



MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the Period Ended 31 October 2019

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

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MONTHLY FINANCIAL REPORT
FOR THE PERIOD ENDED 31 OCTOBER 2019

KEY INFORMATION

Items of Significance

The material variance adopted by the Shire of Merredin for the 2018/19 year is \$10,000 or 10% whichever is the greater. The following selected items have been highlighted due to the amount of the variance to the budget or due to the nature of the revenue/expenditure. A full listing and explanation of all items considered of material variance is disclosed in Note 2.

	% Completed	Amended Annual Budget	Amended YTD Budget	YTD Actual	Variance (Under)/Over
Capital Expenditure					
Buildings	60.16%	3,483,349	3,390,599	2,095,484	(1,295,115)
Plant & Equipment	19.16%	555,000	48,333	106,352	58,019
Furniture & Equipment	0.00%	70,500	26,500	0	(26,500)
 Infrastructure - Roads	7.62%	2,562,202	631,098	195,207	(435,892)
Infrastructure -Footpaths	0.07%	300,512	200,511	204	(200,307)

% Compares current ytd actuals to annual budget

	* Note	Prior Year 31 October 2018	Current Year 31 October 2019
Financial Position			
Adjusted Net Current Assets	92%	\$ 6,669,615	\$ 6,132,974
Cash and Equivalent - Unrestricted	79%	\$ 5,573,708	\$ 4,392,598
Cash and Equivalent - Restricted	46%	\$ 14,857,048	\$ 6,901,643
Receivables - Rates	94%	\$ 1,733,715	\$ 1,630,287
Receivables - Other	171%	\$ 253,674	\$ 432,657
Payables	19%	\$ 2,644,105	\$ 505,748

* Note: Compares current ytd actuals to prior year actuals at the same time

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 11 Nov 2019
Prepared by: Executive Manager Corporate Services

BASIS OF PREPARATION

REPORT PURPOSE

This report is prepared to meet the requirements of Local Government (Financial Management) Regulations 1996, Regulation 34. Note: The Statements and accompanying notes are prepared based on all transactions recorded at the time of preparation and may vary due to transactions being processed for the reporting period after the date of preparation.

BASIS OF ACCOUNTING

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement are presented below and have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of

selected non-current assets, financial assets and liabilities.

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 12.

SIGNIFICANT ACCOUNTING POLICIES

GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

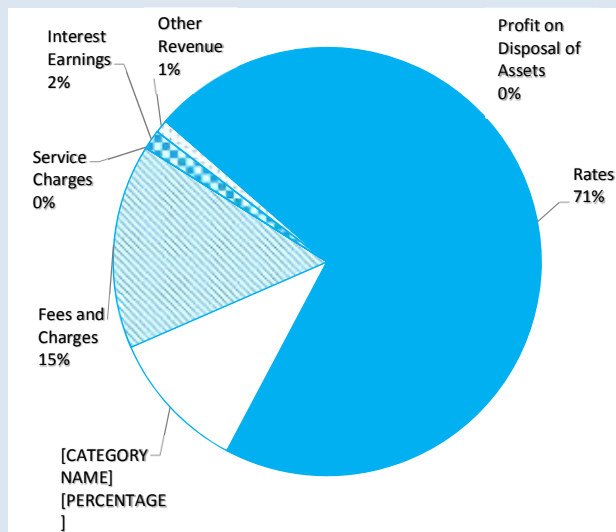
CRITICAL ACCOUNTING ESTIMATES

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 experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

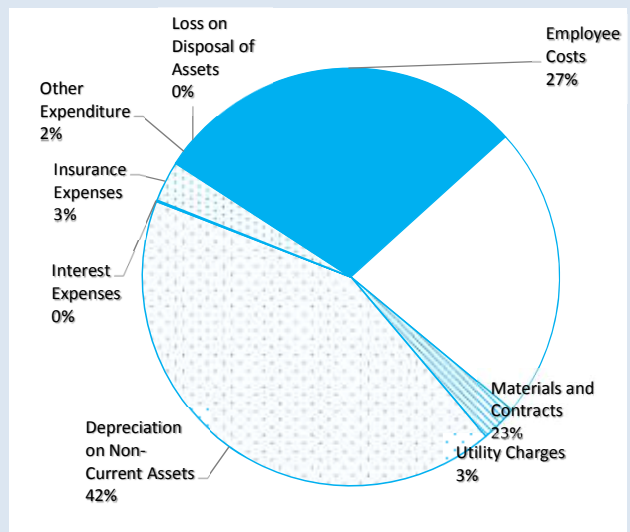
ROUNDING OFF FIGURES

All figures shown in this statement are rounded to the nearest dollar.

