

SHIRE OF TAMMIN

MONTHLY FINANCIAL REPORT (Containing the Statement of Financial Activity) For the Period Ended 31 January 2017

LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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SHIRE OF TAMMIN
STATEMENT OF FINANCIAL ACTIVITY
(Statutory Reporting Program)
For the Period Ended 31 January 2017

	Note	Original Annual Budget	Amended Annual Budget	Amended YTD Budget	YTD Actual	(b)-(a)	(b)-	Var.
			\$	\$	\$	\$	%	
Opening Funding Surplus(Deficit)	3	696,709	696,709	696,709	697,853	1,144	0%	
Revenue from operating activities								
Governance		0	0	0	0	0		
General Purpose Funding - Rates	8	942,285	942,285	942,241	940,746	(1,495)	(0%)	
General Purpose Funding - Other		1,068,350	1,068,350	623,175	527,331	(95,844)	(15%)	⊖
Law, Order and Public Safety		1,500	1,500	861	1,522	661	77%	
Health		650	650	371	236	(135)	(36%)	
Education and Welfare		56,770	56,770	33,110	32,443	(667)	(2%)	
Housing		49,880	49,880	29,078	24,617	(4,462)	(15%)	
Community Amenities		45,110	45,110	41,898	26,507	(15,391)	(37%)	⊖
Recreation and Culture		50,740	50,740	44,223	7,813	(36,410)	(82%)	⊖
Transport		77,100	77,100	70,931	70,013	(918)	(1%)	
Economic Services		700	700	399	252	(147)	(37%)	
Other Property and Services		13,000	13,000	7,560	27,930	20,370	269%	😊
		2,306,085	2,306,085	1,793,847	1,659,409			
Expenditure from operating activities								
Governance		(354,140)	(354,140)	(222,447)	(183,689)	38,758	17%	😊
General Purpose Funding		(73,040)	(73,040)	(42,574)	(32,964)	9,610	23%	😊
Law, Order and Public Safety		(32,280)	(32,280)	(18,774)	(9,892)	8,882	47%	😊
Health		(11,860)	(11,860)	(6,902)	(5,215)	1,687	24%	
Education and Welfare		(115,370)	(115,370)	(67,263)	(58,752)	8,511	13%	😊
Housing		(88,655)	(88,655)	(51,478)	(42,572)	8,906	17%	😊
Community Amenities		(260,945)	(260,945)	(122,060)	(107,044)	15,016	12%	😊
Recreation and Culture		(636,860)	(636,860)	(371,133)	(277,309)	93,824	25%	😊
Transport		(1,757,770)	(1,757,770)	(1,025,227)	(911,053)	114,174	11%	😊
Economic Services		(60,225)	(60,225)	(29,547)	(26,928)	2,619	9%	
Other Property and Services		(19,215)	(19,215)	(17,834)	(113,194)	(95,360)	(535%)	⊖
		(3,410,360)	(3,410,360)	(1,975,239)	(1,768,612)			
Operating activities excluded from budget								
Add back Depreciation		1,366,030	1,366,030	796,817	754,651	(42,166)	(5%)	
Adjust (Profit)/Loss on Asset Disposal	10	4,500	4,500	4,500	11,457	6,957	155%	😊
Adjust Provisions and Accruals		(1,476)	(1,476)	0	(64,881)	(64,881)		⊖
Amount attributable to operating activities		264,779	264,779	619,925	592,024			
Investing Activities								
Non-operating Grants, Subsidies and Contributions		617,240	617,240	360,045	368,015	7,970	2%	
Proceeds from Disposal of Assets	10	8,000	8,000	0	16,543	16,543		😊
Land and Buildings	11	(222,500)	(222,500)	(11,401)	(11,401)	0	0%	
Infrastructure Assets - Roads	11	(752,544)	(752,544)	(91,009)	(91,009)	0	0%	
Infrastructure Assets - Public Facilities	11	(7,000)	(7,000)	0	0	0		
Plant and Equipment	11	(235,000)	(235,000)	(180,000)	(180,944)	(944)	(1%)	
Furniture and Equipment	11	0	0	0	0	0		
Amount attributable to investing activities		(591,804)	(591,804)	77,635	101,204			
Financing Activities								
Proceeds from New Debentures		0	0	0	0	0		
Transfer from Reserves	7	385,000	385,000	0	0	0		
Advances to Community Groups		0	0	0	0	0		
Repayment of Debentures	9	(47,638)	(47,638)	(23,587)	(23,587)	0	0%	
Transfer to Reserves	7	(705,436)	(705,436)	0	0	0		
Amount attributable to financing activities		(368,074)	(368,074)	(23,587)	(23,587)			
Closing Funding Surplus(Deficit)	3	1,610	1,610	1,370,682	1,367,494			

😊 More Revenue OR Less Expenditure

⊖ Less Revenue OR More Expenditure

Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

Refer to Note 2 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and notes.

