



SHIRE OF WYNDHAM | EAST KIMBERLEY

INTERIM MONTHLY FINANCIAL REPORT

2021/22

FOR THE PERIOD ENDED 31 JULY 2021

31 JULY 2021

SHIRE OF WYNDHAM EAST KIMBERLEY

**INTERIM MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the Period Ended 31 July 2021**

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2021**

STATUTORY REPORTING PROGRAMS

	Original Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
	\$	\$	\$	\$	%	
Opening Funding Surplus / (Deficit)	3,956,303	3,956,303	3,956,303	0	0.0%	
Revenue from operating activities						
Governance	18,550	938	2,088	1,150	122.7%	▲
General Purpose Funding - Rates	10,485,672	0	0	0	0.0%	
General Purpose Funding - Other	2,089,126	29,320	(1,430)	(30,750)	(104.9%)	▼
Law, Order and Public Safety	433,325	3,908	3,627	(282)	(7.2%)	
Health	70,500	458	373	(85)	(18.6%)	▼
Education and Welfare	11,500	958	960	2	0.2%	
Housing	169,320	14,110	11,999	(2,112)	(15.0%)	▼
Community Amenities	2,839,770	91,958	86,927	(5,031)	(5.5%)	
Recreation and Culture	557,928	161,536	24,433	(137,103)	(84.9%)	▼
Transport	3,322,000	23,083	12,664	(10,419)	(45.1%)	▼
Economic Services	82,980	6,915	6,098	(817)	(11.8%)	▼
Other Property and Services	35,000	8,750	0	(8,750)	(100.0%)	▼
Total Revenue from operating activities	20,115,669	341,935	147,739	(194,196)	(56.8%)	
Expenditure from operating activities						
Governance	(700,946)	(64,876)	(54,250)	10,626	16.4%	▲
General Purpose Funding	(373,432)	(21,017)	(6,477)	14,539	69.2%	▲
Law, Order and Public Safety	(1,162,069)	(62,928)	(73,416)	(10,488)	(16.7%)	▼
Health	(333,573)	(26,032)	(17,025)	9,007	34.6%	▲
Education and Welfare	(144,963)	(43,112)	(9,043)	34,069	79.0%	▲
Housing	(376,606)	(28,178)	(16,065)	12,113	43.0%	▲
Community Amenities	(5,211,293)	(417,710)	(330,964)	86,747	20.8%	▲
Recreation and Culture	(6,430,029)	(501,479)	(371,248)	130,232	26.0%	▲
Transport	(11,411,898)	(917,960)	(772,418)	145,542	15.9%	▲
Economic Services	(1,233,509)	(76,883)	(90,432)	(13,549)	(17.6%)	▼
Other Property and Services	(464,327)	(120,575)	(456,476)	(335,900)	(278.6%)	▼
Total Expenditure from operating activities	(27,842,646)	(2,280,751)	(2,197,814)	82,937	3.6%	
Non-cash amounts excluded from operating activities						
Profit/(Loss) on asset disposals	41,500	0	0	0	0.0%	
Loss on revaluation of non-current assets	0	0	0	0	0.0%	
Depreciation on assets	7,116,239	593,020	572,892	(20,128)	(3.4%)	
Movement in employee benefit provisions	0	0	0	0	0.0%	
Amount attributable to operating activities	3,387,065	2,610,507	2,479,120	(131,386)	(5.0%)	
Investing Activities						
Non-operating grants, subsidies and contributions	16,883,412	1,500,000	300,000	(1,200,000)	(80.0%)	▼
Purchase property, plant and equipment	(2,331,297)	(5,000)	0	5,000	100.0%	▲
Purchase and construction of infrastructure	(24,672,213)	(1,266,000)	(394,694)	871,306	68.8%	▲
Proceeds from disposal of assets	20,000	0	0	0	0.0%	
Proceeds from self supporting loans	6,694	558	0	(558)	(100.0%)	▼
Amount attributable to investing activities	(10,093,404)	229,558	(94,694)	(324,251)	141.3%	
Financing Activities						
Proceeds from New Debentures	3,300,000	0	0	0	0.0%	
Transfer from Reserves	9,107,157	0	0	0	0.0%	
Repayment of Debentures	(1,025,883)	(82,664)	(5,030)	77,634	93.9%	▲
Transfer to Reserves	(4,674,935)	0	(4,898)	(4,898)	0.0%	
Amount attributable to financing activities	6,706,338	(82,664)	(9,928)	72,736	(88.0%)	
Closing Funding Surplus / (Deficit)	0	2,757,400	2,374,499	(382,901)		

