



MONTHLY FINANCIAL STATEMENTS

For the period ending 28 February 2022

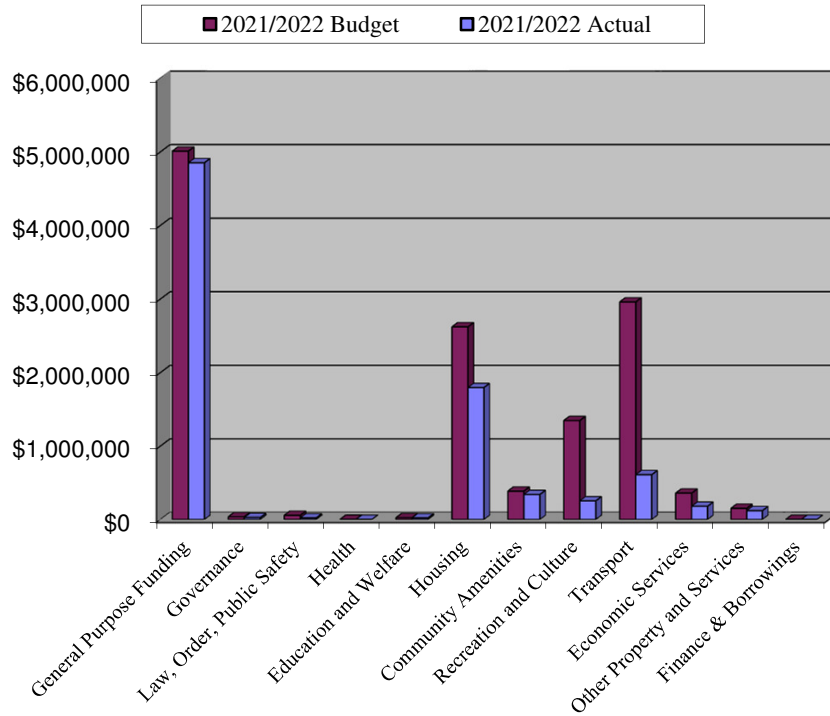
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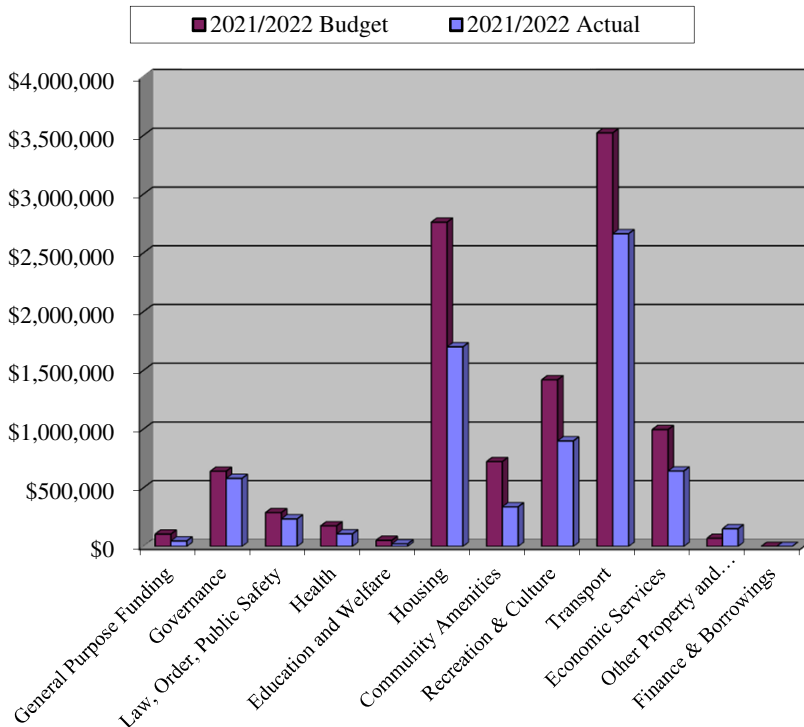
Manager Corporate &
Community Services

**SHIRE OF KOJONUP
EXECUTIVE SUMMARY
For the period ending 28 February 2022**

Operating Revenue (by Program)

