



City of
Greater Geraldton
a vibrant future



MONTHLY FINANCIAL REPORT

For the Period Ended 31 August 2014

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CITY OF GREATER GERALDTON
Statement of Financial Activity for the Period Ended 31 August 2014

	Budget	YTD Budget Estimated	YTD Actual	YTD Major Commitments	Variances (commtments incl)		
					\$	%	
Operating Income							
Rates	39,553,622	39,123,622	39,228,322		(104,700)	-0.3%	✓
Grants & Subsidies, Contributions	24,904,137	3,320,371	3,391,117		(70,746)	-2.1%	✓
Fees & Charges	18,415,235	7,180,006	7,268,764		(88,758)	-1.2%	✓
Interest Earnings	1,458,533	95,451	257,963		(162,512)	-170.3%	✓
Other Revenue	1,680,200	279,658	288,528		(8,870)	-3.2%	✓
FV Adjustments to Financial Assets at FV thru P&L	90,000	0					✓
Profit On Disposal Of Assets	59,786	109,294	103,148		6,146	5.6%	✗
	86,161,513	50,108,402	50,537,842		(429,440)	-0.9%	✓
Operating Expenditure							
Employee Costs	(29,510,760)	(4,204,877)	(4,097,782)		(107,095)	2.5%	✓
Materials & Contractors	(22,598,421)	(5,076,616)	(2,463,666)	(2,662,884)	49,934	-1.0%	✗
Utility & Govt Charges	(3,300,700)	(360,289)	(353,107)		(7,182)	2.0%	✓
Insurance	(945,410)	(77,172)	(71,937)		(5,235)	6.8%	✓
Interest/Borrowing Costs	(871,709)	(20,474)	(19,202)		(1,272)	6.2%	✓
Other Expenditure	(2,355,612)	(350,637)	(329,238)	(24,843)	3,444	-1.0%	✗
Depreciation On Assets	(17,939,427)	(2,989,770)	(2,989,905)		135	0.0%	✗
Loss On Disposal Of Assets	(1,221,291)	(203,540)			(203,540)	100.0%	✓
Land held for resale (Acquisition/Development cost)							
	(78,743,330)	(13,283,375)	(10,324,837)	(2,687,726)	(270,812)	2.0%	✓
NET OPERATING	7,418,183	36,825,027	40,213,005	(2,687,726)	(700,252)	-1.9%	✓
Non-Cash Expenditure and Revenue							
(Profit) / Loss on Asset Disposals	1,161,505	94,246	(103,148)		197,394	209.4%	✗
Depreciation on Assets	17,939,427	2,989,770	2,989,905		(135)	0.0%	✓
Movement in Employee Benefit Provision	260,210						
FV Adjustment to Financial Assets at FV thru P&L	(90,000)						
	19,271,142	3,084,016	2,886,757		197,260	6.4%	✗
Capital Expenditure							
Purchase Buildings	(9,122,000)	(1,918,943)	(670,902)	(789,123)	(458,918)	23.9%	✓
Land held for resale (Acquisition/Development cost)	(4,000,000)				0		✓
Purchase Plant and Equipment	(2,514,000)	(269,822)	(166,861)	(10,893)	(92,068)	34.1%	✓
Purchase Furniture and Equipment	(275,190)	(25,832)	(150)	(1,137)	(24,545)	95.0%	✓
Purchase Other Property, Plant and Equipment	(630,000)				0		✓
Purchase Infrastructure Airport	(3,546,000)	(242,271)	(133,524)	(42,607)	(66,140)	27.3%	✓
Purchase Infrastructure Regional Waste	(685,000)	(114,160)	0	(33,373)	(80,787)	70.8%	✓
Purchase Infrastructure Assets - Roads	(31,523,865)	(3,047,790)	(1,144,246)	(1,045,913)	(857,631)	28.1%	✓
Purchase Infrastructure Assets - Parks	(10,224,000)	(427,013)	(229,824)	(394,990)	197,801	-46.3%	✗
Purchase Infrastructure Assets - Other	(2,636,475)	(250,728)	(104,149)	(116,936)	(29,643)	11.8%	✓
Repayment of Debentures	(2,116,985)	(272,341)	(272,342)		1	0.0%	✗
	(67,273,515)	(6,568,900)	(2,721,998)	(2,434,973)	(1,411,929)	21.5%	✓
Capital Revenue							
Proceeds from Disposal of Assets	2,377,000	99,330	103,148		(3,818)	-3.8%	✓
Proceeds from New Debentures	24,860,000				0		✓
Self-Supporting Loan Principal Income	77,149	11,510	11,510		0	0.0%	✓
	27,314,149	110,840	114,658		(3,818)	-3.4%	✓
Reserves							
Transfers to Reserves	(146,979)				0		✓
Transfers from Reserves	11,267,000				0		✓
	11,120,021	0	0		0		✓
Current Funding Surplus (Deficit)	(2,150,020)	33,450,983	40,492,422	(5,122,699)			

NOTE 1. MAJOR VARIANCES

Operating Income

Operating Income is showing a positive variance of \$429,440 or 0.9%. Major variances are as follows: **Interest earnings \$162,512** - include Rates instalment interest of \$150,426 which was charged in August but the budgeted amount is spread across the whole year.

