

# SHIRE OF WYNDHAM EAST KIMBERLEY

## MONTHLY FINANCIAL REPORT

(Containing the required statement of financial activity and statement of financial position)

For the period ended 31 July 2024

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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SHIRE OF WYNDHAM EAST KIMBERLEY  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JULY 2024

FOR THE YEAR ENDED

OPERATING ACTIVITIES

Revenue from operating activities

Note	Adopted Budget Estimates (a)	YTD Budget Estimates (b)	YTD Actual (c)	Variance \$ (c) - (b)	Variance % ((c)-(b))/(b)	
	\$	\$	\$	\$	\$	
General rates	12,102,067	12,102,060	12,328,124	226,064	1.87%	▲
Grants, subsidies and contributions	5,321,000	450,286	40,608	(409,678)	-90.98%	▼
Fees and charges	9,728,050	2,602,706	2,692,343	89,637	3.44%	▲
Interest revenue	784,000	65,331	13,856	(51,475)	-78.79%	▼
Other revenue	444,700	376,219	435,090	58,871	15.65%	▲
	28,379,817	15,596,602	15,510,022	(86,580)	-148.81%	

Expenditure from operating activities

Employee costs	13,902,338	1,158,415	1,007,773	(150,642)	-13.00%	▼
Materials and contracts	7,969,796	664,012	571,598	(92,415)	-13.92%	▼
Utility charges	1,428,350	119,018	89,755	(29,263)	-24.59%	▼
Depreciation	8,759,928	729,977	753,283	23,306	3.19%	▲
Finance costs	241,015	20,083	2,573	(17,510)	-87.19%	▼
Insurance	595,455	297,612	467,531	169,919	57.09%	▲
Other expenditure	1,809,550	150,781	89,025	(61,756)	-40.96%	▼
Loss on asset disposals	0	0	0	0	0.00%	
	34,706,432	3,139,898	2,981,538	(158,360)	-5.04%	

Non-cash amounts excluded from operating activities

2(b)	(8,759,928)	(729,977)	(753,283)	(23,306)	3.19%	▲
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Amount attributable to operating activities

	<b>(15,086,543)</b>	<b>11,726,727</b>	<b>11,775,200</b>	<b>(268,247)</b>	<b>-151%</b>	
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INVESTING ACTIVITIES

Inflows from investing activities

Capital grants, subsidies and contributions	34,016,500	2,834,705	49,014	(2,785,691)	-98.27%	▼
Proceeds from disposal of assets	0	0	0	0	0.00%	
Proceeds from financial assets at amortised cost - self supporting loans	0	0	0	0	0.00%	
	34,016,500	2,834,705	49,014	(2,785,691)	-98%	

Outflows from investing activities

Payments for property, plant and equipment	(1,380,000)	(114,995)	(203,557)	(88,562)	77.01%	▲
Payments for construction of infrastructure	(46,715,073)	(3,892,910)	(377,569)	3,515,341	-90.30%	▼
	(48,095,073)	(4,007,905)	(581,126)	3,426,779	-13.29%	

Non-cash amounts excluded from investing activities

	0	0	0	0	0.00%	
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Amount attributable to investing activities

	<b>(14,078,573)</b>	<b>(1,173,200)</b>	<b>(532,111)</b>	<b>641,089</b>	<b>-112%</b>	
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FINANCING ACTIVITIES

Inflows from financing activities

Proceeds from new borrowings	0	0	0	0	0.00%	
Transfers from reserve accounts	9,047,252	753,936	0	(753,936)	-100.00%	▼
	9,047,252	753,936	0	(753,936)	-100%	

Outflows from financing activities

Repayment of borrowings	3,208,520	267,379	(84,839)	(352,218)	-131.73%	▼
Transfers to reserve accounts	(2,739,590)	(228,291)	0	228,291	-100.00%	▼
	468,930	39,088	(84,839)	(123,927)	-232%	

Amount attributable to financing activities

	<b>9,516,182</b>	<b>793,024</b>	<b>84,839</b>	<b>(877,863)</b>	<b>-332%</b>	
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MOVEMENT IN SURPLUS OR DEFICIT

Surplus at the start of the financial year

	1,905,542	1,905,542	1,905,542	-	-	
Amount attributable to operating activities	(15,086,543)	11,726,727	11,775,200	(268,247)	-2.29%	
Amount attributable to investing activities	(14,078,573)	(1,173,200)	(532,111)	641,089	-54.64%	
Amount attributable to financing activities	9,516,182	793,024	(84,839)	(877,863)	-110.70%	
<b>Surplus/(deficit) remaining after the imposition of general rates</b>	<b>(17,743,392)</b>	<b>13,252,093</b>	<b>13,063,792</b>	<b>(505,021)</b>	<b>-168%</b>	

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

KEY INFORMATION

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

\* Refer to Note 3 for an explanation of the reasons for the variance.

