



Monthly Financial Activity Report

For the period ending
31 August 2012

SHIRE OF BROOME

Monthly Financial Activity Report

For the period ending

31 August 2012

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DISCLAIMER

This is a special purpose report prepared for the use of staff and Councillors, although results are un-audited until 30th June.

SHIRE OF BROOME

STATEMENT OF FINANCIAL ACTIVITY - OPERATING

For the period ending

31 August 2012

	Actual to YTD Budget Variance	Actual YTD	Budget YTD	Actual % of Forecast Budget	Forecast Budget	Annual Budget
OPERATING REVENUE & EXPENSES	%	\$	\$	%	\$	\$
Revenue						
Governance	6%	5,934	6,655	49%	12,100	12,100
General Purpose Funding						
Rates Raised	0%	16,691,264	16,744,085	99%	16,913,217	16,913,217
Other General Purpose Funding	4%	-	41,856	0%	1,046,395	1,046,395
Law Order & Public Safety	3%	22,582	18,279	17%	130,566	130,566
Health	7%	12,221	21,539	10%	126,700	126,700
Education & Welfare	9%	-	18,315	0%	203,500	203,500
Housing	3%	72,936	89,040	13%	545,140	545,140
Community Amenities	8%	3,262,719	3,704,560	63%	5,217,690	5,217,690
Recreation And Culture	0%	199,877	198,365	17%	1,190,190	1,190,190
Transport	2%	145,009	158,342	20%	719,735	719,735
Economic Services	2%	144,080	160,651	15%	963,904	963,904
Other Property And Services	3%	426,270	530,125	13%	3,180,750	3,180,750
Total Revenue	2%	20,982,891	21,691,811	69%	30,249,887	30,249,887
Expenses						
Governance	2%	379,453	427,690	15%	2,566,141	2,566,141
General Purpose Funding	7%	20,989	14,896	23%	93,097	93,097
Law Order & Public Safety	2%	220,450	257,123	14%	1,542,737	1,542,737
Health	3%	84,881	102,194	14%	613,164	613,164
Education & Welfare	1%	114,450	118,865	16%	713,188	713,188
Housing	1%	95,834	91,040	18%	546,240	546,240
Community Amenities	6%	960,621	1,504,708	11%	9,028,246	9,028,246
Recreation And Culture	4%	1,048,229	1,384,207	13%	8,305,242	8,305,242
Transport	0%	972,204	976,901	17%	5,861,406	5,861,406
Economic Services	7%	124,175	205,795	10%	1,234,768	1,234,768
Other Property And Services	6%	710,222	533,758	24%	2,965,324	2,965,324
Total Expenses	3%	4,731,507	5,617,176	14%	33,469,553	33,469,553
NET OPERATING SURPLUS/(DEFICIT)		16,251,384	16,074,635		(3,219,666)	(3,219,666)

NB: % of year elapsed 17%

SHIRE OF BROOME

STATEMENT OF FINANCIAL ACTIVITY - NON OPERATING

For the period ending 31 August 2012

	Actual to YTD Budget Variance	Actual YTD	Budget YTD	Actual % of Forecast Budget	Forecast Budget	Annual Budget
	%	\$	\$	%	\$	\$
ASSET PROCUREMENT						
Grants and Contributions for Assets						
Governance	-	-	-	0%	-	-
General Purpose Funding				0%		
Rates		-	-	0%	-	-
Other General Purpose Funding		-	-	0%	-	-
Law Order & Public Safety	-	-	-	0%	-	-
Health	-	-	-	0%	-	-
Education & Welfare	-	-	-	0%	-	-
Housing	-	-	-	0%	-	-
Community Amenities	0%	34,813	35,667	16%	214,000	214,000
Recreation And Culture	16%	5,000	275,542	0%	1,653,250	1,653,250
Transport	6%	705,477	1,058,514	11%	6,351,083	6,351,083
Economic Services	-	-	-	0%	-	-
Other Property And Services	16%	-	1,600	0%	10,000	10,000
Total Grants and Contributions for Assets	8%	745,290	1,371,322	9%	8,228,333	8,228,333
Investments in Assets						
Land and Buildings - New	17%	-	10,833	0%	65,000	65,000
Land and Buildings - Upgrade	2%	1,262,084	1,148,463	22%	5,648,180	5,648,180
Land and Buildings - Renewal	13%	38,387	177,017	4%	1,062,100	1,062,100
Works in Progress Land & Buildings	10%	601	23,100	0%	231,000	231,000
Infrastructure Assets - New	14%	84,003	493,717	3%	2,962,300	2,962,300
Infrastructure Assets - Upgrade	5%	849,531	658,825	21%	3,952,950	3,952,950
Infrastructure Assets - Renewal	15%	39,284	361,483	2%	2,168,900	2,168,900
Mobile Plant and Equipment - New	2%	50,893	62,360	8%	623,600	623,600
Mobile Plant and Equipment - Upgrade	-	-	-	0%	-	-
Mobile Plant and Equipment - Renewal	4%	154,145	253,050	6%	2,530,500	2,530,500
Fixed Plant and Equipment - New	6%	-	1,908	0%	31,800	31,800
Fixed Plant and Equipment - Upgrade	6%	-	33,264	0%	554,400	554,400
Fixed Plant and Equipment - Renewal	6%	-	12,000	0%	200,000	200,000
Furniture and Equipment - New	6%	62,556	31,662	12%	527,700	527,700
Total Investments in Assets	4%	2,541,483	3,267,682	12%	20,558,430	20,558,430
Proceeds From Sale of Assets						
Less Proceeds on the sale of Assets	11%	(35,324)	(113,667)	5%	(682,000)	(682,000)
Proceeds From Sale of Assets	11%	(35,324)	(113,667)	5%	(682,000)	(682,000)
NET ASSET PROCUREMENT REVENUE/(EXPENSE)		(1,760,869)	(1,782,693)		(11,648,097)	(11,648,097)

