



# Shire of Pingelly

## Attachments

Ordinary Council Meeting  
21 March 2018



# Attachment 1

## 15.1 Monthly Statement of Financial Activity

Monthly Statements of Financial Activity for the period 1 July 2017 to 28 February 2018



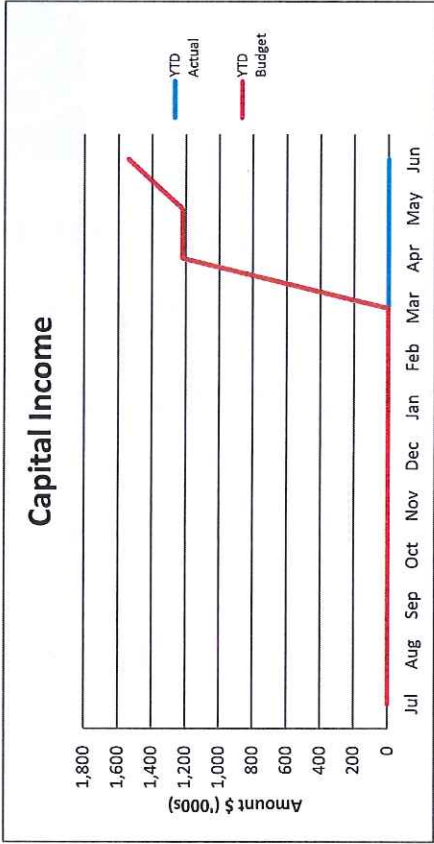
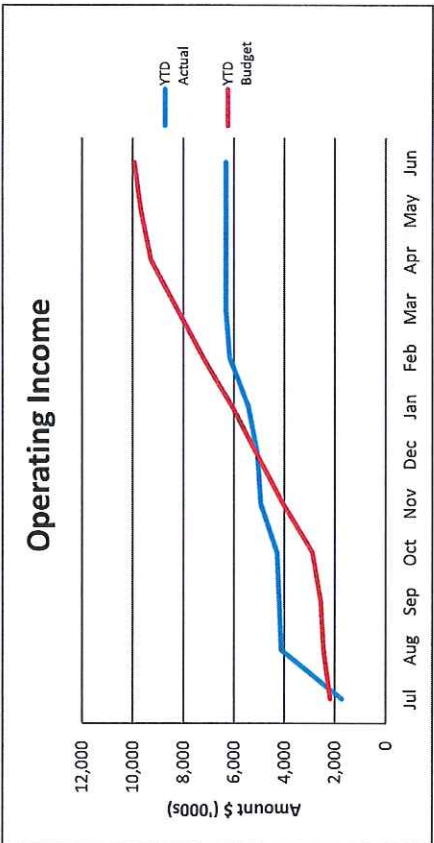
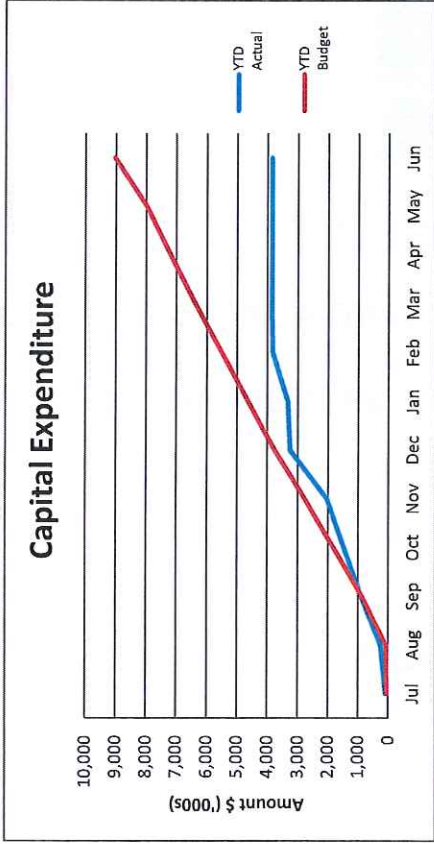
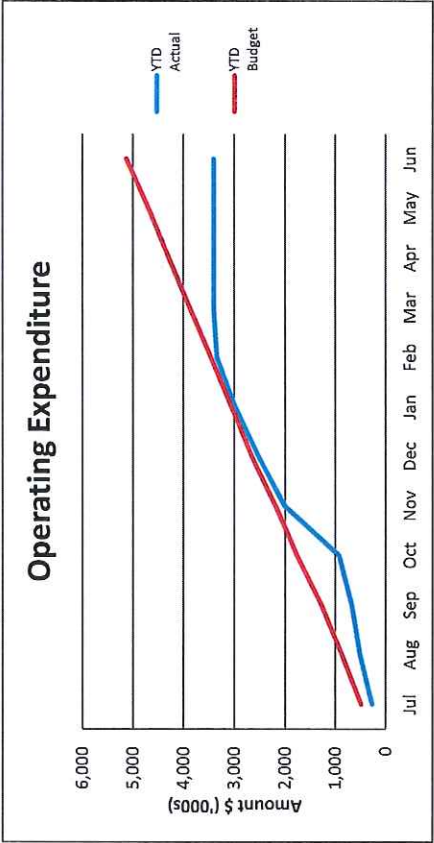


**SHIRE OF PINGELLY**  
**MONTHLY STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2017 TO 28 FEBRUARY 2018**

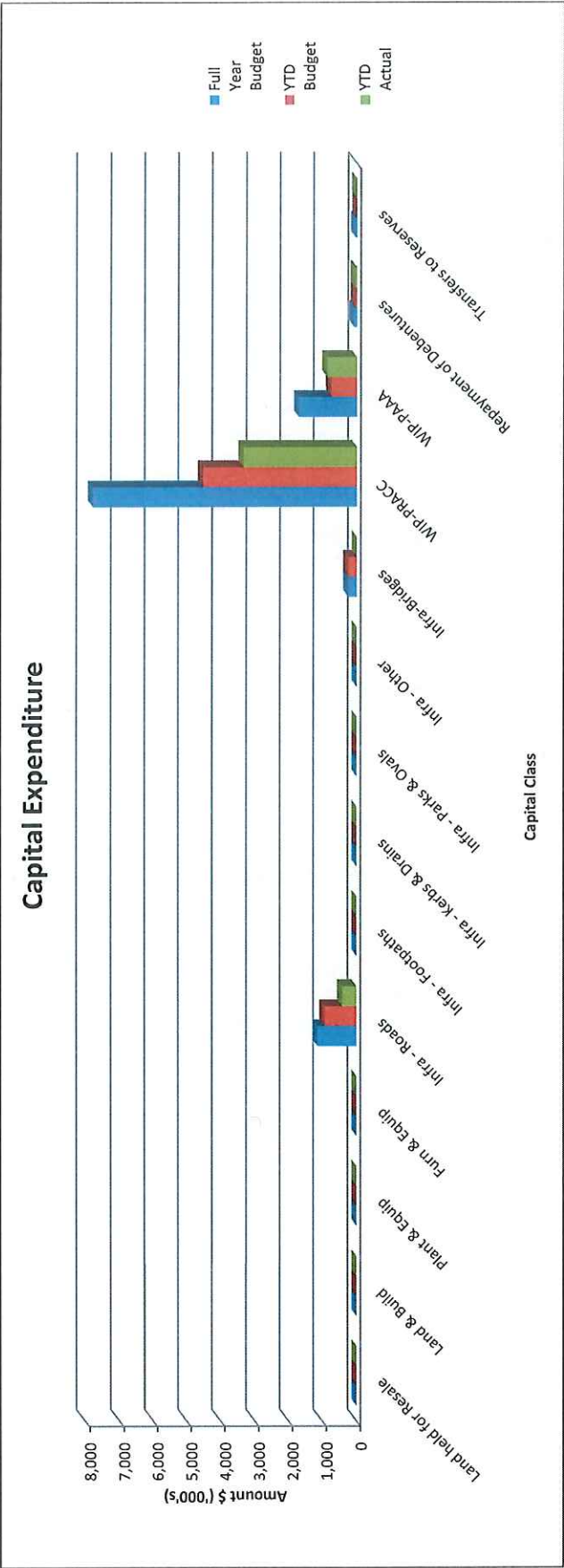
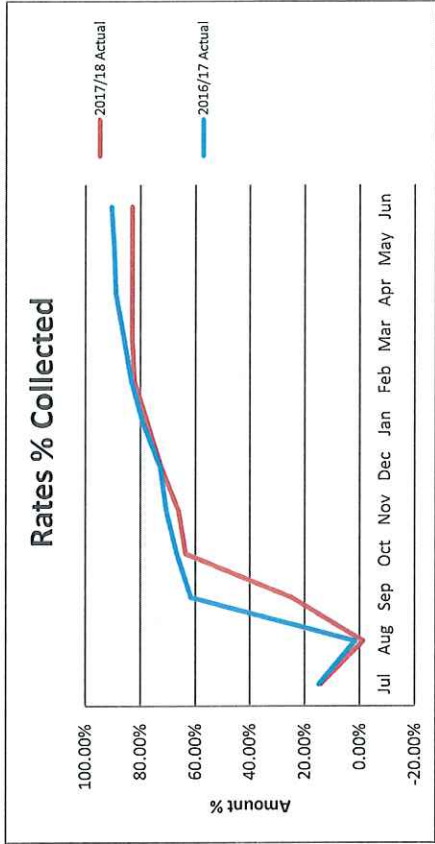
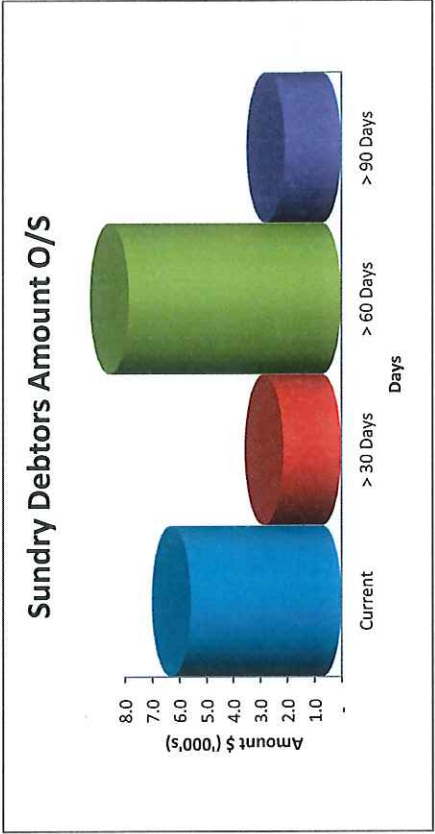
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Income and Expenditure Graphs to 28 February 2018



