Shire of Ravensthorpe

MONTHLY FINANCIAL REPORT

For the Period Ended 30 November 2014

TABLE OF CONTENTS

Statements of Financial Activity

Note 1 Significant Accounting Policies

Note 3 Net Current Funding Position

Note 4 Cash and Investments

Note 5 Major Variances

Note 6 Out of Budget Authorisations and Funding Arrangements

Note 7 Receivables

Note 9 Cash Backed Reserves

Note 10 Capital Disposals and Acquisitions

Note 11 Trust

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

Shire of Ravensthorpe
STATEMENT OF FINANCIAL ACTIVITY
(Nature or Type)
For the Period Ended 30 November 2014

	Note	Annual Budget 4	YTD Budget (a)	YTD Actual (b)	Var. $ (b)-(a) 3	Var. % (b)-(a)/(b) 3	
Operating Revenues		$	$	$	$	%	
Grants, Subsidies and Contributions		2,110,167	1,019,437	1,121,693	102,256	9.1%	
Profit on Asset Disposal	10	0	0	0	0		
Fees and Charges		1,343,195	750,855	757,299	6,444	0.9%	
Service Charges		0	0	0	0		
Interest Earnings		172,070	71,685	76,627	4,942	6.4%	
Other Revenue		17,978	7,485	1,435	(6,050)	(421.6%)	
Total (Excluding Rates)		**3,643,410**	**1,849,462**	**1,957,055**	**107,593**		
Operating Expense							
Employee Costs		(2,831,033)	(1,204,010)	(1,164,288)	39,722	3.4%	
Materials and Contracts		(2,504,651)	(1,159,224)	(755,173)	404,051	53.5%	▼
Utilities Charges		(235,156)	(97,822)	(72,003)	25,819	35.9%	▼
Depreciation (Non-Current Assets)		(2,842,463)	(1,184,260)	0	1,184,260	100.0%	▼
Interest Expenses		(94,508)	(39,360)	(48,862)	(9,502)	(19.4%)	
Insurance Expenses		(385,310)	(385,310)	(382,070)	3,240	0.8%	
Loss on Asset Disposal	10	(121,000)	(121,000)	0	121,000	100.0%	▼
Other Expenditure		(206,373)	(78,358)	(77,570)	788	1.0%	
Reallocated Expenditure		671,062	279,900	259,997	(19,903)	7.7%	
Total		**(8,549,432)**	**(3,989,444)**	**(2,239,968)**	**1,749,476**		
Funding Balance Adjustment							
Add Back Depreciation		2,842,463	1,184,260	0	(1,184,260)	(100.0%)	▼
Adjust (Profit)/Loss on Asset Disposal	10	121,000	121,000	0	(121,000)	(100.0%)	▼
Movemt Non-Cash Provisions Accruals					0		
Net Operating (Ex. Rates)		**(1,942,559)**	**(834,722)**	**(282,913)**	**551,809**		
Capital Revenues							
Grants, Subsidies and Contributions		1,739,533	671,218	87,605	(583,613)	(666.2%)	▼
Proceeds from Disposal of Assets		177,000	111,000	149,850	38,850	25.9%	▲
Proceeds from New Debentures		334,304	0	0	0		
Proceeds from Sale of Investments		0	0	0	0		
Proceeds from Advances		0	0	0	0		
Self-Supporting Loan Principal		0	0	0	0		
Transfer from Reserves	9	2,432,848	0	0	0		
Total		**4,683,685**	**782,218**	**237,455**	**(544,763)**		
Capital Expenses							
Land and Buildings	10	(4,082,125)	(1,551,000)	(311,551)	1,239,449	397.8%	▼
Plant and Equipment	10	(845,400)	(845,400)	(705,139)	140,261	19.9%	▼
Furniture and Equipment	10	(42,500)	(21,500)	(2,148)	19,352	900.8%	▼
Infrastructure Assets - Roads	10	(1,423,336)	(812,684)	(427,409)	385,275	90.1%	▼
Infrastructure Assets - Other	10	(300,075)	(209,903)	(8,424)	201,479	2391.8%	▼
Repayment of Debentures		(451,373)	(112,843)	(89,403)	23,440	26.2%	▼
Advances to Community Groups		0	0	0	0		
Transfer to Reserves	9	(142,253)	(59,272)	(60,133)	(860)	(1.4%)	
Total		**(7,287,062)**	**(3,612,602)**	**(1,604,207)**	**2,008,396**		
Net Capital		**(2,603,377)**	**(2,830,384)**	**(1,366,752)**	**1,463,633**		
Total Net Operating + Capital		**(4,545,936)**	**(3,665,106)**	**(1,649,665)**	**2,015,442**		
Rate Revenue		3,632,148	3,632,148	3,645,145	12,997	0.4%	
Opening Funding Surplus(Deficit)		1,089,512	1,089,512	1,286,379	196,867	15.3%	▲
Closing Funding Surplus(Deficit)		**175,724**	**1,056,554**	**3,281,859**	**2,225,305**		