SHIRE OF BROOME

STATEMENT OF FINANCIAL ACTIVITY - NON OPERATING

For the period ending 31 August 2012

	Actual to YTD Budget Variance	Actual YTD	Budget YTD	Actual % of Forecast Budget	Forecast Budget	Annual Budget
	%	\$	\$	%	\$	\$
FINANCING ACTIVITIES						
Self Supporting Loans						
Payment Received for S/S Loans	214%	52,340	1,965	222%	23,580	23,580
Proceeds from New Self Supporting Loans	-	-	-	0%	-	-
Repayment of Self Supporting Loans	214%	52,340	1,965	222%	23,580	23,580
Self Supporting Loan Funds Forwarded	-	-	-	0%	-	-
Net Self Supporting Loan Revenue/(Expenses)	-	-	-		-	-
Council Loans						
Proceeds from New Council Loans	-	-	-	0%	-	-
Unspent loan funds from/(to) loan bank	-	-	-	0%	-	-
Repayment of Council Loans	0%	-	-	0%	1,246,390	1,246,390
Net Council Loan Revenue/(Expenses)	0%	-	-		(1,246,390)	(1,246,390)
Reserve Transfers						
Transfers from Reserves (Restricted Assets)	0%	-	-	0%	11,412,610	11,412,610
Transfers to Reserves (Restricted Assets)	0%	-	-	0%	3,410,957	3,410,957
Net Reserve Transfer Revenue/(Expenses)	0%	-	-		8,001,653	8,001,653
Restricted Cash Transfers						
Transfers from Restricted Cash	-	-	-	0%	-	-
Transfers to Restricted Cash	-	-	-	0%	-	-
Net Restricted Cash Transfer Rev/(Exp)	-	-	-		-	-
NET FINANCE REVENUE/(EXPENSE)		-	-		6,755,263	6,755,263
NET NON OPERATING REVENUE/(EXPENSE)		(1,760,869)	(1,782,693)		(4,892,834)	(4,892,834)

SHIRE OF BROOME
STATEMENT OF FINANCIAL ACTIVITY - CASH SUMMARY

For the period ending 31 August 2012

	Actual YTD	Budget YTD	Forecast Budget	Annual Budget
	\$	\$	\$	\$
NET OPERATING SURPLUS/(DEFICIT)	16,251,384	16,074,635	(3,219,666)	(3,219,666)
NET NON OPERATING REVENUE/(EXPENSE)	(1,760,869)	(1,782,693)	(4,892,834)	(4,892,834)
NET OVERALL REVENUE/(EXPENSE)	14,490,514	14,291,941	(8,112,500)	(8,112,500)

Adjustments to Determine the Cash Position

- Depreciation	1,047,635	6,430,400	6,430,400	6,430,400
- Net Accrued (Income)/Expenditure	5,978	(10,481)	(10,481)	(10,481)
- Current Position/Rounding Adjustments	2,753,552			
- (Profit)/Loss on sale of assets	(6,915)	(37,950)	(227,700)	(227,700)
- Surplus/(Deficit) brought forward	1,920,281	1,920,281	1,920,281	1,920,281
- Wages Over/(Under) allocated	-		-	-
- Overheads Over/(Under) allocated	-		-	-
- Plant Costs Over/(Under) allocated	-		-	-
- Activity Based Costing Over/(Under) Alloc	-		-	-
- Alloc Expenses Over/(Under) Alloc	-		-	-
- Additional Restricted Cash Now budgeted to be spent/(retained)	-		-	-
CASH SURPLUS/(DEFICIT)	20,211,046	22,594,192	-	-

