122,203)	22.8%	▼
Closing Funding Surplus / (Deficit)	(0)	96,765	4,489,598	7,498,960	3,009,362	67.0%	▲

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date YTD Budget and YTD Actual as per the adopted materiality threshold.

The material variance adopted by Council for the 2019-20 year is \$100,000 and 10.00% at statement level and \$20,000 and 10.00% at account level.

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

BY NATURE OR TYPE

	Original Budget	Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
	\$	\$	\$	\$	\$	%	
Opening Funding Surplus / (Deficit)	4,421,685	4,539,474	4,539,474	4,539,474	0	0.0%	
Revenue from operating activities							
Rates	10,428,336	10,428,336	10,428,336	10,433,956	5,620	0.1%	
Operating grants, subsidies and contributions	2,220,000	2,296,953	1,790,177	1,829,402	39,225	2.2%	
Fees and charges	8,651,180	8,671,180	5,510,870	5,843,887	333,017	6.0%	▲
Interest earnings	590,823	590,823	402,282	393,727	(8,555)	(2.1%)	
Other revenue	383,000	438,000	433,558	442,677	9,119	2.1%	
Profit on disposal of assets	13,769	13,769	9,179	0	(9,179)	(100.0%)	
Total Revenue from operating activities	22,287,108	22,439,061	18,574,403	18,943,648	369,246	2.0%	▲
Expenditure from operating activities							
Employee costs	(11,475,251)	(11,475,251)	(7,626,324)	(7,490,395)	135,929	1.8%	▲
Materials and contracts	(5,853,735)	(6,017,898)	(3,982,737)	(3,253,831)	728,907	18.3%	▲
Utility charges	(1,118,650)	(1,118,650)	(725,683)	(788,904)	(63,220)	(8.7%)	
Depreciation on non-current assets	(6,400,706)	(6,400,706)	(4,267,137)	(4,115,252)	151,885	3.6%	▼
Interest expenses	(157,108)	(157,108)	(99,004)	(87,971)	11,033	11.1%	
Insurance expenses	(456,500)	(456,500)	(456,500)	(446,353)	10,147	2.2%	
Other expenditure	(2,351,421)	(2,361,421)	(937,193)	(891,992)	45,201	4.8%	
Loss on disposal of assets	(16,180)	(16,180)	0	0	0	0.0%	
Total Expenditure from operating activities	(27,829,551)	(28,003,714)	(18,094,579)	(17,074,698)	1,019,881	5.6%	▲
Non-cash amounts excluded from operating activities							
Profit/(Loss) on asset disposals	2,411	2,411	(9,179)	0	9,179	(100.0%)	
Depreciation on assets	6,400,705	6,400,705	4,267,137	4,115,252	(151,885)	(3.6%)	▲
Amount attributable to operating activities	5,282,358	5,377,937	9,277,255	10,523,677	1,246,422	13.4%	▲
Investing activities							
Non-operating grants, subsidies and contributions	3,697,977	4,041,376	2,616,738	1,178,007	(1,438,730)	(55.0%)	▼
Purchase property, plant and equipment	(1,023,000)	(1,411,579)	(1,060,579)	(823,871)	236,708	(22.3%)	▲
Purchase and construction of infrastructure	(7,803,720)	(9,659,356)	(5,912,650)	(2,827,384)	3,085,265	(52.2%)	▲
Proceeds from disposal of assets	105,000	111,500	104,000	105,900	1,900	1.8%	
Amount attributable to investing activities	(5,023,743)	(6,918,059)	(4,252,491)	(2,367,348)	1,885,143	(44.3%)	▲
Financing Activities							
Proceeds from self-supporting loans	9,837	9,837	6,558	6,529	(29)	(0.4%)	
Transfer from reserves	2,790,888	5,044,072	0	0	0	0.0%	
Repayment of debentures	(779,311)	(779,311)	(483,936)	(483,783)	153	(0.0%)	
Transfer to reserves	(2,280,029)	(2,637,712)	(57,788)	(180,115)	(122,327)	211.7%	
Amount attributable to financing activities	(258,615)	1,636,886	(535,166)	(657,369)	(122,203)	22.8%	▼
Closing Funding Surplus / (Deficit)	(0)	96,765	4,489,598	7,498,960	3,009,362	67.0%	▲

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**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