Shire of Ravensthorpe
STATEMENT OF FINANCIAL ACTIVITY
(Statutory Reporting Program)
For the Period Ended 30 November 2014

	Note	Annual Budget 4	YTD Budget (a)	YTD Actual (b)	Var. $ (b)-(a) 3	Var. % (b)-(a)/(b) 3	Var.
Operating Revenues		$	$	$	$	%	
Governance		6,180	2,575	1,927	(648)	(33.64%)	
General Purpose Funding		1,898,121	931,087	957,470	26,383	2.76%	
Law, Order and Public Safety		103,689	43,190	29,883	(13,307)	(44.53%)	▼
Health		221	90	55	(35)	(63.64%)	
Education and Welfare		0	0	371	371	100.00%	
Housing		15,600	6,495	8,488	1,993	23.48%	
Community Amenities		373,380	346,850	355,736	8,886	2.50%	
Recreation and Culture		1,307,216	385,055	103,343	(281,712)	(272.60%)	▼
Transport		1,458,909	713,858	474,723	(239,135)	(50.37%)	▼
Economic Services		80,289	33,435	30,344	(3,091)	(10.19%)	
Other Property and Services		139,334	58,045	82,320	24,275	29.49%	▲
Total (Excluding Rates)		**5,382,939**	**2,520,680**	**2,044,660**	**(476,020)**		
Operating Expense							
Governance		(367,314)	(172,142)	(143,838)	28,304	19.68%	▼
General Purpose Funding		(115,761)	(36,430)	(59,353)	(22,923)	(38.62%)	▲
Law, Order and Public Safety		(520,684)	(241,887)	(135,752)	106,135	78.18%	▼
Health		(194,373)	(83,774)	(69,010)	14,764	21.39%	▼
Education and Welfare		(173,196)	(102,082)	(39,339)	62,743	159.49%	▼
Housing		(127,387)	(58,826)	(30,904)	27,922	90.35%	▼
Community Amenities		(869,603)	(364,290)	(442,976)	(78,686)	(17.76%)	▲
Recreation and Culture		(1,534,408)	(729,832)	(517,412)	212,420	41.05%	▼
Transport		(3,972,774)	(1,708,688)	(1,048,585)	660,103	62.95%	▼
Economic Services		(261,274)	(112,954)	(72,663)	40,291	55.45%	▼
Other Property and Services		(412,655)	(378,539)	319,864	698,403	(218.34%)	
Total		**(8,549,429)**	**(3,989,444)**	**(2,239,968)**	**1,749,476**		
Funding Balance Adjustment							
Add back Depreciation		2,842,463	1,184,260	0	(1,184,260)	(100.00%)	▼
Adjust (Profit)/Loss on Asset Disposal	10	121,000	121,000	0	(121,000)	(100.00%)	▼
Movemt Non-Cash Provisions Accruals		0	0	0	0		
Net Operating (Ex. Rates)		**(203,027)**	**(163,504)**	**(195,308)**	**(31,804)**		
Capital Revenues							
Proceeds from Disposal of Assets	10	177,000	111,000	149,850	38,850	25.93%	▲
Proceeds from New Debentures		334,304	0	0	0		
Proceeds from Sale of Investments		0	0	0	0		
Self-Supporting Loan Principal		0	0	0	0		
Transfer from Reserves	9	2,432,848	0	0	0		
Total		**2,944,152**	**111,000**	**149,850**	**38,850**		
Capital Expenses							
Land Held for Resale		0	0	0	0		
Land and Buildings	10	(4,082,125)	(1,551,000)	(311,551)	1,239,449	397.83%	▼
Plant and Equipment	10	(845,400)	(845,400)	(705,139)	140,261	19.89%	▼
Furniture and Equipment	10	(42,500)	(21,500)	(2,148)	19,352	900.85%	▼
Infrastructure Assets - Roads	10	(1,423,336)	(812,684)	(427,409)	385,275	90.14%	▼
Infrastructure Assets - Other	10	(300,075)	(209,903)	(8,424)	201,479	2391.84%	▼
Purchase of Investments		0	0	0	0		
Repayment of Debentures		(451,373)	(112,843)	(89,403)	23,440	26.22%	▼
Advances to Community Groups		0	0	0	0		
Transfer to Reserves	9	(142,253)	(59,272)	(60,133)	(860)	(1.43%)	
Total		**(7,287,062)**	**(3,612,602)**	**(1,604,207)**	**2,008,396**		
Net Capital		**(4,342,910)**	**(3,501,602)**	**(1,454,357)**	**2,047,246**		
Total Net Operating + Capital		**(4,545,937)**	**(3,665,106)**	**(1,649,665)**	**2,015,442**		
Rate Revenue		3,632,148	3,632,148	3,645,145	12,997	0.36%	
Opening Funding Surplus(Deficit)		1,089,512	1,089,512	1,286,379	196,867	15.30%	▲
Closing Funding Surplus(Deficit)	3	**175,723**	**1,056,554**	**3,281,859**	**2,225,305**		

