



## MONTHLY FINANCIAL STATEMENTS

For the period ending 31 May 2019

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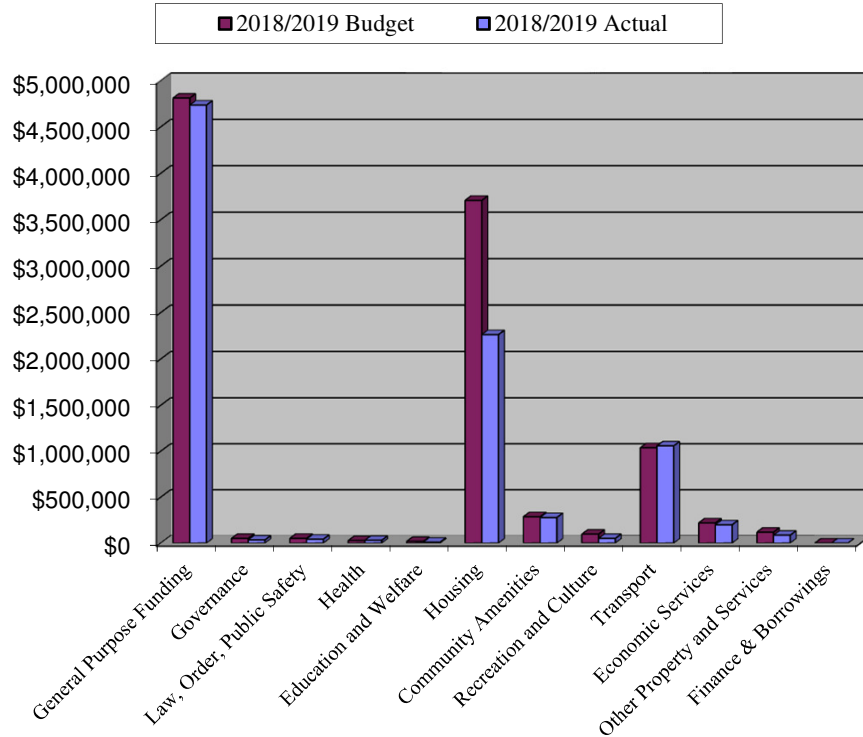
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A handwritten signature in blue ink, appearing to read 'Anthony Haddad', is positioned above the title of the Manager.

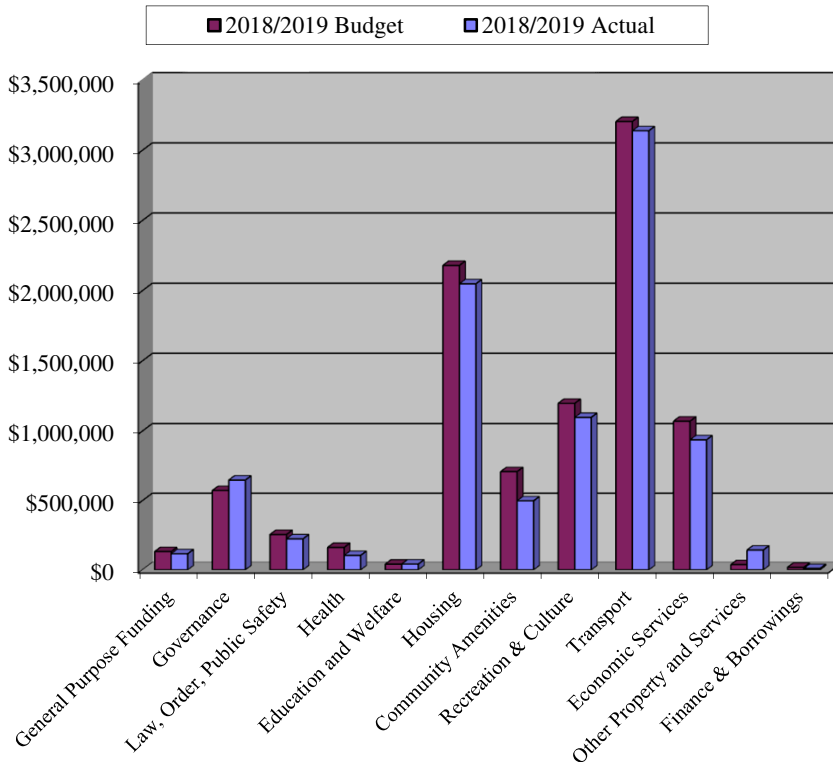
Manager Corporate &  
Community Services