Materiality Notes:

- The Forecast Budget represents 0 % Deficit of the budgeted operating revenue excluding grants and contributions for assets and profit on sale of assets.
Should the Forecast Budget predict a Deficit more than 1% (\$299,475) of the budgeted operating revenue excluding grants and contributions for assets and profit on sale of assets, an action plan to remedy the situation will be prepared in accordance with Finance Policy 2.1.1.
- The "Actual to YTD Budget Variance %" is calculated by dividing the difference between the Actual YTD and Budget YTD by the Forecast budget.
Should the "Actual to YTD Budget Variance %" be more than 10% then commentary on the variance will be prepared in accordance with Finance Policy 2.1.1.

SHIRE OF BROOME
STATEMENT OF NET CURRENT ASSETS
31 August 2012

	Actual \$ To Date	Change In \$ August	Actual \$ At 31 Jul 2012	Annual Budget \$ At 30 Jun 2012
CURRENT ASSETS				
Cash Assets				
Cash on hand	2,800	-	2,800	2,800
Cash at Bank - Unrestricted	3,604,833	610,085	2,994,749	2,098,966
Cash Reserves - Restricted	21,382,924	59,989	21,322,936	20,082,488
Cash - Other Restricted	-	-	-	-
Total Cash Assets	24,990,558	670,073	24,320,484	22,184,254
Receivables				
Sundry Debtors	1,241,882	446,774	795,108	1,010,608
Rates and Rubbish Debtors	17,548,852	17,346,061	202,792	226,493
Total Receivables	18,790,734	17,792,834	997,899	1,237,101
Other Assets				
Sundry Provisions and Accruals	5,995	(195,517)	201,512	292,220
Inventories	15,952	(16,648)	32,600	35,065
Self Supporting Loan Principle Receivable	17,936	17,936	-	23,580
Total Other Assets	39,883	(194,229)	234,112	350,865
Adjustments for Excluded Assets				
Reserves & Other Restricted Cash	(21,382,924)	(59,989)	(21,322,936)	(20,082,488)
Self Supporting Loans Principal Receivable	(17,936)	(17,936)	-	(23,580)
Total Excluded Assets	(21,400,861)	(77,925)	(21,322,936)	(20,106,068)
TOTAL CURRENT ASSETS	22,420,314	18,190,754	4,229,560	3,666,152
CURRENT LIABILITIES				
Cash Liabilities				
Overdraft (Excluding Restricted Cash)	-	-	-	-
Loan Principal Payable	1,264,329	1,264,329	-	1,269,970
Total Cash Liabilities	1,264,329	1,264,329	-	1,269,970
Trade and Other Payables				
Sundry Creditors	566,532	222,275	344,257	1,250,000
Other Payables	1,353,445	491,046	862,399	374,492
Total Creditor and Payables	1,919,977	713,321	1,206,656	1,624,492
Employee Provisions and Accruals				
Leave Provisions	1,780,928	-	1,780,928	1,846,438
Accruals	108,101	-	108,101	77,589
Total Provisions	1,889,029	-	1,889,029	1,924,027
Excluded Liabilities				
Loan Principal Payable	(1,264,329)	(1,264,329)	-	(1,269,970)
Employee Liabilities Cash Backed in Reserves	(1,599,739)	(5,090)	(1,594,648)	(1,802,648)
Total Excluded Liabilities	(2,864,067)	(5,090)	(1,594,648)	(3,072,618)
TOTAL CURRENT LIABILITIES	2,209,268	708,231	1,501,037	1,745,871
NET CURRENT ASSETS/(LIABILITIES)	20,211,046	17,482,523	2,728,523	1,920,281

SHIRE OF BROOME
Monthly Statement of Financial Activity
For The Period Ending 31 August 2012

NOTES TO THIS MONTH'S REPORT

OVERVIEW

Net Current Position

With typical operating expenditure and income, with rates and rubbish charges raised this month, the Current Position has increased by \$17.7M from \$2.7M to reflect a \$20.4M surplus net current position at 31 August 2012.

No budget forecast changes were required in August.

