



Shire of Wyndham East Kimberley

Monthly Financial Report 2018/19

As at 31 December 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 31 December 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	1,308,573	1,297,006	11,567	1%	▲
Governance	12,647	12,846	(199)	-2%	▼
Law, Order and Public Safety	401,171	441,988	(40,817)	-9%	▼
Health	18,140	27,498	(9,358)	-34%	▼
Education and Welfare	5,763	5,748	15	0%	▲
Housing	69,479	73,134	(3,656)	-5%	▼
Community Amenities	2,349,285	2,255,986	93,299	4%	▲
Recreation and Culture	372,283	383,023	(10,740)	-3%	▼
Transport	2,104,760	2,004,150	100,610	5%	▲
Economic Services	36,121	44,754	(8,633)	-19%	▼
Other Property and Services	89,383	7,748	81,635	1054%	▲
	6,767,604	6,553,881	213,723	3%	▲
Expenses					
General Purpose Funding	(175,364)	(154,179)	(21,185)	14%	▲
Governance	(442,873)	(495,586)	52,713	-11%	▼
Law, Order and Public Safety	(593,104)	(610,933)	17,829	-3%	▼
Health	(135,172)	(143,528)	8,356	-6%	▼
Education and Welfare	(65,746)	(76,310)	10,564	-14%	▼
Housing	(231,757)	(247,832)	16,075	-6%	▼
Community Amenities	(2,125,624)	(2,162,954)	37,330	-2%	▼
Recreation and Culture	(3,255,203)	(3,311,716)	56,513	-2%	▼
Transport	(5,663,470)	(5,148,636)	(514,834)	10%	▲
Economic Services	(402,907)	(297,116)	(105,791)	36%	▲
Other Property and Services	(386,912)	(768,034)	381,122	-50%	▼
	(13,478,132)	(13,416,824)	(61,308)	0%	▲
Operating activities excluded from budget					
(Profit)/Loss on asset disposals	0	4,455	(4,455)	-100%	▲
Loss on revaluation of non current assets	0	0	0	0%	▼
Depreciation on assets	3,666,269	3,072,438	593,831	19%	▼
Movement in employee benefit provisions	0	0	0	0%	▼
Amount attributable to operating activities	(210,085)	(951,876)	741,791	-78%	▲
INVESTING ACTIVITIES					
Non-operating grants, subsidies and contributions	4,332,954	4,141,648	191,306	5%	▲
Purchase property, plant and equipment	(1,022,549)	(1,057,201)	34,652	-3%	▼
Purchase and construction of infrastructure	(7,665,442)	(7,325,051)	(340,391)	5%	▲
Proceeds from disposal of assets	148,885	162,428	(13,543)	-8%	▼
Amount attributable to investing activities	(4,206,153)	(4,078,176)	(127,977)	3%	▼
FINANCING ACTIVITIES					
Repayment of debentures	(555,280)	(551,688)	(3,592)	1%	▲
Proceeds from new debentures	0	0	0	0%	▼
Proceeds from self supporting loans	3,919	4,788	(869)	-18%	▼
Advances to community groups	0	0	0	0%	▼
Transfers to Reserves (Restricted Assets)	(167,036)	0	(167,036)	0%	▲
Transfers from Reserves (Restricted Assets)	0	0	0	0%	▼
Amount attributable to financing activities	(718,397)	(546,900)	(171,497)	31%	▲
Surplus/(deficiency) before general rates	(5,134,635)	(5,576,952)	442,317	-8%	▲
Total amount raised from general rates	10,426,614	10,426,634	(20)	0%	▼
Net current assets at June 30 c/fwd - surplus/(deficit)	5,291,979	4,849,682	442,297		▲

Shire of Wyndham East Kimberley

Note to Statement of Financial Activity

Net Current Assets

as at 31 December 2018

Composition of Estimated Net Current Asset Position

	YTD Actual 2018/19	Brought Forward 1 July 2018
CURRENT ASSETS		
① Cash - Municipal (Unrestricted)	7,543,822	2,933,354
Cash Investments - Restricted Reserves	11,523,288	12,390,559
Cash - Restricted Reserves	634,357	3,546,193
Receivables	3,088,425	2,864,614
Inventories	18,263	15,414
	<u>22,808,155</u>	<u>21,750,133</u>
LESS: CURRENT LIABILITIES		
Payables and Provisions	(975,509)	(2,979,207)
Less:		
Restricted - Reserves	(12,157,645)	(15,936,752)
② NET CURRENT ASSET POSITION	<u>9,675,001</u>	<u>2,834,174</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><u>5,291,979</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	3,159,250	2,931,804
Restricted - Grants	1,961,964	
Restricted - Loans	459,963	
Restricted - Capital works reserve	1,961,095	
	<u>7,543,822</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 31 December 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

	▲	11,567	
Rates Revenue - Interim Rates	(32,006) ▼		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	63,064 ▲		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.
Interest Income - Municipal Fund	31,887 ▲		Increase in interest income due to more Municipal funds available for investment.