Shire of Ravensthorpe
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30 November 2014

1. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of this statement of financial activity are:

(a) Basis of Accounting
This statement is a special purpose financial report, prepared in accordance with applicable Australian Australian Accounting Standards, other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended).

(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 11.

(c) Reimbursemnet of insurance (2009 - 2014) from DFES as per lease agreemnt - one off
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
In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables are stated inclusive of applicable GST.

(f) Cash and Cash Equivalents
Cash and cash equivalents comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(g) Trade and Other Receivables
Trade receivables, which generally have 30 - 90 day terms, are recognised initially at fair value and Lower level of expenditure in addition to differences are associated with coding of expenditures. uncollectible amounts.

Collectability of trade 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.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Inventories

General

Inventories are valued 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 of necessary to make the sale.

Inventories held from trading are classified as current even if not expected to be realised in the next 12 months.

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of the cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale.

Land held for resale 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.

(j) Depreciation of Non-Current Assets

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

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

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

Buildings	20 years
Furniture and Equipment	10 years
Leased Furniture and Equipment	3 years
Plant and Machinery	10 years
Roads – Sealed	30 years
Roads – Gravel	20 years
Footpaths - slab	40 years
Effluent disposal infrastructure	20 years
Parks, recreation and other infrastructure	20 years
Coastal infrastructure	20 years

The assets residual values and useful lives are reviewed, and adjusted if

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Trade and Other Payables

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the local government prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually 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.

(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.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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, service charges and sewerage rates.

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 classifications.

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 are 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.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Nature or Type Classifications (Continued)

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 levies including WA Fire Brigade Levy and State taxes. Donations and subsidies made to community groups.

(r) Statement of Objectives

In order to discharge its responsibilities to the community, the Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis and for each of its broad activities/programs.

Council operations as disclosed in this statement encompass the following service orientated activities/programs:

GOVERNANCE
Administration and operation of facilities and services to members of Council, other costs that relate to tasks of assisting elected members and ratepayers on matters which do not concern specific Council services. In accordance with legislation changes effective July 1997 general administration costs have been allocated to the various programmes of Council to reflect the true costs of the associated services.

GENERAL PURPOSE FUNDING
Rates, general purpose government grants, interest revenue and allocated administration costs associated with general purpose funding.