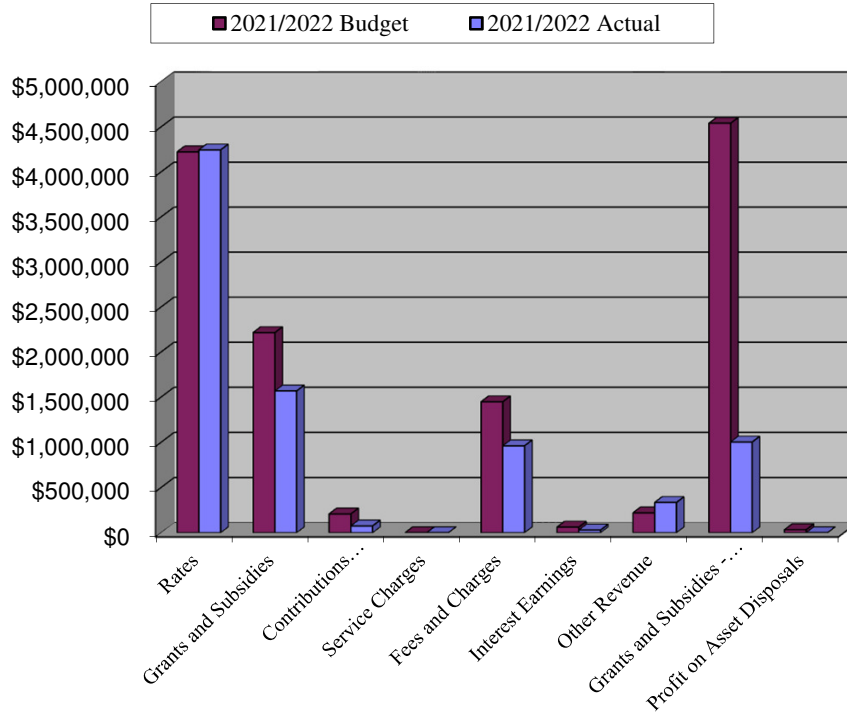


Operating Expenditure (by Program)

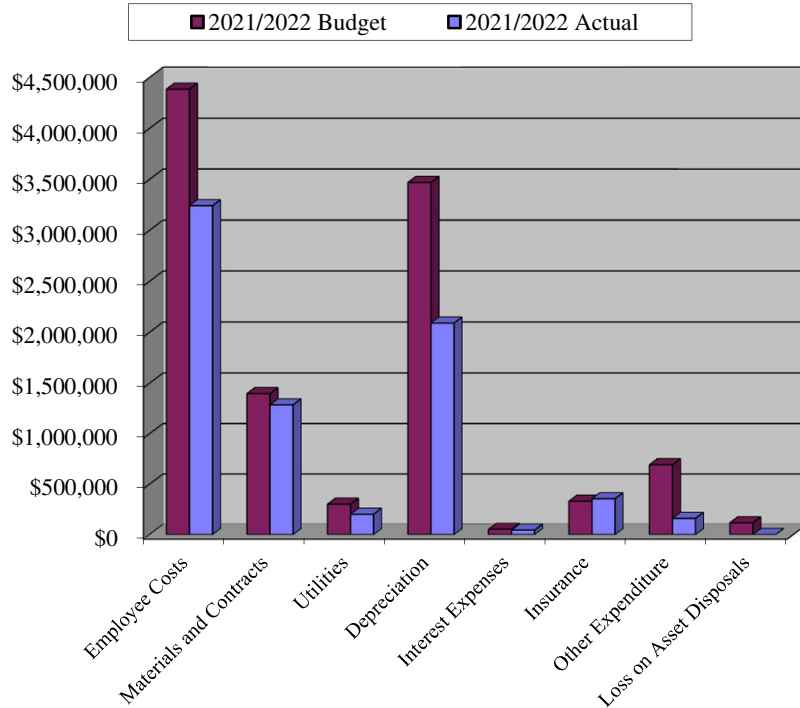


**SHIRE OF KOJONUP
EXECUTIVE SUMMARY
For the period ending 28 February 2022**

Operating Revenue (by Nature/Type)