The estimated surplus of \$1.9M is from prepaid financial assistance and local road grants to be brought forward from the 2011-2012 year. This will be subject to further end of year adjustments and can only be used for guidance at this time. The "Annual Budget" was adopted on 9th August 2012.

GOVERNANCE

Services in Governance include Councillor payments, Councillor support services and general civic and community services.

OPERATING ACTIVITIES

Operating budget forecast changes were not required this month.

NON-OPERATING ACTIVITIES

Non-operating budget forecast changes were not required this month.

GENERAL PURPOSE FUNDING

Services in General Purpose Funding include collection of rates, property related income and expenses and grant income and grant related expenses.

OPERATING ACTIVITIES

There were no budget forecast changes were required this month.

LAW ORDER AND PUBLIC SAFETY

Services provided in Law Order and Public Safety includes; emergency management, ranger operations, fire prevention, animal control, law enforcement, beach lifeguard, Volunteer Bush Brigade and the Volunteer State Emergency Service support.

OPERATING ACTIVITIES

Operating budget forecast changes were not required this month.

NON-OPERATING ACTIVITIES

Non-operating budget forecast changes were not required this month.

HEALTH

Services provided in Health include health inspections, pool inspections and pest control.

OPERATING ACTIVITIES

Operating budget forecast changes were not required this month.

NON-OPERATING ACTIVITIES

Non-Operating budget forecast changes were not required this month.

EDUCATION AND WELFARE

Services provided in Education and Welfare includes provision of child and aged care facilities, community services and the HYPE programme.

OPERATING ACTIVITIES

Operating budget forecast changes were not required this month.

NON-OPERATING ACTIVITIES

Non-Operating budget forecast changes were not required this month.

HOUSING

The service provided in Housing is the provision of Staff Housing.

OPERATING ACTIVITIES

Operating budget forecast changes were not required this month.

NON-OPERATING ACTIVITIES

Non-operating budget forecast changes were not required this month.

COMMUNITY AMENITIES

Services provided in Community Amenities include rubbish collection and recycling, refuse site operations, litter control, sewerage, storm water drainage, town planning, regional development, protection of the environment, cemeteries and public toilets.

OPERATING ACTIVITIES

Operating budget forecast changes were not required this month.

NON-OPERATING ACTIVITIES

Non-operating budget forecast changes were not required this month.

RECREATION AND CULTURE

Services provided in Recreation and Culture include the provision public halls, library services, arts and cultural facilities and support services, coordination of recreation facilities, parks and gardens, Broome Recreation and Aquatic Centre and other recreation facilities.

OPERATING ACTIVITIES

Operating budget forecast changes were not required this month.

NON-OPERATING ACTIVITIES

Non-operating budget forecast changes were not required this month.

TRANSPORT

Services provided in Transport include the construction and maintenance of storm water drainage, bus shelters, roads, footpaths, car parks and street lighting and the management of parking.

OPERATING ACTIVITIES

Operating budget forecast changes were not required this month.

NON-OPERATING ACTIVITIES

Non-operating budget forecast changes were not required this month.

ECONOMIC SERVICES

Services provided in Economic Services include tourism and building control.

OPERATING ACTIVITIES

Operating budget forecast changes were not required this month.

NON-OPERATING ACTIVITIES

Non-Operating budget forecast changes were not required this month.

OTHER PROPERTY AND SERVICES

Council activities in Other Services include private works, engineering services overheads, plant overheads, corporate governance support, information technology management and leased property management.

OPERATING ACTIVITIES

Operating budget forecast changes were not required this month.

NON-OPERATING ACTIVITIES

Non-Operating budget forecast changes were not required this month.

The variance of 21.4% represents the finalisation of the self supporting loan for the Broome Bowling Club.

ADJUSTMENTS TO DETERMINE THE CASH POSITION

Budget Allocations

No forecast changes for Wages, Overhead and Plant Costs have been made this year.

CURRENT POSITION

All figures are subject to end of year adjustments

Cash

Total Cash Assets are now \$24.9M which is an increase of \$610K.

The major revenue items this month include receipt of \$367K from Main Roads Western Australia for Grants for Bidyadanga, Cape Leveque, and Clementson St & Remote Access Road Grant Cape Leveque, \$300K from Castlepeak Pty Ltd for rate assessment A302860 and, \$144K from MRWA/RRG for road maintenance operating grant.

The major expenditure items this month include payments of \$511K to Roadline Contracting Pty Ltd for Clementson Street reconstruction, \$421K to LGISWA for 1st instalment for public liability insurance and \$228K to Fire and Emergency Services of WA for 1st quarter contribution for the ESL Levy.

