



Shire of Wyndham East Kimberley

Interim Monthly Financial Report 2019/20

For the period ended 31 July 2019

Contents:

- Statement of Financial Activity
- Note to Statement of Financial Activity (Net Current Asset Position)
- Note to Statement of Financial Activity (Explanation of Material Variances)
- Note to Statement of Financial Activity (Budget Remaining to Collect/Spend)
- Monthly Report on Investment Portfolio (Cash)

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 31 July 2019

	YTD Actual	YTD Budget	YTD Variance	
	2019/20 \$	2019/20 \$	2019/20 \$	%
Estimated Surplus/(Deficit) July 1 B/Fwd	4,421,685	4,421,685	0	0% ▼
Revenue				
Governance	965	2,092	(1,126)	-54% ▼
General Purpose Funding	62,107	43,042	19,065	44% ▲
Law, Order and Public Safety	352,702	342,783	9,919	3% ▲
Health	8,264	2,292	5,973	261% ▲
Education and Welfare	960	958	2	0% ▲
Housing	8,372	11,990	(3,618)	-30% ▼
Community Amenities	1,802,998	1,785,250	17,748	1% ▲
Recreation and Culture	143,174	131,602	11,572	9% ▲
Transport	192,372	377,522	(185,150)	-49% ▼
Economic Services	14,003	8,750	5,253	60% ▲
Other Property and Services	11,561	4,000	7,561	189% ▲
	2,597,479	2,710,281	(112,802)	-4% ▼
Expenses				
Governance	(24,962)	(70,948)	45,986	-65% ▼
General Purpose Funding	(993)	(13,605)	12,612	-93% ▼
Law, Order and Public Safety	(40,015)	(77,682)	37,667	-48% ▼
Health	(28,383)	(24,752)	(3,631)	15% ▲
Education and Welfare	(9,328)	(18,005)	8,677	-48% ▼
Housing	(26,337)	(42,316)	15,979	-38% ▼
Community Amenities	(269,390)	(396,581)	127,192	-32% ▼
Recreation and Culture	(449,798)	(584,240)	134,441	-23% ▼
Transport	(887,111)	(939,326)	52,214	-6% ▼
Economic Services	(85,056)	(92,709)	7,653	-8% ▼
Other Property and Services	(427,517)	(193,410)	(234,107)	121% ▲
	(2,248,890)	(2,453,574)	204,684	-8% ▼
Operating activities excluded from budget				
(Profit)/Loss on asset disposals	0	(1,147)	1,147	-100% ▲
Loss on revaluation of non current assets	0	0	0	0% ▼
Depreciation on assets	587,809	530,129	57,680	11% ▼
Movement in employee benefit provisions	0	0	0	0% ▼
Amount attributable to operating activities	5,358,083	5,207,374	150,709	3% ▲
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	39,995	80,089	(40,094)	-50% ▼
Purchase property, plant and equipment	(19,494)	(52,750)	33,256	-63% ▼
Purchase and construction of infrastructure	(452,246)	(527,903)	75,657	-14% ▼
Proceeds from disposal of assets	0	0	0	0% ▼
Amount attributable to investing activities	(431,746)	(500,564)	68,818	-14% ▲
FINANCING ACTIVITIES				
Repayment of debentures	(77,898)	(77,900)	2	0% ▼
Proceeds from new debentures	0	0	0	0% ▼
Proceeds from self supporting loans	805	820	(15)	-2% ▼
Advances to community groups	0	0	0	0% ▼
Transfers to Reserves (Restricted Assets)	(9,778)	0	(9,778)	0% ▲
Transfers from Reserves (Restricted Assets)	0	0	0	0% ▼
Amount attributable to financing activities	(86,871)	(77,080)	(9,790)	13% ▲
Surplus/(deficiency) before general rates	4,839,466	4,629,730	209,737	5% ▲
Total amount raised from general rates	10,422,636	10,428,335	(5,699)	0% ▼
Net current assets at June 30 c/fwd - surplus/(deficit)	15,262,102	15,058,066	204,036	▲