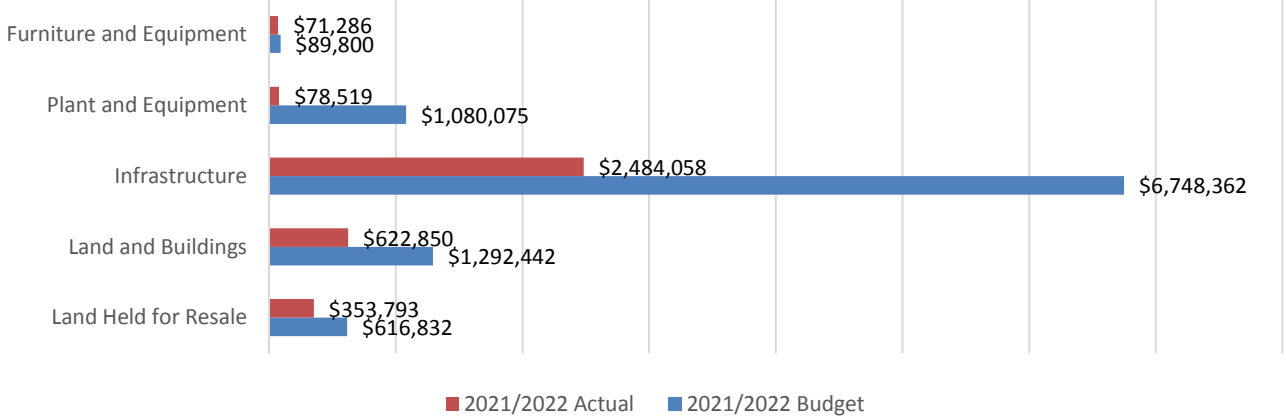


Operating Expenditure (by Nature / Type)