**SHIRE OF KOJONUP**  
**EXECUTIVE SUMMARY**  
**For the period ending 31 May 2019**

**Operating Revenue (by Program)**

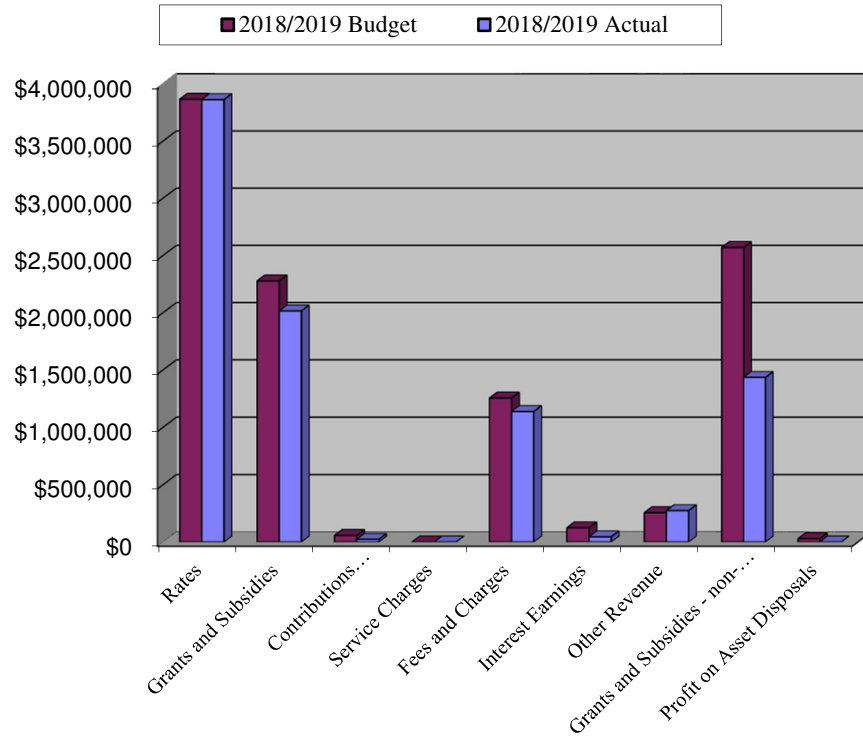


**Operating Expenditure (by Program)**

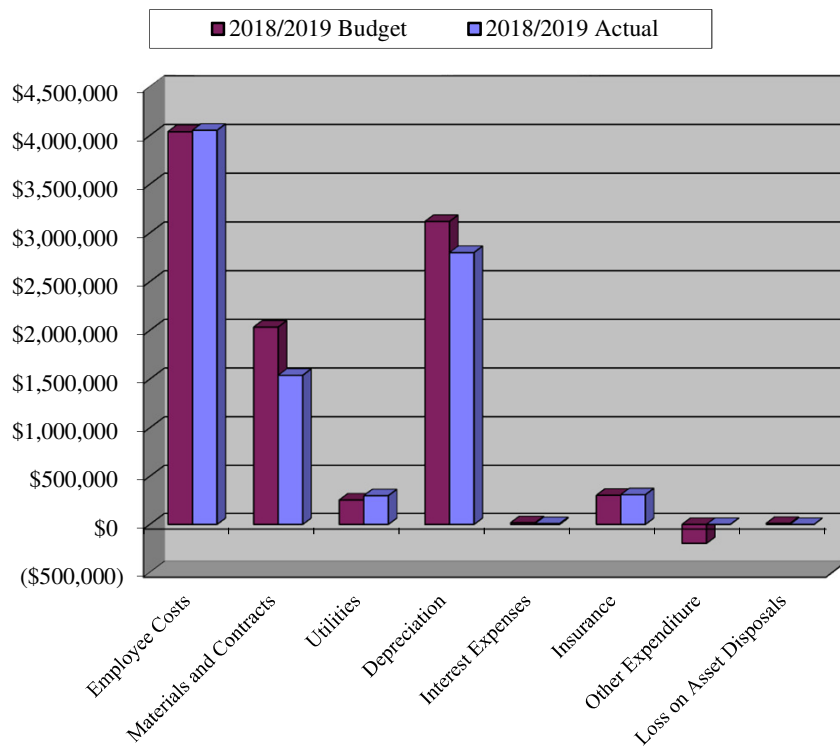