LAW, ORDER, PUBLIC SAFETY
Supervision of various local laws, fire prevention, emergency services and animal control. Requirements that Council carries out by statute.

HEALTH
Food quality and pest control, maintenance and contributions to health services and facilities.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) STATEMENT OF OBJECTIVE (Continued)

EDUCATION AND WELFARE
Provision and maintenance of retirement units, assisting
Southern AgCare Services. Assistance to pre-school facilities as well as local primary and
high schools

HOUSING
The provision and maintenance of housing to both staff and private residents.

COMMUNITY AMENITIES
Rubbish collection services, maintenance of refuse sites, sewerage maintenance in Ravensthorpe and Mu
control and coordination of cemetaries, administration of Town Planning Scheme, coastal reserves
and other environmental services

RECREATION AND CULTURE
Maintenance and administration of halls, sporting complexes, resources centres, libraries
Bremer Bay Youth Camp, parks and gardens and broadcasting services.

TRANSPORT
Construction and maintenance of roads, drainage works, footpaths, parking facilities, traffic facilities
townscapes and airstrips.

ECONOMIC SERVICES
The regulation and provision of tourism, area promotion, building control,
saleyards noxious weeds, vermin control and water supply including standpipes.

OTHER PROPERTY & SERVICES
Private works operations, plant maintenance and operation costs.
Police Licensing, Westpac banking income and other non classified items.

Shire of Ravensthorpe
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30 November 2014

Note 3: NET CURRENT FUNDING POSITION

		Positive=Surplus (Negative=Deficit)		
		2014-15		
	Note	This Period	Last Period	Opening Balance
		$	$	$
Current Assets				
Cash Unrestricted		**224,080**	**643,005**	**97,778**
Cash Restricted		**4,984,569**	**4,432,329**	**4,924,436**
Investments		**1,964,926**	**2,346,511**	**1,109,811**
Receivables - Rates and Rubbish		**986,356**	**1,231,924**	**215,643**
Sundry Debtors		**191,547**	**243,485**	**276,698**
GST and other recievables		**64,176**	**80,914**	**41,466**
Inventories		**118,108**	**68,826**	**37**
		8,533,761	**9,046,993**	**6,665,869**
Less: Current Liabilities				
Payables - Creditors		**(267,334)**	**(721,308)**	**(455,055)**
Provisions - Employee Costs, Interest of Loans		**(779,852)**	**(779,852)**	**(779,852)**
		(1,047,186)	**(1,501,160)**	**(1,234,906)**
Less: Cash Restricted		**(4,984,569)**	(4,432,329)	(4,924,436)
Add back Employee Related Provisions		325,522	325,522	325,522
Add back Loan Liability Current		454,330	454,330	454,330
Net Current Funding Position		**$3,281,859**	**$3,893,356**	**$1,286,379**

Comments - Net Current Funding Position

Shire of Ravensthorpe
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30 November 2014

Note 4: CASH AND INVESTMENTS

	Interest Rate	Unrestricted $	Restricted $	Trust $	Invest $	Total Amount $	Institution	Expires
(a) **Cash Deposits**								
Muni Fund	0.01%	220,370				220,370	Westpac	
Till / Petty Cash	0.00%	3,710				3,710		
Overnight Cash Deposit Fund	2.40%		1,000,000			1,000,000	WATC	Refer Note
(b) **Term Deposits**								
Reserves Term Deposit 1	3.50%		2,300,000			2,300,000	National	30-Mar-15
Municipal Term Deposit 1	3.50%		500,000			500,000	Westpac	24-Dec-14
Municipal Term Deposit 2	3.65%		500,000			500,000	Westpac	24-Mar-15
Municipal Term Deposit 3	3.65%				500,000	500,000	Westpac	24-Mar-15
Municipal Term Deposit - CLGF	3.65%				518,415	518,415	Westpac	18-Dec-14
(c) **Investments**								
Reserves Cash Account	2.35%		684,569			684,569	Westpac	
Short Term Investment	2.35%	946,511				946,511	Westpac	
Total		1,170,590	4,984,569	0	1,018,415	7,173,574		

Comments/Notes - Investments
The Overnight Cash Deposit Fund relates to the Royalties for Regions grant for the Hopetoun Community Centre. This fund is drawn down in accordance with the funding agreement.