Other Graphs to 28 February 2018





# SHIRE OF PINGELLY

## Summary of Balancing Contained Within The Monthly Reports

	2017/18 Adopted Budget \$	2017/18 Revised Budget \$	February 2017 Y-T-D Budget \$	February 2017 Actual \$
<b>Finance Statement</b>				
<b><u>Balancing to Rating Note</u></b>				
Rates Balance per Finance Statement	1,890,925	1,890,925	1,890,925	1,893,188
Balance per Note 6 (Rating Information)	1,890,925	1,890,925	1,890,925	1,893,188
Variance	0	0	0	0
<b><u>Balancing of Closing Position</u></b>				
Closing Balance per Finance Statement	0	(38,026)	(374,331)	2,181,155
Closing Balance per General Fund Summary	0	(38,026)	(374,331)	2,181,155
Variance	0	0	0	1
<b><u>Balancing of Operating Income</u></b>				
Operating Income per Finance Statement	9,933,667		7,206,166	6,162,790
Operating Income per General Fund Summary	9,933,667	9,933,667	7,206,166	6,162,790
Variance	0	0	0	(0)
<b><u>Balancing of Operating Expenditure</u></b>				
Operating Expense per Finance Statement	(5,126,247)	(5,126,247)	(3,457,830)	(3,336,508)
Operating Expense per General Fund Summary	(5,126,247)	(5,126,247)	(3,457,830)	(3,336,507)
Variance	0	0	0	(1)
<b><u>Balancing of Capital Income</u></b>				
Capital Income per Finance Statement	1,554,489	1,554,489	7,244	7,129
Capital Income per General Fund Summary	1,554,489	1,554,489	7,244	7,129
Variance	0	0	0	0
<b><u>Balancing of Capital Expenditure</u></b>				
Capital Expense per Finance Statement	(10,984,429)	(10,984,429)	(6,508,500)	(4,693,128)
Capital Expense per General Fund Summary	(10,984,429)	(10,984,429)	(6,508,500)	(4,693,128)
Variance	0	0	0	0



## SHIRE OF PINGELLY

## STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 28 FEBRUARY 2018

	NOTE	2017/18 Adopted Budget \$	2017/18 Revised Budget \$	February 2017 Y-T-D Budget \$	February 2017 Actual \$	Variances Actuals to Budget \$	Variances Actual Budget to Y-T-D %	
<b>Operating</b>								
<b>Revenues/Sources</b>								
Governance		65,370	65,370	43,352	40,823	(2,529)	(5.83%)	
General Purpose Funding		668,714	668,714	498,344	460,373	(37,971)	(7.62%)	
Law, Order, Public Safety		111,624	111,624	56,700	70,114	13,414	23.66%	▲
Health		11,908	11,908	7,936	7,943	7	0.09%	
Education and Welfare		631,390	631,390	355,623	618,220	262,597	73.84%	▲
Community Amenities		163,170	163,170	157,672	166,845	9,173	5.82%	
Recreation and Culture		4,535,396	4,535,396	3,002,685	2,128,413	(874,272)	(29.12%)	▼
Transport		1,746,020	1,746,020	1,120,201	682,633	(437,568)	(39.06%)	▼
Economic Services		50,150	50,150	33,416	32,387	(1,029)	(3.08%)	
Other Property and Services		59,000	59,000	39,312	61,851	22,539	57.33%	▲
		8,042,742	8,042,742	5,315,241	4,269,602	(1,045,639)	(19.67%)	
<b>(Expenses)/(Applications)</b>								
Governance		(589,754)	(589,754)	(401,526)	(363,922)	37,604	9.37%	
General Purpose Funding		(167,704)	(167,704)	(109,656)	(109,439)	217	0.20%	
Law, Order, Public Safety		(252,396)	(252,396)	(165,544)	(122,459)	43,085	26.03%	▼
Health		(112,480)	(112,480)	(75,318)	(60,626)	14,692	19.51%	▼
Education and Welfare		(48,243)	(48,243)	(30,841)	(26,663)	4,178	13.55%	
Community Amenities		(391,955)	(391,955)	(251,527)	(222,276)	29,251	11.63%	▼
Recreation & Culture		(998,815)	(998,815)	(673,782)	(582,989)	90,793	13.48%	▼
Transport		(2,254,150)	(2,254,150)	(1,514,078)	(1,525,093)	(11,015)	(0.73%)	
Economic Services		(285,114)	(285,114)	(190,420)	(142,370)	48,050	25.23%	▼
Other Property and Services		(25,636)	(25,636)	(45,138)	(180,671)	(135,533)	(300%)	▲
		(5,126,247)	(5,126,247)	(3,457,830)	(3,336,508)	121,322	(3.51%)	
<b>Net Operating Result Excluding Rates</b>		2,916,495	2,916,495	1,857,411	933,094	(924,317)	(49.76%)	
<b>Adjustments for Non-Cash</b>								
<b>(Revenue) and Expenditure</b>								
(Profit)/Loss on Asset Disposals	2	12,000	12,000	12,000	0	(12,000)	100.00%	▼
Movement in Deferred Pensioner Rates/ESL		0	0	0	0	0	0.00%	
Movement in Employee Benefit Provisions		0	0	0	0	0	0.00%	
Adjustments in Fixed Assets		0	0	0	0	0	0.00%	
Rounding		0	0	0	3	3	0.00%	
Depreciation on Assets		1,532,000	1,532,000	1,021,312	1,013,761	(7,551)	0.74%	
<b>Capital Revenue and (Expenditure)</b>								
Purchase Land Held for Resale	1	0	0	0	0	0	0.00%	
Purchase of Land and Buildings	1	0	0	0	0	0	0.00%	
Purchase of Furniture & Equipment	1	0	0	0	0	0	0.00%	
Purchase of Plant & Equipment	1	0	0	0	0	0	0.00%	
Purchase of WIP - PP & E	1	0	0	0	0	0	0.00%	
Purchase of Infrastructure Assets - Roads	1	(1,135,460)	(1,135,460)	(928,646)	(423,861)	504,785	54.36%	▼
Purchase of Infrastructure Assets - Footpaths	1	0	0	0	0	0	0.00%	
Purchase of Infrastructure Assets - Kerbs & Drains	1	0	0	0	0	0	0.00%	
Purchase of Infrastructure Assets - Parks & Ovals	1	0	0	0	0	0	0.00%	
Purchase of Infrastructure Assets - Bridges	1	(252,000)	(252,000)	(252,000)	0	252,000	100.00%	▼
Purchase of Infrastructure Assets - Other	1	0	0	0	0	0	0.00%	
Purchase of WIP Recreation and Culture	1	(7,781,145)	(7,781,145)	(4,531,955)	(3,346,925)	1,185,030	26.15%	▼
Purchase of WIP Aged Accommodation	1	(1,698,348)	(1,698,348)	(753,198)	(860,871)	(107,673)	(14.30%)	▲
Proceeds from Disposal of Assets	2	20,000	20,000	0	0	0	0.00%	
Repayment of Debentures	3	(78,674)	(78,674)	(42,701)	(51,100)	(8,399)	(19.67%)	▲
Proceeds from New Debentures	3	1,200,000	1,200,000	0	0	0	0.00%	
Advances to Community Groups		0	0	0	0	0	0.00%	
Self-Supporting Loan Principal Income		14,489	14,489	7,244	7,129	(115)	(1.59%)	
Transfer from Restricted Asset - Unspent Loans		1,903,210	1,903,210	0	1,681,831	1,681,831	0.00%	
Transfers to Restricted Assets (Reserves)	4	(38,802)	(38,802)	0	(10,371)	(10,371)	0.00%	
Transfers from Restricted Asset (Reserves)	4	320,000	320,000	0	0	0	0.00%	
Transfers to Restricted Assets (Other)		0	0	0	0	0	0.00%	
Transfers from Restricted Asset (Other)		(200,000)	(200,000)	0	0	0	0.00%	
<b>ADD Net Current Assets July 1 B/Fwd</b>	5	1,375,310	1,337,284	1,345,277	1,345,277	(30,033)	0.00%	
<b>Net Current Assets - Unspent Grants</b>		0	0	0	0	0		
<b>LESS Net Current Assets Year to Date</b>	5	0	(38,026)	(374,331)	2,181,155	2,555,486	682.68%	▲
<b>Amount Raised from Rates</b>		<u>(1,890,925)</u>	<u>(1,890,925)</u>	<u>(1,890,925)</u>	<u>(1,893,188)</u>	<u>(2,263)</u>	<u>0.12%</u>	

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

**Material Variances Symbol**

Above Budget Expectations      Greater than 10% and \$5,000      ▲  
Below Budget Expectations      Less than 10% and \$5,000      ▼

**SHIRE OF PINGELLY**  
**FOR THE PERIOD 1 JULY 2017 TO 28 FEBRUARY 2018**  
**Report on Significant variances Greater than 10% and \$5,000**

**Purpose**

The purpose of the Monthly Variance Report is to highlight circumstances where there is a major variance from the YTD Monthly Budget and YTD Actual figures. These variances can occur because of a change in timing of the activity, circumstances change (e.g. a grants were budgeted for but was not received) or changes to the original budget projections. The Report is designed to highlight these issues and explain the reason for the variance.

**REPORTABLE OPERATING REVENUE VARIATIONS**

<b>Law Order and Public Safety - variance below budget expectations</b>		13,414
ESL SES grants - YTD Higher than budgeted (Timing difference) received early Q1 Instal in June 16/17	8,305	
ESL BFB grants - YTD Higher than budgeted (Timing difference) received early Q1 Instal in June 16/17	8,825	
Aware Emergency Exercise training exercise \$10,000 YTD Actual more than YTD Budget (Timing Difference)	10,000	
<b>Education and Welfare - Variance below budget expectations</b>		262,597
PAAA Grant from WA Country Health Service YTD Actual more than YTD Budget (Timing Difference)	265,609	
<b>Recreation and Culture - variance above budget expectations</b>		(874,272)
PRACC Grants YTD Actual less than YTD Budget - NSRF (Timing Difference) claim 2 Raised in July 2017 \$1,466,579	(607,337)	
PRACC Grants YTD Actual more than YTD Budget - Lottery West claim 2 (Timing Difference)	(82,765)	
PRACC Grants YTD Actual less than YTD Budget - Dept of Sport & Rec (Timing Difference)	(175,000)	
<b>Transport - variance above budget expectations</b>		(437,568)
Regional Road Group funding Actual YTD received more than budget YTD (Timing Difference)	9,140	
Main Roads Grants funding Actual YTD less than YTD Budget (Timing Difference)	(75,600)	
Roads to Recovery funding Actual YTD received more than budget YTD (Timing Difference)	(18,990)	
Road Projects Other Grants Actual YTD less than Budget YTD (Timing Difference)	(53,455)	
WANDRAA Funding Storm Damage - YTD Actual less than YTD Budget (Timing Difference)	(298,664)	
<b>Other Property and Services - variance below budget expectations</b>		22,539
Workers Compensation - Reimbursements for WorkCare YTD Actual More than YTD Budget	19,972	
Private Works - more than anticipated - Income based on previous year (Timing Difference)	8,094	
Fuel Tax Credits Actual YTD less than Budget YTD	(5,625)	