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 2021-22 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 31 JULY 2021**

BY NATURE OR TYPE

	Original Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
	\$	\$	\$	\$	%	
Opening Funding Surplus / (Deficit)	3,956,303	3,956,303	3,956,303	0		
Revenue from operating activities						
Rates	10,485,671	0	0	0	0.0%	
Operating grants, subsidies and contributions	2,290,088	43,500	18,730	(24,770)	(56.9%)	▼
Fees and charges	6,689,792	268,002	104,742	(163,260)	(60.9%)	▼
Interest earnings	272,194	27,891	(4,024)	(31,915)	(114.4%)	▼
Other revenue	377,925	2,542	28,291	25,749	1013.1%	▲
Profit on disposal of assets	0	0	0	0	0.0%	
Total Revenue from operating activities	20,115,669	341,935	147,739	(194,196)	(56.8%)	
Expenditure from operating activities						
Employee costs	(11,229,831)	(863,849)	(784,561)	79,288	9.2%	
Materials and contracts	(6,132,103)	(656,596)	(386,130)	270,466	41.2%	▲
Utility charges	(1,268,430)	(105,702)	(32,259)	73,443	69.5%	▲
Depreciation on non-current assets	(7,116,239)	(593,020)	(572,892)	20,128	3.4%	▲
Interest expenses	(99,221)	(9,510)	(8,423)	1,087	11.4%	▲
Insurance expenses	(476,501)	0	(412,375)	(412,375)	0.0%	▼
Other expenditure	(1,478,816)	(52,074)	(1,174)	50,900	97.7%	
Loss on disposal of assets	(41,500)	0	0	0	0.0%	
Total Expenditure from operating activities	(27,842,646)	(2,280,751)	(2,197,814)	82,937	3.6%	
Non-cash amounts excluded from operating activities						
Profit/(Loss) on asset disposals	41,500	0	0	0	0.0%	
Loss on revaluation of non-current assets	0	0	0	0	0.0%	
Depreciation on assets	7,116,239	593,020	572,892	(20,128)	(3.4%)	
Movement in employee benefit provisions	0	0	0	0	0.0%	
Amount attributable to operating activities	3,387,065	2,610,507	2,479,120	(131,386)	(5.0%)	
Investing activities						
Non-operating grants, subsidies and contributions	16,883,412	1,500,000	300,000	(1,200,000)	(80.0%)	▼
Purchase property, plant and equipment	(2,331,297)	(5,000)	0	5,000	100.0%	▲
Purchase and construction of infrastructure	(24,672,213)	(1,266,000)	(394,694)	871,306	68.8%	▲
Proceeds from disposal of assets	20,000	0	0	0	0.0%	
Proceeds from self-supporting loans	6,694	558	0	(558)	(100.0%)	▼
Amount attributable to investing activities	(10,093,404)	229,558	(94,694)	(324,251)	(141.3%)	
Financing Activities						
Proceeds from new debentures	3,300,000	0	0	0	0.0%	
Transfer from reserves	9,107,157	0	0	0	0.0%	
Repayment of debentures	(1,025,883)	(82,664)	(5,030)	77,634	93.9%	▲
Transfer to reserves	(4,674,935)	0	(4,898)	(4,898)	0.0%	
Amount attributable to financing activities	6,706,338	(82,664)	(9,928)	72,736	(88.0%)	
Closing Funding Surplus / (Deficit)	0	2,757,400	2,374,499	(382,901)		

KEY INFORMATION

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**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2021**

