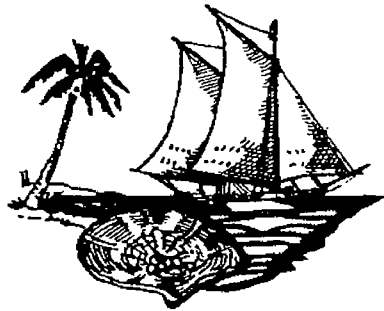


Shire Of Broome



Monthly Financial Activity Report

For the period ending

31 July 2006

SHIRE OF BROOME

Monthly Financial Activity Report

For the period ending

31 July 2006

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SHIRE OF BROOME
STATEMENT OF FINANCIAL ACTIVITY - OPERATING
For the period ending
31 July 2006

	Actual YTD	Budget YTD	Actual % of Annual Budget	Revised Forecast	Annual Budget
	\$	\$	%	\$	\$
OPERATING REVENUE & EXPENSES					
Revenue					
Governance	795	748	9%	9,348	9,348
General Purpose Funding					
Rates	2,903	-	0%	8,984,200	8,984,200
Other General Purpose Funding	-	-	0%	2,121,000	2,121,000
Law, Order, Public Safety	16,502	9,626	14%	120,320	120,320
Health	43,372	13,704	25%	171,300	171,300
Education and Welfare	18,614	29,641	5%	370,512	370,512
Community Amenities	41,147	93,244	2%	2,331,112	2,331,112
Recreation and Culture	31,998	26,714	4%	890,455	890,455
Transport	420	88,495	0%	737,459	737,459
Economic Services	55,071	61,943	7%	774,287	774,287
Other Property and Services	119,605	156,755	6%	1,959,433	1,959,433
Total Revenue	330,427	480,870	2%	18,469,426	18,469,426
Expenses					
Governance	106,139	124,881	7%	1,561,016	1,561,016
General Purpose Funding	1,561	4,253	3%	53,167	53,167
Law, Order, Public Safety	59,672	74,961	6%	937,015	937,015
Health	40,419	42,332	8%	529,148	529,148
Education and Welfare	52,690	68,807	6%	860,088	860,088
Community Amenities	171,197	298,411	5%	3,730,133	3,730,133
Recreation & Culture	358,645	373,358	8%	4,666,975	4,666,975
Transport	191,064	248,239	6%	3,102,982	3,102,982
Economic Services	35,358	73,851	4%	923,140	923,140
Other Property and Services	201,713	127,365	13%	1,592,065	1,592,065
Total Expenses	1,218,458	1,436,458	7%	17,955,729	17,955,729
NET OPERATING SURPLUS/(DEFICIT)	<u>(888,031)</u>	<u>(955,588)</u>		<u>513,697</u>	<u>513,697</u>

NB: % of year elapsed 8%

SHIRE OF BROOME
STATEMENT OF FINANCIAL ACTIVITY - NON OPERATING
For the period ending
31 July 2006