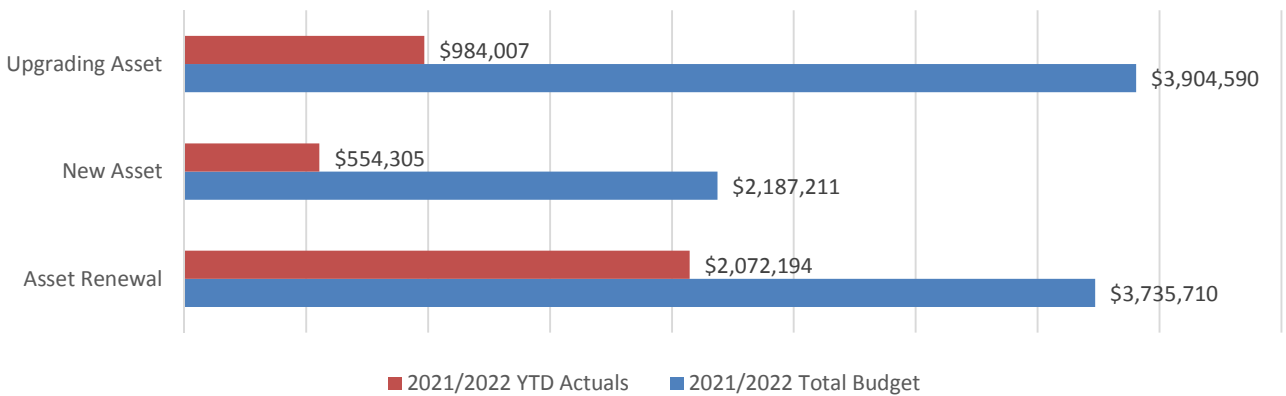


**SHIRE OF KOJONUP
EXECUTIVE SUMMARY
For the period ending 28 February 2022**

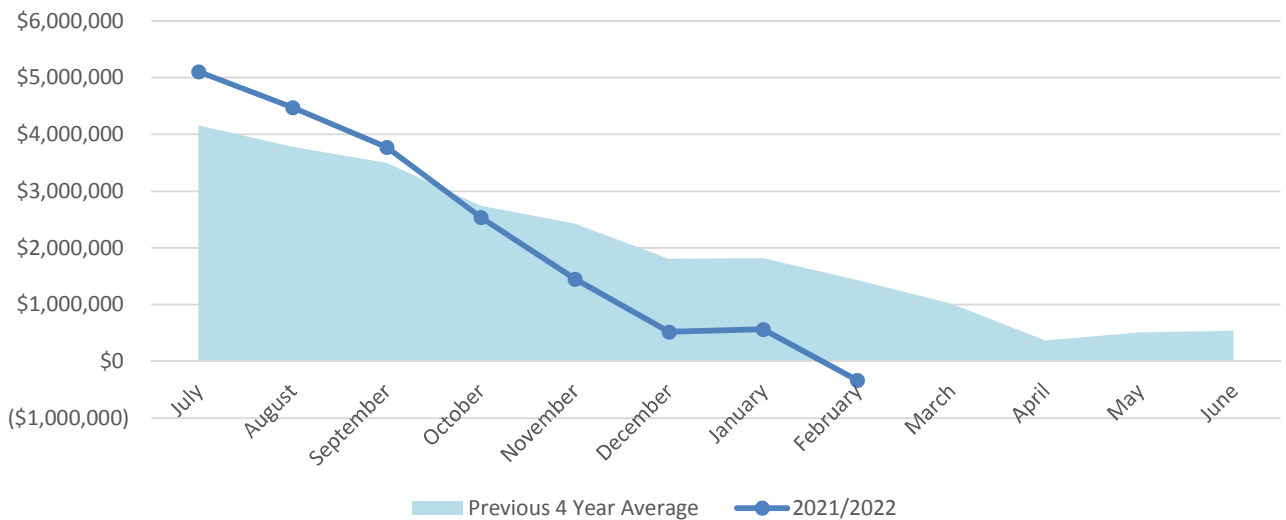
Capital Expenditure - By Asset Class



Capital Expenditure - By Asset Investment Type



Closing Position - Surplus or (Deficit)



SHIRE OF KOJONUP
Statement of Comprehensive Income - by Program
For the period ending 28 February 2022

More Info Page #	2021/2022 Budget \$	2021/2022 YTD Budget \$	2021/2022 Actual \$	Variance
1(a) SOCI - BY PROGRAM				
Operating Revenue				
General Purpose Funding	(\$5,009,097)	(\$4,746,365)	(\$4,850,871)	2%
Governance	(\$36,450)	(\$24,272)	(\$25,676)	6%
Law, Order, Public Safety	(\$55,970)	(\$28,944)	(\$21,123)	-27%
Health	(\$2,100)	(\$1,392)	(\$506)	-64%
Education and Welfare	(\$24,850)	(\$16,544)	(\$21,413)	29%
Housing	(\$2,621,000)	(\$1,558,672)	(\$1,795,222)	15%
Community Amenities	(\$386,180)	(\$257,288)	(\$339,810)	32%
Recreation and Culture	(\$1,346,307)	(\$882,387)	(\$252,889)	-71%
Transport	(\$2,959,605)	(\$301,257)	(\$609,081)	102%
Economic Services	(\$358,100)	(\$252,962)	(\$179,667)	-29%
Other Property and Services	(\$151,683)	(\$53,854)	(\$119,829)	123%
Finance & Borrowings	\$0	\$0	\$0	
	(\$12,951,342)	(\$8,123,937)	(\$8,216,088)	1%
Operating Expenditure				
General Purpose Funding	\$105,549	\$70,288	\$47,107	-33%
Governance	\$640,740	\$426,712	\$579,766	36%
Law, Order, Public Safety	\$288,778	\$208,872	\$235,049	13%
Health	\$175,815	\$117,088	\$107,263	-8%
Education and Welfare	\$52,062	\$34,600	\$21,932	-37%
Housing	\$2,761,203	\$1,839,768	\$1,700,314	-8%
Community Amenities	\$723,106	\$481,488	\$338,016	-30%
Recreation & Culture	\$1,420,139	\$945,520	\$899,394	-5%
Transport	\$3,521,668	\$2,346,523	\$2,663,203	13%
Economic Services	\$996,153	\$663,432	\$642,682	-3%
Other Property and Services	\$70,000	\$46,408	\$151,020	225%
Finance & Borrowings	\$0	\$0	\$0	
	\$10,755,214	\$7,180,699	\$7,385,746	3%
Net Result	\$2,196,127	\$943,238	\$830,341	

"Traffic Lights" Colour Coding:

For the purposes of identifying "material variances" under Local Government (Financial Management) Regulation 34, the Council has defined a formula in Council Policy 2.1.6 (see also Variance Report in these Statements).