**SHIRE OF KOJONUP**  
**EXECUTIVE SUMMARY**  
**For the period ending 31 May 2019**

**Operating Revenue (by Nature/Type)**

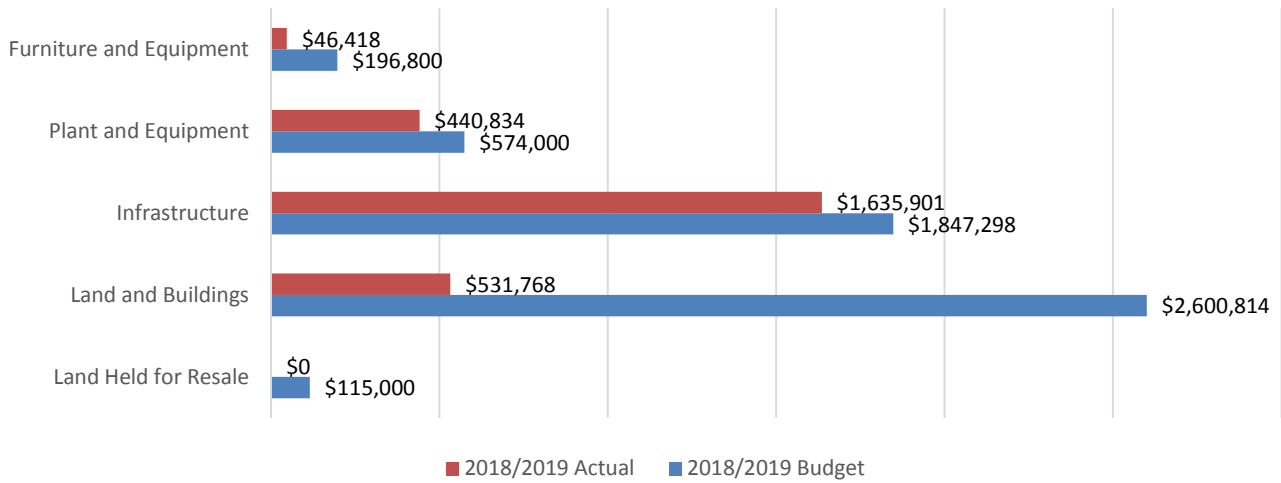


**Operating Expenditure (by Nature / Type)**

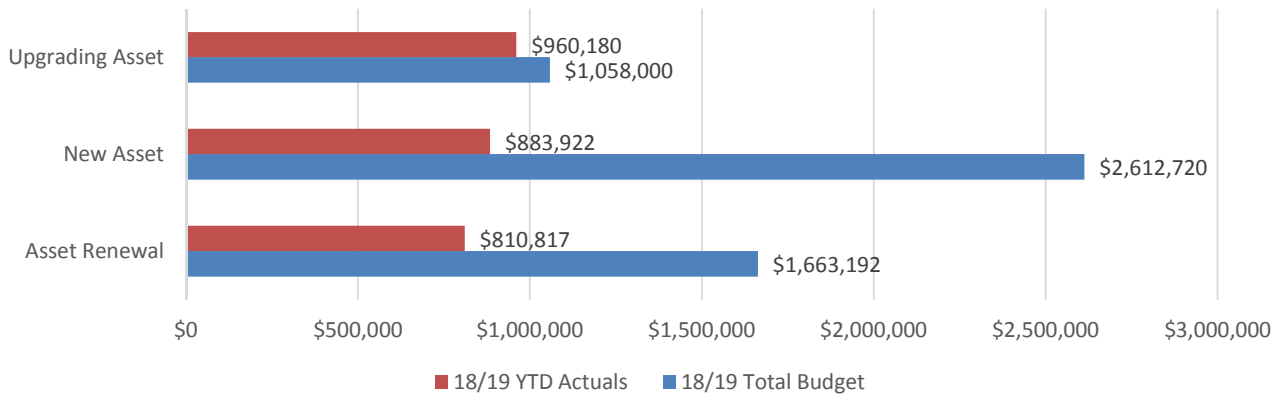


**SHIRE OF KOJONUP**  
**EXECUTIVE SUMMARY**  
**For the period ending 31 May 2019**

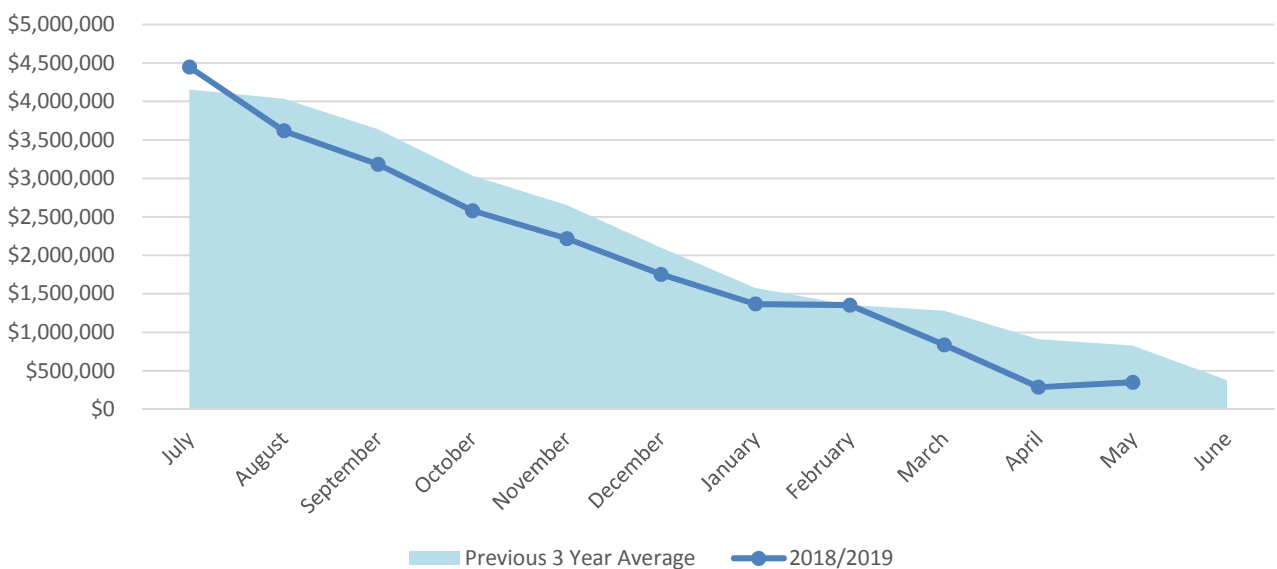
**Capital Expenditure - By Asset Class**