**REPORTABLE OPERATING EXPENSE VARIATIONS**

<b>Law, Order, Public Safety - variance below budget expectations</b>		43,085
Fire Fighting Expenditure - Less than anticipated (Timing Difference)	14,662	
Building Maintenance YTD Actual less than YTD Budget (Timing Difference)	18,624	
Depreciation not run until Audit signoff on revaluation of Assets (Timing Difference)	510	
SES Expenses Actual YTD less than Budget YTD (Timing Difference)	11,052	
Depreciation LOPS YTD less than Budget YTD (Timing Difference)	510	
Aware Emergency Exercise training exercise \$10,000 YTD Actual more than YTD Budget (Timing Difference)	(6,775)	
<b>Recreation and Culture - variance above budget expectations</b>		90,793
Halls - Admin Allocated YTD Actual less than YTD Budget	1,861	
Swimming Pool Building Ops YTD Actual less than YTD Budget (Timing Difference) Pool opens 1 Nov 17	332	
Swimming Pool Contract Mgmt YTD less than YTD Actuals (Timing Difference) Pool opens 1 Nov 17	10,467	
Memorial Park YTD Actuals less than YTD Budget (Timing difference)	11,400	
Linear Park Grounds Mlce YTD Actual higher than YTD Budget (Permanent Difference)	(3,469)	
Other Town Parks and Gardens Mlce YTD Actuals less than YTD Budget (Timing Difference)	16,472	
Youth Activities YTD Actual less than YTD Budget (Timing Difference)	15,414	
Other Rec and Sport Admin Allocated YTD Actuals less than YTD Budget (Timing Difference)	2,481	
Library - Management Fee YTD Actuals less than YTD Budget	13,464	
Other Culture - Depreciation YTD less than Budget YTD (Timing difference)	2,197	
<b>Economic Services - variance below budget expectations</b>		48,050
Tourism and Area Promotion - YTD Actual more than YTD Budget (Timing Difference)	15,401	
OES - Community Grants Program YTD Actual less than YTD Budget (Timing Difference)	19,389	
OES Depreciation YTD Actuals less than YTD Budget (Timing Difference)	4,838	
<b>Other Property and Services - variance below budget expectations</b>		(135,533)
Private Works - YTD Actual higher than YTD Budget (Timing Difference)	(11,285)	
Public Works O/heads - Allocated to Works & Svcs - YTD Actuals less than YTD Budget over allocated YTD	42,890	
Plant Op Costs - Parts and Repairs YTD Actual more than YTD Budget-Grader Major repair early in year	(16,618)	
Plant Op Costs - Depreciation YTD Actual more than YTD Budget (Timing difference)	(10,934)	
Plant Op Cost Allocated to Works & Services under allocated YTD	(49,517)	
Salaries & Wages - Gross Salaries and Wages - YTD Actual LESS than YTD Budget (Timing Difference)	24,467	

**REPORTABLE NON-CASH VARIATIONS**

<b>(Profit)/Loss on Asset Disposals</b>		
Webb St Block not sold/disposed YTD (Timing Difference)	-	(12,000)

**REPORTABLE CAPITAL EXPENDITURE VARIATIONS**

<b>Purchase of Road Infrastructure Assets</b>		504,785
Road Infrastructure YTD Actuals less than YTD Budget (Timing Difference)		
R2R01 Wickepin Pingelly/Chopping Road Failure-project not commenced (Timing Difference)	19,088	
CC118 Review Street And Great Southern Highway-(Timing Difference)	(3,336)	
RRG08 Capex - 156 Wickepin Pingelly Rd - Regional Road Group (Timing Difference)	211,249	
RRG09 Yenellin Road Upgrade Rrg (Timing Difference)	227,217	
RRG10 North Bannister Road-project not commenced (Timing Difference)	21,560	
CC156 Pingelly- Wickepin Road - Council Constr-project not commenced (Timing Difference)	6,000	
Capex - 10 Shaddick Rd Realine & Regravel Slk 14.0-17.5 - Crsf Funding Project YTD Actuals higher than YTD Budget (Timing Difference)	(78,337)	
CRSF4 10 Shaddick Rd Realine & Regravel - Crsf Funding 2017 2018 (Timing Difference)	114,172	
CT7 Capex - Quadrant St Construction - Job completed - over budget \$758 (Permenant Difference)	758	
<b>Purchase of Works in Progress Assets - PAAA</b>		
PAAA Project Expenditure YTD Actual more than YTD Budget - (Timing Difference) Project ahead of Budget expectations		(107,673)
<b>Repayment of Debentures - Variance below budget expectations.</b>		
YTD Actual less then YTD Budget (Timing Difference) Will correct in Loan 123 2 January 2018		(8,399)

**REPORTABLE CAPITAL REVENUE VARIATIONS**

<b>Proceeds from Disposal of Assets</b>		
Proceeds from Disposal of assets YTD Actual more than YTD Budget (Timing Difference) Webb St block not sold yet	0	
<b>Proceeds from New Loans</b>		0
New Loans for PRACC programmed to be raised in October 2017. (Timing Difference) To be raised in March/April 2018	-	

SHIRE OF PINGELLY  
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2017 TO 28 FEBRUARY 2018

	2017/18 Adopted Budget \$	2017/18 Revised Budget \$	2017/18 YTD Budget \$	February 2017 YTD Actual \$
<b>1. ACQUISITION OF ASSETS</b>				
The following assets have been acquired during the period under review:				
<b><u>By Program</u></b>				
<b>Education &amp; Welfare</b>				
<i><u>Other Aged &amp; Disabled Services</u></i>				
Capex - Paaa Development	0	0	0	0.00
Capex - Paaa Project Manager	0	0	0	1,169.17
Capex - Paaa Architects & Consultants	23,800	23,800	14,280	26,906.09
Capex - Paaa Building Construction	1,550,548	1,550,548	664,518	806,149.46
Capex - Paaa Quantity Surveyor	0	0	0	0.00
Capex - Paaa Demolition	0	0	0	0.00
Capex - Paaa Utility Services	24,000	24,000	14,400	1,797.46
Capex - Paaa Earth Works	0	0	0	18,601.06
Capex - Paaa Carpark & Drainage	0	0	0	0.00
Capex - Paaa Landscaping Soft & Hard	0	0	0	50.72
Capex - Paaa Playground	0	0	0	0.00
Capex - Paaa Opening & Promotion	0	0	0	0.00
Capex - Paaa Fit Out Furniture	0	0	0	0.00
Capex - Paaa Site Works	0	0	0	0.00
Capex - Paaa Landscaping Sensory	100,000	100,000	60,000	6,196.97
<b>Recreation and Culture</b>				
<i><u>Works in Progress - Recreation Centre</u></i>				
Capex - Pracc Development	4,500	4,500	3,000	4,480.10
Capex - Pracc Project Manager	105,093	105,093	63,206	100,152.94
Capex - Pracc Architects & Consultants	88,000	88,000	52,800	77,197.95
Capex - Praac Building Construction	7,179,052	7,179,052	4,307,430	3,090,736.86
Capex - Pracc Quantity Surveyor	0	0	0	0.00
Capex - Pracc Demolition	0	0	0	0.00
Capex - Pracc Utility Services	101,500	101,500	60,900	52.25
Capex - Pracc Earth Works	0	0	0	711.36
Capex - Pracc Carpark And Drainage	95,000	95,000	40,707	36,559.01
Capex - Pracc Landscaping Soft & Hard	78,000	78,000	0	29,817.46
Capex - Pracc Playground	26,000	26,000	3,912	0.00
Capex - Pracc Opening & Promotion	2,000	2,000	0	0.00
Capex - Pracc Fit Out Furniture	102,000	102,000	0	7,217.36
Capex - Pracc Bowling Green	0	0	0	0.00
Capex - Pracc Gym Equipment	0	0	0	0.00

## SHIRE OF PINGELLY

## NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 28 FEBRUARY 2018

1. ACQUISITION OF ASSETS (Continued)	2017/18 Adopted Budget \$	2017/18 Revised Budget \$	2017/18 YTD Budget \$	February 2017 Actual \$
<b>Transport</b>				
<i>Construction - Roads, Bridges, Depots</i>				
<b>Bridges Purchase - Schedule 12</b>				
Capex - Bridge - Replace Box Culverts	252,000	252,000	252,000	0.00
<b>Roads Construction</b>				
North Wandering Road	0	0	0	1,540.00
Bullaring-Pingelly - Rrg	0	0	0	9,530.52
Capex - 156 Wickepin Pingelly Rd -	251,952	251,952	251,949	40,700.08
Yenellin Road Upgrade Rrg	260,197	260,197	260,193	32,975.53
North Bannister Road	34,657	34,657	23,096	1,535.70
Wickepin Pingelly/Chopping Road Failure	28,654	28,654	19,088	0.00
Capex - 10 Shaddick Rd Realine &	235,000	235,000	156,664	235,000.83
10 Shaddick Rd Realine & Regravel - Crsf	300,000	300,000	199,992	85,820.36
Review Street And Great Southern	10,000	10,000	6,664	10,000.00
Capex - Quadrant St Construction	6,000	6,000	5,000	6,757.69
Pingelly- Wickepin Road - Council Constr	9,000	9,000	6,000	0.00
	<u>10,866,953</u>	<u>10,866,953</u>	<u>6,465,799</u>	<u>4,631,656.93</u>
<b>By Class</b>				
Land	0	0	0	0.00
Buildings	0	0	0	0.00
Furniture & Equipment	0	0	0	0.00
Plant & Equipment	0	0	0	0.00
Work in Progress - PPE	0	0	0	0.00
Infrastructure - Roads	1,135,460	1,135,460	928,646	423,860.71
Infrastructure - Footpaths	0	0	0	0.00
Infrastructure - Kerbs & Drains	0	0	0	0.00
Infrastructure - Parks & Ovals	0	0	0	0.00
Infrastructure - Bridges	252,000	252,000	252,000	0.00
Infrastructure - Other	0	0	0	0.00
Works in Progress - Recreation Centre	7,781,145	7,781,145	4,531,955	3,346,925.29
Works in Progress - Aged Care Accommodation	1,698,348	1,698,348	753,198	860,870.93
	<u>10,866,953</u>	<u>10,866,953</u>	<u>6,465,799</u>	<u>4,631,656.93</u>

SHIRE OF PINGELLY

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 28 FEBRUARY 2018

2. DISPOSALS OF ASSETS

The following assets have been disposed of during the period under review:

Asset No	<u>By Program</u>	Written Down Value		Sale Proceeds		Profit(Loss)	
		2017/18 Budget \$	February 2017 Actual \$	2017/18 Budget \$	February 2017 Actual \$	2017/18 Budget \$	February 2017 Actual \$
1037	Governance						
	5 Webb St (Land)	32,000	0.00	20,000	0.00	(12,000)	0.00
		32,000	0.00	20,000	0.00	(12,000)	0.00

Asset No	<u>By Class of Asset</u>	Written Down Value		Sale Proceeds		Profit(Loss)	
		2017/18 Budget \$	February 2017 Actual \$	2017/18 Budget \$	February 2017 Actual \$	2017/18 Budget \$	February 2017 Actual \$
1037	Land & Buildings						
	5 Webb St (Land)	32,000	0.00	20,000	0.00	(12,000)	0.00
		32,000	0.00	20,000	0.00	(12,000)	0.00

Summary

Profit on Asset Disposals  
Loss on Asset Disposals

2017/18 Adopted Budget \$	February 2017 Actual \$
0	0.00
(12,000)	0.00
(12,000)	0.00

SHIRE OF PINGELLY

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 28 FEBRUARY 2018

**3. INFORMATION ON BORROWINGS**

(a) Debenture Repayments

Particulars	Principal 1-Jul-17	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
		2017/18 Budget \$	2017/18 Actual \$	2017/18 Budget \$	2017/18 Actual \$	2017/18 Budget \$	2017/18 Actual \$	2017/18 Budget \$	2017/18 Actual \$
<b>Education &amp; Welfare</b>									
Loan 120 - SSL Pingelly Cottage Homes	196,207	0	0	14,489	7,129	181,718	189,078	12,464	6,278
<b>Recreation &amp; Culture</b>									
Loan 123 - Recreation and Cultural Centre	2,332,996			43,971	43,971	2,289,025	2,289,025	49,110	48,843
Loan 124 - Recreation and Cultural Centre	0	600,000	0	10,107	0	589,893	0	11,520	0
Loan 125 - Recreation and Cultural Centre	0	600,000	0	10,107	0	589,893	0	11,520	0
	2,529,203	1,200,000	0	78,674	51,100	3,650,529	2,478,103	84,614	55,121

(\*) Self supporting loan financed by payments from third parties.