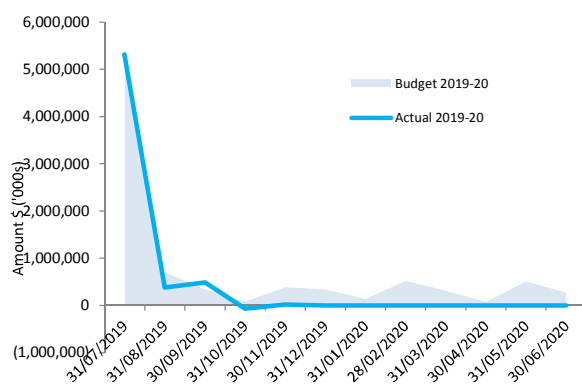
OPERATING REVENUE



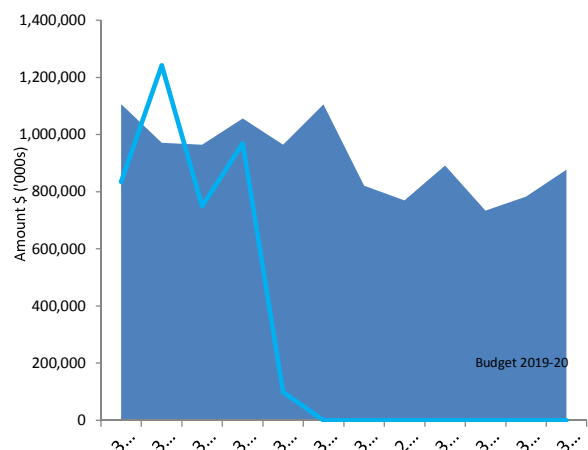
OPERATING EXPENSES



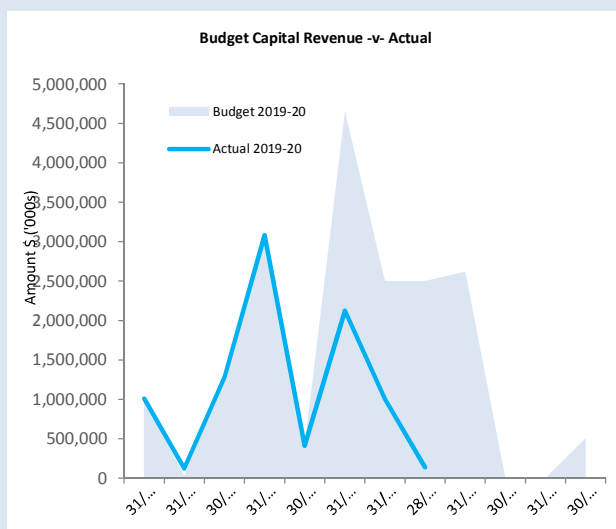
Budget Operating Revenues -v- Actual



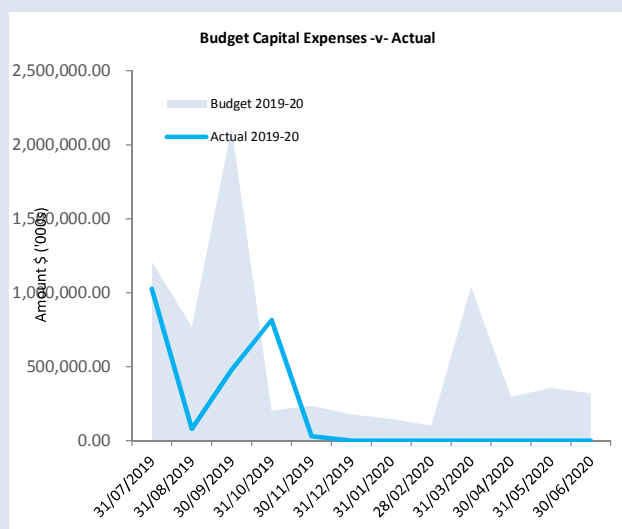
Budget Operating Expenses -v-YTD Actual



CAPITAL REVENUE



CAPITAL EXPENSES



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

KEY TERMS AND DESCRIPTIONS
FOR THE PERIOD ENDED 31 OCTOBER 2019

STATUTORY REPORTING PROGRAMS

City operations as disclosed in these financial statements encompass the following service orientated activities/programs.

PROGRAM NAME	OBJECTIVE	ACTIVITIES
GOVERNANCE	To provide a decision making process for the efficient allocation of scarce resources.	Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.
GENERAL PURPOSE FUNDING	To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
LAW, ORDER, PUBLIC SAFETY	To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
HEALTH EDUCATION AND WELFARE	To provide an operational framework To provide services to disadvantaged persons, the elderly, children and youth.	Inspection of food outlets and their control, provision of Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home and community care programs and youth services.
HOUSING	To provide and maintain elderly residents housing.	Provision and maintenance of elderly residents housing.
COMMUNITY AMENITIES	To provide services required by the community.	Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.
RECREATION AND CULTURE	To establish and effectively manage infrastructure and resource which will help the social well being of the community.	Maintenance of public halls, civic centres, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.
TRANSPORT ECONOMIC SERVICES	To provide safe, effective and To help promote the City and its economic wellbeing.	Construction and maintenance of roads, streets, footpaths, Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building Control.
OTHER PROPERTY AND SERVICES	To monitor and control City overheads operating accounts.	Private works operation, plant repair and operation costs and engineering operation costs.

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 OCTOBER 2019**

STATUTORY REPORTING PROGRAMS

	Ref Note	Amended Annual Budget	Amended YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)- (a)/(a)	Var.
		\$	\$	\$	\$	%	
Opening Funding Surplus(Deficit)	1(b)	3,134,503	3,134,503	3,138,571	4,068	0%	
Revenue from operating activities							
Governance		24,910	5,833	2,514	(3,319)	(57%)	
General Purpose Funding - Rates	5	4,252,988	4,278,440	4,272,033	(6,407)	(0%)	
General Purpose Funding - Other		1,431,171	395,765	389,362	(6,403)	(2%)	
Law, Order and Public Safety		328,906	229,322	249,636	20,314	9%	
Health		32,916	12,800	10,255	(2,545)	(20%)	
Education and Welfare		17,285	8,805	8,827	22	0%	
Housing		118,850	41,243	42,203	960	2%	
Community Amenities		571,607	520,235	559,157	38,922	7%	
Recreation and Culture		422,522	156,306	146,074	(10,232)	(7%)	
Transport		325,739	224,971	224,793	(178)	(0%)	
Economic Services		232,837	55,805	53,546	(2,259)	(4%)	
Other Property and Services		100,650	30,472	28,211	(2,261)	(7%)	
		7,860,381	5,959,997	5,986,610	26,613	0%	
Expenditure from operating activities							
Governance		(685,588)	(255,881)	(237,162)	18,719	7%	
General Purpose Funding		(47,486)	(15,828)	(15,700)	128	1%	
Law, Order and Public Safety		(755,024)	(238,649)	(226,984)	11,665	5%	
Health		(234,236)	(78,178)	(79,392)	(1,214)	(2%)	
Education and Welfare		(178,061)	(34,778)	(39,982)	(5,204)	(15%)	
Housing		(292,267)	(82,335)	(77,151)	5,184	6%	
Community Amenities		(1,179,850)	(379,099)	(359,721)	19,378	5%	
Recreation and Culture		(2,961,957)	(1,071,446)	(836,635)	234,811	22%	▲
Transport		(3,539,871)	(1,562,440)	(1,604,417)	(41,977)	(3%)	
Economic Services		(1,070,734)	(338,326)	(275,556)	62,770	19%	▲
Other Property and Services		(100,650)	(42,226)	(37,270)	4,956	12%	
		(11,045,724)	(4,099,186)	(3,789,969)	309,217	8%	
Operating activities excluded from budget							
Add Back Depreciation		3,430,543	1,582,872	1,594,051	11,179	1%	
Adjust (Profit)/Loss on Asset Disposal	6	(33,220)	(7,303)	0	7,303	(100%)	
Amount attributable to operating activities		211,980	3,436,380	3,790,691			
Investing Activities							
Non-operating Grants, Subsidies and Contributions	10	915,715	265,748	127,024	(138,724)	(52%)	▼
Proceeds from Disposal of Assets	6	324,000	12,727	0	(12,727)	(100%)	▼
Capital Acquisitions	7	(6,971,562)	(4,297,041)	(2,397,246)	1,899,795	44%	▲
Amount attributable to investing activities		(5,731,847)	(4,018,565)	(2,270,222)			
Financing Activities							
Self-Supporting Loan Principal		30,310	14,970	14,966	(4)	(0%)	
Transfer from Reserves	9	3,665,463	3,205,099	1,970,519	(1,234,580)	(39%)	▼
Bonds (Previously held in Trust)		0	0	160	160		
Repayment of Debentures	8	(231,223)	(39,390)	(42,384)	(2,994)	(8%)	
Transfer to Reserves	9	(810,127)	(473,424)	(469,328)	4,096	1%	
Amount attributable to financing activities		2,654,423	2,707,255	1,473,933			
Closing Funding Surplus(Deficit)	1(b)	269,060	5,259,572	6,132,974			

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold. Refer threshold. Refer to Note 2 for an explanation of the reasons for the variance.