NET CURRENT ASSET POSITION

Composition of estimated net current asset position	YTD Actual Balance	Brought Forward 1 July 2019
	\$	\$
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with Financial Management Regulation 32 to agree to the surplus/(deficit) after imposition of general rates.		
Adjustments to net current assets		
Less: Reserves - restricted cash	(15,761,718)	(15,581,418)
Less: Financial assets at amortised cost - self supporting loans	(9,837)	(9,837)
Add: Borrowings	295,523	779,306
Add: Employee liability not required to be funded	1,200,733	1,261,280
Pending Transfers to/from Reserves	1,539,628	0
Total adjustments to net current assets	(12,735,672)	(13,550,669)
Current assets		
Cash and cash equivalents	4,826,467	5,284,573
Financial assets at amortised cost	13,728,574	13,728,574
Trade Receivables	3,182,521	1,963,979
Inventories	21,062	14,378
Other current assets	599,060	599,060
Total current assets	22,357,684	21,590,564
Less: Current liabilities		
Trade and other payables	(626,796)	(1,459,835)
Borrowings	(295,523)	(779,306)
Employee related provisions	(1,200,733)	(1,261,280)
Total current liabilities	(2,123,052)	(3,500,421)
Less: Total adjustments to net current assets	(12,735,672)	(13,550,669)
Closing Funding Surplus / (Deficit)	7,498,960	4,539,474