All other loan repayments were financed by general purpose revenue.



## SHIRE OF PINGELLY

## NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 28 FEBRUARY 2018

	2017/18 Adopted Budget \$	February 2017 Actual \$
<b>4. RESERVES</b>		
<b>Cash Backed Reserves</b>		
<b>(a) Leave Reserve</b>		
Opening Balance	169,097	169,097
Amount Set Aside / Transfer to Reserve	3,456	2,120
Amount Used / Transfer from Reserve	(60,000)	0
	<u>112,553</u>	<u>171,217</u>
<b>(b) Plant Reserve</b>		
Opening Balance	240,391	240,391
Amount Set Aside / Transfer to Reserve	4,913	3,013
Amount Used / Transfer from Reserve	0	0
	<u>245,304</u>	<u>243,404</u>
<b>(c) Building and Recreation Reserve</b>		
Opening Balance	284,266	284,266
Amount Set Aside / Transfer to Reserve	29,767	3,563
Amount Used / Transfer from Reserve	(260,000)	0
	<u>54,033</u>	<u>287,829</u>
<b>(d) Electronic Equipment Reserve</b>		
Opening Balance	6,130	6,130
Amount Set Aside / Transfer to Reserve	5	77
Amount Used / Transfer from Reserve	0	0
	<u>6,135</u>	<u>6,207</u>
<b>(e) Community Bus Reserve</b>		
Opening Balance	11,147	11,147
Amount Set Aside / Transfer to Reserve	15	140
Amount Used / Transfer from Reserve	0	0
	<u>11,162</u>	<u>11,287</u>
<b>(f) Swimming Pool Reserve</b>		
Opening Balance	49,878	49,878
Amount Set Aside / Transfer to Reserve	300	625
Amount Used / Transfer from Reserve	0	0
	<u>50,178</u>	<u>50,503</u>
<b>(g) Joint Venture Housing Reserve</b>		
Opening Balance	51,293	51,293
Amount Set Aside / Transfer to Reserve	318	643
Amount Used / Transfer from Reserve	0	0
	<u>51,611</u>	<u>51,936</u>
<b>Refuse Site Rehab/Closure Reserve</b>		
Opening Balance	15,186	15,186
Amount Set Aside / Transfer to Reserve	28	190
Amount Used / Transfer from Reserve	0	0
	<u>15,214</u>	<u>15,376</u>
<b>Total Cash Backed Reserves</b>	<u><b>546,190</b></u>	<u><b>837,759</b></u>

All of the above reserve accounts are to be supported by money held in financial institutions.

SHIRE OF PINGELLY

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 28 FEBRUARY 2018

	2017/18 Adopted Budget \$	February 2017 Actual \$
<b>4. RESERVES (Continued)</b>		
<b>Cash Backed Reserves (Continued)</b>		
<b>Summary of Transfers</b>		
<b>To Cash Backed Reserves</b>		
<b>Transfers to Reserves</b>		
Leave Reserve	3,456	2,120
Plant Reserve	4,913	3,013
Building and Recreation Reserve	29,767	3,563
Electronic Equipment Reserve	5	77
Community Bus Reserve	15	140
Swimming Pool Reserve	300	625
Joint Venture Housing Reserve	318	643
Refuse Site Rehab/Closure Reserve	28	190
	<u>38,802</u>	<u>10,371</u>
<b>Transfers from Reserves</b>		
Leave Reserve	(60,000)	0
Plant Reserve	0	0
Building Reserve	(260,000)	0
Electronic Equipment Reserve	0	0
Community Bus Reserve	0	0
Swimming Pool Reserve	0	0
Joint Venture Housing Reserve	0	0
Refuse Site Rehab/Closure Reserve	0	0
	<u>(320,000)</u>	<u>0</u>
<b>Total Transfer to/(from) Reserves</b>	<u>(281,198)</u>	<u>10,371</u>

In accordance with council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

**Leave Reserve**

- to be used to fund annual and long service leave requirements.

**Plant Reserve**

- to be used for the purchase of major plant.

**Building and Recreation Reserve**

- to be used to fund the renovation/purchase of Shire of Pingelly buildings and Recreation Infrastructure.

**Electronic Equipment Reserve**

- to be used to fund the purchase of administration computer system equipment.

**Community Bus Reserve**

- to be used to fund the change-over of the community bus.

**Swimming Pool Reserve**

- to be used to fund the upgrading of the swimming pool complex

**Joint Venture Housing Reserve**

- to be used for the future maintenance of the Joint Venture units

**Refuse Site Rehab/Closure Reserve**

- to be used to facilitate the rehabilitation/closure of the town refuse site.

SHIRE OF PINGELLY

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 28 FEBRUARY 2018

	2016/17 B/Fwd Per 2017/18 Budget \$	2016/17 B/Fwd Per Financial Report \$	February 2017 Actual \$
<b>5. NET CURRENT ASSETS</b>			
<b>Composition of Estimated Net Current Asset Position</b>			
<b>CURRENT ASSETS</b>			
Cash - Unrestricted	(76,096)	(225,748)	639,954
Cash - Restricted Unspent Grants	926,934	926,934	1,088,796
Cash - Restricted Unspent Loans	1,903,210	1,903,210	221,379
Cash - Restricted Reserves	827,388	827,388	837,758
Receivables (Budget Purposes Only)	0	0	0
Rates Outstanding	153,986	153,986	353,648
Sundry Debtors	601,751	601,751	155,503
Provision for Doubtful Debts	(9,508)	(9,508)	(9,508)
Gst Receivable	100,879	100,879	54,143
Loans - clubs/institutions	0	83,747	0
Accrued Income/Payments In Advance	1,778	1,778	0
Investments	0	0	0
Inventories	2,474	2,474	1,173
	<u>4,432,796</u>	<u>4,366,891</u>	<u>3,342,846</u>
<b>LESS: CURRENT LIABILITIES</b>			
Payables and Provisions (Budget Purposes Only)	0	0	0
Sundry Creditors	(168,302)	(18,650)	367
Accrued Interest On Loans	(336)	(336)	0
Accrued Salaries & Wages	(35,071)	(35,071)	0
Income In Advance	0	0	0
Gst Payable	(58,547)	(58,547)	(60,000)
Payroll Creditors	0	0	0
Accrued Expenses	(26,477)	(56,508)	0
PAYG Liability	(34,643)	(34,643)	(39,474)
Other Payables	(3,514)	(3,514)	(3,447)
Current Employee Benefits Provision	(259,672)	(250,326)	(250,326)
Current Loan Liability	(58,460)	(58,460)	(7,360)
	<u>(645,022)</u>	<u>(516,055)</u>	<u>(360,240)</u>
<b>NET CURRENT ASSET POSITION</b>	<b>3,787,774</b>	<b>3,850,836</b>	<b>2,982,606</b>
Less: Cash - Reserves - Restricted	(827,388)	(827,388)	(837,758)
Less: Cash - Unspent Grants/Loans - Fully Restricted	(1,903,210)	(1,903,210)	(221,379)
Less: Current Loans - Clubs / Institutions	0	(83,747)	0
Less: Investments	0	0	0
Add Back : Component of Leave Liability not Required to be Funded	259,672	250,326	250,326
Add Back : Current Loan Liability	58,460	58,460	7,360
Adjustment for Trust Transactions Within Muni	0	0	0
<b>ESTIMATED SURPLUS/(DEFICIENCY) C/FWD</b>	<u><b>1,375,310</b></u>	<u><b>1,345,277</b></u>	<u><b>2,181,155</b></u>

SHIRE OF PINGELLY

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 28 FEBRUARY 2018

6. RATING INFORMATION

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	2017/18 Rate Revenue \$	2017/18 Interim Rates \$	2017/18 Back Rates \$	2017/18 Total Revenue \$	2017/18 Budget \$
<b>General Rate</b>								
GRV - Residential	0.122533	315	3,087,332	378,300	0	0	378,300	378,300
GRV - Rural Residential	0.122533	68	712,052	87,250	0	0	87,250	87,250
GRV - Commercial/Industrial	0.122533	31	448,114	54,909	0	0	54,909	54,909
GRV - Townsites	0.122533	12	128,439	15,738	0	0	15,738	15,738
UV - Broadacre Rural	0.010704	250	114,659,500	1,227,315	(534)	0	1,226,781	1,224,318
<b>Sub-Totals</b>		676	119,035,437	1,763,512	(534)	0	1,762,978	1,760,515
<b>Minimum Rates</b>	<b>Minimum \$</b>							
GRV - Residential	898	63	144,961	56,574	0	0	56,574	56,574
GRV - Rural Residential	898	21	76,672	18,858	0	0	18,858	18,858
GRV - Commercial/Industrial	898	10	43,695	8,980	0	0	8,980	8,980
GRV - Townsites	898	7	20,271	6,286	0	0	6,286	6,286
UV - Broadacre Rural	898	44	2,493,240	39,512	0	0	39,512	39,512
<b>Sub-Totals</b>		145	2,778,839	130,210	0	0	130,210	130,210
<b>Ex Gratia Rates</b>								
Movement in Excess Rates							1,893,188	1,890,725
							219	200
							(24,370)	0
<b>Total Amount of General Rates Specified Area Rates</b>							1,869,037	1,890,925
							0	0
<b>Total Rates</b>							1,869,037	1,890,925

All land except exempt land in the Shire of Pingelly is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Shire.

The general rates detailed above for the 2015/16 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also bearing considering the extent of any increase in rating over the level adopted in the previous year.

The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of the Local Government services/facilities.