	Actual YTD	Budget YTD	Actual % of Annual Budget	Revised Forecast	Annual Budget
	\$	\$	%	\$	\$
ASSET PROCUREMENT					
Grants and Contributions for Assets					
Community Amenities	-	153,103	0%	306,205	306,205
Recreation and Culture	-	-	0%	4,007,352	4,007,352
Transport	111,006	62,939	7%	1,573,472	1,573,472
Economic Services	-	6,740	0%	674,000	674,000
Other Property and Services	-	-	0%	-	-
Total Grants and Contributions for Assets	111,006	222,782	2%	6,561,029	6,561,029
Investments in Assets					
Land and Buildings	429,491	383,075	6%	7,661,500	7,661,500
Infrastructure Assets	112,041	157,959	2%	5,265,306	5,265,306
Plant and Equipment	-	-	0%	2,643,821	2,643,821
Furniture and Equipment	1,832	1,415	1%	141,500	141,500
Total Investments in Assets	543,364	542,449	3%	15,712,127	15,712,127
Proceeds From Sale of Assets					
Less Proceeds on the sale of Assets	-	-	0%	(494,500)	(494,500)
Proceeds From Sale of Assets	-	-	0%	(494,500)	(494,500)
NET ASSET PROCUREMENT REVENUE/(EXPENSE)	(432,358)	(319,667)		(8,656,598)	(8,656,598)
FINANCING ACTIVITIES					
Self Supporting Loans					
Payment Received for S/S Loans	2,171	3,381	7%	30,739	30,739
Proceeds from New Self Supporting Loans	-	-	0%	-	-
Repayment of Self Supporting Loans	2,171	3,381	7%	30,739	30,739
Self Supporting Loan Funds Forwarded	-	-	0%	-	-
Net Self Supporting Loan Revenue/(Expenses)	-	-		-	-
Council Loans					
Proceeds from New Council Loans	-	-	0%	2,715,000	2,715,000
Unspent loan funds from loan bank	-	(2,842)	0%	(35,527)	(35,527)
Repayment of Council Loans	25,000	48,113	3%	801,876	801,876
Net Council Loan Revenue/(Expenses)	(25,000)	(50,955)		1,877,597	1,877,597
Reserve Transfers					
Transfers from Reserves (Restricted Assets)	-	-	0%	3,633,790	3,633,790
Transfers to Reserves (Restricted Assets)	-	-	0%	652,445	652,445
Net Reserve Transfer Revenue/(Expenses)	-	-		2,981,345	2,981,345
NET FINANCE REVENUE/(EXPENSE)	(25,000)	(50,955)		4,858,942	4,858,942
NET NON OPERATING REVENUE/(EXPENSE)	(457,358)	(370,622)		(3,797,656)	(3,797,656)

SHIRE OF BROOME
STATEMENT OF FINANCIAL ACTIVITY - CASH SUMMARY
For the period ending
31 July 2006

	Actual YTD	Budget YTD	Revised Forecast	Annual Budget
	\$	\$	\$	\$
NET OPERATING SURPLUS/(DEFICIT)	(888,031)	(955,588)	513,697	513,697
NET NON OPERATING REVENUE/(EXPENSE)	(457,358)	(370,622)	(3,797,656)	(3,797,656)
NET OVERALL REVENUE/(EXPENSE)	(1,345,389)	(1,326,210)	(3,283,959)	(3,283,959)

Adjustments to Determine the Cash Position

- Depreciation	249,855	236,658	2,839,898	2,839,898
- Net Accrued (Income)/Expenditure	(872)	6,264	75,162	75,162
- (Profit)/Loss on sale of assets	-	-	(172,200)	(172,200)
- Surplus/(Deficit) brought forward	541,099	541,099	541,099	541,099
- 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 budgetted to be spent/(retained)	-	-	-	-
CASH SURPLUS/(DEFICIT)	(555,307)	(542,189)	-	-