To simplify this reporting, a traffic light system is used in the variance column of the Statement of Comprehensive Income and the Rate Setting Statement, as follows:

Revenue:

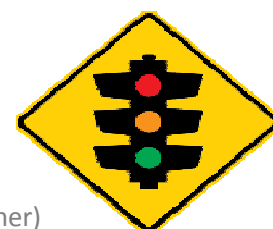
Green = Actual Revenue is greater than Year-to-Date budgeted revenue

Red = Variance between Actual Revenue and Year-to-Date budget is greater than 10% (lower)

Expenditure:

Green = Actual Expenditure is less than Year-to-Date budgeted expenditure

Red = Variance between Actual Expenditure and Year-to-Date budget is greater than 10% (higher)



SHIRE OF KOJONUP
Statement of Comprehensive Income - by Nature & Type
For the period ending 28 February 2022

1(b) SOCI - BY NATURE & TYPE

	More Info Page #	2021/2022 Budget \$	2021/2022 YTD Budget \$	2021/2022 Actual \$	Variance
Revenues from Ordinary Activities					
Rates	16	(\$4,223,477)	(\$4,223,477)	(\$4,244,528)	0%
Grants and Subsidies		(\$2,216,222)	\$ (1,477,481)	(\$1,567,934)	6%
Contributions Reimbursements & Donations		(\$208,100)	\$ (138,733)	(\$75,346)	-46%
Service Charges		\$0	\$ -	\$0	
Fees and Charges		(\$1,448,162)	\$ (965,441)	(\$961,287)	0%
Interest Earnings		(\$61,848)	\$ (41,232)	(\$28,927)	-30%
Other Revenue		(\$219,851)	\$ (146,567)	(\$334,704)	128%
		<u>(\$8,377,660)</u>	<u>(\$6,992,932)</u>	<u>(\$7,212,725)</u>	
Expenses from Ordinary Activities					
Employee Costs		\$4,386,696	\$ 2,924,464	\$3,243,167	11%
Materials and Contracts		\$1,399,131	\$ 932,754	\$1,286,628	38%
Utilities		\$301,950	\$ 201,300	\$202,430	1%
Depreciation		\$3,471,562	\$ 2,314,375	\$2,091,656	-10%
Interest Expenses		\$53,048	\$ 35,365	\$44,582	26%
Insurance		\$331,965	\$ 221,310	\$356,383	61%
Other Expenditure		\$693,162	\$ 462,108	\$160,900	-65%
		<u>\$10,637,514</u>	<u>\$7,091,676</u>	<u>\$7,385,746</u>	
Sub-Total		<u>\$2,259,855</u>	<u>\$98,744</u>	<u>\$173,022</u>	
Grants and Subsidies - non-operating		(\$4,540,482)	\$ (3,026,988)	(\$1,003,363)	-67%
Profit on Asset Disposals		(\$33,000)	\$ (22,000)	\$0	-100%
Loss on Asset Disposals		\$117,500	\$ 78,333	\$0	-100%
NET RESULT		<u>(\$2,196,127)</u>	<u>(\$2,871,910)</u>	<u>(\$830,341)</u>	