**Capital Expenditure - By Asset Investment Type**



**Closing Position - Surplus or (Deficit)**



**SHIRE OF KOJONUP**  
**Statement of Comprehensive Income - by Program**  
**For the period ending 31 May 2019**

More Info Page #	2018/2019 Budget \$	2018/2019 YTD Budget \$	2018/2019 Actual \$	Variance
<b>1(a) SOCI - BY PROGRAM</b>				
<b>Operating Revenue</b>				
General Purpose Funding	(\$4,810,536)	(\$4,735,831)	(\$4,734,939)	0%
Governance	(\$50,910)	(\$46,651)	(\$34,001)	-27%
Law, Order, Public Safety	(\$51,736)	(\$47,399)	(\$42,205)	-11%
Health	(\$27,700)	(\$25,388)	(\$29,960)	18%
Education and Welfare	(\$18,000)	(\$16,489)	(\$10,227)	-38%
Housing	(\$3,708,325)	(\$3,017,902)	(\$2,262,708)	-25%
Community Amenities	(\$287,276)	(\$263,285)	(\$278,483)	6%
Recreation and Culture	(\$97,450)	(\$62,639)	(\$50,663)	-19%
Transport	(\$1,037,502)	(\$905,453)	(\$1,057,879)	17%
Economic Services	(\$219,250)	(\$204,515)	(\$198,900)	-3%
Other Property and Services	(\$118,901)	(\$84,794)	(\$85,473)	1%
Finance & Borrowings	(\$379)	(\$341)	(\$429)	26%
	<b>(\$10,427,964)</b>	<b>(\$9,410,687)</b>	<b>(\$8,785,868)</b>	-7%
<b>Operating Expenditure</b>				
General Purpose Funding	\$131,951	\$125,662	\$116,356	-7%
Governance	\$572,410	\$524,425	\$647,943	24%
Law, Order, Public Safety	\$255,152	\$235,533	\$224,035	-5%
Health	\$162,051	\$148,467	\$104,298	-30%
Education and Welfare	\$41,370	\$37,840	\$41,887	11%
Housing	\$2,180,133	\$1,998,216	\$2,048,839	3%
Community Amenities	\$708,736	\$649,165	\$498,199	-23%
Recreation & Culture	\$1,197,194	\$1,096,634	\$1,096,860	0%
Transport	\$3,205,090	\$2,937,697	\$3,138,997	7%
Economic Services	\$1,070,023	\$980,540	\$937,347	-4%
Other Property and Services	\$37,900	\$34,518	\$143,170	315%
Finance & Borrowings	\$18,605	\$17,039	\$9,954	-42%
	<b>\$9,580,613</b>	<b>\$8,785,736</b>	<b>\$9,007,886</b>	3%
	<b>\$847,350</b>	<b>\$624,951</b>	<b>(\$222,018)</b>	

**"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:**

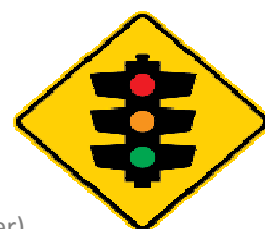
Green = Actual Revenue is greater than Year-to-Date budgeted revenue

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 31 May 2019**

**1(b) SOCI - BY NATURE & TYPE**

	More Info Page #	2018/2019 Budget \$	2018/2019 YTD Budget \$	2018/2019 Actual \$	Variance
<b>Revenues from Ordinary Activities</b>					
Rates	16	(\$3,864,088)	(\$3,864,088)	(\$3,860,791)	0%
Grants and Subsidies		(\$2,276,809)	\$ (2,087,075)	(\$2,014,394)	-3%
Contributions Reimbursements & Donations		(\$57,500)	\$ (52,708)	(\$23,465)	-55%
Service Charges		\$0	\$ -	\$0	
Fees and Charges		(\$1,252,390)	\$ (1,148,024)	(\$1,136,002)	-1%
Interest Earnings		(\$124,011)	\$ (113,676)	(\$45,061)	-60%
Other Revenue		(\$255,390)	\$ (234,107)	(\$273,033)	17%
		(\$7,830,188)	(\$7,499,679)	(\$7,352,746)	
<b>Expenses from Ordinary Activities</b>					
Employee Costs		\$4,039,575	\$ 3,702,944	\$4,053,587	9%
Materials and Contracts		\$2,034,149	\$ 1,864,636	\$1,538,893	-17%
Utilities		\$253,860	\$ 232,705	\$298,846	28%
Depreciation		\$3,118,040	\$ 2,858,203	\$2,799,033	-2%
Interest Expenses		\$17,605	\$ 16,138	\$8,621	-47%
Insurance		\$302,810	\$ 277,576	\$308,621	11%
Other Expenditure		(\$196,725)	\$ (180,331)	\$285	-100%
		\$9,569,313	\$8,771,871	\$9,007,886	
<b>Sub-Total</b>		\$1,739,126	\$1,272,191	\$1,655,140	
Grants and Subsidies - non-operating		(\$2,569,076)	\$ (2,354,986)	(\$1,433,122)	-39%
Profit on Asset Disposals		(\$28,700)	\$ (26,308)	\$0	-100%
Loss on Asset Disposals		\$11,300	\$ 10,358	\$0	-100%
<b>NET RESULT</b>		(\$847,350)	(\$1,098,745)	\$222,018	