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 29 FEBRUARY 2020

INVESTING ACTIVITIES
CAPITAL ACQUISITIONS

Account Description	Original Budget	Amended Budget	YTD Budget	YTD Actual	YTD Variance
Purchase property, plant and equipment					
04050310 Kununurra Pound	(10,000)	(10,000)	(6,667)	0	6,667
04100133 CCTV - Kununurra Landfill Site Security	0	(23,000)	(23,000)	(23,526)	(526)
04110110 Peter Reid Memorial Hall	(20,000)	(20,000)	(13,333)	0	13,333
04110112 Wyndham Community Club - essential renewal works	(50,000)	(50,000)	(33,333)	(1,280)	32,053
04110313 Plant and Equipment - Kununurra Swimming Complex	(30,000)	(30,000)	(20,000)	(10,815)	9,185
04110412 Plant and Equipment - Wyndham Swimming Complex	(10,000)	(10,000)	(6,667)	0	6,667
04110413 Shade Sails - Wyndham Swimming Complex	(35,000)	(35,000)	(23,333)	(14,350)	8,983
04120714 Airport Plant - Purchase Price	(20,000)	(50,000)	(21,667)	(23,028)	(1,361)
04120744 CCTV - East Kimberley Regional Airport	(18,000)	(86,000)	(80,000)	(64,022)	15,978
04120747 Apron Lighting - East Kimberley Regional Airport Terminal	(35,000)	(155,000)	(83,333)	0	83,333
04120822 Airport Outbuilding Demolition-Wyndham Airport	0	(130,579)	(130,579)	(130,579)	0
04140218 Shed Renewal-Wyndham Works Depot	0	(90,000)	(20,000)	0	20,000
04140413 System Development - Capital	(80,000)	(100,000)	(63,333)	(61,871)	1,463
04140610 Server and Network Upgrades - Information Technology	(20,000)	(30,000)	(18,333)	1,279	19,612
04140611 Laptop and Desktop Upgrades - Information Technology	(25,000)	(25,000)	(16,667)	(5,165)	11,501
04140612 Printers and Office Equipment - Information Technology	(5,000)	(5,000)	(3,333)	0	3,333
04140810 Heavy Plant - Purchase Price	(405,000)	(250,000)	(250,000)	(248,139)	1,861
04140811 Medium Plant - Purchase Price	(68,000)	(87,000)	(57,000)	(54,890)	2,110
04140812 Light Plant - Purchase Price	(192,000)	(225,000)	(190,000)	(187,485)	2,515
Total Purchase property, plant and equipment	(1,023,000)	(1,411,579)	(1,060,579)	(823,871)	236,708
Purchase and construction of infrastructure					
04050411 CCTV - Infrastructure Works	(135,089)	(456,706)	(456,706)	(459,902)	(3,196)
04100101 E-Waste Cages	(18,067)	(10,539)	(10,539)	0	10,539
04100401 Ewin Centre Drainage	(39,360)	(39,360)	(26,240)	(7,034)	19,206
04100402 Hibiscus Drive Drainage	(60,000)	(60,000)	(40,000)	(4,279)	35,721
04100610 Street Scape & Landscaping plan for Kununurra	(50,000)	(50,000)	(25,000)	0	25,000
04100910 Cemetery Upgrade & Beautification - Kununurra & Wyndham	(60,000)	(60,000)	(40,000)	(31,634)	8,366
04110616 Anthon Landing Wyndham Jetty Cathodic Protection-25 yr Life span	(320,000)	(305,000)	(305,000)	(269,212)	35,788
04111232 Play Spaces	(98,711)	(98,711)	(98,711)	(101,751)	(3,040)
04145910 Hardcourt re-surfacing all outdoor courts	(300,000)	(300,000)	(300,000)	(259,187)	40,813
04110511 Wyndham Boat Ramp Pontoon Jetty	(45,000)	(45,000)	(30,000)	0	30,000
04110614 Implement Trails Master Plan	(415,000)	(415,000)	(207,500)	0	207,500
04110615 Reticulation Upgrades - Wyndham & Kununurra	(91,000)	(171,000)	(140,667)	(3,315)	137,351
04110617 Anthon Landing Wyndham Jetty Remediation Works(incl Lighting)	(15,000)	(15,000)	(10,000)	(7,846)	2,154
04111316 Wyndham Parks Upgrade	(5,000)	(23,600)	(7,053)	0	7,053
04120210 Kalumburu Road - Re-sheet	(767,527)	(917,440)	(661,598)	(59)	661,538
04120213 Weaber Plain Road - Blackspot	(210,205)	(210,205)	0	(22,183)	(22,183)
04120223 Road Upgrade Carlton Hill Road	(285,250)	(285,250)	0	(58,402)	(58,402)
04120233 Footpath renewal	(453,600)	(453,600)	(252,000)	(23,834)	228,166
04120246 Lake Argyle Road - Widening	(2,044,175)	(2,028,175)	(1,354,783)	(96,406)	1,258,377
04120275 Road and Drainage Upgrade (Design, Estimates & Construct) - Kununurr	(100,000)	(100,000)	(50,000)	(10,395)	39,605
04120318 Re-surfacing/Re-seal/Re-construct program - Kununurra town site	(400,000)	(400,000)	0	(397,114)	(397,114)
04120320 Bridges (5116) - D4 Weaber Plain Rd	0	(46,925)	(46,925)	(46,925)	0
04120325 Road and Drainage Upgrade - Nutwood & Rosewood and surrounds	(696,584)	(696,584)	0	(2,272)	(2,272)
04120328 Bandicoot Drive - Road and Drainage upgrade	(631,152)	(1,338,295)	(1,338,295)	(870,020)	468,275
04120330 Miscellaneous Road Infrastructure	(21,000)	(21,000)	(14,000)	(20,688)	(6,688)
04120401 East Kimberley Collegel - Parking	(30,000)	(28,000)	(28,000)	(27,956)	44
04120741 Signage Upgrades - East Kimberley Regional Airport	(10,000)	(10,000)	(6,667)	0	6,667
04120818 Runway Lighting Replacement-Wyndham Airport	(22,000)	(55,732)	(55,732)	(55,732)	0
04120712 Carpark Upgrade - East Kimberley Regional Airport	(300,000)	(750,000)	(250,000)	0	250,000
04120728 Security Fence Upgrade - East Kimberley Regional Airport	(30,000)	(30,000)	(20,000)	0	20,000
04120740 Airport Runway Extension	0	(36,234)	(36,234)	(37,574)	(1,340)
04120748 Taxiway and Apron Upgrade - East Kimberley Regional Airport Terminal	(50,000)	(50,000)	(25,000)	0	25,000
04120752 Geotechnical Testing - Gilgai Holes - Kununurra Airport	(100,000)	(152,000)	(76,000)	(13,664)	62,336
Total Purchase and construction of infrastructure	(7,803,720)	(9,659,356)	(5,912,650)	(2,827,384)	3,085,265
Grand Total	(8,826,720)	(11,070,935)	(6,973,229)	(3,651,255)	3,321,974

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

EXPLANATION OF MATERIAL VARIANCES

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date budget materially.