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

**SHIRE OF WYNDHAM EAST KIMBERLEY  
STATEMENT OF FINANCIAL POSITION  
FOR THE PERIOD ENDED 31 JULY 2024**

	<b>Actual 30 June 2024</b>	<b>Actual as at 30 June 2024</b>
	\$	\$
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	21,789,978	20,948,411
Trade and other receivables	3,899,841	17,335,736
Other financial assets	10,381	10,381
Inventories	16,621	15,649
Other Assets	0	0
<b>TOTAL CURRENT ASSETS</b>	<b>25,716,821</b>	<b>38,310,178</b>
<b>NON CURRENT ASSETS</b>		
Trade and other receivables	45,933	45,933
Other Financial Assets	11,565	12,145
Inventories	46,283	46,283
Property, plant and equipment	56,299,404	56,226,520
Infrastructure	268,322,901	267,658,187
<b>TOTAL NON-CURRENT ASSETS</b>	<b>324,726,087</b>	<b>323,989,068</b>
<b>TOTAL ASSETS</b>	<b>350,442,908</b>	<b>362,299,246</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	1,006,548	830,976
Other liabilities	2,452,619	2,452,619
Borrowings	0	629,701
Employee related provisions	2,429,249	2,400,330
<b>TOTAL CURRENT LIABILITIES</b>	<b>5,888,416</b>	<b>6,313,626</b>
<b>NON-CURRENT LIABILITIES</b>		
Borrowings	4,106,423	3,476,722
Employee related provisions	188,034	117,901
Other Provisions	5,328,640	5,328,640
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>9,623,097</b>	<b>8,923,263</b>
<b>TOTAL LIABILITIES</b>	<b>15,511,514</b>	<b>15,236,889</b>
<b>NET ASSETS</b>	<b>334,931,393</b>	<b>347,062,357</b>
<b>EQUITY</b>		
Retained surplus	121,135,756	133,265,439
Reserve accounts	19,397,080	19,397,079
Revaluation Surplus	194,398,557	194,399,839
<b>TOTAL EQUITY</b>	<b>334,931,393</b>	<b>347,062,357</b>

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

**SHIRE OF WYNHAM EAST KIMBERLEY**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 31 JULY 2024**

**1 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF PREPERATION AND SIGNIFICANT ACCOUNTING POLICIES**

This prescribed financial report has been prepared in accordance with the Local Government act 1995 and accompanying regulations.

**Loval Government Act 1995 requirements**

Section 6.4(2) of the Local Government Act 1995 read with the Local Government (Finacial Management) Regulations 1996, orescribe that the financial report be prepared in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Stadards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The Local Government (Financial Management) Regulations 1996 Specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zerocost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have require the Shire to mesure any vested improvements at zero cost

Local Government (financial Management) Regulations 1996, regulation 34 prescribes contents of the financial report. Supporting information does not form part of the financial report.

Accounting policies which have been adopted in the preparation of this financial report have been consistently appied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modifiedm where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities

**Matters of non-compliance with Basis of Preparation**

The following matters of non-compliance with the basis of preparation have not been corrected.

1. Balances as at 30 June 2024 have not been finalised and may be subject to change.

**THE LOCAL GOVERNMENT REPORTING ENTITY**

All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

All monies held in the Trust Fund are excluded from the financial statements.

**Judgements and estimates**

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical expeerience and various other factors belieced to be reasonable under the circumstances; the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readilt apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosed impacted by accounting estimates are as follows

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings and infrastructure
- estimated fair value of provisions

**SIGNIFICANT ACCOUNTING POLICIES**

Significant accounting policies utilised in the preperation of these statements are as described within the 2024-25 Annual Budget. Please refer to the adopted budget documents for details of these policies.

**PREPARATION TIMING AND REVIEW**

Date prepared: All known transactions up to 31 July 2024

SHIRE OF WYNHAM EAST KIMBERLEY  
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JULY 2024

2 STATEMENT OF FINANCIAL ACTIVITY INFORMATION

(a) Net current assets used in the Statement of Financial Activity

**Current assets**

Cash and cash equivalents  
Trade and other receivables  
Other financial assets  
Inventories  
Other assets

**Less: current liabilities**

Trade and other payables  
Other liabilities  
Borrowings  
Employee provisions  
Other provisions