**SHIRE OF KOJONUP**  
**Rate Setting Statement**  
**For the period ending 31 May 2019**

**1(c) RATE SETTING STATEMENT**

	More Info Page #	2018/2019 Budget	2018/2019 YTD Budget	2018/2019 Actual	Variance
<b>Net Result from Operations:</b>		<b>\$847,350</b>	<b>\$624,951</b>	<b>(\$222,018)</b>	
<i>Includes the following raised by Rates</i>	16	\$3,914,538	\$3,914,538	\$3,915,345	
<i>Less Non-Operating Grants</i>		(\$2,569,076)	(\$2,354,986)	(\$1,433,122)	
<b>Non Cash Items Written Back</b>					
Profit/(Loss) on Asset Disposals		(\$17,400)	\$5,962	\$0	-100%
(Increase)/decrease in Deferred Rates		\$0	\$0	\$0	
Change in Provision for Doubtful Debts		\$2,000	\$0	\$0	
Accrued Leave & Loan Interest Provisions		\$0	\$0	\$0	
Depreciation on Assets		\$3,118,040	\$2,858,130	\$2,799,033	-2%
<b>CASH PROVIDED BY OPERATIONS</b>		<b>\$1,380,914</b>	<b>\$1,134,057</b>	<b>\$1,143,893</b>	
<b>CAPITAL INVESTMENT</b>					
<b>Capital Revenue</b>					
Non-Operating Grants		\$2,569,076	\$2,354,986	\$1,433,122	
Proceeds from Disposal of Assets	36	\$169,300	\$155,192	\$194,767	26%
		<b>\$2,738,376</b>	<b>\$2,510,178</b>	<b>\$1,627,889</b>	
<b>Capital Expenditure</b>					
Land Held for Resale	11-12	\$115,000	\$105,417	\$0	-100%
Land and Buildings	11-12	\$2,600,814	\$2,384,079.50	\$531,768	-78%
Infrastructure	11-12	\$1,847,298	\$1,693,357	\$1,635,901	-3%
Plant and Equipment	11-12	\$574,000	\$526,167	\$440,834	-16%
Furniture and Equipment	11-12	\$196,800	\$180,400	\$46,418	-74%
		<b>\$5,333,913</b>	<b>\$4,889,419</b>	<b>\$2,654,920</b>	-46%
<b>CASH REQUIRED FOR CAPITAL INVESTMENT</b>		<b>(\$2,595,537)</b>	<b>(\$2,379,241)</b>	<b>(\$1,027,031)</b>	
<b>FINANCING ACTIVITIES</b>					
<b>Loans</b>					
Repayment of Debentures	17	\$30,431	\$27,895	\$15,141	-46%
Proceeds from New Debentures	17	(\$530,000)	(\$485,833)	(\$100,000)	-79%
Self-Supporting Loan Principal Income	17	(\$7,841)	(\$7,188)	(\$3,698)	-49%
<b>Fund Transfers</b>					
Transfers to Reserves	13	\$546,990	\$501,408	\$352,392	-30%
Transfers from Reserves	13	(\$767,813)	(\$703,829)	(\$400,785)	-43%
Transfer from Springhaven Reserve	13	\$0	\$0	\$40,000	
Transfer to Springhaven Reserve	13	\$0	\$0	\$0	
Transfer from Restricted Monies	37	(\$10,353)	(\$9,490)	(\$1,095,651)	
Transfer to Restricted Monies	37	\$0	\$0	\$1,433,122	
<b>CASH PROVIDED BY FINANCING ACTIVITIES</b>		<b>\$738,586</b>	<b>\$677,037</b>	<b>(\$240,522)</b>	
<b>SUMMARY:</b>					
<b>SURPLUS/(DEFICIT) 1st JULY</b>		\$476,036		\$476,037	
Cash Provided by Operations		\$1,380,914		\$1,143,893	
Cash Required for Capital Investment		(\$2,595,537)		(\$1,027,031)	
Cash Provided through Financing Activities		\$738,586		(\$240,522)	
Adjustments/Provisions		\$0		\$0	
<b>CLOSING SURPLUS OR (DEFICIT)</b>	7	<b>(\$0)</b>		<b>\$352,378</b>	