Variance +/- \$100,000 and 10% at Financial Statement Level

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

Reporting Program/Account	Variance \$	Timing/ Permanent	Explanation of Variance
	\$		
Revenue from operating activities	369,246	▲	
Governance	(1,617)		No material variances to report
General Purpose Funding - Rates	5,620		No material variances to report
General Purpose Funding - Other	2,820		No material variances to report
Law, Order and Public Safety	17,543		No material variances to report
Health	41,474		No material variances to report
Food Business Registration and Surveillance	32,483	▲ Timing	Timing variance. Food business annual surveillance fee billed a month earlier than budgeted.
Education and Welfare	17		No material variances to report
Housing	(22,723)		No material variances to report
Community Amenities	204,578	▲	Material variances at account level below
Rubbish Disposal Charges	198,035	▲ Permanent	Waste income greater than expected. Includes \$60k for recognition of income from free domestic waste disposal offset by write-off expense.
Development Application Fees	(25,715)	▼ Timing	Due to timing of development applications.
Recreation and Culture	15,691		Material variances at account level below
Memberships - Kununurra Leisure Centre	21,584	▲ Timing	Increased KLC memberships compared to last year
Transport	126,638	▲	Material variances at account level below
Passenger Handling Fees - East Kimberley Regional Airport	86,475	▲ Timing	Higher number of FIFO passengers than expected in last half of 2019.
Passenger Screening Fees - East Kimberley Regional Airport	67,753	▲ Timing	Higher number of FIFO passengers than expected in last half of 2019.
Leases - East Kimberley Regional Airport Terminal	(42,000)	▼ Timing	Timing variance. Invoices to be issued.
Economic Services	(18,055)		No material variances to report
Other Property and Services	(2,739)		No material variances to report
Expenditure from operating activities	1,019,881	▲	
Governance	37,428		Material variances at account level below
Administration Salary and Wages Allocated - Other Governance	(22,863)	▼ Timing	Non-cash item relating to allocation of overheads.
General Purpose Funding	55,760		Material variances at account level below
Administration Salary and Wages Allocated - Rates	26,530	▲ Timing	Non-cash item relating to allocation of overheads.
Law, Order and Public Safety	(86,627)		Material variances at account level below
Emergency Services Levy Payment - Rates	(94,597)	▼ Timing	Related to timing of payments
Health	(20,700)		No material variances to report
Education and Welfare	(42,921)		Material variances at account level below
Building Maintenance - Kununurra Childcare Centre	(20,392)	▼ Timing	Variance due to unbudgeted air conditioner repairs at Ewin Early Learning centre.
Housing	30,981		No material variances to report
Community Amenities	(81,277)		Material variances at account level below
Landfill Maintenance	32,160	▲ Timing	Variance mainly related to allocation of plant operating costs.
Refuse Collection	43,566	▲ Timing	Timing variance. December invoice from Cleanaway not yet received.
Write Offs and Waivers - Waste Disposal Charges - Impact on Waste Mgmt Reserve	(89,832)	▼ Permanent	Non cash item. Variance due to higher utilisation of free domestic waste disposal offset by additional income.
Direct Salaries - Wyndham Landfill	(31,270)	▼ Timing	Timing variance due to allocation of salary overheads. Under review.
Direct Salaries - Kununurra Landfill	(64,452)	▼ Timing	Timing variance due to allocation of salary overheads. Under review.
Administration Salary and Wages Allocated - Sanitation - Household Refuse	(35,859)	▼ Timing	Timing variance relating to allocation of overheads. Under review.
Direct Salaries - Town Planning and Regional Development	(33,181)	▼ Timing	Mainly due to leave accruals being higher than budgeted.
Community Grants	34,176	▲ Timing	Variance due to timing of payments only.
Recreation and Culture	168,915	▲	Material variances at account level below
Depreciation - Public Halls	(26,270)	▼ Timing	Non-cash item. Depreciation lives under review.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

EXPLANATION OF MATERIAL VARIANCES

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Variance +/- \$100,000 and 10% at Financial Statement Level