The material variance adopted by Council for the 2017/18 year is \$10,000 or 10% whichever is the greater.

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

KEY TERMS AND DESCRIPTIONS FOR THE PERIOD ENDED 31 OCTOBER 2019

REVENUE

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 and service charges.

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 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.

NATURE OR TYPE DESCRIPTIONS

EXPENSES

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.

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 State taxes. Donations and subsidies made to community groups.

STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 OCTOBER 2019

BY NATURE OR TYPE

	Ref Note	Amended Annual Budget	Amended YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(a)	Var.
		\$	\$	\$	\$	%	
Opening Funding Surplus (Deficit)	1(b)	3,134,503	3,134,503	3,138,571	4,068	0%	
Revenue from operating activities							
Rates	5	4,306,120	4,278,440	4,272,032	(6,408)	(0%)	
Operating Grants, Subsidies and Contributions	10	1,738,448	616,504	641,329	24,825	4%	
Fees and Charges		1,323,603	897,372	926,083	28,711	3%	
Interest Earnings		229,953	96,521	88,299	(8,222)	(9%)	
Other Revenue		210,700	63,856	58,867	(4,989)	(8%)	
Profit on Disposal of Assets	6	51,555	7,303	0	(7,303)	(100%)	
		7,860,379	5,959,997	5,986,610	26,613	0%	
Expenditure from operating activities							
Employee Costs		(3,286,216)	(1,041,983)	(1,019,287)	22,696	2%	
Materials and Contracts		(3,454,440)	(1,056,042)	(861,403)	194,639	18%	▲
Utility Charges		(412,739)	(139,849)	(107,197)	32,652	23%	▲
Depreciation on Non-Current Assets		(3,430,543)	(1,582,872)	(1,594,051)	(11,179)	(1%)	
Interest Expenses		(42,943)	(3,734)	(3,734)	(0)	(0%)	
Insurance Expenses		(185,497)	(192,993)	(120,066)	72,927	38%	▲
Other Expenditure		(215,011)	(81,713)	(84,231)	(2,518)	(3%)	
Loss on Disposal of Assets	6	(18,335)	0	0	0		
		(11,045,724)	(4,099,186)	(3,789,969)	309,217	8%	
Operating activities excluded from budget							
Add back Depreciation		3,430,543	1,582,872	1,594,051	11,179	1%	
Adjust (Profit)/Loss on Asset Disposal	6	(33,220)	(7,303)	0	7,303	(100%)	
Amount attributable to operating activities		211,978	3,436,380	3,790,691			
Investing activities							
Non-operating grants, subsidies and contributions	10	915,715	265,748	127,024	(138,724)	(52%)	▼
Proceeds from Disposal of Assets	6	324,000	12,727	0	(12,727)	(100%)	▼
Capital acquisitions	7	(6,971,562)	(4,297,041)	(2,397,246)	1,899,795	44%	▲
Amount attributable to investing activities		(5,731,847)	(4,018,565)	(2,270,222)			
Financing Activities							
Self-Supporting Loan Principal		30,310	14,970	14,966	(4)	(0%)	
Transfer from Reserves	9	3,665,463	3,205,099	1,970,519	(1,234,580)	(39%)	▼
Bonds (Previously held in Trust)		0	0	160	160		
Repayment of Debentures	8	(231,223)	(39,390)	(42,384)	(2,994)	(8%)	
Transfer to Reserves	9	(810,127)	(473,424)	(469,328)	4,096	1%	
Amount attributable to financing activities		2,654,423	2,707,255	1,473,933			
Closing Funding Surplus (Deficit)	1(b)	269,058	5,259,572	6,132,974			

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold. Refer to Note 2 for an explanation of the reasons for the variance.

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

SIGNIFICANT ACCOUNTING POLICIES

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.

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 City 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 City 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 City does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

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.

INVENTORIES

Inventories are measured 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 necessary to make the sale.

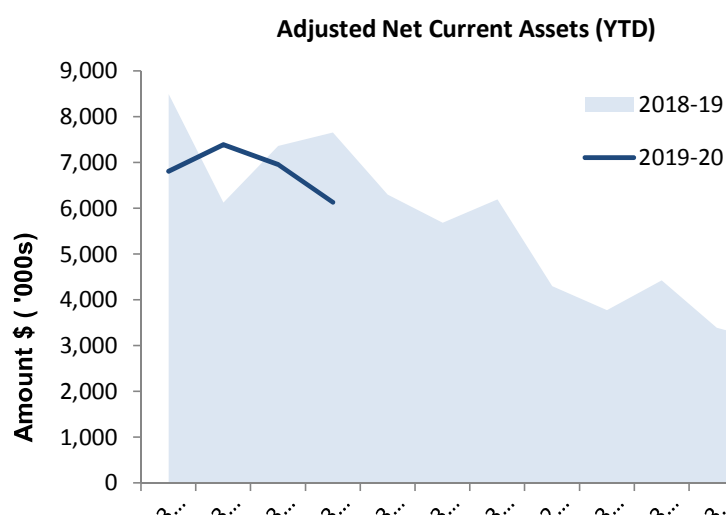
Adjusted Net Current Assets	Ref Note	Last Years Closing 30 June 2018	This Time Last Year 31 Oct 2018	Year to Date Actual 31 Oct 2019
		\$	\$	\$
Current Assets				
Cash Unrestricted	3	4,772,554	5,573,708	4,392,598
Cash Restricted	3	8,402,834	14,857,048	6,901,643
Receivables - Rates	4	411,686	1,733,715	1,630,287
Receivables - Other	4	449,302	253,674	432,657
Inventories		179,437	170,613	197,688
		0	0	0
		14,215,812	22,588,758	13,554,873
Less: Current Liabilities				
Payables		(2,644,105)	(535,906)	(505,748)
Provisions - employee		(535,175)	(508,371)	(535,175)
Long term borrowings		(240,400)	(190,241)	(198,016)
		(3,419,680)	(1,234,518)	(1,238,938)
Unadjusted Net Current Assets		10,796,133	21,354,240	12,315,935
Adjustments and exclusions permitted by FM Reg 32				
Less: Cash reserves	3	(8,402,834)	(14,857,048)	(6,901,643)
Less: Sale of Land Held for Resale		0	0	
Trust Debtors		0	(3,213)	827
Less: Loans receivable		(30,303)	(14,606)	(15,336)
Add: Provisions - Employee		535,175		535,175
Add: Long term Borrowings		240,400	190,241	198,016
Adjusted Net Current Assets		3,138,571	6,669,615	6,132,974

SIGNIFICANT ACCOUNTING POLICIES

Please see Note 1(a) for information on significant accounting policies relating to Net Current Assets.