SHIRE OF BROOME
STATEMENT OF NET CURRENT ASSETS
31 July 2006

	Actual \$ To Date \$	Change In \$ July	Actual \$ 30 Jun 2006	Budget \$ At 1 Jul 2006
CURRENT ASSETS				
Cash Assets				
Cash on hand	3,800	-	3,800	3,800
Cash at Bank - Unrestricted	-	(440,779)	440,779	440,779
Cash Reserves - Restricted	4,221,108	-	4,221,108	4,221,109
Cash - Other Restricted	1,737,658	-	1,737,658	1,737,658
Total Cash Assets	<u>5,962,566</u>	<u>(440,779)</u>	<u>6,403,345</u>	<u>6,403,346</u>
Receivables				
Sundry Debtors	630,991	(836,050)	1,467,041	1,467,041
Rates and Rubbish Debtors	40,070	(49,142)	89,212	89,212
Total Receivables	<u>671,061</u>	<u>(885,192)</u>	<u>1,556,253</u>	<u>1,556,253</u>
Other Assets				
Sundry Provisions and Accruals	123,840	1,072	122,768	122,768
Inventories	6,694	(24,826)	31,520	31,520
Self Supporting Loan Principle Receivable	28,568	(2,171)	30,739	30,739
Total Other Assets	<u>159,102</u>	<u>(25,925)</u>	<u>185,027</u>	<u>185,027</u>
Adjustments for Excluded Assets				
Reserves & Other Restricted Cash	(5,958,766)	-	(5,958,766)	(5,958,767)
Restricted Cash To Be Spent or become Unrestricted in the Year	21,023	-	21,023	21,023
Self Supporting Loans Principal Receivable	(28,568)	2,171	(30,739)	(30,739)
Self Supporting Loan Interest Receivable	(1,125)	9,456	(10,581)	(10,581)
Total Excluded Assets	<u>(5,967,436)</u>	<u>11,627</u>	<u>(5,979,063)</u>	<u>(5,979,064)</u>
TOTAL CURRENT ASSETS	825,293	(1,340,269)	2,165,562	2,165,562
CURRENT LIABILITIES				
Cash Liabilities				
Overdraft (Excluding Restricted Cash)	500,978	500,978	-	-
Loan Principal Payable	673,004	(27,171)	700,175	822,239
Total Cash Liabilities	<u>1,173,982</u>	<u>473,807</u>	<u>700,175</u>	<u>822,239</u>
Creditor and Payables				
Sundry Creditors	290,827	(769,300)	1,060,127	1,060,127
Other Payables	26,825	22,923	3,902	3,902
Total Creditor and Payables	<u>317,652</u>	<u>(746,377)</u>	<u>1,064,029</u>	<u>1,064,029</u>
Provisions				
Employee Provisions	1,113,897	-	1,113,897	1,040,895
Other Provisions and Accruals	157,550	-	157,550	157,550
Total Provisions	<u>1,271,447</u>	<u>-</u>	<u>1,271,447</u>	<u>1,198,445</u>
Excluded Liabilities				
Loan Interest Payable	(56,366)	-	(56,366)	(56,366)
Loan Principal Payable	(673,004)	27,171	(700,175)	(822,239)
Employee Liabilities Cash Backed in Reserves	(550,341)	-	(550,341)	(550,341)
Estimated Employee Liability Increase	-	-	-	71,466
Budget Transfer to Reserves for Employee Liabilities	(102,770)	-	(102,770)	(102,770)
Total Excluded Liabilities	<u>(1,382,481)</u>	<u>-</u>	<u>(1,409,652)</u>	<u>(1,460,250)</u>
TOTAL CURRENT LIABILITIES	1,380,600	(245,399)	1,625,999	1,624,463
NET CURRENT ASSETS/(LIABILITIES)	(555,307)	(1,094,870)	539,563	541,099

SHIRE OF BROOME

Monthly Statement of Financial Activity For The Period Ending 31 July 2006

NOTES TO THIS MONTHS REPORT

OVERVIEW

At the 31 July 2006 no adopted budget was in place, hence no revised forecasts are appropriate.

However at the time of writing the 2006-2007 budget had been adopted and this budget has been respectively applied to this report.

At this stage no adjustments to the opening balance or revised forecasts have been made.

Continuing typical income and expenditure has resulted in the Current Position deteriorating \$1,095 K to reflect a \$555K deficit at 31 July 2006. This position will change dramatically when rates are raised.

OPERATING ACTIVITIES

Governance

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

There are no revised forecasts this year.

General Purpose Income

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

There are no revised forecasts this year.

Law Order & Public Safety

Services provided in Other Law and Public Safety include fire prevention, animal control, law enforcement, beach lifeguard, support of emergency services and cyclone preparation.

There are no revised forecasts this year.

Health

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

There are no revised forecasts this year.

Education and Welfare

Services provided in Education and Welfare include pre-school facilities and provision of day and aged care facilities.

There are no revised forecasts this year.

Community Amenities

Services provided in Community Amenities includes rubbish collection and recycling, refuse site operations, litter control, maintenance of drainage infrastructure, town planning and maintenance of general public facilities such as toilets and cemeteries.

There are no revised forecasts this year.

Recreation & Culture

Services provided in Recreation & Culture include the provision of public halls, civic centre, parks and gardens, library, beach areas, festivals and events and recreation facilities.

There are no revised forecasts this year.

Transport

Services provided in Transport include the construction and maintenance of roads, footpaths, car parks and street lighting.