# SHIRE OF PINGELLY

## NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 28 FEBRUARY 2018

### 7. TRUST FUNDS

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

Detail	Balance 01-Jul-17 \$	Amounts Received \$	Amounts Paid (\$)	Balance \$
Transport Licensing	0	238,874	(238,874)	0
BCITF Levy	0	0	0	0
Rates	0	0	0	0
Funds Held on Behalf of Groups	40	0	0	40
Unclaimed Monies	100	0	0	100
Builders Registration Board	0	0	0	0
Social Club	0	0	0	0
Nomination Deposits	0	400	(400)	0
Bond Monies (Including Key Deposits)	3,920	8,800	(8,830)	3,890
	<u>4,060</u>	<u>248,074</u>	<u>(248,104)</u>	<u>4,030</u>

**SHIRE OF PINGELLY**

**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**

**FOR THE PERIOD 1 JULY 2017 TO 28 FEBRUARY 2018**

**8. OPERATING STATEMENT**

	<b>February 2017 Actual \$</b>	<b>2017/18 Adopted Budget \$</b>	<b>2016/17 Actual \$</b>
<b>OPERATING REVENUES</b>			
Governance	40,823	65,370	73,207
General Purpose Funding	2,353,561	2,559,639	3,742,376
Law, Order, Public Safety	70,114	111,624	103,107
Health	7,943	11,908	11,983
Education and Welfare	618,220	631,390	794,058
Housing	0	0	0
Community Amenities	166,845	163,170	162,643
Recreation and Culture	2,128,413	4,535,396	1,031,664
Transport	682,633	1,746,020	1,548,147
Economic Services	32,387	50,150	35,980
Other Property and Services	61,851	59,000	62,574
<b>TOTAL OPERATING REVENUE</b>	<b>6,162,790</b>	<b>9,933,667</b>	<b>7,565,741</b>
<b>OPERATING EXPENSES</b>			
Governance	363,922	589,754	594,713
General Purpose Funding	109,439	167,704	188,660
Law, Order, Public Safety	122,459	252,396	249,555
Health	60,626	112,480	137,690
Education and Welfare	26,663	48,243	49,969
Housing	0	0	0
Community Amenities	222,276	391,955	457,121
Recreation & Culture	582,989	998,815	1,580,337
Transport	1,525,093	2,254,150	2,028,955
Economic Services	142,370	285,114	475,991
Other Property and Services	180,671	25,636	65,766
<b>TOTAL OPERATING EXPENSE</b>	<b>3,336,508</b>	<b>5,126,247</b>	<b>5,828,758</b>
<b>CHANGE IN NET ASSETS RESULTING FROM OPERATIONS</b>	<b><u>2,826,282</u></b>	<b><u>4,807,420</u></b>	<b><u>1,736,983</u></b>



**SHIRE OF PINGELLY**

**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**

**FOR THE PERIOD 1 JULY 2017 TO 28 FEBRUARY 2018**

**9. STATEMENT OF FINANCIAL POSITION**

	February 2017 Actual \$	2016/17 Actual \$
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	2,787,887	3,431,783
Investments	5,000	5,000
Trade and Other Receivables	561,146	863,376
Inventories	1,173	2,474
Trust at Bank	4,030	4,060
<b>TOTAL CURRENT ASSETS</b>	<u>3,359,236</u>	<u>4,306,693</u>
<b>NON-CURRENT ASSETS</b>		
Other Receivables	233,102	233,102
Inventories	0	0
Property, Plant and Equipment	13,986,234	10,013,560
Infrastructure	71,572,718	71,927,498
<b>TOTAL NON-CURRENT ASSETS</b>	<u>85,792,054</u>	<u>82,174,160</u>
<b>TOTAL ASSETS</b>	<u>89,151,290</u>	<u>86,480,853</u>
<b>CURRENT LIABILITIES</b>		
Trade and Other Payables	102,554	207,269
Long Term Borrowings	7,360	58,460
Provisions	250,326	250,326
Trust Liability	4,030	4,060
<b>TOTAL CURRENT LIABILITIES</b>	<u>364,270</u>	<u>520,115</u>
<b>NON-CURRENT LIABILITIES</b>		
Trade and Other Payables	0	0
Long Term Borrowings	2,470,742	2,470,742
Provisions	65,225	65,225
<b>TOTAL NON-CURRENT LIABILITIES</b>	<u>2,535,967</u>	<u>2,535,967</u>
<b>TOTAL LIABILITIES</b>	<u>2,900,237</u>	<u>3,056,082</u>
<b>NET ASSETS</b>	<u>86,251,053</u>	<u>83,424,771</u>
<b>EQUITY</b>		
Retained Surplus	30,027,796	27,211,884
Reserves - Cash Backed	837,758	827,388
Revaluation Surplus	55,385,499	55,385,499
<b>TOTAL EQUITY</b>	<u>86,251,053</u>	<u>83,424,771</u>

# SHIRE OF PINGELLY

## NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2017 TO 28 FEBRUARY 2018

### 10. FINANCIAL RATIOS

	2018 YTD	2017	2016	2015
Current Ratio	10.63	3.04	1.05	3.89
Operating Surplus Ratio	(0.23)	(0.62)	(0.72)	(0.47)

The above ratios are calculated as follows:

#### Current Ratio

$$\frac{(\text{Current Assets MINUS Restricted Assets})}{(\text{Current Liabilities MINUS Liabilities Associated with Restricted Assets})}$$

#### Purpose:

This is a modified commercial ratio designed to focus on the liquidity position of a local government that has arisen from past year's transactions.

#### Standards:

The standard is not met if the ratio is lower than 1:1 (less than 100%)

The standard is met if the ratio is greater than 1:1 (100% or greater)

A ratio less than 1:1 means that a local government does not have sufficient assets that can be quickly converted into cash to meet its immediate cash commitments. This may arise from a budget deficit from the past year, a Council decision to operate an overdraft or a decision to fund leave entitlements from next year's revenues.

Below Std
Std met

#### Operating Surplus Ratio

$$\frac{(\text{Operating Revenue MINUS Operating Expense})}{(\text{Own Source Operating Revenue})}$$

#### Purpose:

This ratio is a measure of a local government's ability to cover its operational costs and have revenues available for capital funding or other purposes.

#### Standards:

Basic Standard is not met less than < 1% (< 0.01)

Basic Standard between 1% and 15% (0.01 and 0.15)

Advanced Standard greater than > 15% (>0.15).

Below Std
Basic Std
Adv Std

SHIRE OF PINGELLY RESTRICTED CASH RECONCILIATION 28 February 2018							
Restricted Grants/Funds Received	Projects	GL/Job Account	Total Restricted Funds	Actual Expenditure previous year 2015/16	Actual Expenditure previous year 2016/17	Actual Expenditure 2017/18	Restricted Funds Remaining
Health Department (WACHS)-claim 1	Aged Approp Accom Units	0860	272,727.27	5,456.91	197,609.67	69,660.69	0.00
Health Department (WACHS)-claim 2	Aged Approp Accom Units	PAA01	181,818.18	0.00	0.00	181,818.18	0.00
Health Department (WACHS)-claim 3	Aged Approp Accom Units	PAA01	272,727.27	0.00	0.00	272,727.27	0.00
Health Department (WACHS)-claim 4	Aged Approp Accom Units	PAA01	272,727.27	0.00	0.00	272,727.27	0.00
Health Department (WACHS)-claim 5	Aged Approp Accom Units	PAA01	272,727.27	0.00	0.00	63,937.52	208,789.75
Health Department (WACHS)-final claim 6	Aged Approp Accom Units	PAA01	318,181.82	0.00	0.00	0.00	318,181.82
WDC Community Chest Funding-Sensory Garden	Aged Approp Accom Units	0861	20,000.00	0.00	0.00	0.00	20,000.00
Lotterywest Grant-Aged Sensory Space	Aged Approp Accom Units	PAA02	50,000.00	0.00	0.00	0.00	50,000.00
National Stronger Regions Funds claim 1	Recreation & Cultural Centre	11PR/PR01	777,719.00	0.00	777,719.00	0.00	0.00
National Stronger Regions Funds claim 2+Interest	Recreation & Cultural Centre	11PR/PR01	1,472,140.88	0.00	0.00	1,472,140.88	0.00
Lotterywest Grant \$1,000,000 claim 1	Recreation & Cultural Centre	11PR/PR02	70,111.00	0.00	0.00	70,111.00	0.00
Lotterywest Grant \$1,000,000 claim 2	Recreation & Cultural Centre	11PR/PR02	513,788.11	0.00	0.00	39,963.20	473,824.91
Dept of Sport & Rec \$350,000 claim 1	Recreation & Cultural Centre	11PR/PR03	87,500.00	0.00	87,500.00	0.00	0.00
Bendigo Bank-Pingelly Community Financial Services	Recreation & Cultural Centre	11PR/PR04	50,000.00	0.00	0.00	50,000.00	0.00
Contributions Other	Recreation & Cultural Centre	11PR/PR10	1,408.63	0.00	1,408.63	0.00	0.00
CBH Contribution Grass Roots Fund -playground	Recreation & Cultural Centre	11PR/PR11	10,000.00	0.00	0.00	0.00	10,000.00
Forestry Products Commission	Recreation & Cultural Centre	11PR/PR12	20,000.00	0.00	0.00	20,000.00	0.00
Unspent Loan 123 - TD01	Recreation & Cultural Centre	1703	1,008,446.32	0.00	0.00	1,008,446.32	0.00
Unspent Loan 123 - TD01 Funds in Muni Funds	Recreation & Cultural Centre	1703	500,000.00	0.00	161,980.70	116,640.79	221,378.51
Unspent Loan 123 - interest TD01 in Muni	Recreation & Cultural Centre		110,359.46	0.00	45,169.26	65,190.20	0.00
Unspent Loan 123 in Muni Fund -TD02	Recreation & Cultural Centre	1703	500,000.00	0.00	500,000.00	0.00	0.00
Unspent Loan 123 in Muni Fund interest TD02	Recreation & Cultural Centre		20,509.36	0.00	20,509.36	0.00	0.00
Unspent Loan 123 - TD03	Recreation & Cultural Centre	1703	504,432.90	0.00	0.00	504,432.90	0.00
DLGC PRACC Comm Dev Grant	Economic Services	1333/1398	18,000.00	0.00	0.00	10,000.00	8,000.00
<b>Sub Total</b>					1,840,970.62	4,217,796.22	1,310,174.99
<b>Total Restricted Grant Funds</b>							<b>1,310,174.99</b>
<b>Available Cash</b>							<b>Balance</b>
Municipal Bank	Muni Fund Bank	0111	Variable	Ongoing	N.A.		1,949,378.39
Municipal Bank	Till Float SES	0112					50.00
Municipal Bank	Till Float	0113					200.00
Municipal Bank	Petty Cash on hand	0114					500.00
Total Cash	NB : TD02 as at 30 March 17 brought into Muni funds as spent.						1,950,128.39
Less Restricted Cash	NB : TD01 as at 30 June 17 brought into Muni funds \$500,000 and interest of \$110,359.46 as spent.						(1,310,174.99)
<b>Total Unrestricted Cash</b>							<b>639,953.40</b>



# **Attachment 3**

**15.3 2017/2018 Annual Budget Review**

**2017/18 Budget Review**





**Shire of Pingelly**  
**REVIEW OF BUDGET REPORT**  
**For the Period Ended 28th February 2018**

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

Note: The Statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary.