Receivables

Sundry debtors including GST refundable stand at \$1.2M, as a result of debtor invoices being raised.

The balance of rates and rubbish debtors stands at \$17.5M as were raised on the 17th August 2012. Approximately \$174K are overdue debts that are not on an instalment or payment plan in this current year and previous years and are being followed up with final demands.

Other Assets

These stand at \$246K. This is a \$12K increase from last month as a result of movements in accruals, inventories and self supporting loans.

Cash Liabilities

End of year adjustments are still to be processed.

Creditors and Payables

Sundry Creditors are \$566K.

Other Payables comprising Tax Payable, FESA Levy Collected, Accrued Loan Interest, Prepayments Received and accruals stand at \$1.3M.

Employee Provisions and Accruals

In the normal course of events, these figures are adjusted in June and July each year by end of year accounting adjustments. Currently leave provisions are \$1.8M

Accruals stand at \$108K pending end of year adjustments

Investments

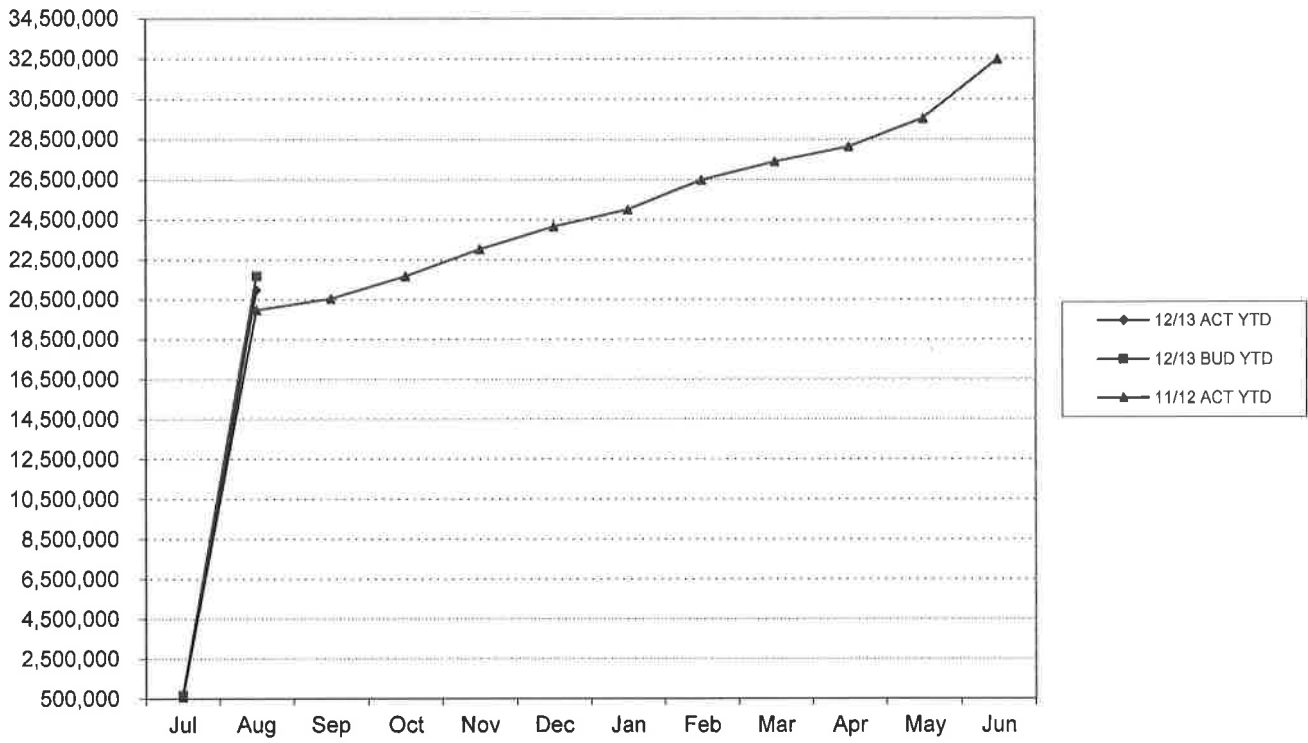
In accordance with investment policy 2.1.2 the nature and location of investments are disclosed as at: 31st August 2012