There are no revised forecasts this year.

Economic Services

Council activities in Economic Services include area promotion and building control.

There are no revised forecasts this year.

Other Property and Services

Council activities in Other Property and Services include private works, property management, general administration, information technology, plant overheads and public engineering services overheads.

There are no revised forecasts this year.

NON-OPERATING ACTIVITIES

Non-operating activities do not usually receive significant revenue or incur significant expenditure until the latter half of the financial year.

Grants & Contributions For Assets

Community Amenities

There are no revised forecasts this year.

Recreation & Culture

There are no revised forecasts this year.

Transport

Income for road construction is in line with the year to date budget.

There are no revised forecasts this year.

Economic Services

There are no revised forecasts this year.

Investments in Assets

Land and Buildings

Expenditure on buildings is on track for this time of the year.

There are no revised forecasts this year.

Infrastructure

Drainage infrastructure committed expenditure stands at 11% of the budget.

Parks and gardens infrastructure committed expenditure stands at 13% of the budget.

BRAC recreation infrastructure committed expenditure stands at 6% of the budget.

Transport infrastructure committed expenditure stands at 3% of the revised forecast budget.

Committed expenditure includes actual expenditure to date plus materials on order but not yet paid for.

There are no revised forecasts this year.

Plant and Equipment

No expenditure on plant and equipment purchases has been incurred; this is normal for this time of the year.

There are no revised forecasts this year.

Furniture and Equipment

Overall expenditure on furniture and equipment is on track for this time of the year.

There are no revised forecasts this year.

Proceeds on Sale

No proceeds on Sale have yet been received. As most of this income is plant sale related this is normal for this time of the year.

Loans

No new loans have been taken out yet this year.

There are no revised forecasts this year.

Reserve Transfers

No transfers to or from reserves have yet been made this year.

There are no revised forecasts this year.

CURRENT POSITION

Cash

Cash assets are now \$ 5,963K less an overdraft of 501K; this is a decrease of \$942K since the end of last month, due to usual monthly expenses and income. This situation is expected to stabilise in August. All of the available cash is restricted for various projects and it will be released as required.

Receivables

Sundry debtors have decreased \$836K, to stand at \$631K, due the payment of invoices for grants.

The balance of rates and rubbish debtors stands at \$40K, this is a \$49K reduction over the month as late rates instalments were received. As all instalments should have been paid by the 24 March 2006 these are all overdue rates.

Rates have not yet been raised for 2006-2007.

Other Assets

These stand at \$159K. This \$26K decrease since last month as the result of normal operations.

Cash Liabilities

These stand at \$1,174K of which 501K is bank overdraft and \$673K is current loan liability. The current loan liability is what would be expected for this time of the year and represents the principle repayments on loans yet to be paid this financial year.

Creditors and Payables

Sundry Creditors are \$291K, a decrease of \$769K from last month. This reflects the buildup to a high level of financial activity at the end of the financial year and the slow-down that follows.

Other payables stand at \$27K, an increase of 23K since last month as the result of normal operations.

Provisions

In the normal course of events these figures are adjusted in June and July each year by end of year accounting adjustments. These are not yet complete and further adjustments to the actual 30 June figure are expected.

End of Year Adjustments

No adjustments have yet been made.

**SHIRE OF BROOME
SUMMARY OF REVISED BUDGETS**

<u>SUMMARY OF REVISED FORECASTS TO DATE</u>		
DESCRIPTION	REASON	
NET REVISED FORECASTS		\$
Increase/(Decrease) in Revenue		-
Increase/(Decrease) in Expenses		-
NET TOTAL OF REVISED FORECASTS		-
BALANCE CARRIED FORWARD		
Balance carried forward from 2005/2006 (Budget)		541,099
Balance carried forward from 2005/2006 (Actual)		541,099
NET ADJUSTMENTS TO BALANCE CARRIED FORWARD		-
OTHER ADJUSTMENTS		
Reallocation of wages included in Revised 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 Revised Forecasts	As above	-
Reallocation of plant costs allocated, included in Revised 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 Revised 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)		-