**Shire of Pingelly**  
**STATEMENT OF BUDGET REVIEW**  
**(Nature or Type)**  
**For the Period Ended 28th February 2018**

FM Reg 33A(2A)(a)

FM Reg 33A(2A)(c)

FM Reg 33A

FM Reg Sch 1

**Operating Revenues**

Rate Revenue					
Grants, Subsidies and Contributions					
Profit on Asset Disposal					
Fees and Charges					
Interest Earnings					
Other Revenue					

**Operating Expense**

Employee Costs					
Materials and Contracts					
Utilities Charges					
Depreciation (Non-Current Assets)					
Interest Expenses					
Insurance Expenses					
Loss on Asset Disposal					
Other Expenditure					
Administration Overheads					

**Funding Balance Adjustment**

Add Back Depreciation					
Adjust (Profit)/Loss on Asset Disposal					
Adjust Provisions and Accruals					

**Net Operating****Capital Revenues**

Grants, Subsidies and Contributions					
Proceeds from Disposal of Assets					
Unspent Loan Funds going Forward					
Proceeds from New Debentures					
Self-Supporting Loan Principal					
Transfer from Reserves					

**Capital Expenses**

Land Held for Resale					
Land and Buildings					
Plant and Equipment					
Furniture and Equipment					
Infrastructure Assets - Roads					
Purchase of Infrastructure Assets - Footpaths					
Purchase of Infrastructure Assets - Kerbs & Drains					
Purchase of Infrastructure Assets - Bridges					
Infrastructure Assets - Other					
Works In Progress -PRACC					
Works In Progress - PAAA					
Transfer to Restricted Assets (Other)					
Repayment of Debentures					
Transfer to Reserves					

**Net Capital****Net Operating + Capital****Opening Funding Surplus(Deficit)****Closing Funding Surplus(Deficit)**

Note	Budget v Actual		Predicted			
	Annual Budget \$ (a)	YTD Actual \$ (b)	Variance Permanent (c)	Variance Timing (Carryover) (d)	Year End \$ (a)+(c)+(d)	
	\$	\$	\$	\$	\$	
4.1.3	1,890,925	1,869,037	0	0	1,890,925	
4.1.1	1,237,260	576,689	1,656	0	1,238,916	▲
4.1.2	0	0	0	0	0	
4.1.7	280,218	256,495	10,631	0	290,849	▲
4.1.8	109,865	58,308	1,370	0	111,235	▲
	85,573	75,355	0	0	85,573	
	3,603,841	2,835,884	13,657	0	3,617,498	
4.2.1	(1,845,052)	(1,271,374)	(146,481)	0	(1,991,533)	▲
4.2.2	(1,225,650)	(724,520)	13,506	0	(1,212,144)	▼
4.2.3	(165,029)	(93,655)	7,500	0	(157,529)	▼
4.2.4	(1,532,000)	(1,013,761)	0	0	(1,532,000)	
4.2.5	(84,614)	(55,121)	23,040	0	(61,574)	▼
4.2.6	(157,695)	(143,286)	0	0	(157,695)	
4.2.7	(12,000)	0	0	0	(12,000)	
4.2.8	(104,207)	(34,656)	(5,000)	0	(109,207)	▲
	0	(135)	0	0	0	
	(5,126,247)	(3,336,507)	(107,435)	0	(5,233,682)	
	1,532,000	1,013,761	0	0	1,532,000	
4.4.3	12,000	0	0	0	12,000	
	0	3	0	0	0	
<b>Net Operating</b>	<b>21,594</b>	<b>513,141</b>	<b>(93,778)</b>	<b>0</b>	<b>(72,184)</b>	
4.3.1	6,329,826	3,326,906	(133,402)	0	6,196,424	▼
	20,000	0	0	0	20,000	
	1,903,210	1,681,831	0	0	1,903,210	
	1,200,000	0	0	0	1,200,000	
	14,489	7,129	0	0	14,489	
4.3.7	320,000	0	0	0	320,000	
	9,787,525	5,015,866	(133,402)	0	9,654,123	
	0	0	0	0	0	
	0	0	0	0	0	
	0	0	0	0	0	
	(1,135,460)	(423,861)	0	0	(1,135,460)	
	0	0	0	0	0	
	0	0	0	0	0	
	(252,000)	0	252,000	0	0	
	0	0	0	0	0	
4.4.7	(7,781,145)	(3,346,925)	(15,000)	0	(7,796,145)	
4.4.8	(1,698,348)	(860,871)	0	0	(1,698,348)	
	(200,000)	0	0	0	(200,000)	
4.4.10	(78,674)	(51,100)	20,214	0	(58,460)	▼
4.4.12	(38,803)	(10,371)	0	0	(38,803)	
	(11,184,430)	(4,693,128)	257,214	0	(10,927,216)	
<b>Net Capital</b>	<b>(1,396,905)</b>	<b>322,739</b>	<b>123,812</b>	<b>0</b>	<b>(1,273,093)</b>	
<b>Net Operating + Capital</b>	<b>(1,375,311)</b>	<b>835,879</b>	<b>30,034</b>	<b>0</b>	<b>(1,345,277)</b>	
	1,375,311	1,345,277	(30,034)	0	1,345,277	▼
3	0	2,181,155	0	0	0	

**Shire of Pingelly**  
**STATEMENT OF BUDGET REVIEW**  
**(Statutory Reporting Program)**  
**For the Period Ended 28th February 2018**

		FM Reg 33A(2A)(a)		FM Reg 33A(2A)(c)		
Note	Budget v Actual	Predicted		Variance Timing (Carryover) (d)	Year End \$ (a)+(c)+(d)	
		Annual Budget \$ (a)	YTD Actual \$ (b)			
		\$	\$	\$	\$	
FM Reg Sch 1	<b>Operating Revenues</b>					
	Governance	65,370	40,823	0	65,370	
	General Purpose Funding	2,559,639	2,353,561	1,370	2,561,009	▲
	Law, Order and Public Safety	111,624	70,114	2,978	114,602	▲
	Health	11,908	7,943	0	11,908	
	Education and Welfare	631,390	618,220	5,365	636,755	▲
	Community Amenities	163,170	166,845	5,933	169,103	▲
	Recreation and Culture	4,535,396	2,128,413	(73,997)	4,461,399	▼
	Transport	1,746,020	682,633	(83,402)	1,662,618	▼
	Economic Services	50,150	32,387	(2,000)	48,150	▼
	Other Property and Services	59,000	61,851	19,008	78,008	▲
		9,933,667	6,162,790	(124,745)	9,808,922	
	<b>Operating Expense</b>					
	Governance	(589,754)	(363,922)	3,914	(585,840)	▼
	General Purpose Funding	(167,704)	(109,439)	0	(167,704)	
	Law, Order and Public Safety	(252,396)	(122,459)	0	(252,396)	
	Health	(112,480)	(60,626)	0	(112,480)	
	Education and Welfare	(48,243)	(26,663)	0	(48,243)	
	Community Amenities	(391,955)	(222,276)	0	(391,955)	
	Recreation and Culture	(998,815)	(582,989)	70,115	(928,700)	▼
	Transport	(2,254,150)	(1,525,093)	(154,372)	(2,408,522)	▲
	Economic Services	(285,114)	(142,370)	3,000	(282,114)	▼
	Other Property and Services	(25,636)	(180,671)	(25,092)	(50,728)	▲
		(5,126,247)	(3,336,508)	(102,435)	(5,228,682)	
	<b>Funding Balance Adjustment</b>					
	Add Back Depreciation	1,532,000	1,013,761	0	1,532,000	
	Adjust (Profit)/Loss on Asset Disposal	12,000	0	0	12,000	
	Adjust Provisions and Accruals	0	3	0	0	
	<b>Net Operating</b>	6,351,420	3,840,045	(227,180)	6,124,240	
	<b>Capital Revenues</b>					
	Proceeds from Disposal of Assets	20,000	0	0	20,000	
	Unspent Loan Funds going Forward	1,903,210	1,681,831	0	1,903,210	
	Self-Supporting Loan Principal	14,489	7,129	0	14,489	
	Transfer from Reserves	320,000	0	0	320,000	
		3,457,699	1,688,961	0	3,457,699	
	<b>Capital Expenses</b>					
	Land Held for Resale	0	0	0	0	
	Land and Buildings	0	0	0	0	
	Plant and Equipment	0	0	0	0	
	Furniture and Equipment	0	0	0	0	
	Infrastructure Assets - Roads	(1,135,460)	(423,861)	0	(1,135,460)	
	Purchase of Infrastructure Assets - Footpaths	0	0	0	0	
	Purchase of Infrastructure Assets - Kerbs & Drains	0	0	0	0	
	Purchase of Infrastructure Assets - Bridges	(252,000)	0	252,000	0	
	Infrastructure Assets - Other	0	0	0	0	
	Works In Progress - PRACC	(7,781,145)	(3,346,925)	(15,000)	(7,796,145)	
	Works In Progress - PAAA	(1,698,348)	(860,871)	0	(1,698,348)	
	Transfer to Restricted Assets (Other)	(200,000)	0	0	(200,000)	
	Repayment of Debentures	(78,674)	(51,100)	20,214	(58,460)	▼
	Transfer to Reserves	(38,803)	(10,371)	0	(38,803)	
		(11,184,430)	(4,693,128)	257,214	(10,927,216)	
	<b>Net Capital</b>	(7,726,731)	(3,004,167)	257,214	(7,469,517)	
	<b>Net Operating + Capital</b>	(1,375,311)	835,878	30,034	(1,345,277)	
	Opening Funding Surplus(Deficit)	1,375,311	1,345,277	(30,034)	1,345,277	▼
	<b>Closing Funding Surplus(Deficit)</b>	0	2,181,155	0	0	



**Shire of Pingelly**  
**NOTES TO THE BUDGET REVIEW REPORT**  
**For the Period Ended 28th February 2018**

**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 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.

**(c) Rounding Off Figures**

All figures shown in this statement, other than a rate in the dollar, 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.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities.

**(g) Trade and Other Receivables**

Trade receivables, which generally have 30 - 90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for 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.

Shire of Pingelly  
NOTES TO THE BUDGET REVIEW REPORT  
For the Period Ended 28th February 2018

**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 raised 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 Municipality 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 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:

Buildings	2%
Furniture and Equipment	10-33%
Plant and Equipment	7-33%
Motor Vehicles	20%
Roads - Aggregate	40 years
Roads - Unsealed - Gravel	20 years
Drains and Sewers	40 years

**Shire of Pingelly**  
**NOTES TO THE BUDGET REVIEW REPORT**  
**For the Period Ended 28th February 2018**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(k) Impairment**

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 "Impairment of Assets" and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Income Statement.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

At the time of preparing this report, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2014.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on the Monthly Statement of Financial Position from a budgetary perspective.

**(l) Trade and Other Payables**

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Municipality prior to the end of the financial year that are unpaid and arise when the Municipality 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.

**(m) 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 municipality 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 Council 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 Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.



Shire of Pingelly  
NOTES TO THE BUDGET REVIEW REPORT  
For the Period Ended 28th February 2018

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(n) 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.

**(o) 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.

**(p) 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.

**Shire of Pingelly**  
**NOTES TO THE BUDGET REVIEW REPORT**  
**For the Period Ended 28th February 2018**

**(q) 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 as television and radio broadcasting, underground electricity, neighbourhood surveillance services and water. 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 associated 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.

**Shire of Pingelly**  
**NOTES TO THE BUDGET REVIEW REPORT**  
**For the Period Ended 28th February 2018**

**(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**

Details expenses related to Councils eight councillors, who normally meet the third Wednesday of each month, make policy decisions, review Councils operations, plan for current and future service provision requirements and undertake necessary appropriate training and attend conferences.

**GENERAL PURPOSE FUNDING**

Rates - the amount raised is determined by Councils budget "shortfall" that is known income and desired expenditure.

General purpose grants - are the grant amounts paid to the shire from Federal Government funding as determined by and via the Western Australian Local Government Grants Commission.

Interest - interest earned on monies invested or deposited by Council.

**LAW, ORDER, PUBLIC SAFETY**

Supervision of by-laws, fire prevention and animal control.  
Requirements that Council carries out by statute.

**HEALTH**

Food quality control, immunisation, contributions to medical, health and operation of the child health clinic.

Council is a member of a group health scheme North Eastern Wheatbelt Health Scheme. Monitors food quality and caters for health requirements for the broader community.

**Shire of Pingelly**  
**NOTES TO THE BUDGET REVIEW REPORT**  
**For the Period Ended 28th February 2018**

**(r) STATEMENT OF OBJECTIVE (Continued)**

**EDUCATION AND WELFARE**

Assists in the provision of the Home and Community Care services, Seniors and Pensioner requirements.