KEY INFORMATION

The amount of the adjusted net current assets at the end of the period represents the actual surplus (or deficit if the figure is a negative) as presented on the Rate Setting Statement.



This Year YTD

Surplus(Deficit)

\$6.13 M

Last Year YTD

Surplus(Deficit)

\$6.67 M

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 OCTOBER 2019**

**NOTE 2
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 budget materially.

The material variance adopted by Council for the 2017/18 year is \$10,000 or 10% whichever is the greater.

Reporting Program	Var. \$	Var. %	Var.	Timing/ Permanent	Explanation of Variance
	\$	%			
Revenue from operating activities					
Expenditure from operating activities					
Recreation and Culture	234,811	22%	▲	Timing	
Economic Services	62,770	19%	▲	Timing	
Investing Activities					
Non-operating Grants, Subsidies and Contributions	(138,724)	(52%)	▼	Timing	
Proceeds from Disposal of Assets	(12,727)	(100%)	▼	Timing	
Capital Acquisitions	1,899,795	44%	▲	Timing	
Financing Activities					
Self-Supporting Loan Principal	(4)	(0%)			
Transfer from Reserves	(1,234,580)	(39%)	▼	Timing	
Advances to Community Groups	160				

KEY INFORMATION

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 OCTOBER 2019

OPERATING ACTIVITIES
NOTE 3
CASH AND INVESTMENTS

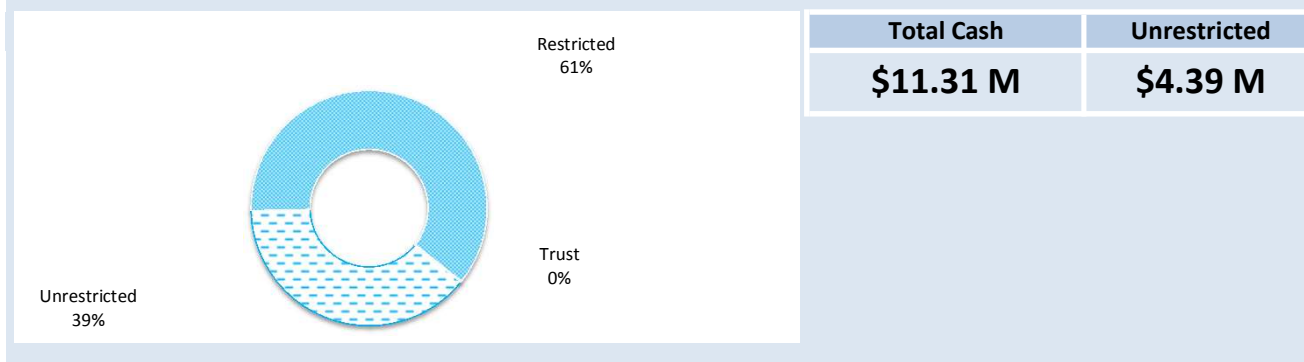
Cash and Investments	Unrestricted	Restricted	Trust	Total YTD Actual	Institution	Interest Rate	Maturity Date
	\$	\$	\$	\$			
Cash on Hand							
Petty Cash and Floats	2,990.00			2,990			
At Call Deposits							
Municipal Fund	1,014,121.91			1,014,122			
Municipal Fund @ call	92,102.62			92,103			
Reserve Fund		6,901,642.55		6,901,643			
Trust Fund			19,616.99	19,617			
Term Deposits							
Municipal Investment - Term Deposit	3,283,383.41			3,283,383			
Total	4,392,597.94	6,901,642.55	19,616.99	11,310,867.48			

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

KEY INFORMATION

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.



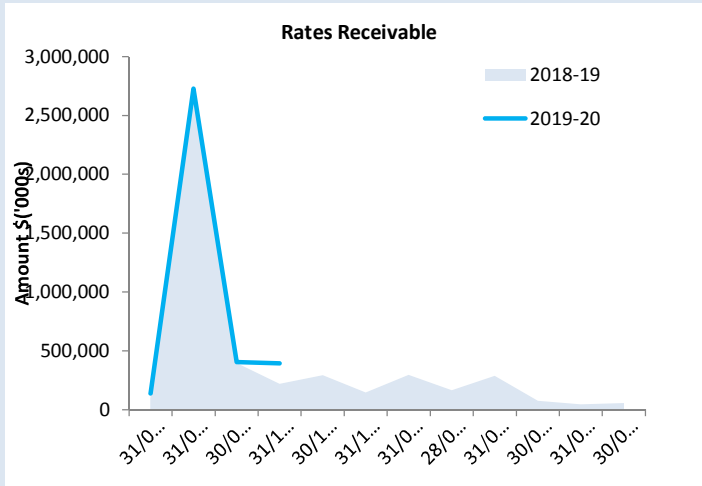
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 OCTOBER 2019**

**OPERATING ACTIVITIES
NOTE 4
RECEIVABLES**

Rates Receivable	30 June 2019	31 Oct 19
	\$	\$
Opening Arrears Previous Years	396,442	411,686
Levied this year	4,195,259	4,272,033
Less Collections to date	(4,180,015)	3,053,432
Equals Current Outstanding	411,686	\$1,630,287
Net Rates Collectable	411,686	1,630,287
% Collected	99.64%	-71.47%

KEY INFORMATION

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

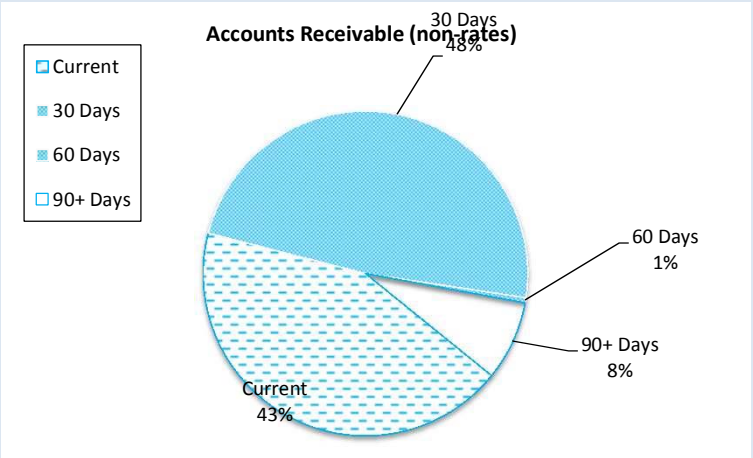


Collected	Rates Due
-71%	\$1,630,287

Receivables - General	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$
Receivables - General	130,727	146,539	1,552	24,010	302,828
Percentage	43%	48%	1%	8%	
Balance per Trial Balance					
Sundry debtors					302,828
GST receivable					114,493
Loans receivable - clubs/institutions					15,336
Total Receivables General Outstanding					432,657
Amounts shown above include GST (where applicable)					

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other 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.