Shire of Wyndham East Kimberley

Note to Statement of Financial Activity

Net Current Assets (Interim Report)

as at 31 July 2019

Composition of Estimated Net Current Asset Position

	YTD Actual 2019/20	Brought Forward 1 July 2019
CURRENT ASSETS		
① Cash - Municipal (Unrestricted)	3,826,658	4,541,296
Cash Investments - Restricted Reserves	13,728,338	13,718,737
Cash - Restricted Reserves	661,461	661,032
Receivables	13,652,857	1,909,291
Inventories	20,465	19,653
	<u>31,889,779</u>	<u>20,850,009</u>
LESS: CURRENT LIABILITIES		
Payables and Provisions	(1,090,637)	(1,154,332)
Less:		
Pending Transfers to/from Reserves	(1,147,241)	(1,798,435)
Restricted - Reserves	(14,389,799)	(14,379,769)
② NET CURRENT ASSET POSITION	<u>15,262,102</u>	<u>3,517,472</u>
Less:		
Restricted - Grants	(1,961,964)	(1,961,964)
Restricted - Unspent Loans	(459,963)	(459,963)
Restricted - Capital works reserve	(1,961,095)	(1,961,095)
ADJUSTED NET CURRENT ASSET POSITION	<u><u>10,879,080</u></u>	<u><u>(865,550)</u></u>

① **Cash - Municipal brought forward balances represented by:**

Cash on Hand	1,550	1,550
Cash at Bank - Municipal		
Unrestricted	(557,914)	156,724
Restricted - Grants	1,961,964	1,961,964
Restricted - Loans	459,963	459,963
Restricted - Capital works reserve	1,961,095	1,961,095
	<u>3,826,658</u>	<u>4,541,296</u>

② Net current asset position and Unrestricted cash will remain estimates 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 (Interim Report)
as at 31 July 2019

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	▲	19,065	
Rates Revenue - Interim Rates	28,089	▲	Interim rate adjustments undertaken after billing before notices issued.
Governance	▼	(1,126)	
No material variances to report			
Law, Order and Public Safety	▲	9,919	
No material variances to report			
Health	▲	5,973	
No material variances to report			
Education and Welfare	▲	2	
No material variances to report			
Housing	▼	(3,618)	
No material variances to report			
Community Amenities	▲	17,748	
No material variance to report			
Recreation and Culture	▲	11,572	
No material variances to report			
Transport	▼	(185,150)	
Aircraft Landing Fees - East Kimberley Regional Airport	23,696	▲	Timing variance. More landing fees received than anticipated.
Passenger Handling Fees - East Kimberley Regional Airport	(120,833)	▼	Timing variance. Income received in July accrued to June 2019. July income invoices in August.
Passenger Screening Fees - East Kimberley Regional Airport	(61,250)	▼	Timing variance. Income received in July accrued to June 2019. July income invoiced in August.
Leases - East Kimberley Regional Airport Terminal	(21,208)	▼	Timing variance. Income received in July accrued to June 2019. July income invoices in August.
Economic Services	▲	5,253	
No material variances to report			
Other Property and Services	▲	7,561	
No material variances to report			

Shire of Wyndham East Kimberley
Notes to Statement of Financial Activity (Interim Report)
as at 31 July 2019