**HOUSING**

Provides and maintains housing rented to staff and non-staff. Council is a major landlord, providing accommodation for aged, pensioner, single, married and Government Employees.

**COMMUNITY AMENITIES**

Operation and control of cemeteries, public conveniences and sanitation service. Provides public amenities. Owns and operates the town site deep sewerage service. Controls and maintains one rubbish disposal site.

**RECREATION AND CULTURE**

Maintenance of hall, the aquatic centre, library and various reserves.

**TRANSPORT**

Construction and maintenance of roads, footpaths, drainage works and cleaning of streets. Provision of infrastructure necessary to ensure adequate transport, communication, freight, social access routes and environmental enhancement within the shire.

**ECONOMIC SERVICES**

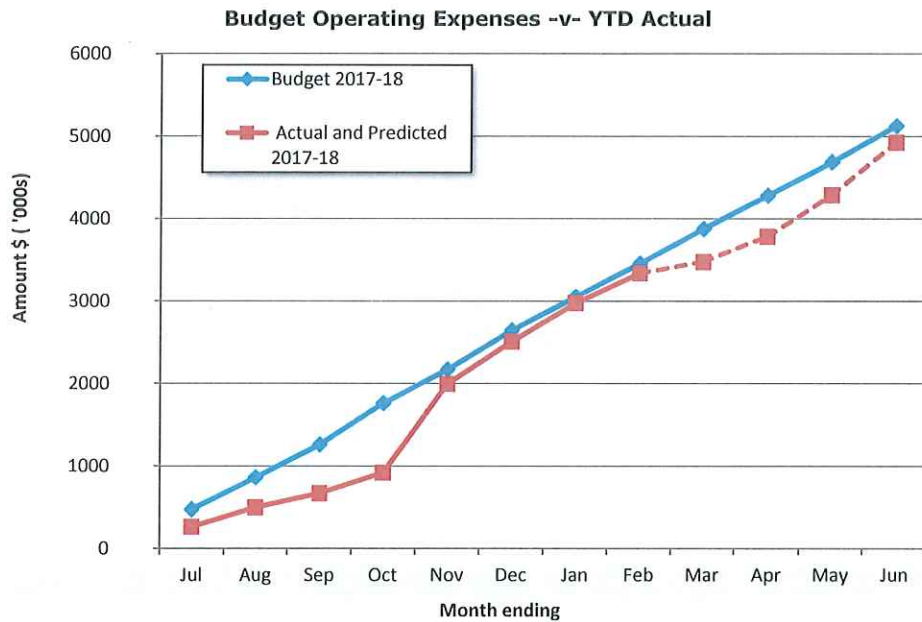
Tourism, pest control, building controls and natural resource management. Tourism facilities, information and directional signs. Weed and pest control services. Necessary building control services.

**OTHER PROPERTY & SERVICES**

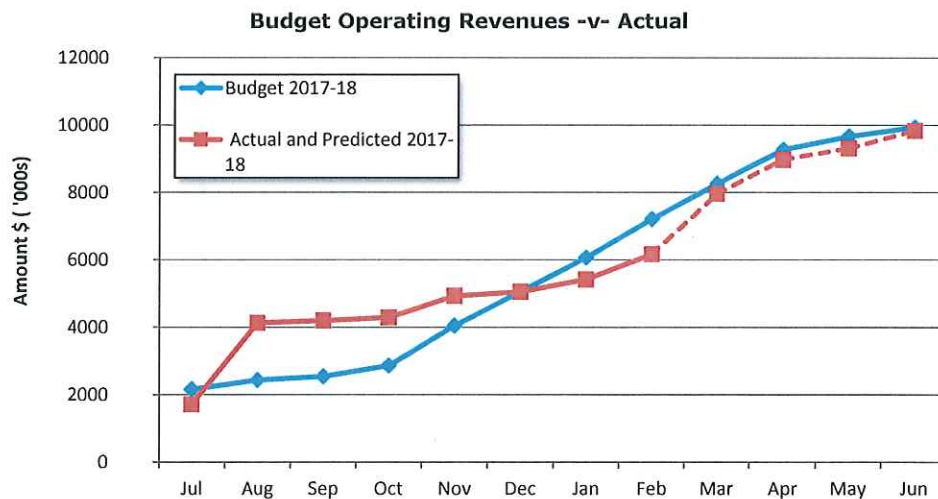
Private works carried out by council and indirect cost allocation pools.  
Public Works Overheads, plant operation and administrative costs are allocated to the various functions, works and services provided by Council.

Shire of Pingelly  
NOTES TO THE BUDGET REVIEW REPORT  
For the Period Ended 28th February 2018

**Note 2 - Graphical Representation - Source Statement of Financial Activity**



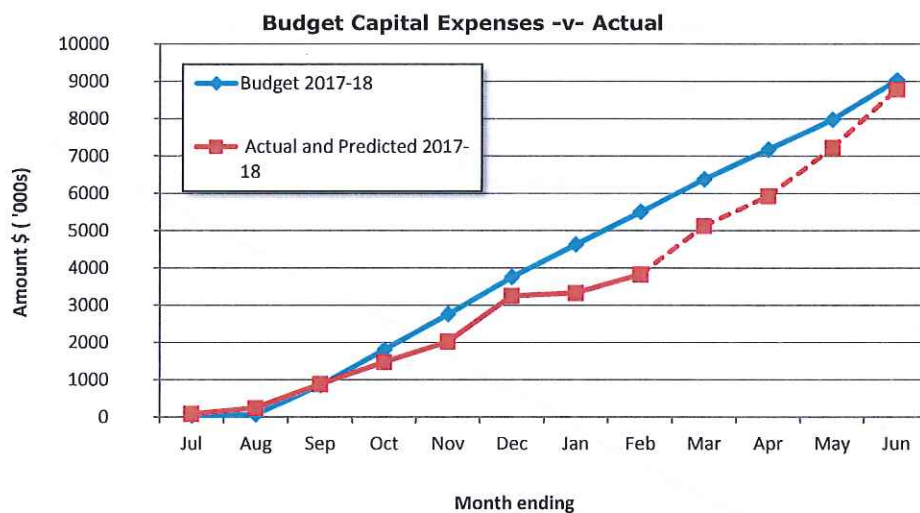
**Comments/Notes - Operating Expenses**



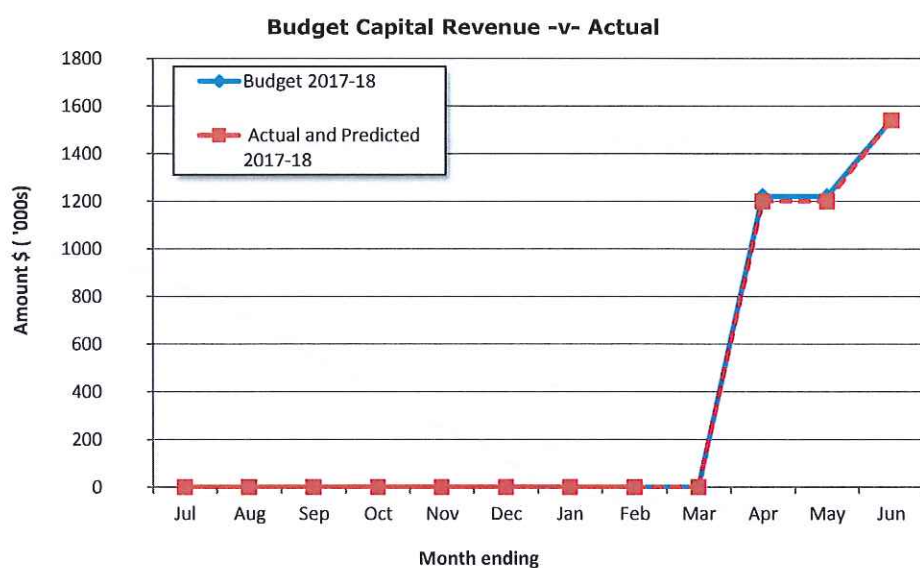
**Comments/Notes - Operating Revenues**

Shire of Pingelly  
NOTES TO THE BUDGET REVIEW REPORT  
For the Period Ended 28th February 2018

**Note 2 - Graphical Representation - Source Statement of Financial Activity**



**Comments/Notes - Capital Expenses**



**Comments/Notes - Capital Revenues**

Shire of Pingelly  
NOTES TO THE BUDGET REVIEW REPORT  
For the Period Ended 28th February 2018

**Note 3: NET CURRENT FUNDING POSITION**

FM Reg 33A  
(2A)(c)

**Current Assets**

Cash Unrestricted  
Cash Restricted  
Receivables - Rates and Rubbish  
Receivables -Other  
Inventories

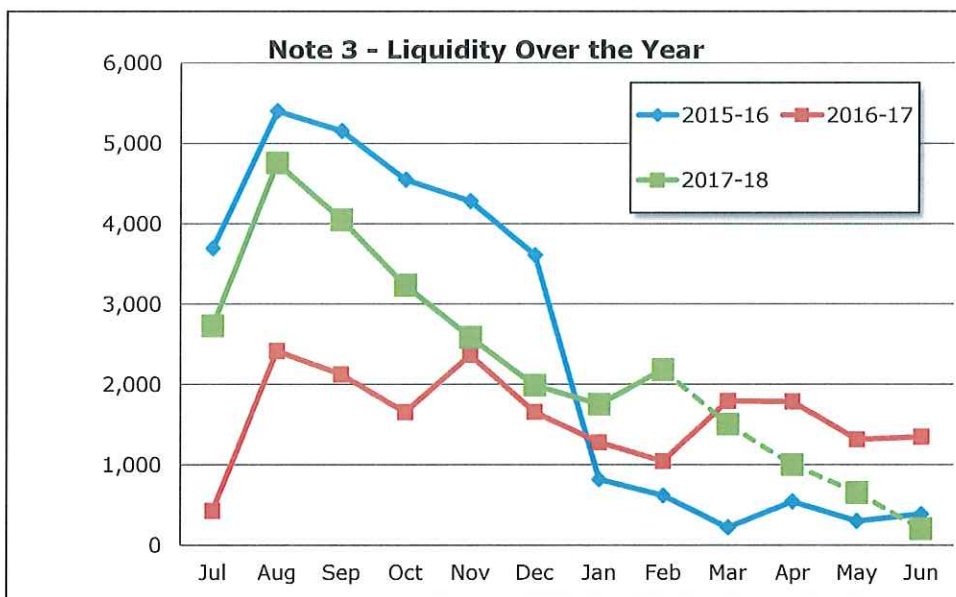
**Less: Current Liabilities**

Payables  
Provisions

**Less: Cash Restricted**

Adjustment to trust  
Add back Current Loan Liability  
Add Back Lesser Leave Prov Leave Reserve  
**Net Current Funding Position**

Note	Positive=Surplus (Negative=Deficit)		
	2017-18		2016-17
	This Period	Last Period	Same Period Last Year
	\$	\$	\$
	Feb-18	Jan-18	Feb-17
	143,278	288,760	473,771
	2,147,933	1,787,090	3,565,642
	353,648	463,297	322,545
	200,138	516,111	152,043
	1,173	6,680	(15,048)
	2,846,170	3,061,938	4,498,953
	386,762	169,054	(129,789)
	(250,326)	(250,326)	(164,274)
	136,436	(81,272)	(294,063)
	(1,059,137)	(1,488,289)	(3,414,524)
	0	0	33
	7,360	7,360	87,572
	250,326	250,326	164,274
	<b>2,181,155</b>	<b>1,750,063</b>	<b>1,042,245</b>