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

Reporting Program/Account	Variance \$	Timing/ Permanent	Explanation of Variance
	\$		
Direct Salaries - Kununurra Swimming Complex	(55,290)	▼ Timing	Variance due to allocation of payroll overheads. Overhead allocations under review.
Other employee expenses - Kununurra Swimming Complex (Super/Workcomp/FBT/etc..)	(46,193)	▼ Timing	Due to payment for labour hire required to cover staff absences.
Direct Salaries - Wyndham Swimming Complex	23,475	▲ Timing	Variance due to allocation of payroll overheads. Overhead allocations under review.
Depreciation - Other Swimming Areas and Beaches	(26,900)	▼ Timing	Non-cash item. Depreciation lives under review.
Depreciation - Land Under Control - Building & Structure	(47,796)	▼ Timing	Non-cash item. Depreciation lives under review.
Direct Salaries - Recreation Services	27,322	▲ Timing	Variance due to allocation of payroll overheads. Overhead allocations under review.
Building Maintenance - Kununurra Leisure Centre	(22,361)	▼ Timing	Cleaning costs to be reallocated to Building operating costs.
Building Operating - Kununurra Leisure Centre	50,755	▲ Timing	Cleaning costs to be reallocated from Building operating costs.
Other employee expenses - Kununurra Leisure Centre (Super/Workcomp/FBT/etc..)	29,487	▲ Timing	Timing due to allocation of staff overheads.
Kununurra Sports Oval Maintenance	(25,560)	▼ Timing	Timing variance only.
Depreciation - Kununurra Grounds	30,779	▲ Timing	Drop in depreciation due to revised useful lives and timing of completion of current year projects.
Wyndham Sports Oval Maintenance	(21,155)	▼ Timing	Power usage higher than budgeted.
Parks and Gardens Maintenance - Kununurra	114,054	▲ Timing	Timing variance. Labour and plant costs allocated to this activity to be reviewed.
Depreciation - Kununurra Parks and Gardens	37,274	▲ Timing	Drop in depreciation due to revised useful lives and timing of completion of current year projects.
Transport	540,237	▲	Material variances at account level below
Rural Road Maintenance	179,406	▲ Timing	Timing of works.
Urban Road Maintenance - Wyndham	(30,446)	▼ Timing	Timing of works.
Urban Road Maintenance - Kununurra	(108,585)	▼ Timing	Timing of works.
Street Lighting Upgrades	60,000	▲ Timing	Project yet to start.
Administration Salary and Wages Allocated - Streets, Roads & Bridges - Maintenance	34,482	▲ Timing	Non-cash item. Overhead allocations under review.
Admin Overheads Allocated - Streets, Roads & Bridges - Maintenance	22,595	▲ Timing	Non-cash item. Overhead allocations under review.
Depreciation - Streets, Roads & Bridges - Maintenance	38,991	▲ Timing	Non-cash item. Variance due to revisions to unsealed road valuations and timing of completion of current year road projects.
Plant Operating Costs - East Kimberley Regional Airport	28,219	▲ Timing	Non-cash item. Allocation of Plant costs under review.
Airport Terminal Building Maintenance - East Kimberley	27,365	▲ Timing	Timing variance. Maintenance work underway.
Airside Operations - East Kimberley Regional Airport	23,629	▲ Timing	Timing variance only.
Passenger Screening Expenses - East Kimberley Regional Airport	46,673	▲ Timing	Due to timing of airport screening equipment service.
Airport Runway Extension Assessment and Business Case	25,000	▲ Timing	Timing variance. Project yet to start.
Other employee expenses - Airport Reporting (Super/Workcomp/FBT/etc..)	31,897	▲ Timing	Timing due to allocation of staff overheads.
Direct Salaries - Airport Screening and Reporting	(21,912)	▼ Timing	Timing due to allocation of staff overheads.
Direct Salaries - East Kimberley Regional Airport	32,640	▲ Timing	Timing due to allocation of staff overheads.
Depreciation - East Kimberley Regional Airport	28,879	▲ Timing	Non cash item. Variance due to revisions in property useful lives and timing of completion of current year projects.
Economic Services	128,946	▲	Material variances at account level below
Marketing Tourism - EK and North West	116,667	▲ Timing	Timing variance only.
Direct Salaries - Building Control	(47,979)	▼ Timing	Allocation of Salary Overheads and adjustment to allowances.
Economic Development Strategy	77,366	▲ Timing	Timing variance. RFQ Pending
Depreciation - CCTV	26,106	▲ Timing	Non cash item. Variance due to timing of completion of current year projects.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

EXPLANATION OF MATERIAL VARIANCES

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date budget materially.