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	▼		12,612
No material variances to report			
Governance	▼		45,986
No material variances to report			Includes timing variances relating to Election expenses \$3k, SWEK contribution to Zone Secretariat \$4k, Audit fees \$5k, Insurance, \$5k.
Law, Order and Public Safety	▼		37,667
No material variance to report			Includes timing variances relating to Operating Grant Expenditure - LGGS Brigades \$10k, Salaries and on costs Ranger Services \$12k.
Health	▲		(3,631)
No material variances to report			
Education and Welfare	▼		8,677
No material variances to report			
Housing	▼		15,979
No material variances to report			
Community Amenities	▼		127,192
Refuse Collection	40,917	▼	Timing variance. July Invoices received in August.
Community Grants	23,000	▼	Timing variance. Awaiting invoices.
Recreation and Culture	▼		134,441
No material variances to report			Non material variances include timing variances relating to Building operation - Kununurra Leisure Centre \$15k, Joint use contribution libraries \$12k, and insurance expense allocations \$49k.
Transport	▼		52,214
Street Lighting	20,083	▼	Timing variance. July invoice received in August.
Economic Services	▼		7,653
No material variances to report			
Other Property and Services	▲		(234,107)
Public Works Overheads Allocated - Payroll	25,400	▼	Non-cash item. Variance due to internal allocations of overheads.
Direct Salaries - Financial Services	(21,444)	▲	Timing variance due to back pay adjustments and leave accruals.
Plant Operating Cost Allocated	(40,778)	▼	Non Cash Item. Variance due to cost allocation based on actual expenditure related to plant operations.
Insurance - Unclassified	(391,818)	▲	Timing variance. Allocation journal to be processed.
Non Cash Expenditure and Revenue			
Depreciation on Assets	▼		57,680
No material variances to report			Non cash item. Timing variance due to 2018/19 end of year adjustments not finalised.
INVESTING ACTIVITIES			
Non-operating grants, subsidies and contributions	▼		(40,094)
CCTV - Safer Communities Program Grant	(40,094)	▼	Timing variance. Income based on progress claims for the project.
Purchase property, plant and equipment	▼		33,256
No material variances to report			
Purchase and construction of infrastructure	▼		75,657
Footpath renewal	37,800	▼	Timing variance. Works in progress.
Implement Trails Master Plan	34,583	▼	Timing variance. Works in progress.
Hardcourt re-surfacing all outdoor courts	25,000	▼	Timing variance. Works in progress.
Anthon Landing Wyndham Jetty Cathodic Protection-25 yr Life span	26,667	▼	Timing variance. Works in progress.
CCTV - Infrastructure Works	(438,931)	▲	Timing variance. Income based on progress claims for the project. Carry forward budget from 2018/19 not yet brought forward to current year.
Bandicoot Drive - Road and Drainage upgrade	52,596	▼	Timing variance. Works in progress.
Kalumburu Road - Re-sheet	63,961	▼	Timing variance. Works in progress.
Lake Argyle Road - Widening	170,348	▼	Timing variance. Works in progress.
Proceeds from disposal of assets	▼		-
FINANCING ACTIVITIES			
Repayment of debentures	▼		2
Proceeds from new debentures	▼		-
Proceeds from self supporting loans	▼		(15)
Advances to community groups	▼		-
Transfers to Reserves (Restricted Assets)	▲		(9,778)
			Reserve investment interest
Transfers from Reserves (Restricted Assets)	▼		-

Shire of Wyndham East Kimberley

Statement of Financial Activity (Interim Report)