Shire of Ravensthorpe
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30 November 2014

Note 5: MAJOR VARIANCES

Comments/Reason for Variance
5.1 OPERATING REVENUE (EXCLUDING RATES)
5.1.1 GRANTS, SUBSIDIES AND CONTRIBUTIONS
5.1.2 PROFIT ON ASSET DISPOSAL
5.1.3 FEES AND CHARGES
5.1.6 SERVICE CHARGES
5.1.7 INTEREST EARNINGS
5.1.8 OTHER REVENUE
Timing of budget allocations
5.2 OPERATING EXPENSES
5.2.1 EMPLOYEE COSTS
5.2.2 MATERIAL AND CONTRACTS
Timing of budget allocations. Specific examples annual audit fees, contribution to Cub House, Library fees, bulk fuel purchaes and plant repairs & parts, contract grading and annula contractor provision for road maintenance, wild dog control, noxious speed spraying
5.2.3 UTILITY CHARGES
Delay in receiving invoices and timing of budget
5.2.4 DEPRECIATION (NON CURRENT ASSETS)
Depreciation postings not done due to finalisation of 2013/14 accounts and impact of Fair Value changes to assets. Depreciation postings will be updated following completion of work on Fair Value. No impact on cash position.
5.2.5 INTEREST EXPENSES
Budget timing for Loan repayments
5.2.6 INSURANCE EXPENSES
5.2.7 LOSS ON ASSET DISPOSAL
Processing of asset disposals still to be done
5.2.8 OTHER EXPENDITURE

Shire of Ravensthorpe
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30 November 2014

Note 5: MAJOR VARIANCES

Comments/Reason for Variance
5.3 CAPITAL REVENUE
5.3.1 GRANTS, SUBSIDIES AND CONTRIBUTIONS
Budget timing of receipt of Roads to Recovery, Main Roads funding and funding associated with the new Hopetoun Community Centre. Specifically the Lottery's West (will be received by 31 Decemebr) and Future Fund grants.
5.3.2 PROCEEDS FROM DISPOSAL OF ASSETS
Trade-in for new Grader $34,000 better than budget
5.3.3 PROCEEDS FROM NEW DEBENTURES
5.3.4 PROCEEDS FROM SALE OF INVESTMENT
5.3.5 PROCEEDS FROM ADVANCES
5.3.6 SELF-SUPPORTING LOAN PRINCIPAL
5.3.7 TRANSFER FROM RESERVES (RESTRICTED ASSETS)
5.4 CAPITAL EXPENSES
5.4.1 LAND HELD FOR RESALE
5.4.2 LAND AND BUILDINGS
Timing of payments for new Hopteoun Community Centre. Only one progress payment paid to date.
5.4.3 PLANT AND EQUIPMENT
Budget allowed for all purchases to be done by October. Truck Dolly, Sundry Plant and Travelling irrigator still to be purchased. Also significant saving ($36,000) on purchase of new Grader. Refer Note 10
5.4.4 FURNITURE AND EQUIPMENT
Budgeted purchases not yet commenced.
5.4.5 INFRASTRUCTURE ASSETS - ROADS
Timing of expenditure on Floater Road, Senna Road, Jerdacuttup Road and Tamarine Road.
5.4.6 INFRASTRUCTURE ASSETS - OTHER
Timing of works on Queen St, the Esplanade pathway, McCulloch Park playground equipment and Hopetoun forshore upgrade.
5.4.7 PURCHASES OF INVESTMENT
5.4.8 REPAYMENT OF DEBENTURES
Timing differences.
5.4.9 ADVANCES TO COMMUNITY GROUPS
5.4.10 TRANSFER TO RESERVES (RESTRICTED ASSETS)
5.4.11 TRANSFER FROM RESERVES (RESTRICTED ASSETS)
5.5 OTHER ITEMS
5.5.1 RATE REVENUE
5.5.2 OPENING FUNDING SURPLUS(DEFICIT)
Open surplus still subject to audit and verification.