Variance +/- \$100,000 and 10% at Financial Statement Level

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

Reporting Program/Account	Variance \$	Timing/ Permanent	Explanation of Variance
	\$		
Other Property and Services	289,139	▲	Material variances at account level below
Vehicle Expenses - Public Works	(21,275)	▼ Timing	Timing of plant cost recoveries.
Other employee expenses - Outdoor Workforce (Super/Workcomp/FBT/etc..)	(23,651)	▼ Timing	Mainly due to timing of Waste Management staff training
Indirect Salaries - Outdoor Workforce	70,437	▲ Timing	Variance due to allocation of payroll overheads. Overhead allocations under review.
Depreciation - Kununurra Administration	(24,243)	▼ Timing	Non-cash item. Depreciation lives now reviewed. However budget too low and being rectified in 2020-21 budget.
Software Licencing - Information Services	(38,301)	▼ Timing	Invoices received ahead of budget.
Direct Salaries - Information Services	(85,046)	▼ Permanent	Timing due to additional pay period in December and employment of temporary staff to cover vacancies.
Depreciation - Information Services	56,612	▲ Timing	Non-cash item. Depreciation lives under review.
Direct Salaries - Executive	22,922	▲ Timing	Reduced expenditure due to CEO vacancy. Will be offset by recruitment expense.
Other employee expenses - Executive (Super/Workcomp/FBT/etc..)	24,266	▲ Timing	Reduced expenditure due to CEO vacancy. Will be offset by recruitment expense.
Depreciation - Plant Operation	20,315	▲ Timing	Timing variance. Plant replacements to be capitalised at end of year.
Direct Salaries - Financial Services	(21,482)	▼ Timing	Variance due to allocation of payroll overheads. Overhead allocations under review.
Direct Salaries - Human Resources	(31,155)	▼ Timing	Variance due to allocation of payroll overheads. Overhead allocations under review.
Engineering Consultancy	25,618	▲ Timing	Expenditure expected in 2020.
Direct Salaries - Engineering and Technical	60,860	▲ Timing	Timing due to staff vacancies.
Other employee expenses - Engineering and Technical (Super/Workcomp/FBT/etc..)	30,034	▲ Timing	Timing due to staff vacancies.
Investing Activities	1,885,143	▲	
Non-operating Grants, Subsidies and Contributions	(1,438,730)	▼	Material variances at account level below
Sport and Recreation grant	37,124	▲ Timing	Grant income received ahead of budget.
Aboriginal Roads Funding - State Grants	(129,600)	▼ Timing	Relating to timing of claims.
Regional Road Group Grants	(511,880)	▼ Timing	Relating to progress claims for works in progress.
Road to Recovery Grants	(420,292)	▼ Timing	Relating to progress claims for works in progress
State Local Road Black Spot - Income	(41,691)	▼ Timing	Variance due to timing of claims to MainRoads.
WA Bicycle Network Grant	(95,855)	▼ Timing	Relating to timing of claims.
Commodity Route Grant	(213,938)	▼ Timing	Relating to progress of works.
RADS Funding (Regional Airports Development Scheme)	(65,000)	▼ Timing	Relating to progress of works.
Purchase property, plant and equipment	236,708	▲	Material variances at account level below
Wyndham Community Club - essential renewal works	32,053	▲ Timing	Works to be undertaken in 2020.
Apron Lighting - East Kimberley Regional Airport Terminal	83,333	▲ Timing	Project to commence 2020.
Purchase and construction of infrastructure	3,085,265	▲	Material variances at account level below
Hibiscus Drive Drainage	35,721	▲ Timing	Works Commencing dry season 2020.
Street Scape & Landscaping plan for Kununurra	25,000	▲ Timing	Timing of works.
Anthon Landing Wyndham Jetty Cathodic Protection-25 yr Life span	35,788	▲ Timing	Works completed but additional works may be required.
Hardcourt re-surfacing all outdoor courts	40,813	▲ Timing	Works completed. Defects liability retention outstanding.
Wyndham Boat Ramp Pontoon Jetty	30,000	▲ Timing	Works to commence 2020.
Implement Trails Master Plan	207,500	▲ Timing	Design underway. Works to commence once design completed.
Reticulation Upgrades - Wyndham & Kununurra	137,351	▲ Timing	Works in progress.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

EXPLANATION OF MATERIAL VARIANCES

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date budget materially.