**Net current assets**

**Less: Total adjustments to net current assets**

**Closing funding surplus/ (deficit)**

Note	Adopted Budget Opening 01 July 2024	Actual as at 30 June 2024	Actual as at 31 July 2024
	\$	\$	\$
	10,630,558	21,789,978	20,948,411
	4,702,416	3,899,841	17,335,736
	10,381	10,381	10,381
	30,245	16,621	15,649
	0	0	0
	15,373,600	25,716,821	38,310,178
	(812,342)	(1,006,548)	(830,976)
	0	(2,452,619)	(2,452,619)
	(791,477)	0	(629,701)
	(1,942,396)	(2,429,249)	(2,400,330)
	(137,644)	0	0
	(2,080,040)	(5,888,416)	(6,313,626)
	<b>13,293,560</b>	<b>19,828,405</b>	<b>31,996,551</b>
2(c)	(10,717,372)	(17,922,863)	(17,293,161)
	<b>2,576,188</b>	<b>1,905,542</b>	<b>14,703,390</b>

(b) Non-cash amounts excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with Financial Management regulations 32.

**Non-cash amount excluded from operating activities**

**Adjustments to operating activities**

Less: Movement in liabilities associated with restricted cash  
Add: Loss on asset disposals  
Add: Depreciation  
Movement in current employee provisions associated with resitricted cash  
**Total non-cash amounts excluded from operating activities**

Adopted Budget Estimates 30 June 2025	YTD Budget Estimates	YTD Actual
\$	\$	\$
0	1,497	0
0	0	0
(765,794)	(729,977)	(753,283)
0	0	0
<b>(765,794)</b>	<b>(728,480)</b>	<b>(753,283)</b>

(c) Current assets and liabilities excluded from budgeted deficiency

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with Financial Management Regulation 32 to agree to the surplus/(deficit) after imposition of general rates

**Adjustments to net current assets**

Less: Reserve accounts  
Less: Financial assets at amortised cost - self supporting loans  
Add: Current liabilities not expected to be cleared at the end of the year  
- Current portion of borrowings  
- Current portion of unspent capital grants held in reserve  
- Current portion of employee benefit provisions held in reserve  
**Total adjustment to net current assets**

Adopted Budget Opening 01 July 2024	Actual as at 30 June 2024	Actual as at 31 July 2024
\$	\$	\$
(12,481,218)	(19,397,080)	(19,397,079)
	(10,381)	(10,381)
791,477	0	629,701
972,369	982,369	982,369
0	502,229	502,229
2(a) <b>(10,717,372)</b>	<b>(17,922,863)</b>	<b>(17,293,161)</b>

**CURRENT AND NON-CURRENT CLASIFICATION**

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. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operation cycle.

**SHIRE OF WYNHAM EAST KIMBERLEY**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 31 JULY 2024**

**3 EXPLANATION OF MATERIAL VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date actual materially.

The material variance adopted by Council for the 2024-25 year is \$50,000 and 10.00% whichever is the greater.

Description	Var. \$	Var. %	
	\$	%	
<b>Revenue from operating activities</b>			
<b>Grants, subsidies and contributions</b>	(409,678)	-90.98%	▼
Timing of Receipt of Grants			
<b>Fees and charges</b>	89,637	3.44%	▲
Increased Revenue from Passanger Handling Fees			
<b>Interest revenue</b>	(51,475)	-78.79%	▼
Timing of Investments			
<b>Other revenue</b>	58,871	15.65%	▲
Timing of Recognition of Rates Income			
<b>Expenditure from operating activities</b>			
<b>Employee costs</b>	(150,642)	-13.00%	▼
Timing of Payroll			
<b>Materials and contracts</b>	(92,415)	-13.92%	▼
Timing of Annual Subscriptions and Payments			
<b>Utility charges</b>	(29,263)	-24.59%	▼
Timing of Expenses			
<b>Finance costs</b>	(17,510)	-87.19%	▼
Timing of Loan Payments			
<b>Insurance</b>	169,919	57.09%	▲
Timing of Insurance Expense Payment			
<b>Other expenditure</b>	(61,756)	-40.96%	▼
Timing of DFES Payments			
<b>Investing Activities</b>			
<b>Capital grants, subsidies and contributions</b>	(2,785,691)	-98.27%	▼
<b>Outflows from investing activities</b>			
<b>Payment for property, plant and equipment</b>	(88,562)	77.01%	▲
Works relating to last financial year			
<b>Payment for construction of infrastructure</b>	3,515,341	-90.30%	▼
Delay in stage 2 airport project			
<b>Inflows from financing activities</b>			
<b>Transfers from reserve accounts</b>	(753,936)	-100.00%	▼
Delay in capital works program			
<b>Outflows from financing activities</b>			
<b>Repayment of borrowings</b>	(352,218)	-131.73%	▼
<b>Transfers to reserve accounts</b>	228,291	-100.00%	▼