MUNICIPAL RESERVE \$	TOTAL AMOUNT \$	INSTITUTION	INVESTMENT TYPE	PRODUCT	MATURITY	CURRENT INTEREST
492,220		CBA	Premium Business Account (Muni)		At Call	1.45%
2,479,111		CBA	Business Online Cash Account		At Call	4.25%
7,716		Western Australia	Overnight Cash Deposit Facility		At Call	4.70%
2,278,000		Treasury Corporation				
	6,786,181	CBA	Term Deposit 2 Months		4/09/2012	4.70%
	454,086	NAB	Term 90 Days		13/09/2012	5.09%
	2,259,406	CBA	Business Online Saver Account		At Call	4.25%
	1,109,647	ANZ	Term Deposit 3 Month		7/09/2012	5.00%
	1,072,219	ANZ	Term Deposit 3 Months		9/09/2012	4.95%
	950,121	ANZ	Term Deposit 4 Months		3/09/2012	5.30%
	2,543,639	NAB	Term Deposit 90 Days		27/09/2012	5.18%
	1,060,318	ANZ	Term Deposit 3 Months		22/09/2012	4.90%
	1,697,854	ANZ	Term Deposit 3 Months		20/11/2012	4.95%
	1,044,434	NAB	Term Deposit 90 days		13/09/2012	5.09%
	1,442,161	Westpac	Term Deposit 5 Months		28/11/2012	5.05%
		ANZ	Term Deposit 3 Months		4/10/2012	4.50%
TOTAL	5,257,047					
	20,420,066					
						25,677,113

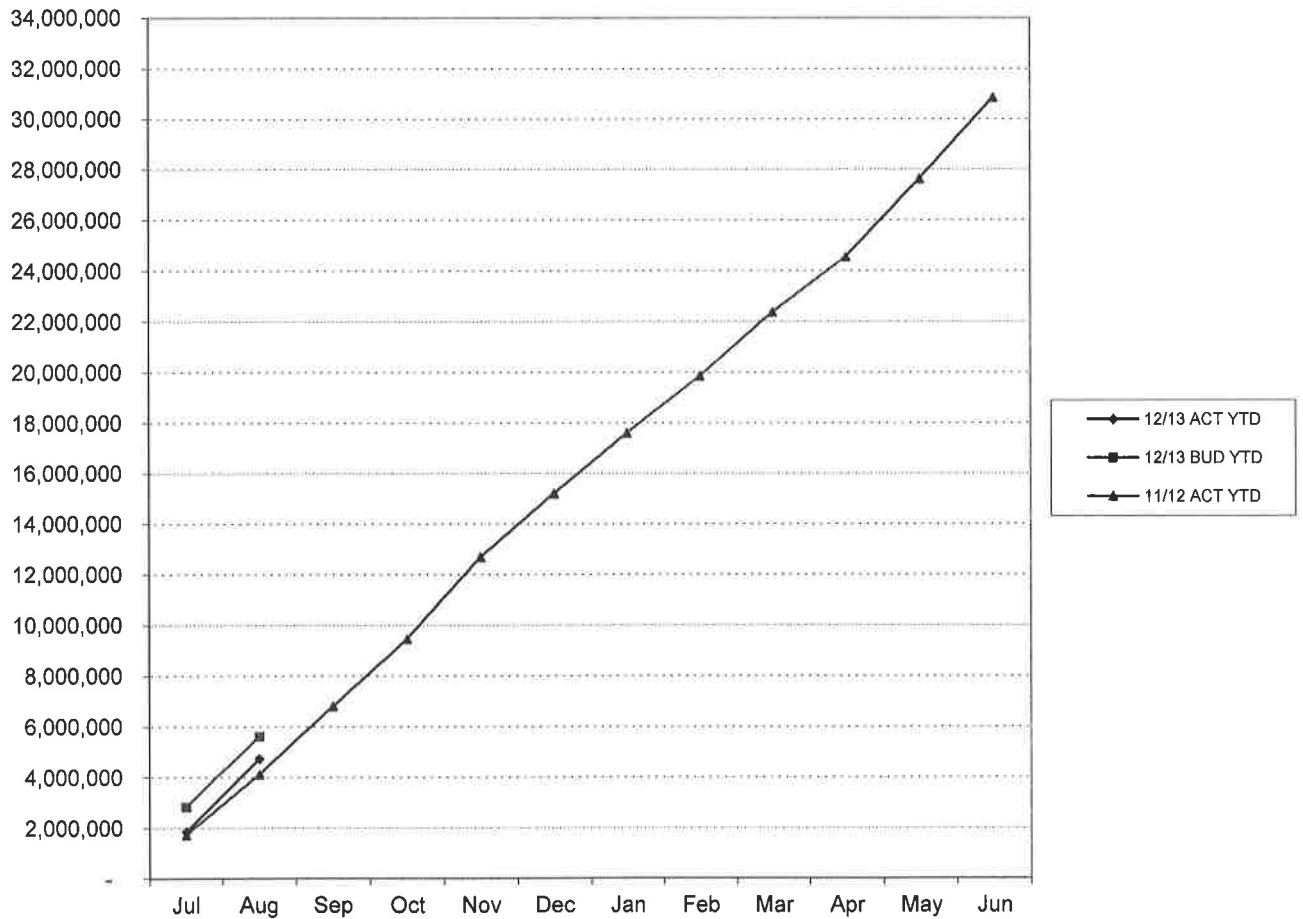
**SHIRE OF BROOME
SUMMARY OF REVISED BUDGETS**