SHIRE OF TAMMIN
STATEMENT OF FINANCIAL ACTIVITY
(By Nature or Type)
For the Period Ended 31 January 2017

	Note	Original Annual Budget	Amended Annual Budget	Amended YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)- (a)/(a)	Var.
			\$	\$	\$	\$	%	
Opening Funding Surplus (Deficit)	3	696,709	696,709	696,709	697,853	1,144	0%	
Revenue from operating activities								
Rates	8	942,285	942,285	942,241	940,746	(1,495)	(0%)	
Operating Grants, Subsidies and Contributions		1,178,620	1,178,620	727,478	605,485	(121,993)	(17%)	☹️
Fees and Charges		158,680	158,680	108,679	96,627	(12,052)	(11%)	☹️
Interest Earnings		26,500	26,500	15,449	7,747	(7,702)	(50%)	☹️
Other Revenue		0	0	0	8,805	8,805		😊️
Profit on Disposal of Assets		0	0	0	0			
		2,306,085	2,306,085	1,793,847	1,659,409			
Expenditure from operating activities								
Employee Costs		(658,130)	(658,130)	(383,908)	(357,177)	26,731	7%	
Materials and Contracts		(1,143,970)	(1,143,970)	(644,344)	(502,379)	141,965	22%	😊️
Utility Charges		(111,890)	(111,890)	(65,100)	(39,023)	26,077	40%	😊️
Depreciation on Non-Current Assets		(1,366,030)	(1,366,030)	(796,817)	(754,651)	42,166	5%	
Interest Expenses		(16,110)	(16,110)	(9,380)	(9,687)	(307)	(3%)	
Insurance Expenses		(71,240)	(71,240)	(52,951)	(61,655)	(8,704)	(16%)	☹️
Other Expenditure		(38,490)	(38,490)	(18,239)	(32,583)	(14,344)	(79%)	☹️
Loss on Disposal of Assets	10	(4,500)	(4,500)	(4,500)	(11,457)	(6,957)	(155%)	
		(3,410,360)	(3,410,360)	(1,975,239)	(1,768,612)			
Operating activities excluded from budget								
Add back Depreciation		1,366,030	1,366,030	796,817	754,651	(42,166)	(5%)	
Adjust (Profit)/Loss on Asset Disposal	10	4,500	4,500	4,500	11,457	6,957	155%	😊️
Adjust Provisions and Accruals		(1,476)	(1,476)	0	(64,881)	(64,881)		☹️
Amount attributable to operating activities		264,779	264,779	619,925	592,024			
Investing activities								
Grants, Subsidies and Contributions		617,240	617,240	360,045	368,015	7,970	2%	
Proceeds from Disposal of Assets	10	8,000	8,000	0	16,543	16,543		😊️
Land and Buildings	11	(222,500)	(222,500)	(11,401)	(11,401)	0	0%	
Infrastructure Assets - Roads	11	(752,544)	(752,544)	(91,009)	(91,009)	0	0%	
Infrastructure Assets - Other	11	(7,000)	(7,000)	0	0	0		
Plant and Equipment	11	(235,000)	(235,000)	(180,000)	(180,944)	(944)	(1%)	
Furniture and Equipment	11	0	0	0	0	0		
Amount attributable to investing activities		(591,804)	(591,804)	77,635	101,204			
Financing Activities								
Proceeds from New Debentures		0	0	0	0	0		
Transfer from Reserves	7	385,000	385,000	0	0	0		
Repayment of Debentures	9	(47,638)	(47,638)	(23,587)	(23,587)	0	0%	
Transfer to Reserves	7	(705,436)	(705,436)	0	0	0		
Amount attributable to financing activities		(368,074)	(368,074)	(23,587)	(23,587)			
Closing Funding Surplus (Deficit)	3	1,610	1,610	1,370,682	1,367,494	(3,188)	(0%)	

Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.