Variance +/- \$100,000 and 10% at Financial Statement Level

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

Reporting Program/Account	Variance \$	Timing/ Permanent	Explanation of Variance
	\$		
Kalumburu Road - Re-sheet	661,538	▲ Timing	Works to commence dry season 2020.
Weaber Plain Road - Blackspot	(22,183)	▼ Timing	Timing variance. Project started slightly earlier than budgeted.
Road Upgrade Carlton Hill Road	(58,402)	▼ Timing	Timing variance. Project started slightly earlier than budgeted.
Footpath renewal	228,166	▲ Timing	Works to be completed dry season 2020.
Lake Argyle Road - Widening	1,258,377	▲ Timing	Works completed. Awaiting invoice from Main Roads.
Road and Drainage Upgrade (Design, Estimates & Construct) - Kununurra	39,605	▲ Timing	Works in progress.
Re-surfacing/Re-seal/Re-construct program - Kununurra town site	(397,114)	▼ Timing	Timing of works.
Bandicoot Drive - Road and Drainage upgrade	468,275	▲ Timing	Works in progress.
Carpark Upgrade - East Kimberley Regional Airport	250,000	▲ Timing	Timing variance. Project yet to start.
Taxiway and Apron Upgrade - East Kimberley Regional Airport Terminal	25,000	▲ Timing	Timing of works.
Geotechnical Testing - Gilgai Holes - Kununurra Airport	62,336	▲ Timing	Timing variance. Works commenced February 2020.
Proceeds from Disposal of Assets	1,900		No material variances to report
Financing Activities	(122,203)		
Proceeds from New Debentures	0		No proceeds from new debentures
Proceeds from self supporting loans	(29)		No material variances to report
Transfer from Reserves	0		No variance to report
Advances to Community Groups	0		No Material variances to report
Repayment of Debentures	153		No material variances to report
Transfer to Reserves	(122,327)	▼	Material variances at account level below
Airport General Reserve - Transfer to Reserve	(39,117)	▼ Timing	Interest received ahead of budget.

KEY INFORMATION

▲▼ Indicates a variance between Year to Date YTD Budget and YTD Actual as per the adopted materiality threshold.

The material variance adopted by Council for the 2019-20 year is \$100,000 and 10.00% at statement level and \$20,000 and 10.00% at account level.

**NOTES TO STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 29 FEBRUARY 2020**

BUDGET REMAINING TO COLLECT/SPEND

	Original Budget	Amended Budget	YTD Actual (b)	Budget remaining (Budget less YTD Actual)	
	\$	\$	\$	\$	%
Opening Funding Surplus / (Deficit)	4,421,685	4,539,474	4,539,474	4,539,474	
Revenue from operating activities					
Governance	25,100	25,100	15,116	9,984	39.8%
General Purpose Funding - Rates	10,428,336	10,428,336	10,433,956	(5,620)	(0.1%)
General Purpose Funding - Other	2,489,063	2,455,499	1,806,147	649,352	26.4%
Law, Order and Public Safety	419,400	419,400	424,310	(4,909)	(1.2%)
Health	80,500	80,500	64,808	15,692	19.5%
Education and Welfare	11,500	11,500	7,684	3,816	33.2%
Housing	143,880	143,880	73,197	70,683	49.1%
Community Amenities	2,841,000	2,841,000	2,669,578	171,422	6.0%
Recreation and Culture	655,060	655,060	479,064	175,996	26.9%
Transport	5,040,265	5,150,782	2,820,248	2,330,534	45.2%
Economic Services	105,000	125,000	61,945	63,055	50.4%
Other Property and Services	48,004	103,004	87,597	15,407	15.0%
Total Revenue from operating activities	22,287,108	22,439,061	18,943,648	3,495,413	15.6%
Expenditure from operating activities					
Governance	(787,262)	(841,762)	(618,021)	(223,741)	26.6%
General Purpose Funding	(315,675)	(315,675)	(53,082)	(262,593)	83.2%
Law, Order and Public Safety	(1,167,189)	(1,167,189)	(869,119)	(298,071)	25.5%
Health	(271,002)	(271,002)	(205,839)	(65,163)	24.0%
Education and Welfare	(161,706)	(161,706)	(155,317)	(6,389)	4.0%
Housing	(340,775)	(340,775)	(207,303)	(133,472)	39.2%
Community Amenities	(4,534,377)	(4,576,077)	(3,140,373)	(1,435,704)	31.4%
Recreation and Culture	(6,210,448)	(6,243,411)	(4,044,268)	(2,199,143)	35.2%
Transport	(11,047,833)	(11,117,833)	(6,829,798)	(4,288,036)	38.6%
Economic Services	(2,030,911)	(2,005,911)	(575,672)	(1,430,239)	71.3%
Other Property and Services	(962,370)	(962,370)	(375,906)	(586,465)	60.9%
Total Expenditure from operating activities	(27,829,551)	(28,003,714)	(17,074,698)	(10,929,016)	39.0%
Non-cash amounts excluded from operating activities					
Profit/(Loss) on asset disposals	2,411	2,411	0	2,411	100.0%
Depreciation on assets	6,400,705	6,400,705	4,115,252	2,285,452	35.7%
Amount attributable to operating activities	5,282,358	5,377,937	10,523,677	(606,266)	(11.3%)
Investing Activities					
Non-operating grants, subsidies and contributions	3,697,977	4,041,376	1,178,007	2,863,369	70.9%
Purchase property, plant and equipment	(1,023,000)	(1,411,579)	(823,871)	(587,708)	41.6%
Purchase and construction of infrastructure	(7,803,720)	(9,659,356)	(2,827,384)	(6,831,972)	70.7%
Proceeds from disposal of assets	105,000	111,500	105,900	5,600	5.0%
Amount attributable to investing activities	(5,023,743)	(6,918,059)	(2,367,348)	(4,550,711)	65.8%
Financing Activities					
Proceeds from self supporting loans	9,837	9,837	6,529	3,308	33.6%
Transfer from Reserves	2,790,888	5,044,072	0	5,044,072	100.0%
Repayment of Debentures	(779,311)	(779,311)	(483,783)	(295,528)	37.9%
Transfer to Reserves	(2,280,029)	(2,637,712)	(180,115)	(2,457,598)	93.2%
Amount attributable to financing activities	(258,615)	1,636,886	(657,369)	2,294,255	140.2%
Closing Funding Surplus / (Deficit)	(0)	96,765	7,498,960	(2,862,721)	