SHIRE OF KOJONUP
Rate Setting Statement
For the period ending 28 February 2022

1(c) RATE SETTING STATEMENT

	More Info Page #	2021/2022 Budget	2021/2022 YTD Budget	2021/2022 Actual	Variance
Net Result from Operations:		\$2,196,127	\$943,238	\$830,341	
Less Non-Operating Grants		(\$4,540,482)	(\$3,026,988)	(\$1,003,363)	
Non Cash Items Written Back					
(Profit)/Loss on Asset Disposals		\$84,500	\$75,624	\$0	-100%
(Increase)/decrease in Deferred Rates		\$0	\$0	\$0	
Increase/(decrease) in Accrued Expenses		\$0	\$0	(\$640)	
Change in Provision for Doubtful Debts		\$2,000	\$0	\$0	
Change in Accrued Leave & Interest Provisions		\$0	\$0	\$0	
Depreciation on Assets		\$3,471,562	\$2,313,344	\$2,091,656	-10%
CASH PROVIDED BY OPERATIONS		\$1,213,707	\$305,218	\$1,917,994	
CAPITAL INVESTMENT					
Capital Revenue					
Non-Operating Grants		\$4,540,482	\$3,026,988	\$1,003,363	
Proceeds from Disposal of Assets	36	\$319,000	\$212,667	\$40,909	-81%
		\$4,859,482	\$3,239,655	\$1,044,272	
Capital Expenditure					
Land Held for Resale	11-12	\$616,832	\$411,221	\$353,793	-14%
Land and Buildings	11-12	\$1,292,442	\$861,628	\$622,850	-28%
Infrastructure	11-12	\$6,748,362	\$4,498,908	\$2,484,058	-45%
Plant and Equipment	11-12	\$1,080,075	\$720,050	\$78,519	-89%
Furniture and Equipment	11-12	\$89,800	\$59,867	\$71,286	19%
		\$9,827,511	\$6,551,674	\$3,610,506	-45%
CASH REQUIRED FOR CAPITAL INVESTMENT		(\$4,968,029)	(\$3,312,019)	(\$2,566,234)	
FINANCING ACTIVITIES					
Loans					
Repayment of Debentures	17	\$254,654	\$169,769	\$225,200	33%
Proceeds from New Debentures	17	(\$2,486,833)	(\$1,657,889)	\$0	-100%
Self-Supporting Loan Principal Income	17	\$0	\$0	\$0	
Fund Transfers					
Transfers to Reserves	13	\$1,013,515	\$675,677	\$280,455	-58%
Transfers from Reserves	13	(\$1,290,907)	(\$860,605)	(\$300,000)	-65%
Transfer from Springhaven Reserve	13	\$0	\$0	\$300,000	
Transfer to Springhaven Reserve	13	\$0	\$0	\$0	
Transfer from Restricted Monies	37	(\$223,749)	(\$149,166)	(\$826,852)	
Transfer to Restricted Monies	37	\$0	\$0	\$1,003,363	
CASH PROVIDED BY FINANCING ACTIVITIES		\$2,733,320	\$1,822,213	(\$682,166)	
SUMMARY:					
SURPLUS/(DEFICIT) 1st JULY		\$995,851		\$1,001,992	
Cash Provided by Operations		\$1,213,707		\$1,917,994	
Cash Required for Capital Investment		(\$4,968,029)		(\$2,566,234)	
Cash Provided through Financing Activities		\$2,733,320		(\$682,166)	
CLOSING SURPLUS OR (DEFICIT)	7	(\$25,151)		(\$328,413)	