Operating Expenditure

Operating expenditure is showing a positive variance (under-spend) of \$ 270,812 or 2.0%. No Major variances to report on. Major commitments for August are \$2,687,726

Capital Expenditure

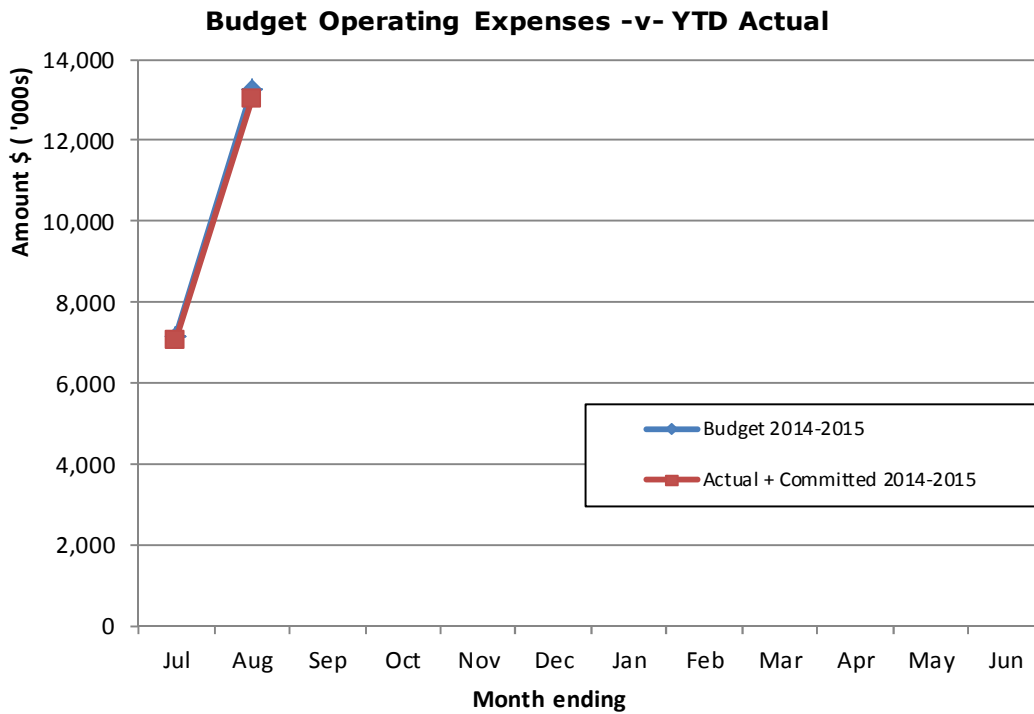
Capital expenditure is showing a positive variance (under-spend) of \$1,411,929 or 21.5%. The major variances are as a result of the timing of acquisitions. Most capital commitments have been made and the actual expenditure should start in the coming months. Major commitments for August are \$2,434,973.

Capital Revenue

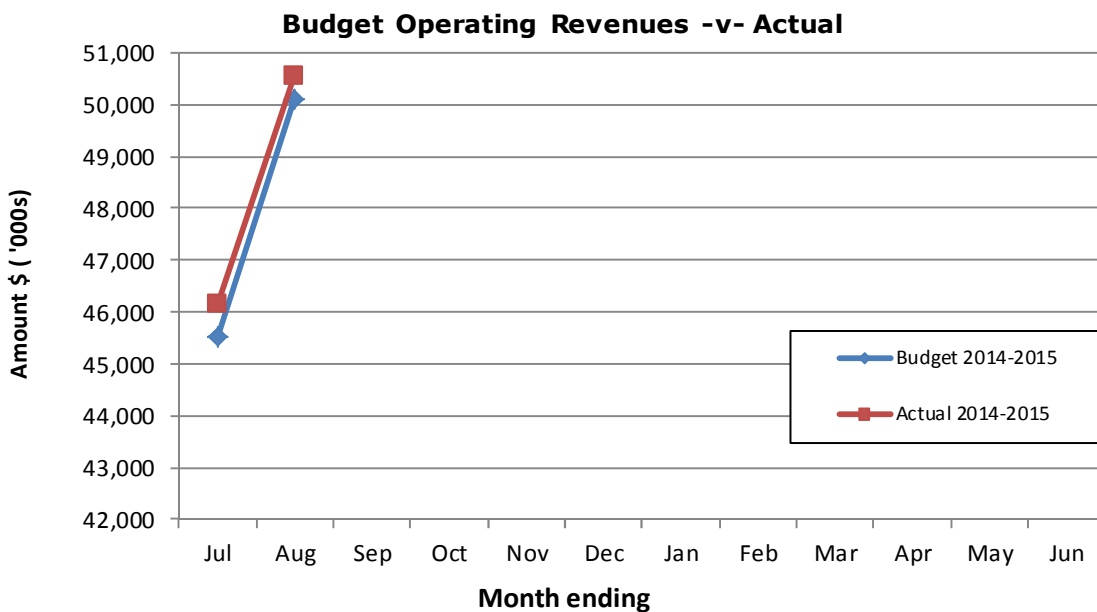
Capital revenue is showing a positive variance of \$3,818 with no significant variances.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31st August 2014**