Shire of Ravensthorpe
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30 November 2014

Note 6: OUT OF BUDGET AUTHORISATIONS and FUNDING ARRANGEMENTS

Since budget adoption. Surplus/(Deficit) Impacts

	Description	Amendment / Unbudgeted Expense	Council Resolution	Classification	No Change - (Non Cash Items) Adjust.	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
	Budget Adoption				$	$	$	$
	Development of REC&SC Masterplan	Approved Out of Budget Expense	**Res: 142/14**	Operating Expenses			(5,000)	**(5,000)**
	Purchase of 59 aand 61 Morgans Street	Approved Out of Budget Expense	**Res: 171/14**	Capital Expenses			(185,000)	**(190,000)**
	Purchase of Carlisle Street properties	Approved Out of Budget Expense	**Res:183/14**	Capital Expenses			(355,000)	**(545,000)**
	New Loan for Carlisle Street properties	New Funding	**Res:183/14**	Loan		355,000		**(190,000)**
Closing Funding Surplus (Deficit)					**0**	**355,000**	**(545,000)**	

Shire of Ravensthorpe
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30 November 2014

Note 7: RECEIVABLES

Receivables - Rates and Rubbish	Current 2014-15	Previous to 2013-14	Total
	$	$	$
Opening Arrears Previous Years		215,643	215,643
Rates Levied this year	4,089,993		4,089,993
Less Collections to date	(3,305,418)	(71,221)	(3,376,640)
Equals Current Outstanding	**784,574**	**144,422**	**928,996**
Net Rates Collectable			**928,996**
% Collected			78.42%

Receivables - General	Current	30 Days	60 Days	90+Days
Excluding GST Receivable	$ 100,193	$ 3,086	$ 233	$ 88,035
Total Outstanding				**191,547**

Amounts shown above include GST (where applicable)

Comments/Notes - Receivables General

90 Days - Outstanding charges to DFES for insurance reimbursement, DOT for Starvation Bay Boat Launching Facility project (in process of preparing aquittal documentation) and Commercial waste charges

Comments/Notes - Receivables Rates and Rubbish

Shire of Ravensthorpe
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30 November 2014

Note 9: Cash Backed Reserve

Name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Transfer out Reference	Budget Closing Balance	Actual YTD Closing Balance
	$	$	$	$	$	$	$		$	$
Plant and Vehicle Reserve	68,927	1,956	1,417			(50,000)			20,883	$70,344
Emergency Farm Water Reserve	24,140	685	496						24,825	$24,637
Building Reserve	1,605,353	45,557	33,010			(372,848)			1,278,062	$1,638,363
Bushfire Unit Reserve	0		0						0	$0
Road and Footpath Reserve	477,832	13,560	9,825						491,392	$487,657
Swimming Pool Upgrade Reserve	54,437	1,545	1,119						55,982	$55,556
Hopetoun Foreshore Reserve	0		0						0	$0
UHF Repeater Reserve	8,693	246	179						8,939	$8,872
Airport Reserve	414,631	11,226	8,526	50,000		(10,000)			465,857	$423,156
Hopetoun Community Centre Reserve	2,000,000	10,000	0			(2,000,000)			10,000	$2,000,000
Waste and Sewerage Reserve	270,422	7,478	5,560						277,900	$275,983
	4,924,436	**92,253**	**60,133**	**50,000**	**0**	**(2,432,848)**	**0**		**2,633,841**	**4,984,569**

Comments/Notes - Reserves

Shire of Ravensthorpe
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30 November 2014

Note 10: CAPITAL DISPOSALS AND ACQUISITIONS

Disposals by Program	Profit(Loss) of Asset Disposal			
		Net Book Value	Proceeds	Profit (Loss)
		$	$	$
Administration				0
Jeep Cherokee			34,867	34,867
Health				
Mitsubishi Pajero			25,983	25,983
Transport				
Ford Ranger - Leading Hand			15,000	15,000
Mazda Bravo - Ravensthorpe				0
Mazda Bravo - Hopetoun				0
Eagle Prime Mover				0
Volvo Grader			74,000	74,000
Totals		**0**	**149,850**	**149,850**