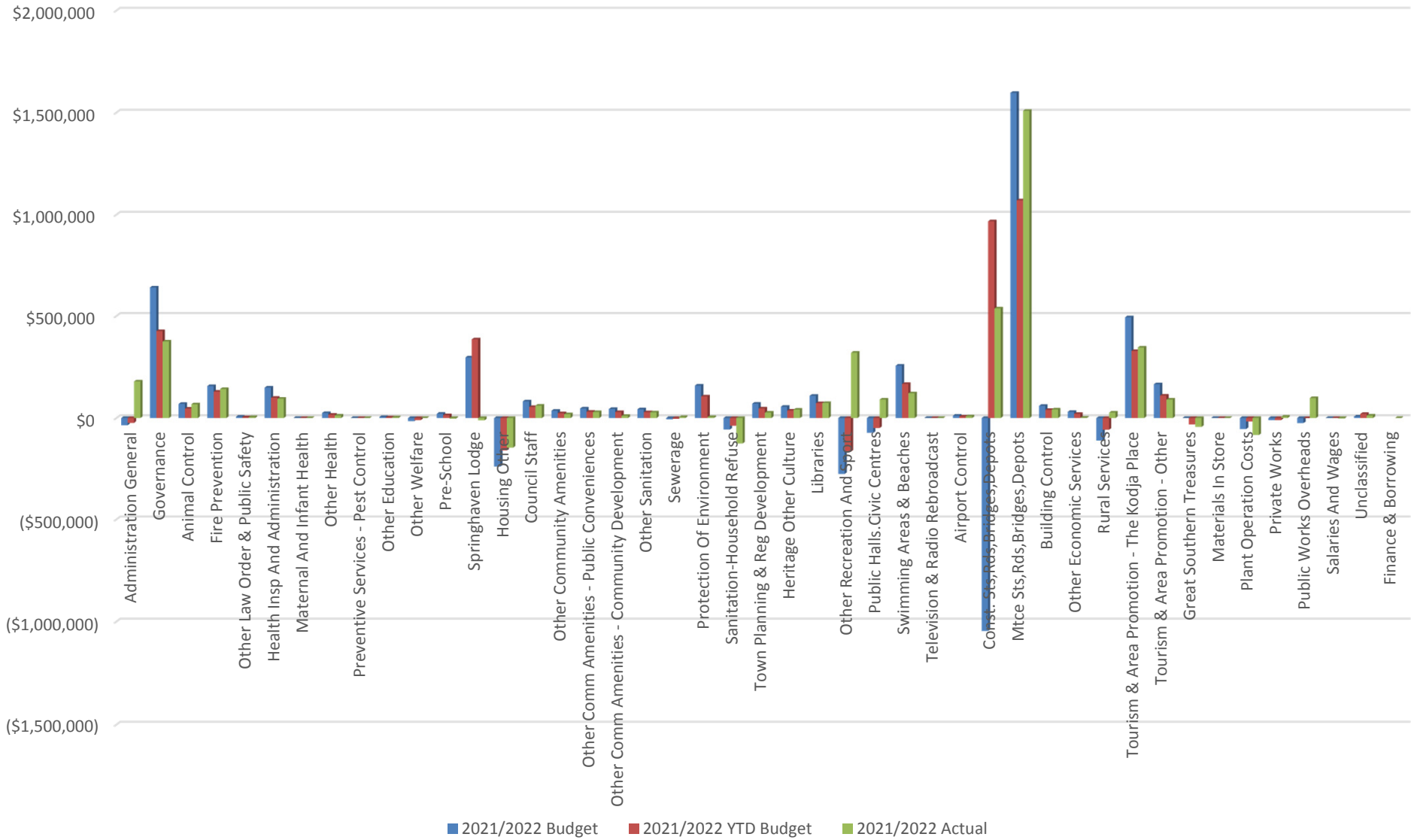
SHIRE OF KOJONUP
Representation of Surplus or Deficit
For the period ending 28 February 2022

	More Info Page #	2021/2022 Budget	2021/2022 Actual \$	Same Time Last Year \$
1(d) SURPLUS / (DEFICIT) REPRESENTED BY:				
Comprises:				
Cash - Unrestricted		\$ 150,000	\$ (53,367)	
Cash - Restricted Cash (see Note 10)		\$ -	\$ 400,260	
Cash - Restricted Reserves	13	\$ 3,280,091	\$ 3,519,634	
Cash - On Hand (Floats)		\$ 640	\$ 740	
Stock on Hand		\$ 8,000	\$ 52,056	
Sundry Debtors	16	\$ 300,000	\$ 681,052	
Rates Debtors - Current	16	\$ 330,000	\$ 576,215	
Other Debtors		\$ 5,000	\$ 64,457	
Less:				
Sundry Creditors		\$ (713,640)	\$ (626,175)	
Tax Owed or (Payable)		\$ (10,000)	\$ (78,557)	
Builders Retention		\$ (30,000)	\$ (109,856)	
RAAP Grant (Creditor)		\$ -	\$ (237,239)	
Grants/Contrib Carried as Liabilities (AASB15)		\$ -	\$ -	
Payables and Provisions		\$ (40,000)	\$ (444,884)	
Add Back:				
Cash Reserves	13	\$ (3,280,091)	\$ (3,519,634)	
Restricted Cash (see Note 10)		\$ -	\$ (400,260)	
Adjustments - SHL Bond Outstanding			\$ (152,855)	
CLOSING SURPLUS OR (DEFICIT)		\$ -	\$ (328,413)	\$ 1,439,609