Comments/Notes - Net Current Funding Position

Shire of Pingelly  
NOTES TO THE REVIEW OF THE ANNUAL BUDGET  
For the Period Ended 28th February 2018

**Note 4: PREDICTED VARIANCES**

Comments/Reason for Variance	Variance \$	
	Permanent	Timing
<b>4.1 OPERATING REVENUE (EXCLUDING RATES)</b>		
<b>4.1.1 PROFIT ON ASSET DISPOSAL</b>		
No Material Variance		
<b>4.1.2 FEES AND CHARGES</b>		
Dog Registrations more than Budget	635	
Fines & Penalties - Fire Prevention more than budget	1838	
Dog Fines & Penalties more than Budget	505	
Town planning fees more than budget	383	
Rubbish Bin Charges Residential more than budget	4,400	
Rubbish Bin Charges Commercial more than budget	840	
Charges Cemeteries more than budget	260	
Cemetery Licenses & Permits No GST more than Budget	50	
Charges Town Hall more than Budget	270	
Swimming Pool Daily admissions more than budget	900	
Swimming Pool Season Tickets sales more than budget	550	
<b>4.1.3 GRANTS, SUBSIDIES AND CONTRIBUTIONS</b>		
Other Income Peter Kenyon Grant reduced from \$20,000 budget to \$18,000 actual.	(2,000)	
Insurance Rebates premium adj \$3,207.14 and good driver rebate \$3,076.32	6,283	
Training Reimbursements more than budget	2,273	
Reimbursement Workers Compensation from Workcare more than Budget	21,735	
State Govt Grant Swimming Pool Subsidy \$32,000 cancelled	(32,000)	
Grant Revenue WACHS more than budget \$5,365	5,365	
<b>4.1.7 INTEREST EARNINGS</b>		
Instalment Interest higher than full budget	780	
Penalty Interest highr than Budget	590	
<b>4.1.8 OTHER REVENUE</b>		
No Material Variance		
Predicted Variances Carried Forward	<b>13,657</b>	<b>0</b>



Shire of Pingelly  
NOTES TO THE REVIEW OF THE ANNUAL BUDGET  
For the Period Ended 28th February 2018

**Note 4: PREDICTED VARIANCES**

Comments/Reason for Variance	Variance \$	
	Permanent	Timing
Predicted Variances Brought Forward	13,657	0
<b>4.2 OPERATING EXPENSES</b>		
<b>4.2.1 EMPLOYEE COSTS</b>		
Bridge works Labour \$58,158 and Labour O/H's \$63,974 ,POC \$32,240, Materials & Contracts \$97,628 moved to Rural Road Maintenance GL112030 and Twonsite Mtce GL	(122,132)	
Workers Compensation expense more than Budget	(24,349)	
<b>4.2.2 MATERIAL AND CONTRACTS</b>		
Election Expenses saving no election costs	5,600	
Local Laws 8 year Review \$10,000 postpone 18/19	10,000	
Altus One Touch Payroll costs ATO-Wallis and IT Vision	(9,636)	
Datto Cloud backup to replace NAS HDD Backup electronic failure	(4,550)	
FO PC not being replaced	2,500	
Bridge works Labour \$58,158 and Labour O/H's \$63,974 ,POC \$32,240, Materials & Contracts \$97,628 moved to Rural Road Maintenance GL112030 and Twonsite Mtce GL	(32,240)	
Boyagin Rock Development project saving postpone 18/19	10,000	
Other Expense \$15,000 Peter Kenyon Bank of Ideas removed in error at budget preparation.	(7,000)	
Drummaster Expenditure more than Budget	(743)	
Swimming Pool funded upgrades funding withdrawn	32,000	
PRACC Building Operations reallocate to PRACC Capital	75	
PRACC Building Mtce reallocate to PRACC Capital	7,500	
<b>4.2.3 UTILITY CHARGES</b>		
PRACC Building Operations reallocate to PRACC Capital	7,500	
<b>4.2.4 DEPRECIATION (NON CURRENT ASSETS)</b>		
No Material Variance		
<b>4.2.5 INTEREST EXPENSES</b>		
Loan 124 Interest savings raised in 2018	11,520	
Loan 124 Interest savings raised in 2018	11,520	
<b>4.2.6 INSURANCE EXPENSES</b>		
No Material Variance		
<b>4.2.7 LOSS ON ASSET DISPOSAL</b>		
No Material Variance		
<b>4.2.8 OTHER EXPENDITURE</b>		
Diesel Fuel Rebate reduced \$5,000 Too optimistic	(5,000)	
Predicted Variances Carried Forward	(93,778)	0

Shire of Pingelly  
NOTES TO THE REVIEW OF THE ANNUAL BUDGET  
For the Period Ended 28th February 2018

**Note 4: PREDICTED VARIANCES**

Comments/Reason for Variance	Variance \$	
	Permanent	Timing
Predicted Variances Brought Forward	(93,778)	0
<b>4.3 CAPITAL REVENUE</b>		
<b>4.3.1 GRANTS, SUBSIDIES AND CONTRIBUTIONS</b>		
Bendigo Bank timing of funding PRACC July 2018 \$50,000 (2017/18). (Permenant Difference)	(50,000)	
Bridge Funding 1/3 Main Roads postponed until 2018/19 \$84,000	(84,000)	
RRG Income from North Bannister Road cancelled	(23,104)	
RRG Claim 3 New Wickepin Pingelly Road replaced Nth Bannister job	23,702	
<b>4.3.2 PROCEEDS FROM DISPOSAL OF ASSETS</b>		
No Material Variance		
<b>4.3.3 PROCEEDS FROM NEW DEBENTURES</b>		
No Material Variance		
<b>4.3.4 PROCEEDS FROM SALE OF INVESTMENT</b>		
No Material Variance		
<b>4.3.5 PROCEEDS FROM ADVANCES</b>		
No Material Variance		
<b>4.3.6 SELF-SUPPORTING LOAN PRINCIPAL</b>		
No Material Variance		
<b>4.3.7 TRANSFER FROM RESERVES (RESTRICTED ASSETS)</b>		
No Material Variance		
Predicted Variances Carried Forward	(227,180)	0

Shire of Pingelly  
NOTES TO THE REVIEW OF THE ANNUAL BUDGET  
For the Period Ended 28th February 2018

**Note 4: PREDICTED VARIANCES**

Comments/Reason for Variance		Variance \$	
		Permanent	Timing
	Predicted Variances Brought Forward	(227,180)	0
<b>4.4 CAPITAL EXPENSES</b>			
<b>4.4.1 LAND HELD FOR RESALE</b>			
No Material Variance			
<b>4.4.2 LAND AND BUILDINGS</b>			
No Material Variance			
<b>4.4.3 PLANT AND EQUIPMENT</b>			
No Material Variance			
<b>4.4.4 FURNITURE AND EQUIPMENT</b>			
No Material Variance			
<b>4.4.5 INFRASTRUCTURE ASSETS - ROADS</b>			
North Bannister Road project Job RRG10 cancelled		34,657	
Bullaring Road project created by RRG-Job CA157 Potholing between Woyering Rd and Milton Rd		(34,657)	
<b>4.4.6 INFRASTRUCTURE ASSETS - BRIDGES</b>			
Bridge Capital Works postponed to 2018/19		252,000	
<b>4.4.7 WORKS IN PROGRESS - PRACC</b>			
Change Budget Figure Arch/Consults from \$88,000 to \$158,176		(70,176)	
Change Budget Figure Build Const from \$7,179,052 to \$7,267,311		(88,259)	
Change Budget Figure Utility Svcs from \$101,500 to \$10,000		91,500	
Change Budget Figure Carpark/Drain from \$95,000 to \$88,000		7,000	
Change Budget Figure Landscaping from \$78,000 to \$54,500		23,500	
Change Budget Figure Playground from \$26,000 to \$35,000		(9,000)	
Change Budget Figure Fitout/furn from \$102,000 to \$71,565		30,435	
<b>4.4.8 WORKS IN PROGRESS PAAA</b>			
Change Budget Figure Arch/Consults from \$23,800 to \$42,656		(18,856)	
Change Budget Figure Build Const from \$1,550,548 to \$1,494,763		55,785	
Change Budget Figure Utility Svcs from \$24,000 to \$36,252		(12,252)	
Change Budget Figure Earthworks from \$0 to \$18,677		(18,677)	
Change Budget Figure Retic/Landscaping from \$0 to \$6,000		(6,000)	
<b>4.4.9 PURCHASES OF INVESTMENT</b>			
No Material Variance			
<b>4.4.10 REPAYMENT OF DEBENTURES</b>			
New Loan 124 saving Principal repayment		10,107	
New Loan 125 saving Principal repayment		10,107	
<b>4.4.11 ADVANCES TO COMMUNITY GROUPS</b>			
No Material Variance			
	Predicted Variances Carried Forward	30,034	0

Shire of Pingelly  
NOTES TO THE REVIEW OF THE ANNUAL BUDGET  
For the Period Ended 28th February 2018

**Note 4: PREDICTED VARIANCES**

Comments/Reason for Variance	Variance \$	
	Permanent	Timing
Predicted Variances Brought Forward	30,034	0
<b>4.5 OTHER ITEMS</b>		
<b>4.4.12 TRANSFER TO RESERVES (RESTRICTED ASSETS)</b>		
No Material Variance		
<b>4.5.1 RATE REVENUE</b>		
No Material Variance		
<b>4.5.2 OPENING FUNDING SURPLUS(DEFICIT)</b>		
Adjusted C/FWD Surplus from Audit adjustments Budget \$1,375,310 to \$1,345,278	(30,034)	
<b>4.5.3 NON-CASH WRITE BACK OF PROFIT (LOSS)</b>		
No Material Variance		
<b>Total Predicted Variances as per Annual Budget Review</b>	<b>0</b>	<b>0</b>



## Amendments to original budget since budget adoption. Surplus/(Deficit)

2017 2018 Pingelly Budget Review

**Note 5: BUDGET AMENDMENTS**

Amendments to original budget since budget adoption. Surplus/(Deficit)

Sch	GL Account Code	Description	Council Resolution	Classification	No Change - (Non Cash Items) Adjust.	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
13	113330	Other Income Peter Kenyon Grant reduced from \$20,000 budget to \$18,000 actual.		Operating Revenue			(2,000)	3,084
	113210	Boyagin Rock Development project saving postpone 18/19		Operating Expenses		10,000		13,084
	113980.03	Other Expense \$15,000 Peter Kenyon Bank of Ideas removed in error at budget preparation.		Operating Expenses			(7,000)	6,084
14	114180.03	Drummaster Expenditure more than Budget		Operating Expenses			(743)	5,341
	114710.33	Training Reimbursements more than budget		Operating Revenue		2,273		7,614
	114820.29	Diesel Fuel Rebate reduced \$5,000 Too optimistic		Operating Revenue			(5,000)	2,614
	114520.01	Workers Compensation expense more than Budget		Operating Expenses			(24,349)	(21,735)
	114570.33	Reimbursement Workers Compensation from Workcare more than Budget		Operating Revenue		21,735		0
Amended Budget Cash Position as per Council Resolution					0	684,665	(684,665)	0