More Revenue OR Less Expenditure



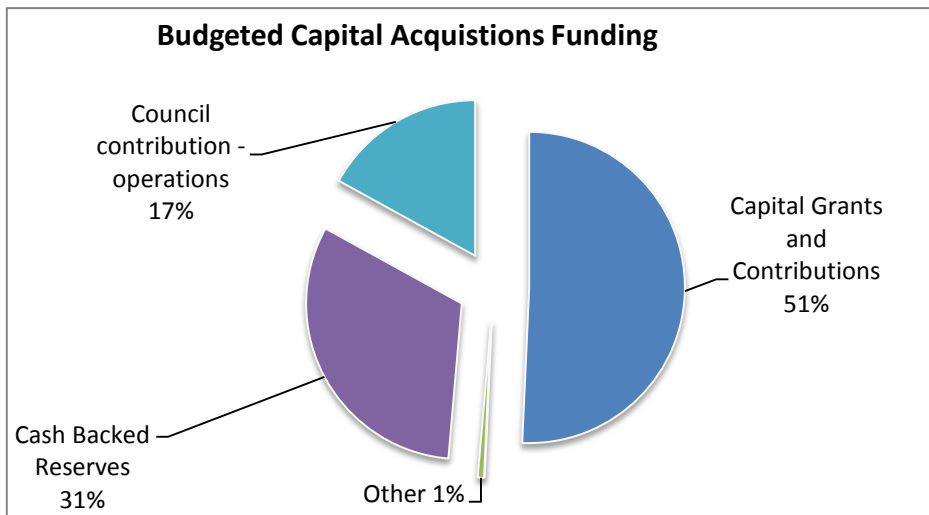
Less Revenue OR More Expenditure

This statement is to be read in conjunction with the accompanying Financial Statements and notes.

SHIRE OF TAMMIN
STATEMENT OF CAPITAL ACQUISITIONS AND CAPITAL FUNDING
For the Period Ended 31 January 2017

Capital Acquisitions

	Note	Amended Annual Budget	YTD Actual Total
		\$	\$
Land and Buildings	11	222,500	11,401
Infrastructure Assets - Roads	11	752,544	91,009
Infrastructure Assets - Other	11	7,000	0
Plant and Equipment	11	235,000	180,944
Furniture and Equipment	11	0	0
Capital Expenditure Totals		1,217,044	283,354
Capital acquisitions funded by:			
Capital Grants and Contributions		617,240	0
Borrowings	9	0	0
Other (Disposals & C/Fwd)	10	8,000	16,543
Cash Backed Reserves	7	385,000	0
Council contribution - operations		206,804	266,811
Capital Funding Total		1,217,044	283,354



SHIRE OF TAMMIN
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2017

Note 1: Significant Accounting Policies

(a) Basis of Accounting

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement are presented below and have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

Critical Accounting Estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

(b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in this statement. In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated. All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 12.

(c) Rounding Off Figures

All figures shown in this statement are rounded to the nearest dollar.

(d) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

(e) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

(g) Trade and Other Receivables

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

(h) Inventories

General

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land Held for Resale

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed. Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point. Land held for sale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

(i) Fixed Assets

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the local government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

SHIRE OF TAMMIN
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2017

Note 1: Significant Accounting Policies

(j) Depreciation of Non-Current Assets

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation rates and periods are:

Asset	Years
Buildings	30 to 50 years
Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years
seal	
bituminous seals	20 years
asphalt surfaces	25 years
Gravel Roads	
formation	not depreciated
pavement	50 years
gravel sheet	12 years
Formed roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	40 years

(k) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

(l) Employee Benefits

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

(i) Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the Shire has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Shire expects to pay and includes related on-costs.

(ii) Annual Leave and Long Service Leave (Long-term Benefits)

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the project unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where the Shire does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

(m) Interest-bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

(n) Provisions

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one of item included in the same class of obligations may be small.

SHIRE OF TAMMIN
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2017

Note 1: Significant Accounting Policies

(o) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non current based on Council's intentions to release for sale.