The "cash" figures shown above are all held in transaction style bank accounts, with the exception of

Cash - Restricted Reserves	Term Deposit Maturing	\$ -
		\$ -

Net Cost per Sub-Program (Excluding General Purpose Funding)



SHIRE OF KOJONUP
MONTHLY FINANCIAL STATEMENTS
For the period ending 28 February 2022

2. VARIANCE REPORT

Variance Reporting Requirements

The Local Government (Financial Management) Regulation 34 (2) (b) requires 'an explanation of each of the material variances' identified within the Rate Setting Statement (from the adopted Budget) for each months financial statements. The information contained within the 'Municipal Fund Summary' on pages 1 to 4 of these financial statements contains all of the information provided within the 'Rate Setting Statement' and therefore any material variances on these pages will be reported below.

Defining a 'Material Variance'

The Local Government (Financial Management) Regulation 34 (5) states that "Each financial year, a local government is to adopt a percentage or value, calculated in accordance with AAS5, to be used in statements of financial activity for reporting material variances." The Shire's policy 2.1.6, 'Material Variances' states:

For the purposes of identifying "material variances" under Local Government (Financial Management) Regulation 34, the following formula shall be used:

$$\frac{\text{Year-to-Date Actual}}{\text{Year-to-Date Budget}} - 100\%$$

Material variances to be reported when exceeding 10%, or a minimum of \$10,000, of the items contained within the rate setting statement.

Variances Reported:

	YTD Budget	Actual	Variance %	Difference \$'s	Category	Comments
<u>Operating Revenue</u>						
Recreation and Culture	\$ (882,387)	\$ (252,889)	-71%	\$ (629,498)	Timing	Grant revenue for major capital projects matches expenditure milestones and acquittal requirements.
Economic Services	\$ (252,962)	\$ (179,667)	-29%	\$ (73,295)	Timing	Grant revenue for drought funding capital projects matches expenditure milestones and acquittal requirements.
<u>Operating Expenditure</u>						
Governance	\$ 426,712	\$ 579,766	36%	\$ (153,054)	Timing	Administration Overheads appear under-allocated as this process needs to be re-run due to staff absences.
Law, Order, Public Safety	\$ 208,872	\$ 235,049	13%	\$ (26,177)	Permanent	Animal Control expenditure is \$23,800 over YTD budget (99% of total budget spent) primarily due to staff costs. Fire Prevention is also slightly over budget (76% expended) due to over expenditure on brigade expenses.
Transport	\$ 2,346,523	\$ 2,663,203	13%	\$ (316,680)	Permanent	The road maintenance sub-program is \$434,000 above YTD budget (94% of total budget spent). Although the focus is now on road construction, it is considered this budget will be overrun by 30 June 2022.
Other Property and Services	\$ 46,408	\$ 151,020	225%	\$ (104,612)	Timing	Workers Compensation wages are over budget as the budget is only a small provision (covered by corresponding reimbursement).

Variances Reported:

	YTD Budget	Actual	Variance %	Difference \$'s	Category	Comments
<u>CAPITAL INVESTMENT</u>						
Proceeds from Disposal of Assets	\$ (212,667)	\$ (40,909)	-81%	\$ (171,758)	Timing	Plant & vehicle trade-ins occur with the purchase of new plant not at an even amount per month.
Furniture and Equipment	\$ 59,867	\$ 71,286	19%	\$ (11,419)	Timing	These projects are ahead of schedule but are not over budget.
<u>FINANCING ACTIVITIES</u>						
Repayment of Debentures	\$ 169,769	\$ 225,200	33%	\$ (55,430)	Timing	Loan Repayments occur when due and not an equal amount per month.
Proceeds from New Debentures	\$ (1,657,889)	\$ -	-100%	\$ (1,657,889)	Timing	All new loans are taken out in Q3 & Q4 in conjunction with expenditure incurred. \$1.5m was drawn down on 4 March 2022.
Transfers from Reserves	\$ (860,605)	\$ (300,000)	-65%	\$ (560,605)	Timing	Transfers from reserve accounts are linked to the funding of major projects and only occur to match expenditure incurred.