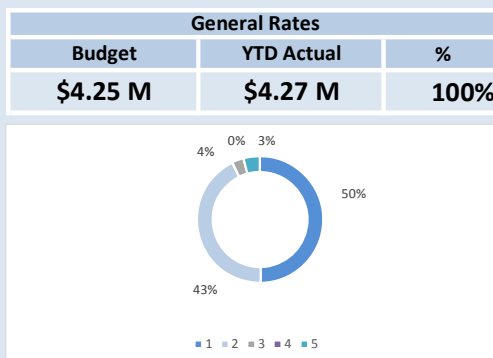
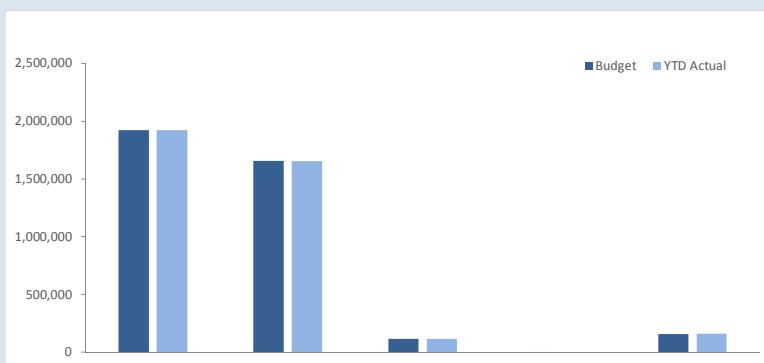
Debtors Due
\$432,657
Over 30 Days
57%
Over 90 Days
8%

General Rate Revenue	Amended Budget							YTD Actual			
	Rate in	Number of Properties	Rateable Value	Rate Revenue	Interim Rate	Back Rate	Total Revenue	Rate Revenue	Interim Rates	Back Rates	Total Revenue
RATE TYPE	\$			\$	\$	\$	\$	\$	\$	\$	\$
Differential General Rate											
GRV	10.6150	1235	18,113,195	1,922,752			1,922,752	1,922,752			1,922,752
UV 1 Rural	1.9300	318	85,841,000	1,656,731			1,656,731	1,656,731	556	(1,102)	1,656,185
UV 2 Urban Rural	3.1100	43	3,748,000	116,563			116,563	116,563			116,563
UV 3 Mining	3.6800	3	46,370	1,706			1,706	1,982			1,982
UV 4 Special Use Power Gene	3.6800	14	4,280,000	157,504			157,504	157,504	2,226	2,088	161,819
UV 5 Special Use Airstrip	3.6800	1	162,000	5,962			5,962	5,962			5,962
Minimum \$											
GRV	890	243		216,270			216,270	216,270			216,270
UV 1 Rural	1110	129		143,190			143,190	143,190			143,190
UV 2 Urban Rural	1110	39		43,290			43,290	43,290			43,290
UV 3 Mining	1110	9		1,800			1,800	1,800			1,800
UV 4 Special Use Power Gene	1110	2		2,220			2,220	2,220			2,220
UV 5 Special Use Airstrip	1110	0	0	0			0				0
Sub-Totals		2,036	112,190,565	4,267,988	0	0	4,267,988	4,268,264	2,783	986	4,272,033
Discount							(15,000)				
Concession											
Amount from General Rates							4,252,988				4,272,033
Ex-Gratia Rates							53,130				0
Total General Rates							4,306,118				4,272,033
Specified Area Rates											
Total Specified Area Rates		0	0	0	0	0	0	0	0	0	0
Totals							4,306,118				4,272,033

SIGNIFICANT ACCOUNTING POLICIES

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.

KEY INFORMATION

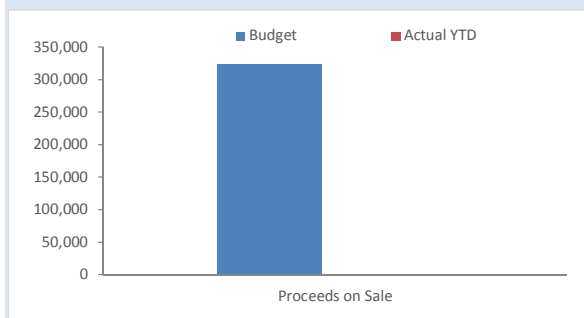


OPERATING ACTIVITIES

NOTE 6

DISPOSAL OF ASSETS

KEY INFORMATION



Proceeds on Sale		
Budget	YTD Actual	%
\$324,000	\$0	0%

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 OCTOBER 2019**

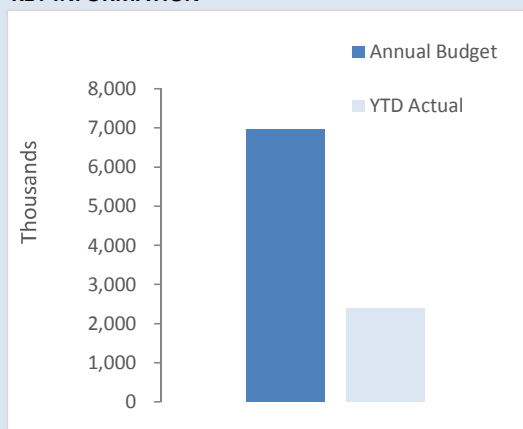
**INVESTING ACTIVITIES
NOTE 7
CAPITAL ACQUISITIONS**

Capital Acquisitions	Amended		YTD Actual Total	YTD Budget Variance
	Annual Budget	YTD Budget		
	\$	\$	\$	\$
Buildings & Buildings	3,483,349	3,390,599	2,095,484	(1,295,115)
Plant & Equipment	555,000	48,333	106,352	58,019
Furniture & Equipment	70,500	26,500	0	(26,500)
Infrastructure - Roads	2,562,202	631,098	195,207	(435,892)
Infrastructure - Parks & Ovals	0	0	0	0
Infrastructure - Footpaths	300,512	200,511	204	(200,307)
Infrastructure - Drainage	0	0	0	0
Capital Expenditure Totals	6,971,562	4,297,041	2,397,246	(1,899,795)
Capital Acquisitions Funded By:				
	\$	\$	\$	\$
Capital grants and contributions				0
Borrowings	0	0	0	0
Other (Disposals & C/Fwd)	324,000	12,727	0	-12,727
Cash Backed Reserves				
Infrastructure Reserve	0	0	0	0
Unspent Grants Reserve	3,382,857		1,970,519	
Pensioner Unit Maintenance Reserve	0	0	0	0
Plant Replacement Reserve	0	0	0	0
Contribution - operations	3,264,705	4,284,314	426,727	(3,857,587)
Capital Funding Total	6,971,562	4,297,041	2,397,246	(3,870,314)

