

**TF037 STATEMENT OF FINANCIAL ACTIVITY TO 30 NOVEMBER 2012**

|                               |  |
|-------------------------------|--|
| <b>AGENDA REFERENCE:</b>      | <b>D-12-66531</b>  |
| <b>AUTHOR:</b>                | <b>A Van Der Weij, Acting Manager Financial Services</b> |
| <b>EXECUTIVE:</b>             | <b>B Davis, Director of Treasury &amp; Finance</b>       |
| <b>DATE OF REPORT:</b>        | <b>3 December 2012</b>                                   |
| <b>FILE REFERENCE:</b>        | <b>FM/0010</b>   |
| <b>APPLICANT / PROPONENT:</b> | <b>City of Greater Geraldton</b>                         |
| <b>ATTACHMENTS:</b>           | <b>Yes</b>   |

**SUMMARY:**

The attached financial reports provide a comprehensive report on the City's finances to 28 November 2012.

**PROPONENT:**

City of Greater Geraldton.

**BACKGROUND:**

The financial position to 28th of November 2012 is detailed in the attached report and summarised as follows relative to year-to-date budget expectations:

|                            |              |       |                   |
|----------------------------|--------------|-------|-------------------|
| Operating Income           | \$404,407    | 0.8%  | Positive Variance |
| Operating Expenditure      | \$2,232,873  | 7.9%  | Positive Variance |
| Net Operating              | \$2,637,280  | 11.5% | Positive Variance |
| Capital Expenditure        | \$1,507,747  | 14.0% | Positive Variance |
| Capital Revenue            | \$512,849    | 86.1% | Positive Variance |
| Closing Surplus /(deficit) | \$4,585,330  | 18.8% | Positive Variance |
| Cash at Bank - Municipal   | \$13,969,464 |       |                   |
| Cash at Bank – Reserve     | \$31,758,740 |       |                   |
| Total Funds Invested       | \$43,676,777 |       |                   |
| Net Rates Collected        | 78.8%        |       |                   |
| Receivables Outstanding    | \$1,916,763  |       |                   |

The attached report provides explanatory notes for items greater than 10% or \$50,000. This commentary provides Council with an overall understanding of how the finances are progressing in relation to the adopted budget.

The financial position represented in the November financials shows a positive variance of \$2,637,280 in the net operating result. The closing funding surplus is \$4,585,330 and is due to the under-spend associated with materials and contractors, employee costs, others and insurance payments. Additionally Capital expenditure is understated due to the delay associated with commencing and completing parks and road works.

**COMMUNITY CONSULTATION:**

No community consultation was undertaken.

**COUNCILLOR/OFFICER CONSULTATION:**

There has been no officer consultation with Councillors in relation to the monthly financial report.

**STATUTORY IMPLICATIONS:**

Section 6.4 of the Local Government Act 1995 and Regulation 34 of the Local Government (Financial Management) Regulations 1996 require that as a minimum Council is to receive a Statement of Financial Activity.

**POLICY IMPLICATIONS:**

The provision of financial reports to Council is governed by statute not policy.

**FINANCIAL AND BUDGET IMPLICATIONS:**

Any issues in relation to expenditure and revenue allocations or variance trends are identified and addressed each month.

**STRATEGIC & REGIONAL OUTCOMES:****Strategic Community Plan Outcomes:**

There are no strategic outcomes associated with monthly reporting

**Regional Outcomes:**

There are no regional outcomes associated with monthly reporting.

**ECONOMIC, SOCIAL, ENVIRONMENTAL & CULTURAL ISSUES:****Economic:**

There are no economic issues.

**Social:**

There are no relevant social issues.

**Environmental:**

There are no environmental issues.

**Cultural & Heritage:**

There are no cultural or heritage issues.

**RELEVANT PRECEDENTS:**

Council is provided with financial reports each month.

**DELEGATED AUTHORITY:**

There is no delegated authority.

**VOTING REQUIREMENTS:**

Simple Majority is required.

**OPTIONS:****Option 1:**

As per Executive Recommendation in this report.

**Option 2:**

That Council by Simple Majority pursuant to Regulation 34 of the Local Government (Financial Management) Regulations 1996 RESOLVES to:

1. DEFER adoption of the November 2012 monthly financial activity statement as attached, and
2. Makes that determination for the following reasons:  
[To be determined by Council].

**Option 3:**

That Council by Simple Majority pursuant to Regulation 34 of the Local Government (Financial Management) Regulations 1996 RESOLVES to:

1. REJECT adoption of the November 2012 monthly financial activity statement as attached, and
2. Makes that determination for the following reasons:  
[To be determined by Council].

**CONCLUSIONS**

The financial activity statement to 28 November 2012 as attached includes no matters of variance considered to be of concern

**EXECUTIVE RECOMMENDATION**

That Council by Simple Majority pursuant to Regulation 34 of the Local Government (Financial Management) Regulations 1996 RESOLVES to:

1. ADOPT the November 2012 monthly financial activity statement as attached, and
2. RECORD the statement of financial activity in the Minutes.