Comments - Capital Disposal

Summary Acquisitions	Current Budget			
	Budget	Actual	Variance	
	$	$	$	
Property, Plant & Equipment				
Land for Resale	0	0	0	
Land and Buildings	4,082,125	311,551	(3,770,574)	▼
Plant & Property	845,400	705,139	(140,261)	▼
Furniture & Equipment	42,500	2,148	(40,352)	▼
Infrastructure				
Roadworks	1,423,336	427,409	(995,927)	▼
Other, Footpath & Cycleways	44,339	7,091	(37,248)	▼
Parks, Gardens & Reserves	255,736	1,333	(254,403)	▼
Totals	**6,693,436**	**1,454,671**	**(5,238,765)**	

Comments - Capital Acquisitions

Land & Buildings	Current Budget This Year			
	Budget	Actual	Variance	
	$	$	$	
Air Con for 41 Kingsmill Street	$15,000.00	$13,989	(1,011)	▼
Air Con replacement - 93 Spene Street	$3,500.00	$3,500	0	▲
Hopetoun Community Centre - Town Hall Upgrade	$4,000,000.00	$277,718	(3,722,282)	▼
Rec Centre - Skylights, Floor Resurface	$24,000.00	$6,740	(17,260)	▼
Airport - Carpet replacement/new hot water system	$14,500.00	$0	(14,500)	▼
Fencing Hopetoun War Memorial	$5,000.00	$3,150	(1,850)	▼
Fencing at Munglinup Refuse Site	$20,125.00	$454	(19,671)	▼
Purchase of 27B Carlisle Street	$0.00	$2,000	2,000	▲
Purchase of 27C Carlisle Street	$0.00	$2,000	2,000	▲
Purchase of 59-61 Morgans Street	$0.00	$2,000	2,000	▲
Totals	**4,082,125**	**311,551**	**(3,770,574)**	

Shire of Ravensthorpe
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30 November 2014

Note 10: CAPITAL DISPOSALS AND ACQUISITIONS

Plant & Equipment	Current Budget This Year			
	Budget	Actual	Variance (Under)Over	
	$	$	$	
Changeover MES Vehicle	$54,000.00	$50,016	(3,984)	▼
Changeover CEO Vehicle	$55,000.00	$50,871	(4,129)	▼
Prime Mover	$230,000.00	$223,000	(7,000)	▼
Truck Dolly	$30,000.00	$5,520	(24,480)	▼
Parks Utility - Ravensthorpe	$26,000.00	$16,396	(9,604)	▼
Parks Utility - Hopetoun	$26,000.00	$0	(26,000)	▼
Grader	$340,000.00	$304,000	(36,000)	▼
Firefighter/Washdown Trailer	$10,000.00	$8,036	(1,964)	▼
Travelling Irrigator	$10,000.00	$0	(10,000)	▼
Sundry Plant Items	$20,400.00	$3,201	(17,199)	▼
Changeover Doctors Vehicle	$44,000.00	$44,099	99	▲
Totals	**845,400**	**705,139**	**(140,261)**	

Furniture & Equipment	Current Budget This Year			
	Budget	Actual	Variance (Under)Over	
	$	$	$	
Smart Board for Council Chamber	$5,500.00	$0	(5,500)	▼
New Furniture - Doctors Surgery	$5,000.00	$0	(5,000)	▼
Sea Container for Records	$5,000.00	$0	(5,000)	▼
Furniture/Cupboards for Office	$15,000.00	$230	(14,770)	▼
New Computers	$12,000.00	$1,918	(10,082)	▼
Totals	**42,500**	**2,148**	**(40,352)**	