Governance

No material variances to report

▼ (199)

Law, Order and Public Safety

Emergency Services Levy - Rates (54,167) ▼ Levy collected behalf of DFES. Decrease in levy will be offset by levy payment. Budget to be amended at the Mid-Year Budget Review.

▼ (40,817)

Health

No material variances to report

▼ (9,358)

Education and Welfare

No material variances to report

▲ 15

Housing

No material variances to report

▼ (3,656)

Community Amenities

Rubbish Disposal Charges

▲ 93,299 ▲ Additional waste income than expected year to date.

Recreation and Culture

No material variances to report

▼ (10,740)

Transport

MRWA Direct Grants

▲ 100,610 ▲ Increased grant income. Budget to be amended at the Mid-Year Budget Review.

Economic Services

No material variances to report

▼ (8,633)

Other Property and Services

Other income - Public work overheads 77,602 ▲ Increased income due to Facebook lease income. Budget to be amended during the Mid-year Budget Review

▲ 81,635

Shire of Wyndham East Kimberley
Notes to Statement of Financial Activity
as at 31 December 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	▲	(21,185)	
No material variances to report			Non cash item. Timing variance of 23k related to admin allocations.
Governance	▼	52,713	
No material variances to report			Timing variances at account level
Law, Order and Public Safety	▼	17,829	
No material variances to report			
Health	▼	8,356	
No material variances to report			
Education and Welfare	▼	10,564	
No material variances to report			
Housing	▼	16,075	
No material variances to report			
Community Amenities	▼	28,235	
Direct Salaries - Community Development Services	33,258	▼	Potential savings due to staff vacancies, mainly for the Manager Community Services position.
Recreation and Culture	▼	56,513	
			Timing variance related to maintenance and operations, insurance allocations and admin allocations which is a non cash item.
Depreciation - Kununurra Parks and Gardens	(34,369)	▲	Non cash item. Due to changes in asset values during the revaluation in 2017/18. Budget to be amended during the budget review.
Transport	▲	(524,385)	
Rural Road Maintenance	23,204	▼	Timing Variance
Administration Salary and Wages Allocated - Streets, Roads & Bridges - Maintenance	(82,429)	▲	Non cash item. Variance due to cost allocation based on actual expenditure for the sub programme and administration overheads.
Depreciation - Streets, Roads & Bridges - Maintenance	(484,824)	▲	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.
Depreciation - East Kimberley Regional Airport	(68,073)	▲	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	56,179	▼	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	▲	(105,791)	
Direct Salaries - Building Control	(47,570)	▲	Increased expenditure due to temporary staff to cover leave and training. Budget to be amended in Mid year budget review.
Building Maintenance - East Kimberley Tourism House	(23,916)	▲	Variance due to Shire taking ownership and head lease of this building. Repairs required to bring building up to standard with some major items that can fail in the next 6 months.
Other Property and Services	▼	381,122	
			Timing variance related to insurance allocations.
Public Works Overheads Allocated - Payroll	76,654	▼	Non-cash item. Variance due to internal allocations of overheads.
Direct Salaries - Operations	(36,744)	▲	Timing variance - three pay periods in December
Indirect Salaries - Outdoor Workforce	97,840	▼	Timing variance. Salary and leave allocations to be reviewed.
Administration Salary and Wages Allocated - Engineering and Technical	20,725	▼	Non cash item. Variance due to cost allocation based on actual expenditure for the sub programme and administration overheads.
Administration Salary and Wages Allocated - General Administration Overheads	75,242	▼	Non cash item. Variance due to cost allocation based on actual expenditure for the sub programme and administration overheads.
Direct Salaries - Organisational Development	55,536	▼	Potential savings due to staff vacancies.
ABC Allocations	87,261	▼	Non cash item. Variance due to cost allocation based on actual expenditure for the sub programme and administration overheads.
Direct Salaries - Development Services	32,377	▼	Potential savings due to staff vacancies, mainly Regulatory Services Support Officer vacancy
Non Cash Expenditure and Revenue			
Depreciation on Assets			593,831
Depreciation - Kununurra Parks and Gardens	34,369	▲	
Depreciation - Streets, Roads & Bridges - Maintenance	484,824	▲	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	68,073	▲	
Depreciation - Wyndham Airport	(56,179)	▼	

Shire of Wyndham East Kimberley
Notes to Statement of Financial Activity
as at 31 December 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