**SHIRE OF KOJONUP**  
**Representation of Surplus or Deficit**  
**For the period ending 31 May 2019**

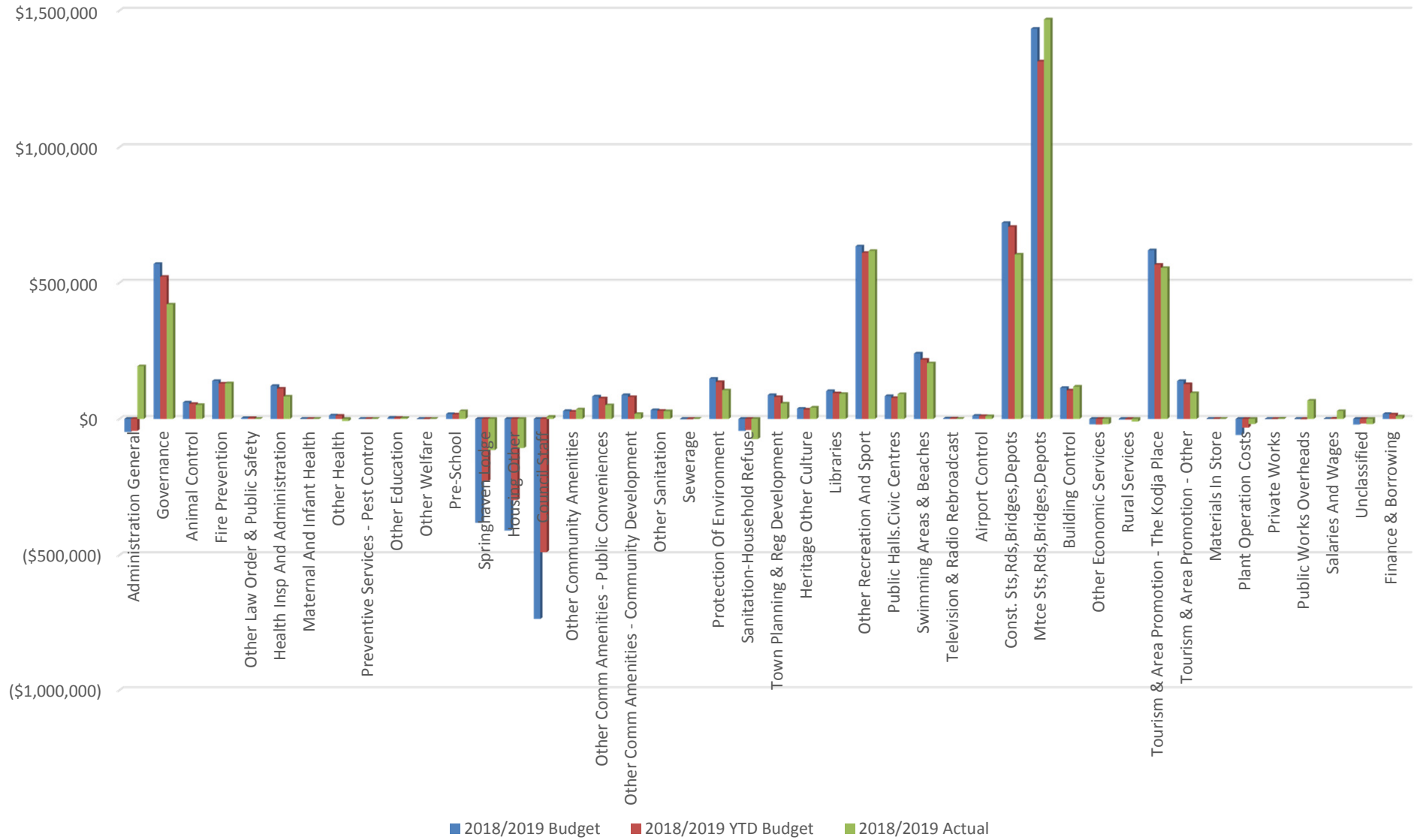
	More Info Page #	2018/2019 Budget	2018/2019 Actual \$	Same Time Last Year \$
<b>1(d) SURPLUS / (DEFICIT) REPRESENTED BY:</b>				
<b><u>Comprises:</u></b>				
Cash - Unrestricted		\$ 61,854	\$ 519,142	
Cash - Restricted Cash (see Note 10)		\$ 2,622	\$ 352,836	
Cash - Restricted Reserves	13	\$ 3,279,709	\$ 3,452,139	
Cash - On Hand (Floats)		\$ 1,640	\$ 640	
Stock on Hand		\$ 2,527	\$ 25,488	
Sundry Debtors	16	\$ 119,517	\$ 274,412	
Rates Debtors - Current	16	\$ 214,162	\$ 272,767	
Other Debtors		\$ 24,618	\$ 26,230	
<b><u>Less:</u></b>				
Sundry Creditors			\$ (77,613)	
Tax Owed or (Payable)			\$ (130,378)	
Builders Retention			\$ (32,364)	
RAAP Grant (Creditor)			\$ (500,000)	
Payables and Provisions		\$ (424,318)	\$ (25,945)	
<b><u>Add Back:</u></b>				
Cash Reserves	13	\$ (3,279,709)	\$ (3,452,139)	
Restricted Cash (see Note 10)		\$ (2,622)	\$ (352,836)	
Adjustments				
<b>CLOSING SURPLUS OR (DEFICIT)</b>		<b>\$ -</b>	<b>\$ 352,378</b>	<b>\$ 826,785</b>