NET CURRENT ASSET POSITION

Composition of estimated net current asset position	YTD Actual Balance	Brought Forward 1 July 2021
	\$	
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	(15,438,836)	(14,982,187)
Less: Financial assets at amortised cost - self supporting loans	(9,837)	(9,837)
Add: Current liabilities not expected to be cleared at end of year	0	2,268,701
Add: Current portion of borrowings	687,426	687,426
Add: Current portion of employee provisions held in reserve	1,546,705	1,602,945
Total adjustments to net current assets	(13,214,542)	(10,432,952)
Current assets		
Cash and cash equivalents - unrestricted	4,565,968	2,972,045
Financial assets - unrestricted	9,837	9,837
Financial assets - restricted	15,448,636	14,672,705
Trade Receivables	1,868,253	1,936,787
Other current assets	0	933,531
Inventories	7,869	10,522
Total current assets	21,892,693	20,535,427
Less: Current liabilities		
Trade and other payables	(1,818,902)	(1,587,100)
Contract liabilities	(2,250,618)	(2,268,701)
Long term borrowings	(687,426)	(687,426)
Employee related provisions	(1,546,705)	(1,602,945)
Total current liabilities	(6,303,651)	(6,146,172)
Less: Total adjustments to net current assets	(13,214,542)	(10,432,952)
Closing Funding Surplus / (Deficit)	2,374,499	3,956,303

NOTE

Net current asset position remains an estimate until financial position is finalised for the 2020/21 financial year.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 31 JULY 2021

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	\$ (194,196)		
Governance	1,150		No Material variances to Report
General Purpose Funding - Rates	0		No material variances to report
General Purpose Funding - Other	(30,750)		Material variances at account level below
Non Payment Penalty Interest - Sundry Debtors	(22,850)	▼ Timing	Timing related to Write off adjustment.
Law, Order and Public Safety	(282)		No Material variances to Report
Health	(85)		No Material variances to Report
Education and Welfare	2		No material variances to report
Housing	(2,112)		No material variances to report
Community Amenities	(5,031)		No material variances to report
Recreation and Culture	(137,103)	▼	Material variances at account level below
Foreshore Leases	(79,000)	▼ Timing	Timing of invoicing for annual leases.
Transport	(10,419)		Material variances at account level below
Leases - East Kimberley Regional Airport Other	(22,533)	▼ Timing	Timing of Invoicing
Private Works - Airport Operations	25,661	▲ Timing	Relates to works undertaken in 2020/21. Pending accrual.
Economic Services	(817)		No material variances to report
Other Property and Services	(8,750)		No material variances to report
Expenditure from operating activities	82,937		
Governance	10,626	▲	No material variances to report
General Purpose Funding	14,539		No material variances to report
Law, Order and Public Safety	(10,488)		No material variances to report
Health	9,007		No material variances to report
Education and Welfare	34,069		Material variances at account level below
TAMS Program (Take Away Alcohol Management System)	35,000	▲ Timing	Timing of invoicing.
Housing	12,113		No material variances to report
Community Amenities	86,747		No material variances to report
Recreation and Culture	130,232	▲	Material variances at account level below
Parks and Gardens Maintenance - Kununurra	26,660	▲ Timing	Timing of works.
Transport	145,542		Material variances at account level below
Rural Road Maintenance	29,882	▲ Timing	Timing of works.
Urban Road Maintenance - Kununurra	31,072	▲ Timing	Timing of works.
Direct Salaries - Airport Screening and Reporting	24,385	▲ Timing	Due to staff vacancies
Economic Services	(13,549)		No material variances to report
Other Property and Services	(335,900)	▼	Material variances at account level below
Engineering Consultancy	(21,595)	▼ Timing	Timing of invoices received.
Software Licencing - Information Services	48,577	▲ Timing	Timing of invoices received.
Insurance - Unclassified	(412,375)	▼ Timing	Pending allocation of insurances to programs
Investing Activities	(324,251)		
Non-operating grants, subsidies and contributions	(1,200,000)	▼	Material variances at account level below
DRFAWA Funding - Monsoonal Flooding AGRN907 - 2020	(1,000,000)	▼ Timing	Timing of invoicing and reimbursements.
Regional Road Group Grants	(200,000)	▼ Timing	Timing of Grant receipts
Purchase property, plant and equipment	5,000		No material variances to report
Purchase and construction of infrastructure	871,306	▲	Material variances at account level below
Kununurra Water Playground 21/22	200,000	▲ Timing	Timing of works.
DRFAWA Flood Damage (Feb & March 2020) AGRN907 Expenditure	932,991	▲ Timing	Timing of invoices received.
Weaber Plain Road - Black Spot Project	(110,824)	▼ Timing	Project carried forward from 2020/21
St Peters Way - Black Spot Road Improvements	(32,464)	▼ Timing	Project carried forward from 2020/21
Bandicoot Drive - Road and Drainage Upgrade	(105,425)	▼ Timing	Project carried forward from 2020/21
Proceeds from disposal of assets	0		No material variances to report
Proceeds from self supporting loans	(558)		No material variances to report
Financing Activities	72,736		
Proceeds from New Debentures	0		No material variances to report
Transfer from Reserves	0		No material variances to report
Advances to Community Groups	0		No material variances to report