INVESTING ACTIVITIES

Non-operating grants, subsidies and contributions	▲	191,306	
Wyndham Boat Ramp - Grant	(135,413) ▼		Grant funding unsuccessful. Project not going ahead but maintenance contract awarded for Shire's portion of cost.
WANDRRA Funding - Monsoonal Trough and Associated Flooding	294,322 ▲		Income based on progress claims. More funds than budgeted claimed due to greater expenditure than expected.
Insurance Claim Revenue - Capital Recovery	30,000 ▲		Income related to insurance settlement received for Wyndham pool & basketball courts.
Purchase property, plant and equipment	▼	24,652	
Wyndham Multipurpose Court - Renewal/Upgrade	(30,000) ▲		Expenditure related to insurance claim for Wyndham pool & basketball courts.
Purchase and construction of infrastructure	▲	340,391	
WANDRRA Monsoonal Trough and Associated Flooding - (2018) Expenditure	(296,332) ▲		Greater expenditure than expected offset by increased claim income.
Proceeds from disposal of assets	▼	(13,543)	
No material variances to report			

FINANCING ACTIVITIES

Repayment of debentures	▲	(3,592)	
No material variances to report			
Proceeds from new debentures	▼	-	
No material variances to report			
Proceeds from self supporting loans	▼	(869)	
No material variances to report			
Advances to community groups	▼	-	
Transfers to Reserves (Restricted Assets)	▲	(167,036)	Reserve investment interest
Transfers from Reserves (Restricted Assets)	▼	-	
No material variances to report			

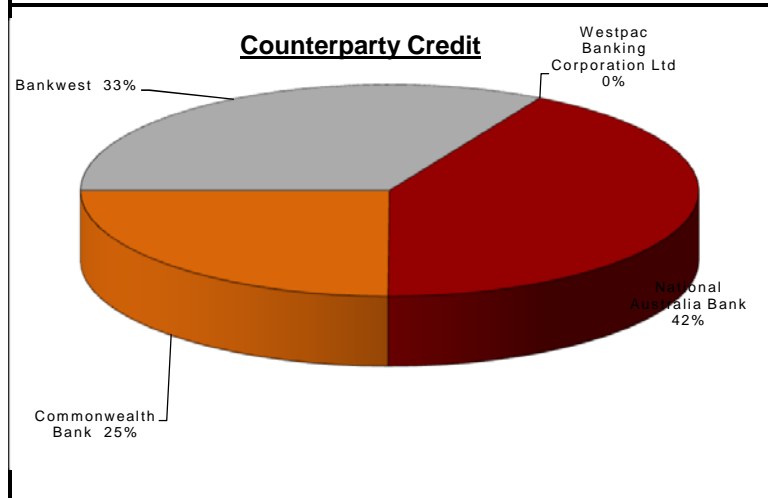
Shire of Wyndham East Kimberley

Statement of Financial Activity Budget Remaining to Collect/Spend as at 31 December 2018