SIGNIFICANT ACCOUNTING POLICIES

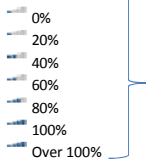
All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current 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.

KEY INFORMATION



Acquisitions	Annual Budget	YTD Actual	% Spent
	\$6.97 M	\$2.4 M	34%
Capital Grant	Annual Budget	YTD Actual	% Received
	\$. M	\$. M	

Capital Expenditure Total
Level of Completion Indicators



Percentage YTD Actual to Annual Budget
Expenditure over YTD budget highlighted in red.

% of

Completion # Level of completion indicator, please see table at the end of this note for further detail.

			Amended			
		Account Number	Annual Budget	YTD Budget	YTD Actual	Variance (Under)/Over
Capital Expenditure						
Land & Building						
1.64	Nmps Redevelopment Stage II	1115	\$278,250.00	\$185,500.00	\$115,149.86	(70,350)
1.00	Dog Park Development	1133	\$0.00	\$0.00	\$990.56	991
1.61	Ceaca Stage II	9051	\$3,205,098.55	\$3,205,098.55	\$1,979,343.58	(1,225,755)
1.62			\$3,483,348.55	\$3,390,598.55	\$2,095,484.00	-\$1,295,114.55
Plant & Equipment						
1.00	Plant and Equipment	E049120	\$40,000.00	\$0.00	\$37,981.83	37,982
1.00	Plant & Equipment	E052510	\$30,000.00	\$0.00	\$0.00	0
0.00	CCTV	E059125	\$115,000.00	\$38,333.00	\$0.00	(38,333)
1.00	Plant and Equipment (Cap)	E074510	\$40,000.00	\$0.00	\$37,981.82	37,982
0.00	Plant & Equipment (Cap)	E112510	\$10,000.00	\$10,000.00	\$0.00	(10,000)
1.00	Plant and Equipment	E129120	\$320,000.00	\$0.00	\$30,388.00	30,388
1.83			\$555,000.00	\$48,333.00	\$106,351.65	\$58,018.65
Furniture & Equipment						
1.00	Computer Equipment and Software	E043010	\$39,000.00	\$0.00	\$0.00	0
0.00	Furniture & Equipment	E049110	\$31,500.00	\$26,500.00	\$0.00	(26,500)
0.00			\$70,500.00	\$26,500.00	\$0.00	-\$26,500.00
Infrastructure - Roads						
1.00	Barrack Street	R2R046	\$69,593.80	\$0.00	\$0.00	0
1.00	Duff Street	R2R048	\$30,240.00	\$0.00	\$0.00	0
1.00	Fifth Street	R2R053	\$2,560.00	\$0.00	\$0.00	0
1.00	Fifth Street	R2R053A	\$21,120.00	\$0.00	\$0.00	0
1.00	Cohn Street	R2R081	\$52,768.00	\$0.00	\$0.00	0
1.00	George Street	R2R082	\$32,000.00	\$0.00	\$0.00	0
1.00	Smith Street	R2R083	\$3,640.00	\$0.00	\$0.00	0
1.00	Watson Road	R2R084	\$38,016.00	\$0.00	\$0.00	0
1.00	King Street	R2R085	\$29,120.00	\$0.00	\$0.00	0
1.00	Coronation Street	R2R086	\$40,611.20	\$0.00	\$0.00	0
1.00	Golf Road	R2R087	\$108,800.00	\$0.00	\$0.00	0
1.00	Nukarni West Road	R2R088	\$26,410.00	\$0.00	\$0.00	0
1.00	Hawker Way	R2R089	\$7,840.00	\$0.00	\$0.00	0
1.00	Eaton Way	R2R090	\$5,600.00	\$0.00	\$0.00	0
1.00	Nolan Way	R2R091	\$10,080.00	\$0.00	\$0.00	0
1.00	Nukarni East Road	R2R092	\$58,520.00	\$0.00	\$0.00	0
1.00	Robertston Road	RRG020	\$33,300.00	\$0.00	\$0.00	0
1.00	Burracoppin South Road	RRG026	\$316,120.50	\$0.00	\$718.18	718
1.00	Gabo Road	RRG029	\$143,775.00	\$0.00	\$0.00	0
2.62	Old Muntadgin Rd	MSC018	\$114,220.75	\$114,219.00	\$82,695.27	(31,524)
0.09	Hooper Road	MSC019	\$149,689.81	\$19,428.00	\$1,672.06	(17,756)
0.00	Old Nukarni Road	MSC020	\$74,449.57	\$9,672.00	\$0.00	(9,672)
29.55	Smith Road	MSC025	\$81,056.42	\$59,700.00	\$61,791.02	2,091
2.01	McGellin Rd	MSC037	\$48,489.90	\$48,489.00	\$32,399.92	(16,089)
0.04	Goomarin - Nukarni Road	MSC039	\$87,109.07	\$11,464.00	\$438.27	(11,026)
0.09	Cahill Road	MSC049	\$48,595.40	\$35,691.50	\$3,006.47	(32,685)
1.00	Nukarni East Road	MSC063	\$0.00	\$0.00	\$0.00	0
0.06	Hubeck Road	MSC080	\$167,116.86	\$122,306.84	\$7,426.80	(114,880)
0.00	Odgen Road	MSC081	\$57,656.03	\$41,879.86	\$0.00	(41,880)
0.00	Bennett Road	MSC082	\$86,909.09	\$65,610.12	\$0.00	(65,610)
0.00	Bignell Road	MSC083	\$52,588.95	\$38,261.99	\$0.00	(38,262)
0.00	Giles Road	MSC084	\$32,398.11	\$4,500.00	\$0.00	(4,500)
0.00	Giraud Road	MSC085	\$69,312.52	\$9,188.00	\$0.00	(9,188)
0.00	Hearles Road	MSC086	\$19,841.62	\$2,912.00	\$0.00	(2,912)
0.30	Springwell Valley Road	MSC087	\$166,858.95	\$21,812.00	\$5,058.53	(16,753)
0.00	Tandegin West Road	MSC088	\$98,314.11	\$15,312.00	\$0.00	(15,312)
0.00	Muntagin - Tandegin Road	MSC089	\$127,480.18	\$10,652.00	\$0.00	(10,652)
1.00	Bates Street Traffic Investigation	MSC091	\$50,000.00	\$0.00	\$0.00	0
0.45			\$2,562,201.84	\$631,098.31	\$195,206.52	-\$435,891.79
Infrastructure - Footpaths						
0.00	Coronation Street	FP026	\$64,000.00	\$63,999.00	\$203.80	(63,795)
0.00	Duff Street	FP027	\$45,120.00	\$45,120.00	\$0.00	(45,120)
0.00	South Avenue	FP028	\$51,648.00	\$51,648.00	\$0.00	(51,648)
0.00	Golf Road	FP031	\$39,744.00	\$39,744.00	\$0.00	(39,744)
1.00	South Ave. (Bikewest Grant)	FP032	\$100,000.00	\$0.00	\$0.00	0
0.00			\$300,512.00	\$200,511.00	\$203.80	-\$200,307.20
1.26	Totals		\$6,971,562.39	\$4,297,040.86	\$2,397,245.97	-\$1,899,794.89