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2021**

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
	\$		
Repayment of Debentures	77,634		Material variances at account level below
Loan 129 - Kununurra Administration Building Loan 2015 - Principal	77,566	▲ Timing	Timing of repayment.
Transfer to Reserves	(4,898)		No material variances to report

KEY INFORMATION

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The material variance adopted by Council for the 2021-22 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 31 JULY 2021**

BUDGET REMAINING TO COLLECT/SPEND

	Original Budget	YTD Budget (a)	YTD Actual (b)	Budget remaining (Budget less YTD Actual)	
	\$	\$	\$	\$	%
Opening Funding Surplus / (Deficit)	3,956,303	3,956,303	3,956,303		
Revenue from operating activities					
Governance	18,550	938	2,088	16,462	88.7%
General Purpose Funding - Rates	10,485,671	0	0	10,485,671	100.0%
General Purpose Funding - Other	2,089,126	29,320	(1,430)	2,090,556	100.1%
Law, Order and Public Safety	433,325	3,908	3,627	429,699	99.2%
Health	70,500	458	373	70,127	99.5%
Education and Welfare	11,500	958	960	10,540	91.6%
Housing	169,320	14,110	11,999	157,322	92.9%
Community Amenities	2,839,770	91,958	86,927	2,752,842	96.9%
Recreation and Culture	557,928	161,536	24,433	533,495	95.6%
Transport	3,322,000	23,083	12,664	3,309,336	99.6%
Economic Services	82,980	6,915	6,098	76,882	92.7%
Other Property and Services	35,000	8,750	0	35,000	100.0%
Total Revenue from operating activities	20,115,669	341,935	147,739	19,967,931	99.3%
Expenditure from operating activities					
Governance	(700,946)	(64,876)	(54,250)	(646,697)	92.3%
General Purpose Funding	(373,432)	(21,017)	(6,477)	(366,954)	98.3%
Law, Order and Public Safety	(1,162,069)	(62,928)	(73,416)	(1,088,653)	93.7%
Health	(333,573)	(26,032)	(17,025)	(316,548)	94.9%
Education and Welfare	(144,963)	(43,112)	(9,043)	(135,920)	93.8%
Housing	(376,606)	(28,178)	(16,065)	(360,541)	95.7%
Community Amenities	(5,211,293)	(417,710)	(330,964)	(4,880,329)	93.6%
Recreation and Culture	(6,430,029)	(501,479)	(371,248)	(6,058,781)	94.2%
Transport	(11,411,898)	(917,960)	(772,418)	(10,639,480)	93.2%
Economic Services	(1,233,509)	(76,883)	(90,432)	(1,143,077)	92.7%
Other Property and Services	(464,327)	(120,575)	(456,476)	(7,852)	1.7%
Total Expenditure from operating activities	(27,842,646)	(2,280,751)	(2,197,814)	(25,644,831)	92.1%
Non-cash amounts excluded from operating activities					
Profit/(Loss) on asset disposals	41,500	0	0	41,500	100.0%
Depreciation on assets	7,116,239	593,020	572,892	6,543,347	91.9%
Amount attributable to operating activities	3,387,065	2,610,507	2,479,120	907,946	
Investing Activities					
Non-operating grants, subsidies and contributions	16,883,412	1,500,000	300,000	16,583,412	98.2%
Purchase property, plant and equipment	(2,331,297)	(5,000)	0	(2,331,297)	100.0%
Purchase and construction of infrastructure	(24,672,213)	(1,266,000)	(394,694)	(24,277,519)	98.4%
Proceeds from disposal of assets	20,000	0	0	20,000	100.0%
Proceeds from self supporting loans	6,694	558	0	6,694	100.0%
Amount attributable to investing activities	(10,093,404)	229,558	(94,694)	(9,998,709)	99.1%
Financing Activities					
Proceeds from New Debentures	3,300,000	0	0	3,300,000	100.0%
Transfer from Reserves	9,107,157	0	0	9,107,157	100.0%
Repayment of Debentures	(1,025,883)	(82,664)	(5,030)	(1,020,853)	99.5%
Transfer to Reserves	(4,674,935)	0	(4,898)	(4,670,038)	99.9%
Amount attributable to financing activities	6,706,338	(82,664)	(9,928)	6,716,266	
Closing Funding Surplus / (Deficit)	0	2,757,400	2,374,499	(2,374,499)	