(p) Nature or Type Classifications

Rates

All rates levied under the Local Government Act 1995. Includes general, differential, specific area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Exclude administration fees, interest on instalments, interest on arrears and service

Operating Grants, Subsidies and Contributions

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

Non-Operating Grants, Subsidies and Contributions

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

Profit on Asset Disposal

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure

Fees and Charges

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

Service Charges

Service charges imposed under Division 6 of Part 6 of the Local Government Act 1995. Regulation 54 of the Local Government (Financial Management) Regulations 1996 identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

Interest Earnings

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

Other Revenue / Income

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates etc.

Employee Costs

All costs associate with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

Materials and Contracts

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

Utilities (Gas, Electricity, Water, etc.)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

Insurance

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

Loss on asset disposal

Loss on the disposal of fixed assets.

Depreciation on non-current assets

Depreciation expense raised on all classes of assets.

Interest expenses

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

Other expenditure

Statutory fees, taxes, provision for bad debts, member's fees or State taxes. Donations and subsidies made to community groups.

SHIRE OF TAMMIN
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2017

Note 1: Significant Accounting Policies

(r) Program Classifications (Function/Activity)

Shire operations as disclosed in these financial statements encompass the following service orientated activities/programs.

GOVERNANCE

GENERAL PURPOSE FUNDING

LAW, ORDER, PUBLIC SAFETY

HEALTH

EDUCATION AND WELFARE

HOUSING

COMMUNITY AMENITIES

RECREATION AND CULTURE

TRANSPORT



ECONOMIC SERVICES

OTHER PROPERTY AND SERVICES

SHIRE OF TAMMIN
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2017

Note 2: 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. The material variance adopted by Council for the 2016/17 year is \$5,000 or 10% whichever is the greater.

 **More Revenue OR Less Expenditure**
 **Less Revenue OR More Expenditure**

Reporting Program	Var. \$	Var. %	Var.	Timing/ Permanent	Explanation of Variance
Operating Income	\$	%			
Governance	0				Within Variance Threshold
General Purpose Funding - Rates	(1,495)	(0%)			Within Variance Threshold
General Purpose Funding - Other	(95,844)	(15%)		Timing	Grants Commission funding has been budgeted to be received as 12 monthly payments, when is actually received quarterly. Staff will correct this timing issue with the budget review.
Law, Order and Public Safety	661	77%			Within Variance Threshold
Health	(135)	(36%)			Within Variance Threshold
Education and Welfare	(667)	(2%)			Within Variance Threshold
Housing	(4,462)	(15%)			Within Variance Threshold
Community Amenities	(15,391)	(37%)		Timing	Timing of further rubbish charges - under budget.
Recreation and Culture	(36,410)	(82%)		Timing	Income relating to Functions and Events is budgeted to be received equally over the year.
Transport	(918)	(1%)			Within Variance Threshold
Economic Services	(147)	(37%)			Within Variance Threshold
Other Property and Services	20,370	269%		Timing	LGIS Scheme member benefit refund and Private works income are \$14K higher than YTD Budget. General reimbursements are higher than YTD Budget, it is likely that these will be offset by expenditure.
Operating Expense	\$	%			
Governance	38,758	17%		Timing	Consultant & Audit Fees under YTD budget. These may even out over the year.
General Purpose Funding	9,610	23%		Timing	Valuation expenses under \$6K YTD budget. Expenditure for valuations is likely to occur later in the year.
Law, Order and Public Safety	8,882	47%		Timing	Depreciation has not been charged to this area. Staff will review asset depreciation allocations.
Health	1,687	24%			Within Variance Threshold
Education and Welfare	8,511	13%		Timing	Tamma Village Aged Units maintenance is under YTD budget. This may even out during the year.
Housing	8,906	17%		Timing	Staff Housing Cost allocations are higher than Year to date Budget, and are recovering higher than actual expenditure. Staff will review these allocations.
Community Amenities	15,016	12%		Timing	Avon Waste Charges are \$11K lower than YTD Budget. Staff will review these costs with the budget review.
Recreation and Culture	93,824	25%		Timing	General hall and parks and recreation centre are under YTD budget. This is likely to even out over the year.
Transport	114,174	11%		Timing	Roads Maintenance is lower than YTD Budget, but will even out over the following months as works commence.
Economic Services	2,619	9%			Within Variance Threshold
Other Property and Services	(95,360)	(535%)		Timing	Plant Operation costs are not recovering in line with expenditure. This will be reviewed by staff and corrected with the budget review.
Operating activities excluded from budget					
Add back Depreciation	(42,166)	(0)			Within Variance Threshold
Adjust Provisions and Accruals	(64,881)			Permanent	End of Year transactions have not yet been processed and reconciled in the Shires ledger. Staff are working with the auditor to correct this.
Capital Revenues					
Grants, Subsidies and Contributions	7,970	2%			Within Variance Threshold
Proceeds from Disposal of Assets	16,543			Permanent	The Shire has sold two properties that were not included in the original budget.
Capital Expenses					
Land and Buildings	0	0%			Within Variance Threshold
Infrastructure - Roads	0	0%			Within Variance Threshold
Plant and Equipment	0	0%			Within Variance Threshold
Financing					
Proceeds from New Debentures	0				Within Variance Threshold
Self-Supporting Loan Principal	0				Within Variance Threshold
Transfer from Reserves	0				Within Variance Threshold
Opening Funding Surplus(Deficit)	1,144	0%			Within Variance Threshold