Information on Borrowings		New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
Particulars	30/06/2019	Actual	Amended Budget	Actual	Amended Budget	Actual	Amended Budget	Actual	Amended Budget
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Governance									
Loan 214 Amalgamated	388,985			0	148,643	388,985	240,342	-841	20,905
							0		
Education & Welfare									
Loan 217 CEACA Units	548,082			27,418	52,270	520,664	495,812	149	16,019
							0		
	937,067	0	0	27,418	200,913	909,649	736,154	-691	36,924
Self supporting loans									
Education & Welfare									
Loan 215 Merritville	386,225			14,966	30,310	371,259	355,915	4,426	18,372
Economic Services							0		
	386,225	0	0	14,966	30,310	371,259	355,915	4,426	18,372
Total	1,323,292	0	0	42,384	231,223	1,280,908	1,092,069	3,735	55,296

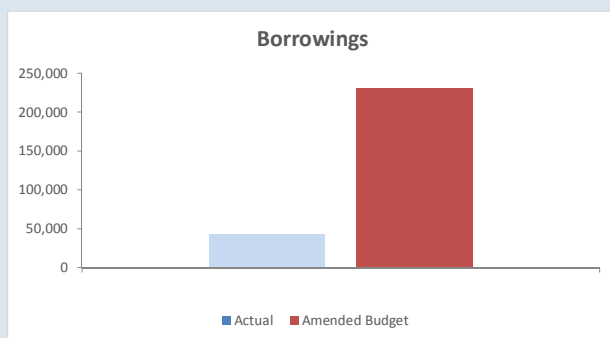
All debenture repayments were financed by general purpose revenue.

SIGNIFICANT ACCOUNTING POLICIES

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.

KEY INFORMATION

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.



Principal Repayments
\$42,384

Interest Earned
\$88,299

Interest Expense
\$3,735

Reserves Bal
\$6.9 M

Loans Due
\$1.28 M

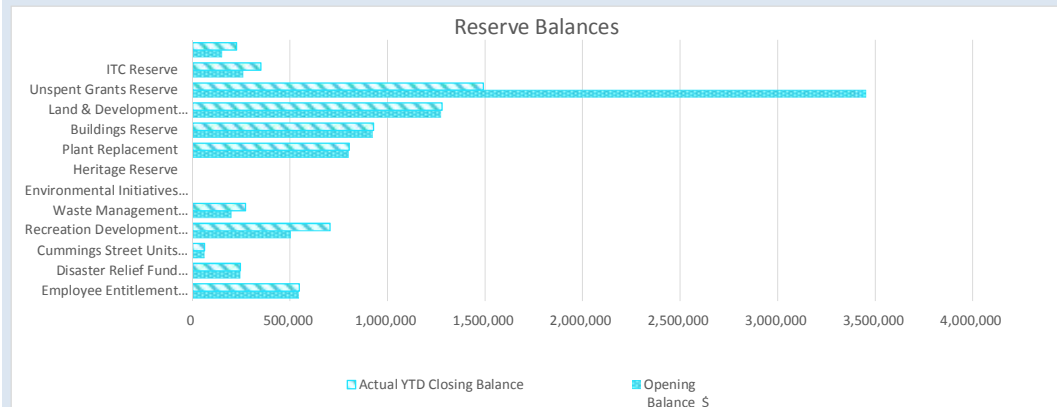
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 OCTOBER 2019**

OPERATING ACTIVITIES
NOTE 9
CASH AND INVESTMENTS

Cash Backed Reserve

Reserve Name	Opening Balance	Amended Budget Interest Earned	Actual Interest Earned	Amended Budget Transfers In (+)	Actual Transfers In (+)	Amended Budget Transfers Out (-)	Actual Transfers Out (-)	Amended Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Employee Entitlement Reserve	544,027	10,881	2,683	0	0	0	0	554,908	546,710
Disaster Relief Fund Reserve	244,215	4,884	1,132	0	0	0	0	249,099	245,347
Cummings Street Units Reserve	60,504	1,071	270	0	0	0	0	61,575	60,775
Recreation Development Reserve	502,804	10,056	202,465	200,000	0	0	0	712,860	705,270
Waste Management Reserve	197,266	3,873	73,982	88,860	0	0	0	289,999	271,248
Environmental Initiatives Reserve	0	0	0	0	0	0	0	0	0
Heritage Reserve	0	0	0	0	0	0	0	0	0
Plant Replacement	798,265	9,565	3,700	260,000	(161,000)	0	0	906,830	801,965
Buildings Reserve	922,942	18,458	4,244	0	(122,600)	0	0	818,800	927,186
Land & Development Reserve	1,272,888	25,458	5,776	0	0	0	0	1,298,346	1,278,665
Unspent Grants Reserve	3,451,496	3,852	8,465	0	(3,287,363)	(1,970,519)	167,985	1,489,442	1,489,442
ITC Reserve	258,426	5,169	91,082	90,000	(94,500)	0	259,095	349,508	349,508
Apex Park Redevelopment Reserve	150,000	3,000	75,527	75,000	0	0	228,000	225,527	225,527
	8,402,834	96,267	469,328	713,860	0	(3,665,463)	(1,970,519)	5,547,497	6,901,643