	YTD	Revised Annual	Annual Budget	Budget	
	Actual	Budget		Remaining	
	2018/19	2018/19	2018/19	(Budget less YTD Actual)	
	\$	\$	\$	\$	%
Estimated Surplus/(Deficit) July 1 B/Fwd	2,834,174	2,834,174	1,622,636	(1,211,538)	-43% ▲
Revenue					
General Purpose Funding	1,308,573	2,462,981	2,462,981	1,154,408	47% ▼
Governance	12,647	47,551	47,551	34,904	73% ▼
Law, Order and Public Safety	401,171	468,486	468,486	67,315	14% ▼
Health	18,140	85,000	85,000	66,860	79% ▼
Education and Welfare	5,763	11,500	11,500	5,737	50% ▼
Housing	69,479	146,280	146,280	76,802	53% ▼
Community Amenities	2,349,285	2,823,441	2,895,441	546,156	19% ▼
Recreation and Culture	372,283	671,484	671,484	299,201	45% ▼
Transport	2,104,760	4,374,726	4,374,726	2,269,967	52% ▼
Economic Services	36,121	89,500	89,500	53,379	60% ▼
Other Property and Services	89,383	71,471	71,471	(17,912)	-25% ▲
	6,767,604	11,252,421	11,324,421	4,556,817	40% ▼
Expenses					
General Purpose Funding	(175,364)	(298,312)	(298,312)	(122,948)	41% ▼
Governance	(442,873)	(875,979)	(865,979)	(423,106)	47% ▼
Law, Order and Public Safety	(593,104)	(1,156,524)	(1,156,524)	(563,420)	49% ▼
Health	(135,172)	(289,036)	(289,036)	(153,864)	53% ▼
Education and Welfare	(65,746)	(200,635)	(160,635)	(94,889)	47% ▼
Housing	(231,757)	(462,740)	(462,740)	(230,983)	50% ▼
Community Amenities	(2,125,624)	(4,791,677)	(4,791,677)	(2,666,053)	56% ▼
Recreation and Culture	(3,255,203)	(6,644,572)	(6,657,167)	(3,401,964)	51% ▼
Transport	(5,663,470)	(10,548,753)	(10,548,753)	(4,885,283)	46% ▼
Economic Services	(402,907)	(594,999)	(591,999)	(189,092)	30% ▼
Other Property and Services	(386,912)	(957,224)	(957,224)	(570,312)	61% ▼
	(13,478,132)	(26,820,451)	(26,780,046)	(13,301,914)	50% ▼
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	3,666,269	6,144,866	6,144,866	2,478,596	40% ▼
Movement in employee benefit provisions	0	0	0	0	0% ▲
Amount attributable to operating activities	(210,085)	(6,499,218)	(7,598,351)	(7,388,266)	97% ▼
INVESTING ACTIVITIES					
Non-operating grants, subsidies and contributions	4,332,954	7,877,054	8,108,635	3,775,681	48% ▲
Purchase property, plant and equipment	(1,022,549)	(2,926,247)	(2,351,468)	(1,328,919)	45% ▼
Purchase and construction of infrastructure	(7,665,442)	(13,300,513)	(10,975,349)	(3,309,907)	25% ▼
Proceeds from disposal of assets	148,885	359,583	359,583	210,698	59% ▲
Amount attributable to investing activities	(4,206,153)	(7,990,123)	(4,858,599)	(652,446)	8% ▼
FINANCING ACTIVITIES					
Repayment of debentures	(555,280)	(903,765)	(903,765)	(348,485)	39% ▼
Proceeds from new debentures	0	0	0	0	0% ▲
Proceeds from self supporting loans	3,919	9,576	9,576	5,657	59% ▲
Advances to community groups	0	0	0	0	0% ▲
Transfers to Reserves (Restricted Assets)	(167,036)	(1,468,810)	(1,471,252)	(1,304,216)	89% ▼
Transfers from Reserves (Restricted Assets)	0	6,425,704	4,395,756	4,395,756	68% ▼
Amount attributable to financing activities	(718,397)	4,062,705	2,030,315	2,748,712	68% ▼
Surplus/(deficiency) before general rates	(5,134,635)	(10,426,634)	(10,426,634)	(5,292,000)	51% ▲
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)	5,291,979	0	0	(5,291,979)	▲

REPORT ON INVESTMENT PORTFOLIO AS AT 31 December 2018

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%
<i>Note: "S & P" relates to Standard & Poors credit rating agency</i>			
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>	



INVESTMENTS REGISTER 2018-19							
Institution Name	S&P Rating	Term to Maturity	Interest Rate	Maturity Date	Principal	Interest on Maturity	% of portfolio
MUNICIPAL FUNDS							
NAB		4 Months	2.74%	11-Apr-19	1,006,556.99	9,067.29	6.29%
Bankwest		120 Days	2.67%	8-Feb-19	1,001,808.22	8,793.95	6.26%
NAB		50 Days	2.27%	11-Jan-19	1,000,000.00	3,109.59	6.25%
Bankwest		120 Days	2.66%	14-May-19	1,000,000.00	8,745.21	6.25%
TOTAL MUNICIPAL INVESTMENTS					4,008,365.21	29,716.04	25.05%
RESERVE FUNDS							
NAB		120 Days	2.68%	1-Mar-19	1,112,217.87	9,799.71	6.95%
CBA		119 Days	2.65%	18-Mar-19	1,936,489.92	16,730.74	12.10%
CBA		119 Days	2.65%	18-Mar-19	1,053,612.02	9,102.92	6.58%
CBA		4 Months	2.65%	9-Jan-19	1,000,000.00	8,712.33	6.25%
NAB		120 Days	2.65%	12-Feb-19	527,010.19	4,591.49	3.29%
Bankwest		4 Months	2.67%	12-Apr-19	1,029,580.03	9,188.37	6.43%
NAB		126 Days	2.68%	18-Mar-19	1,027,318.48	9,504.24	6.42%
NAB		126 Days	2.68%	18-Mar-19	1,027,318.48	9,504.24	6.42%
Bankwest		124 Days	2.67%	18-Mar-19	1,025,426.49	9,301.32	6.41%
Bankwest		124 Days	2.67%	18-Mar-19	769,069.86	6,975.99	4.81%
NAB		4 Months	2.65%	18-Feb-19	1,015,244.82	9,066.28	6.34%
TOTAL RESERVE INVESTMENTS					11,523,288.16	102,477.63	72.00%
TRUST FUNDS - T292							
Bankwest		4 Months	2.67%	29-Jan-19	472,686.05	4,253.01	2.95%
TOTAL TRUST INVESTMENTS					472,686.05	4,253.01	2.95%
TOTAL INVESTMENTS HELD & INTEREST PAID					16,004,339.42	136,446.68	100.00%