<u>SUMMARY OF FORECASTS TO DATE</u>		
DESCRIPTION	REASON	\$
NET FORECASTS		
(Increase)/Decrease in Revenue		-
Increase/(Decrease) in Expenses		-
NET TOTAL OF FORECASTS		-
BALANCE CARRIED FORWARD		
Balance carried forward from 2011/2012 (Budget)		1,920,281
Balance carried forward from 2011/2012 (Actual)		1,920,281
NET ADJUSTMENTS TO BALANCE CARRIED FORWARD		-
OTHER ADJUSTMENTS		
Current Position Adjustments	Towards the end of the financial year staff estimate change in these liabilities if required.	-
Reallocation of wages included in Forecasts	Staff revise budgets where the labour component is changed. This does not change the overall labour cost, only time on a particular job. Labour becomes over or under allocated in the budget, hence this adjustment.	-
Reallocation of overheads included in Forecasts	As above	-
Reallocation of plant costs allocated, included in Forecasts	As above	-
Increase in Depreciation	Changes to depreciation are also included in some revised budgets but have no cash impact on Councils operations	-
Changes to accrued expenditure & profit/loss.	Changes to these items are included in some revised budgets but have no cash impact on Councils operations.	-
Adjustments to restricted cash as the result of Forecasts.	If restricted cash is now going to be spent in the current year it is no longer restricted for that year's funding.	-
NET OTHER ADJUSTMENTS		-
PREDICTED BUDGET SURPLUS/(DEFICIT)		-