KEY INFORMATION



Grants and Contributions

	Amended		YTD Actual	Variance (Under)/Over
	Annual Budget	YTD Budget		
Operating grants, subsidies and contributions				
Grant Commission - General	742,272	185,568	186,726	
Grants Commission - G.P Roads	388,599	97,150	97,150	
FESA BFB Grant	66,290	16,572	28,136	
FESA Administration Fee	4,000	0	4,000	
FESA SES Grant	42,115	17,129	17,452	
Grants/Other Income	0	0	0	
Other Income - Grants	0	0	0	
Other Income - Grants	80,455	80,455	63,955	
Other Income - Grants	0	0	0	
Swimming Pool Other Income	0	0	0	
Library Grants and Subsidies	0	0	323	
Cummins Theatre Grants & Contributions	0	0	2,545	
Cummins Theatre Grants & Contributions	126,500	27,798	33,840	
CT Income Others			0	
CT Income Others	0	0	0	
CT Income Others	2,500	832	0	
Grant and Contributions	22,617	0	0	
Youth	0	0	0	
Youth	0	0	0	
Main Roads WA Grants - Direct (No GST)	191,000	191,000	204,327	
Community Development Grants	72,100	0	2,860	
Community Events Income	0	0	15	
Operating grants, subsidies and contributions Total	1,738,448	616,504	641,329	
Non-operating grants, subsidies and contributions				
Parks & Gardens Grants	0	0	0	
Parks & Gardens Grants	0	0	0	
MRDWA Regional Road Group	328,796	131,518	127,024	
MRD Grants - Regional Bicycle Network Grant	50,000	0	0	
Roads to Recovery Grant	536,919	134,230	0	
	0	0	0	
RDA/CEACA - Grant Funding	0	0	0	
Non-operating grants, subsidies and contributions Total	915,715	265,748	127,024	
Grand Total				
KEY INFORMATION				

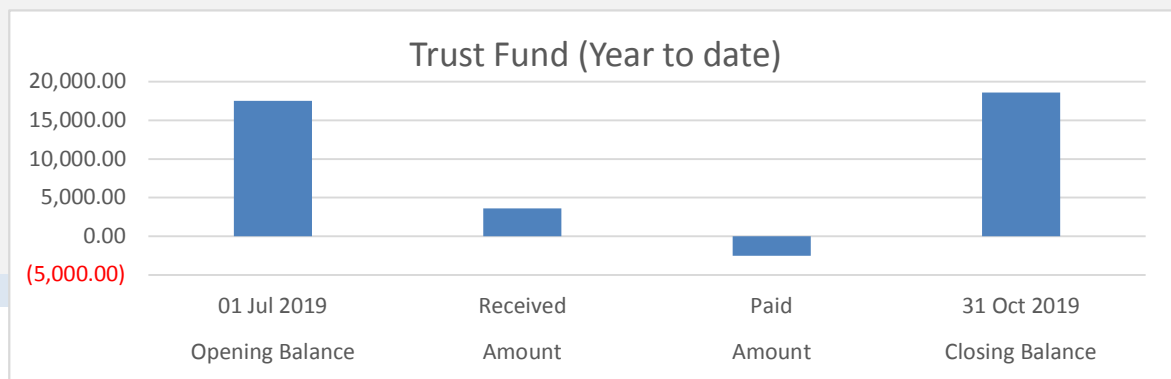
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 OCTOBER 2019**

**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 01 Jul 2019	Amount Received	Amount Paid	Closing Balance 31 Oct 2019
	\$	\$	\$	\$
BCTIF	241.00	1,060.00	(1,060.00)	241.00
BUILDING SERVICE LEVY	66.65	1,589.28	(1,465.98)	189.95
HOUSING BONDS	0.00	0.00	0.00	0.00
NOMINATION DEPOSITS	0.00	640.00	0.00	640.00
COMMUNITY BUS FUND	1,311.89	0.00	0.00	1,311.89
SBS TRANSMITTER	2,220.39	0.00	0.00	2,220.39
OVERPAYMENT OF RATES	0.00	0.00	0.00	0.00
OTHER BONDS	0.00	0.00	0.00	0.00
POSSUM TRAP BONDS	0.00	100.00	0.00	100.00
YOUTH ADVISORY COUNCIL	153.51	0.00	0.00	153.51
GYM/HALL BONDS	0.00	200.00	0.00	200.00
SUNDRY	0.00	0.00	0.00	0.00
RETENTION MONEY HELD	8,974.14	0.00	0.00	8,974.14
UNCLAIMED MONIES	0.00	0.00	0.00	0.00
CEACA	4,558.97	0.00	0.00	4,558.97
				0.00
	17,526.55	3,589.28	(2,525.98)	18,589.85

KEY INFORMATION



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 OCTOBER 2019**

**NOTE 12
BUDGET AMENDMENTS**

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

Program	Sub Prog	Sub Prog Description	Council Resolution	Classification	Original Budget	Current Amended Budget	Amended Budget Running Balance
					\$	\$	\$
		Budget Adoption		Opening Surplus			
		Permanent Changes					
03	031	General Purpose Grants			1,130,871.00	1,130,871.00	0.00
03	03A	Rates			4,353,134.00	4,353,134.00	0.00
07	074	Preventative Services - Health			-240,820.00	-240,820.00	0.00
08	082	Other Welfare - Aged Care			-148,994.00	-148,994.00	0.00
10	101	Sanitation			-224,014.72	-224,014.72	0.00
10	105	Protection of Environment			-116,808.80	-116,808.80	0.00
10	106	Town Planning			-115,975.00	-115,975.00	0.00
10	109	Land Development			0.00	0.00	0.00
11	111	Public Halls			-328,194.00	-328,194.00	0.00
11	112	Swimming Pools			-322,415.00	-322,415.00	0.00
11	113	Other Recreation & Sport			-891,946.44	-891,946.44	0.00
11	114	Recreation Centre			-565,336.00	-565,336.00	0.00
11	115	Library			-276,902.00	-276,902.00	0.00
11	118	Cummins Theatre			-311,105.00	-311,105.00	0.00
12	121	Construction			-2,862,713.84	-2,862,713.84	0.00
12	122	Maintenance			-2,316,823.50	-2,316,823.50	0.00
13	133	Building Control			-271,319.00	-271,319.00	0.00
13	134	Central Wheatbelt Visitor Centre			-285,635.00	-285,635.00	0.00
14	142	Administration Allocated			0.00	0.00	0.00
14	143	Public Works Overheads			0.00	0.00	0.00
15	151	Transfer From Reserves			3,665,463.40	3,665,463.40	0.00
15	152	Transfer To Reserves			-810,127.00	-810,127.00	0.00
					(939,661)	(939,661)	0

KEY INFORMATION