SHIRE OF TAMMIN
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2017

Note 3: Net Current Funding Position

Positive=Surplus (Negative=Deficit)

		Last Years Actual Closing	Current
	Note	30 June 2016	31 Jan 2017
		\$	\$
Current Assets			
Cash Unrestricted	4	771,711	1,433,614
Cash Restricted	4	824,692	824,692
Receivables - Rates		46,989	104,844
Receivables - Other		135,006	13,477
Interest / ATO Receivable/Trust		51,240	41,033
Inventories		0	6
		1,829,638	2,417,667
Less: Current Liabilities			
Payables		(214,179)	(132,568)
Current Borrowings		(47,639)	(24,052)
Provisions		(92,140)	(92,140)
		(353,958)	(248,759)
Net Current Assets		1,475,680	2,168,907
Less: Cash Reserves	7	(825,466)	(825,466)
Plus: Current Borrowings included in Budget		47,639	24,052
Net Current Funding Position		697,853	1,367,494

Comments - Net Current Funding Position

SHIRE OF TAMMIN
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2017

Note 4: Cash and Investments

	Unrestricted	Restricted	Trust	Total Amount	Institution	Interest Rate	Maturity Date
	\$	\$	\$	\$			
(a) Cash Deposits							
Municipal Bank Account	200,460			200,460	NAB	1.00%	At Call
Cash Maxi	912,947			912,947	NAB	0.06%	At Call
Trust Bank Account			13,766	13,766	NAB	0.01%	At Call
Cash On Hand	500			500	n/a	n/a	On Hand
				0			
(b) Term Deposits				0			
Reserve Investment Account	0	847,684		847,684	NAB	2.60%	16-Jun-17
Muni Investment Account	323,196			323,196	NAB	2.10%	30-Jan-17
	1,437,103	847,684	13,766	2,298,553			

Comments/Notes - Investments

The above balances are the funds held in bank accounts and on hand as at reporting date.

SHIRE OF TAMMIN
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2017

Note 5: Budget Amendments

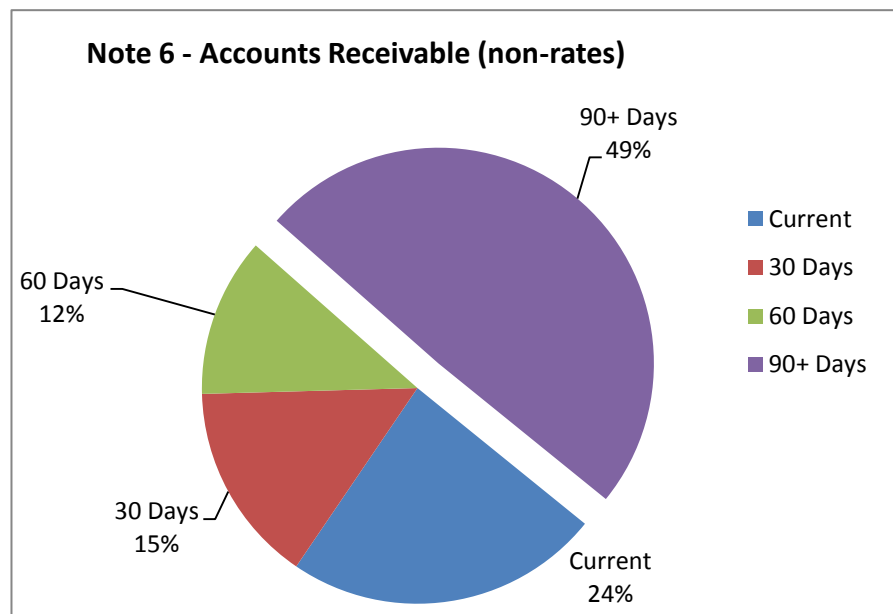
There have been no amendments to the original budget since budget adoption.