Roads	Current Budget This Year			
	Budget	Actual	Variance (Under)Over	
	$	$	$	
West River Road	$0	$51,485	51,485	▲
Melaleuca Road SLK 0.0 – 13.0	$134,264	$4,004	(130,260)	▼
Koornong Road SLK 6.0 - 11.0	$123,327	$108,399	(14,928)	▼
Senna Road	$52,967	$6,073	(46,894)	▼
Floater Road	$89,724	$57,929	(31,795)	▼
Depot Upgrade	$31,196	$13,615	(17,581)	▼
Tubada St Carpark	$34,608	$0	(34,608)	▼
Munglinup Drought Dam	$63,785	$1,250	(62,535)	▼
Gravel Pit Development	$39,847	$332	(39,515)	▼
Gravel Pit Rehabilitation	$39,951	$0	(39,951)	▼
Ravensthorpe Effluent System	$35,000	$14,660	(20,340)	▼
Hopetoun Airstrip reserve	$5,080	$191	(4,889)	▼
Koornong Road SLK 2.5 -6.0	$126,643	$125,318	(1,325)	▼
Jerdacuttup Road SLK 9.5 – 36.0	$123,431	$22,937	(100,494)	▼
Doyle Road SLK 1.0 - 6.0	$149,664	$14,283	(135,381)	▼
Springdale Road	$149,263	$0	(149,263)	▼
Tamarine Road	$165,054	$5,407	(159,647)	▼
Aerodrome Road & Brookton Hwy	$33,814	$0	(33,814)	▼
Heavy Haulage Route	$25,718	$1,527	(24,191)	▼
Totals	**1,423,336**	**427,409**	**(995,927)**	

Shire of Ravensthorpe
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30 November 2014

Note 10: CAPITAL DISPOSALS AND ACQUISITIONS

Other, Footpaths & Cycleways	Current Budget This Year			
	Budget	Actual	Variance (Under)Over	
	$	$	$	
Queen Street Pathway (Hospital)	$15,346	$7,091	(8,255)	▼
Esplanade Pathway Construction	$28,993	$0	(28,993)	▼
Totals	**44,339**	**7,091**	**(37,248)**	

Parks, Gardens & Reserves	Current Budget This Year			
	Budget	Actual	Variance (Under)Over	
	$	$	$	
Playground Equipment at McCulloch Park	$60,000	$0	(60,000)	▼
Hopetoun Forshore Project	$135,424	$1,333	(134,091)	
Masons Bay/Starvation Bay improvements	$25,000	$0	(25,000)	
Coastal Infrastructure	$35,312	$0	(35,312)	▼
Totals	**255,736**	**1,333**	**(254,403)**	

Shire of Ravensthorpe
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30 November 2014

Note 11: TRUST FUND

Funds held at balance date over which the Shire has no control and which are not included in this statement are as follows:

	Description	Opening Balance 1-Jul-14	Amount Received	Amount Paid	Closing Balance 31/11/2014
		$	$	$	$
21000	Trust Liability	-		-	-
21011	Trust - Bitumen Tender Document Bond	487.33		-	487.33
21012	Trust Hopetoun Tennis Club	9,071.81		-	9,071.81
21013	Trust - Standpipe Swipe Card Bond	1,750.00		- 150.00	1,900.00
21014	Trust Unknown Rates Payments	2,733.53	450.00	- 650.00	3,833.53
21015	Trust BCITF - Payments	1,704.58	461.62	- 1,254.46	3,420.66
21016	Trust Pavillion Hire Bonds	933.18		100.00	833.18
21017	Trust Gym Swipe Card Bond	3,811.81	220.00	- 10.00	4,041.81
21018	Trust Ravensthorpe Cemetery Group	76.22		-	76.22
21019	Trust Hall Hire and Key Bonds	3,123.45		- 1,200.00	4,323.45
21020	Trust Rehabilitation Bond - Barminco	6,866.24		-	6,866.24
21021	Trust - Sundry Overpayments	5,381.71		50.00	5,331.71
21022	Trust - Swimming Pool Key Deposits	1,560.00	40.00	- 700.00	2,300.00
21023	Trust - Rural Subdivisions Shed Bonds	20,494.41		-	20,494.41
21024	Trust - Subdivision Maintenance Bonds	26,263.68		6,888.70	19,374.98
21026	Trust - Licensing Receipts	2,092.00	66,493.80	67,724.15	861.65
21027	Trust - Builders Registration Board	1,084.55	418.15	- 633.08	2,135.78
21029	Trust - Shire Staff Housing Bomnd	400.00			400.00
		87,834.50	**68,483.57**	**70,565.31**	**85,752.76**