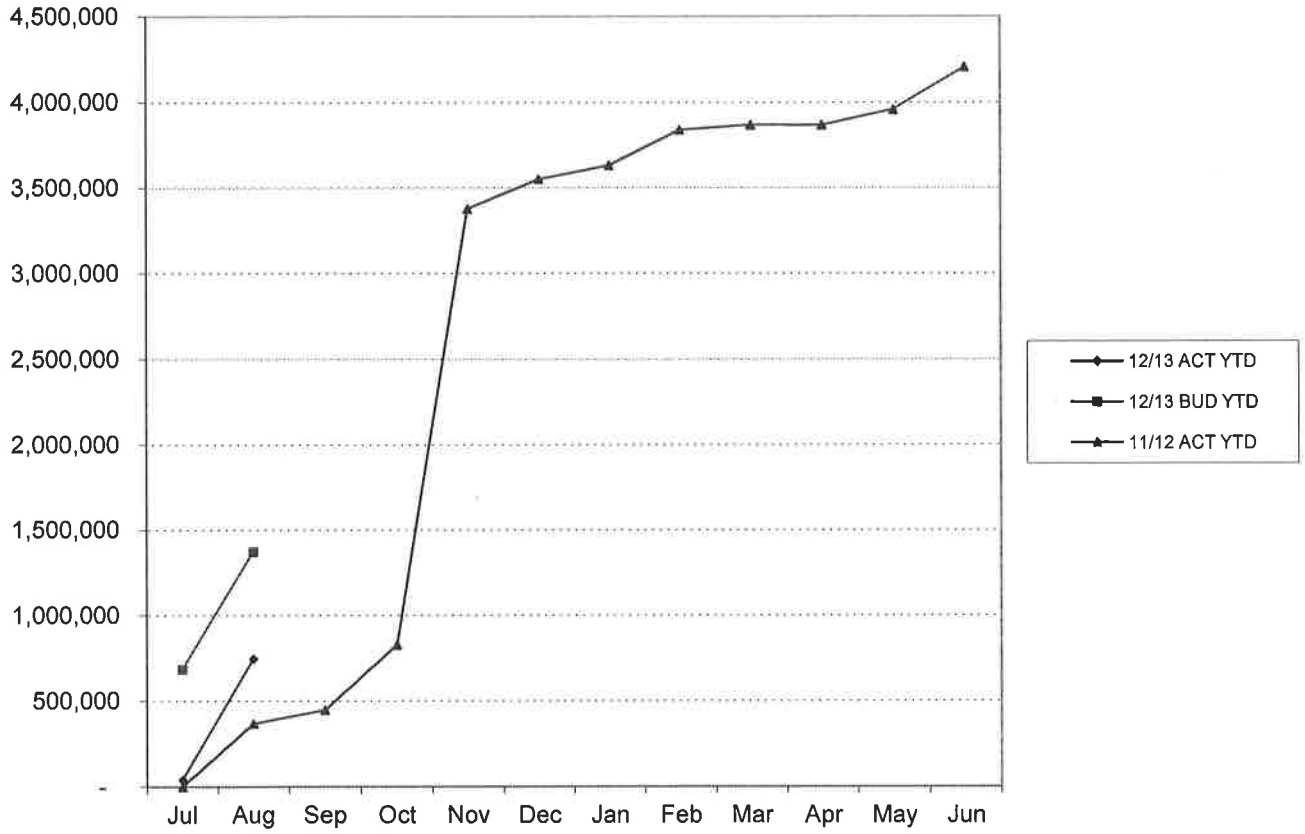
2012/2013 Operating Revenue



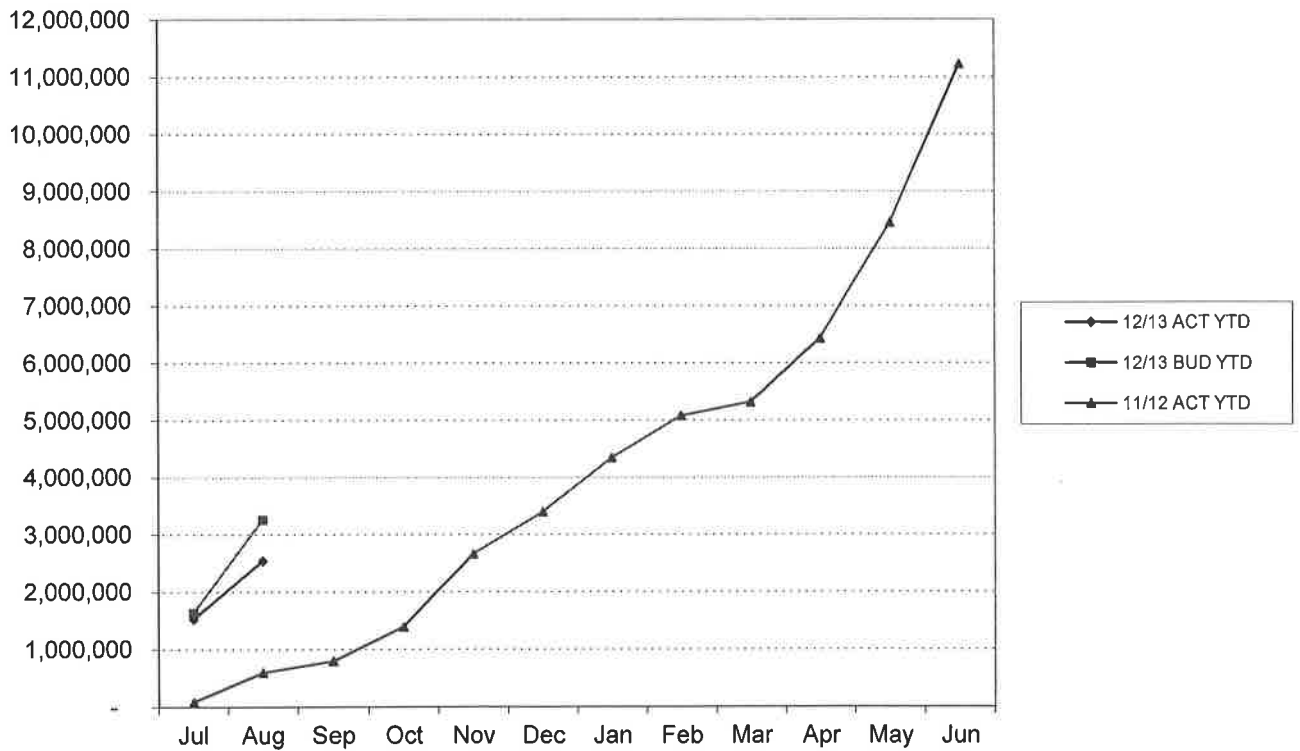
2012/2013 Operating Expense



2012/2013 Capital Revenue



2012/2013 Capital Expense



Monthly Current Position Comparison 2011/12 - 2012/13