REPORT ON INVESTMENT PORTFOLIO AS AT 29 February 2020

INVESTMENT POLICY - CP FIN - 3203				INVESTMENTS REGISTER 2019-20							
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											
				Bankwest		60 Days	1.25%	20-Mar-20	1,005,791.04	2,066.69	5.41%
				Westpac		90 Days	1.45%	19-May-20	1,008,638.78	3,606.23	5.42%
				Bankwest		60 Days	1.25%	17-Mar-20	1,009,041.47	2,073.37	5.42%
TOTAL MUNICIPAL INVESTMENTS									3,023,471.29	10,507.94	16.25%
RESERVE FUNDS											
				NAB		120 Days	1.52%	24-Jun-20	1,144,851.90	5,721.12	6.15%
				CBA		123 Days	1.43%	15-Jun-20	3,071,022.20	14,798.96	16.50%
				CBA		122 Days	1.36%	15-Apr-20	1,200,000.00	5,365.48	6.45%
				CBA		61 Days	1.39%	9-Mar-20	1,030,395.50	2,393.62	5.54%
				Bankwest		61 Days	1.25%	9-Mar-20	541,725.43	1,131.69	2.91%
				NAB		120 Days	1.55%	12-Jun-20	1,055,306.23	5,377.73	5.67%
				NAB		120 Days	1.55%	12-Jun-20	1,055,947.85	5,380.99	5.67%
				NAB		120 Days	1.55%	12-Jun-20	1,055,947.87	5,380.99	5.67%
				Bankwest		32 Days	1.00%	16-Mar-20	1,842,607.68	1,615.44	9.90%
				NAB		120 Days	1.56%	7-Apr-20	1,029,830.23	5,281.76	5.53%
				NAB		120 Days	1.56%	7-Apr-20	1,023,912.13	5,251.41	5.50%
				NAB		120 Days	1.55%	12-Jun-20	1,045,602.56	5,328.28	5.62%
TOTAL RESERVE INVESTMENTS									15,097,149.58	63,027.48	81.13%
TRUST FUNDS - T292											
				Bankwest		121 Days	1.30%	25-Jun-20	487,242.79	2,099.82	2.62%
TOTAL TRUST INVESTMENTS									487,242.79	2,099.82	2.62%
TOTAL INVESTMENTS HELD & INTEREST PAID									18,607,863.66	75,635.23	100.00%