REPORT ON INVESTMENT PORTFOLIO AS AT 31 JULY 2021

INVESTMENT POLICY - CP FIN - 3203

S&P Rating

Long Term

AAA

AA

A

Short Term

A-1+

A-1

A-2

Portfolio Credit Framework

Direct Investment Maximum %

100%

100%

60%

Counterparty Credit Framework

45%

35%

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

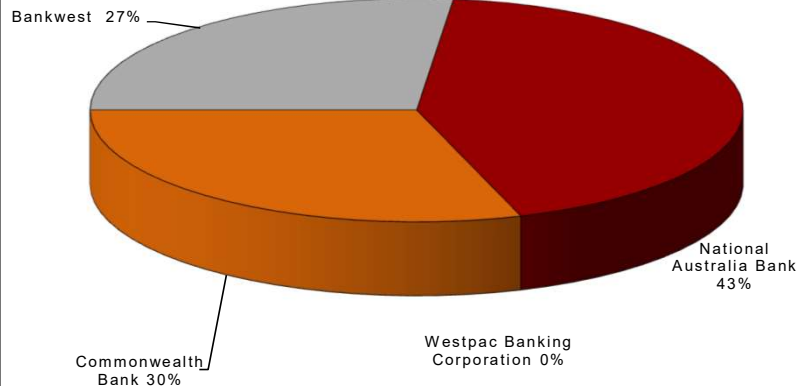
Authorised Deposit Institution

12 Months

State/Commonwealth Government Bonds

3 years

Counterparty Credit



INVESTMENTS REGISTER 2021-22

Institution Name

Term to Maturity

Interest Rate

Maturity Date

Principal

Interest on Maturity

% of portfolio

MUNICIPAL FUNDS

NAB	90 Days	0.28%	22-Sep-21	1,003,222.83	692.64	5.88%
CBA	30 Days	0.15%	27-Aug-21	1,002,816.13	131.88	5.88%

TOTAL MUNICIPAL INVESTMENTS

2,006,038.96 692.64 11.76%

RESERVE FUNDS

CBA	120 Days	0.31%	13-Oct-21	3,101,576.79	3,161.06	18.18%
Bankwest	120 Days	0.32%	13-Oct-21	1,216,750.67	1,280.09	7.13%
CBA	120 Days	0.30%	11-Nov-21	1,041,404.58	1,027.14	6.10%
NAB	90 Days	0.27%	7-Sep-21	1,067,130.94	710.45	6.25%
NAB	90 Days	0.27%	7-Sep-21	1,067,779.80	710.88	6.26%
NAB	90 Days	0.27%	7-Sep-21	1,067,779.77	710.88	6.26%
Bankwest	120 Days	0.32%	13-Nov-21	1,861,055.01	1,957.93	10.91%
NAB	90 Days	0.27%	28-Oct-21	1,044,247.15	695.21	6.12%
NAB	90 Days	0.27%	28-Oct-21	1,038,246.19	691.22	6.08%
Bankwest	120 Days	0.32%	6-Oct-21	1,003,362.22	1,055.59	5.88%
NAB	90 Days	0.27%	7-Sep-21	1,057,318.55	704.38	6.20%

TOTAL RESERVE INVESTMENTS

14,566,651.67 12,704.83 85.36%

TRUST FUNDS - T292

Bankwest	120 Days	0.32%	26-Oct-21	492,070.12	517.68	2.88%
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TOTAL TRUST INVESTMENTS

492,070.12 517.68 2.88%

TOTAL INVESTMENTS HELD & INTEREST PAID

17,064,760.75 13,915.15 100.00%