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
	Budget Adoption		Opening Surplus				1,610
	Permanent Changes						1,610
				0	0	0	

SHIRE OF TAMMIN
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2017

Note 6: Receivables

Receivables - General	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$
Receivables - General	2,890	1,839	1,457	6,023	12,209
Total Receivables General Outstanding					12,209



Comments/Notes - Receivables General

SHIRE OF TAMMIN
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2017

Note 7: Cash Backed Reserve

Name	Opening Balance	Amended Budget Interest Earned	Actual Interest Earned	Amended Budget Transfers In (+)	Actual Transfers In (+)	Amended Budget Transfers Out (-)	Actual Transfers Out (-)	Amended Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Reserves Staff Entitlements	25,240	400	0	0	0	0	0	25,640	25,240
Reserves Plant Replacement	319,916	5,000	0	150,000	0	(235,000)	0	239,916	319,916
Reserves Information & Technology	11,133	100	0	0	0	0	0	11,233	11,133
Reserves Tamma Village Upgrade & Improvements	18,795	300	0	0	0	0	0	19,095	18,795
Sports, Recreation & Community Facilities Upgrades	450,382	7,076	0	530,000	0	(150,000)	0	837,458	450,382
Bowling Green Replacement	0	124	0	12,436	0	0	0	12,560	0
	825,466	13,000	0	692,436	0	(385,000)	0	1,145,901	825,466

Reserve funds are fully cash-backed in a term Deposit and Bank Account - Refer Note 4

SHIRE OF TAMMIN
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2017

Note 8: Rating Information

	Rate in	Number of Properties	Rateable Value	YTD Actual			Amended Budget				
				Rate Revenue	Interim Rates	Back Rates	Total Revenue	Rate Revenue	Interim Rate	Back Rate	Total Revenue
	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
RATE TYPE											
Differential General Rate											
GRV	11.0992	82	763,885	84,785	0	0	84,785	84,785	0	0	84,785
UV	1.7064	171	50,296,500	858,259	0	(9,131)	849,128	849,128	100	0	849,228
Sub-Totals		253	51,060,385	943,045	0	(9,131)	933,914	933,914	100	0	934,014
Minimum Payment											
	\$										
GRV	495.00	51	39,000	25,245	0	0	25,245	25,245	0	0	25,245
UV	495.00	21	342,100	10,395	0	0	10,395	10,395	0	0	10,395
Sub-Totals		72	381,100	35,640	0	0	35,640	35,640	0	0	35,640
		325	51,441,485	978,685	0	(9,131)	969,554	969,554	100	0	969,654
Concession/discount							(35,449)	-42,500			(42,500)
Amount from General Rates							934,105	927,054			927,154
Ex-Gratia Rates							6,642	6,000			6,000
Totals							940,746	933,054			933,154

SHIRE OF TAMMIN
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2017

Note 9 : Information on Borrowings
(a) Debenture Repayments

Particulars	Actual		Principal Repayments		Principal Outstanding		Interest Repayments	
	01 Jul 2016	New Loans	Amended		Amended		Amended	
			Actual	Budget	Actual	Budget	Actual	Budget
			\$	\$	\$	\$	\$	\$
Housing								
Loan 79	60,494		4,877	9,870	55,617	50,624	3,462	3,060
Loan 80	118,919		5,685	11,469	113,234	107,450	0	4,840
Recreation and Culture								
Loan 81	130,000		5,708	11,493	124,292	118,507	0	3,620
Transport								
Loan 78	90,741		7,316	14,806	83,425	75,935	2,736	4,590
	400,154	0	23,587	47,638	376,567	352,516	6,198	16,110

(b) New Debentures

The Shire does not expect to take out any new debenture during the year.