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

Cash - Unrestricted	Term Deposit Maturing	17/08/2019	\$ 500,000
Cash - Restricted Reserves	Term Deposit Maturing	19/06/2019	\$ 3,000,000
			<u>\$ 3,500,000</u>



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



**SHIRE OF KOJONUP**  
**MONTHLY FINANCIAL STATEMENTS**  
For the period ending 31 May 2019

**(d) 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 be reported when exceeding 10%, or a minimum of \$5,000, of the items contained within the rate setting statement.

**Variances Reported:**

	Variance %	Difference \$'s	Timing or Permanent	Comments
<b><u>Operating Revenue</u></b>				
Governance	-27%	\$ (12,650)	Permanent	Licensing Commissions are significantly below budget estimates as on-line payments continue to take over (YTD budget \$40,700, current \$32,584)
Law, Order, Public Safety	-11%	\$ (5,194)	Permanent	Dog & Cat registrations are below budget estimates due to the new lifetime registrations.
Education and Welfare	-38%	\$ (6,262)	Timing	Only 50% of the Kindy Café grant has been received (\$7,500 outstanding)
Housing	-25%	\$ (755,194)	Timing	Grants for the Great Southern Housing Initiative are below monthly budgets as they reflect the actual expenditure incurred.
Recreation and Culture	-19%	\$ (11,976)	Timing	\$6,000 donation for the purchase of swimming pool ladder will be received upon purchase of ladder
<b><u>Operating Expenditure</u></b>				
Governance	24%	\$ (123,518)	Timing	Administration Overheads are under-allocated due to timing differences.
Other Property and Services	315%	\$ (108,652)	Permanent / Timing	Salaries (Supervisors and Assistants) is over YTD budget by \$80,000. \$28,500 of workers compensation expenses are still to be reimbursed.

**Variances Reported:**

	Variance %	Difference \$'s	Timing or Permanent	Comments
<b><u>FINANCING ACTIVITIES</u></b>				
Proceeds from New Debentures	-79%	\$ (385,833)	Timing	New loans are only raised to fund an associated project - only one loan for \$100,000 will be drawn this year.
Transfers from Reserves	-43%	\$ (303,043)	Timing	Transfers from reserve accounts are linked to the funding of major projects and only occur after substantial completion of these projects.