Budget Remaining to Collect/Spend
as at 31 July 2019

	YTD	Annual Budget	Budget Remaining	
	Actual		(Budget less YTD Actual)	
	2019/20	2019/20	2019/20	%
	\$	\$	\$	
Estimated Surplus/(Deficit) July 1 B/Fwd	4,421,685	4,421,685	0	0% ▼
Revenue				
Governance	965	25,100	24,135	96% ▼
General Purpose Funding	62,107	2,489,063	2,426,956	97% ▼
Law, Order and Public Safety	352,702	419,400	66,698	16% ▼
Health	8,264	80,500	72,236	90% ▼
Education and Welfare	960	11,500	10,540	92% ▼
Housing	8,372	143,880	135,508	94% ▼
Community Amenities	1,802,998	2,841,000	1,038,002	37% ▼
Recreation and Culture	143,174	655,060	511,886	79% ▼
Transport	192,372	5,040,265	4,847,893	114% ▼
Economic Services	14,003	105,000	90,997	87% ▼
Other Property and Services	11,561	48,004	36,443	76% ▼
	2,597,479	11,858,772	9,261,293	78% ▼
Expenses				
Governance	(24,962)	(747,263)	(722,300)	95% ▲
General Purpose Funding	(993)	(315,675)	(314,682)	100% ▲
Law, Order and Public Safety	(40,015)	(1,167,189)	(1,127,175)	97% ▲
Health	(28,383)	(296,002)	(267,619)	96% ▲
Education and Welfare	(9,328)	(161,706)	(152,378)	95% ▲
Housing	(26,337)	(340,775)	(314,438)	92% ▲
Community Amenities	(269,390)	(4,684,377)	(4,414,987)	97% ▲
Recreation and Culture	(449,798)	(6,210,448)	(5,760,650)	93% ▲
Transport	(887,111)	(11,047,833)	(10,160,722)	92% ▲
Economic Services	(85,056)	(1,895,911)	(1,810,856)	176% ▲
Other Property and Services	(427,517)	(962,370)	(534,854)	56% ▲
	(2,248,890)	(27,829,551)	(25,580,661)	98% ▼
Operating activities excluded from budget				
(Profit)/Loss on asset disposals	0	2,411	2,411	100% ▼
Loss on revaluation of non current assets	0	0	0	0% ▲
Depreciation on assets	587,809	6,400,705	5,812,896	91% ▼
Movement in employee benefit provisions	0	0	0	0% ▲
Amount attributable to operating activities	5,358,083	(5,145,977)	(10,504,060)	204% ▼
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	39,995	3,697,977	3,657,982	115% ▲
Purchase property, plant and equipment	(19,494)	(1,023,000)	(1,003,505)	75% ▼
Purchase and construction of infrastructure	(452,246)	(7,803,720)	(7,351,474)	116% ▼
Proceeds from disposal of assets	0	105,000	105,000	100% ▲
Amount attributable to investing activities	(431,746)	(5,023,743)	(4,591,997)	105% ▼
FINANCING ACTIVITIES				
Repayment of debentures	(77,898)	(779,311)	(701,413)	90% ▼
Proceeds from new debentures	0	0	0	0% ▲
Proceeds from self supporting loans	805	9,837	9,032	92% ▲
Advances to community groups	0	0	0	0% ▲
Transfers to Reserves (Restricted Assets)	(9,778)	(2,280,029)	(2,270,251)	100% ▼
Transfers from Reserves (Restricted Assets)	0	2,790,888	2,790,888	101% ▼
Amount attributable to financing activities	(86,871)	(258,615)	(171,745)	59% ▲
Surplus/(deficiency) before general rates	4,839,466	(10,428,335)	(15,267,803)	146% ▲
Total amount raised from general rates	10,422,636	10,428,335	5,699	0% ▼
Net current assets at June 30 c/fwd - surplus/(deficit)	15,262,102	0	15,262,102	▲

REPORT ON INVESTMENT PORTFOLIO AS AT 31 July 2019

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	1.95%	19-Aug-19	1,000,000.00	3,258.90	6.57%	
TOTAL MUNICIPAL INVESTMENTS					1,000,000.00	3,258.90	6.57%	
RESERVE FUNDS								
NAB		120 Days	1.98%	29-Oct-19	1,131,618.36	7,366.37	7.44%	
CBA		120 Days	2.01%	16-Oct-19	1,966,303.30	12,993.76	12.93%	
CBA		120 Days	2.01%	16-Oct-19	1,070,469.88	7,073.90	7.04%	
CBA		90 Days	2.33%	7-Aug-19	1,017,467.40	5,845.56	6.69%	
Bankwest		90 Days	2.05%	10-Sep-19	536,268.12	2,710.73	3.53%	
Bankwest		4 Months	2.30%	12-Aug-19	1,038,768.40	7,985.71	6.83%	
NAB		120 Days	2.06%	16-Oct-19	1,043,356.11	7,066.24	6.86%	
NAB		120 Days	2.06%	16-Oct-19	1,043,356.12	7,066.24	6.86%	
Bankwest		120 Days	2.00%	16-Oct-19	1,041,248.01	6,846.56	6.85%	
Bankwest		120 Days	2.00%	16-Oct-19	780,936.00	5,134.92	5.13%	
NAB		4 Months	2.41%	9-Aug-19	1,015,624.28	8,047.08	6.68%	
NAB		4 Months	2.41%	9-Aug-19	1,009,787.82	8,000.84	6.64%	
NAB		120 Days	2.06%	16-Oct-19	1,033,134.19	6,997.01	6.79%	
TOTAL RESERVE INVESTMENTS					13,728,337.99	93,134.91	90.26%	
TRUST FUNDS - T292								
Bankwest		120 Days	2.10%	26-Sep-19	481,094.31	3,321.53	3.16%	
TOTAL TRUST INVESTMENTS					481,094.31	3,321.53	3.16%	
TOTAL INVESTMENTS HELD & INTEREST PAID					15,209,432.30	99,715.35	100.00%	