(c) Unspent Debentures

The Shire has no unspent debentures.

(d) Overdraft

Council has an overdraft facility of \$100,000 with NAB.

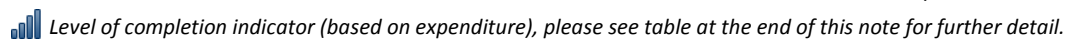











SHIRE OF TAMMIN
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2017

Note 10: Disposal of Assets

		YTD Actual				Amended Budget				
Asset Number	Asset Description	Program	Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
			\$	\$	\$	\$	\$	\$	\$	\$
1012	9 Nottage Way	Housing	14,000	8,271		(5,729)	0	0		
1013	11 Nottage Way	Housing	14,000	8,272		(5,728)	0	0		
	Reel Mower	Other PS	0	0			12,500	8,000		(4,500)
			28,000	16,543		0 (11,457)	12,500	8,000		0 (4,500)

SHIRE OF TAMMIN
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2017

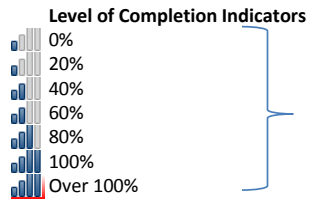
Note 11: Capital Acquisitions

Assets	Account	YTD Actual			Amended Budget			Strategic Reference / Comment
		New/Upgrade	Renewal	Total YTD	Annual Budget	YTD Budget	YTD Variance	
		\$	\$	\$	\$	\$	\$	
								
Buildings								
Education & Welfare								
 Tamma Village Retic	084401	0	0	2,081	8,000	2,081	0	
Community Amenities Total		0	0	2,081	8,000	2,081	0	
Housing								
 3 Nottage Way	091399			0	10,000	0	0	
 5 Nottage Way	091400			1,086	10,000	1,086	0	
 7 Nottage Way	091401			1,008	10,000	1,008	0	
Housing Total		0	0	6,255	30,000	6,255	0	
Recreation and Culture								
 Donnan Park Pavillion - Abulution Block	113401			5,146	15,000	5,146	0	
 Tennis Courts					150,000	0	0	
Recreation and Culture Total		0	0	5,146	165,000	5,146	0	
Economic Services								
 Dump Point				0	5,000	0	0	
Economic Services Total		0	0	0	5,000	0	0	
Transport								
 Depot Hoist				0	14,500	0	0	
Transport Total		0	0	0	14,500	0	0	
Buildings Total		0	0	11,401	222,500	11,401	0	
Plant , Equip. & Vehicles								
Other Property & Services								
 4 Tonne Tipper	143402			70,250	70,000	70,000	250	
 Mini Track Machine *bobcat*	143401			110,694	110,000	110,000	694	
 Toro Reel Mower				0	55,000	0	0	
Transport Total		0	0	180,944	235,000	180,000	944	
Plant , Equip. & Vehicles Total		0	0	180,944	235,000	180,000	944	

SHIRE OF TAMMIN
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 January 2017

Note 11: Capital Acquisitions

Assets	Account	YTD Actual			Amended Budget			Strategic Reference / Comment	
		New/Upgrade	Renewal	Total YTD	Annual Budget	YTD Budget	YTD Variance		
		\$	\$	\$	\$	\$	\$		
Roads									
Transport									
Ralston Rd Bends				0	65,434	0	0		
Bungulla North Reconstruction				0	98,184	0	0		
Walston Rd				0	32,634	0	0		
Uppill Survey				0	52,634	0	0		
Ralston	C0004			2,879	192,854	2,879	0		
Yorkrakine Road	C0006			599	0	599	0		
Tammin- Wyalchatchem Road	C0080			35,827	96,350	35,827	0		
Roads To Recovery	R2R			34,487	0	34,487	0		
Regional Road Group - Project 1	RRG1			17,218	214,454	17,218	0		
Transport Total				0	0	91,009	0	0	
Roads Total				0	0	91,009	0	0	
Other Infrastructure									
Transport									
Carpark (back of hall)				0	7,000	0	0		
Transport Total				0	0	7,000	0	0	
Other Infrastructure Total				0	0	7,000	0	0	
Capital Expenditure Total				0	0	283,354	1,217,044	282,410	944



Percentage YTD Actual to Annual Budget
Expenditure over budget highlighted in red.