Note 2 - Graphical Representation - Source Statement of Financial Activity



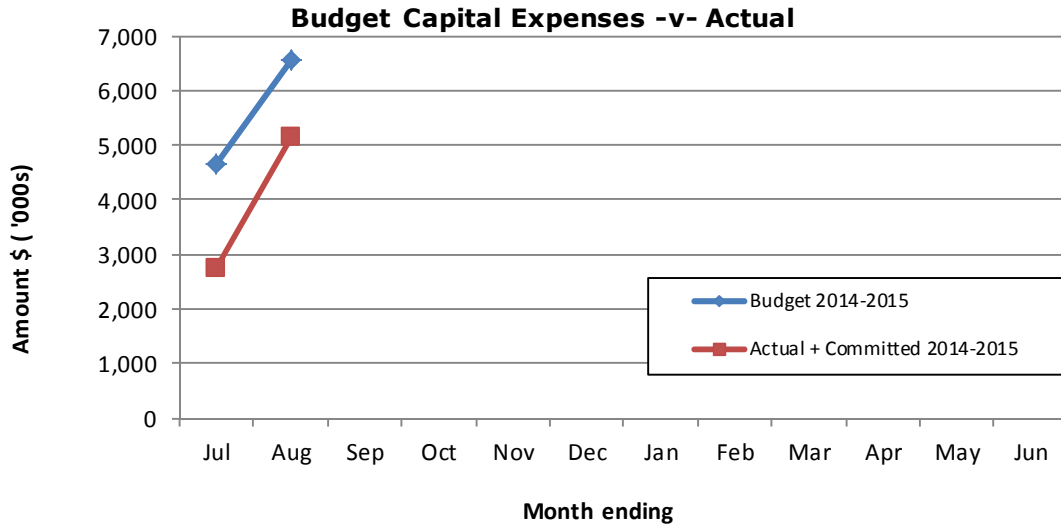
Comments/Notes - Operating Expenses
 Operating expenditure recorded as at 31 August is \$10,324,837(\$13,012,563 Inc \$2,687,726 Committed). Positive variances in employee costs and interest/borrowing costs and disposal of assets



Comments/Notes - Operating Revenues
 Operating income recorded as at 31 August is \$50,537,842. Major variance in interest Earnings

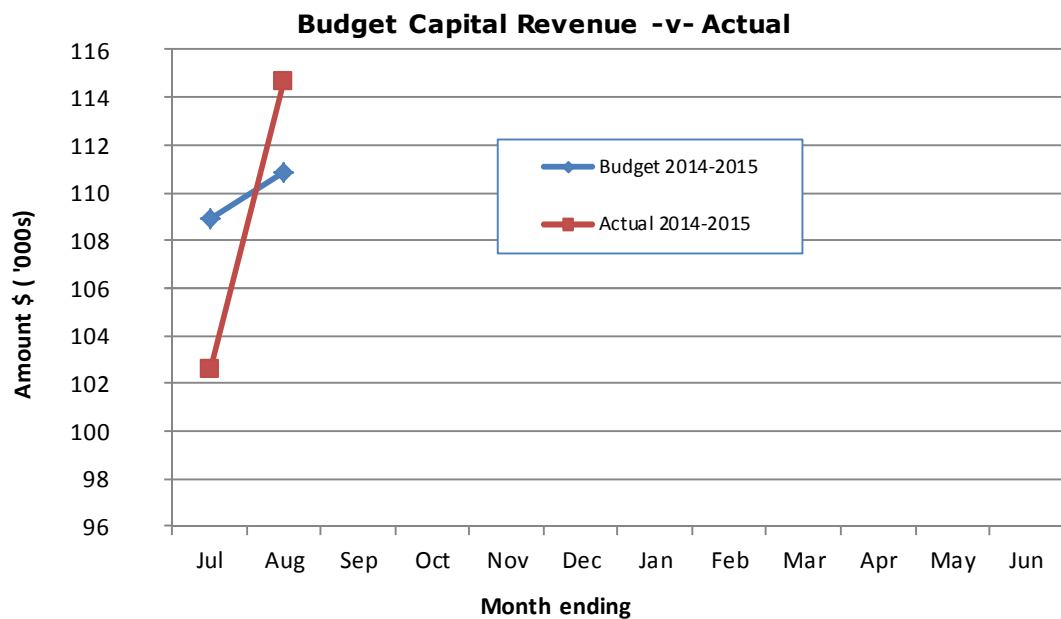
City of Greater Geraldton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31st August 2014

Note 2 - Graphical Representation - Source Statement of Financial Activity



Comments/Notes - Capital Expenses

Capital expenditure recorded as at 31 August is \$2,721,998 (\$5,156,971 Inc \$2,434,973 Committed). Major positive variances include purchase of roads, buildings, furniture & equipment, parks . The variances are as a result of timing of acquisitions. Most Capital expenditure commitments have been made and the actual expenditure should start in the coming months



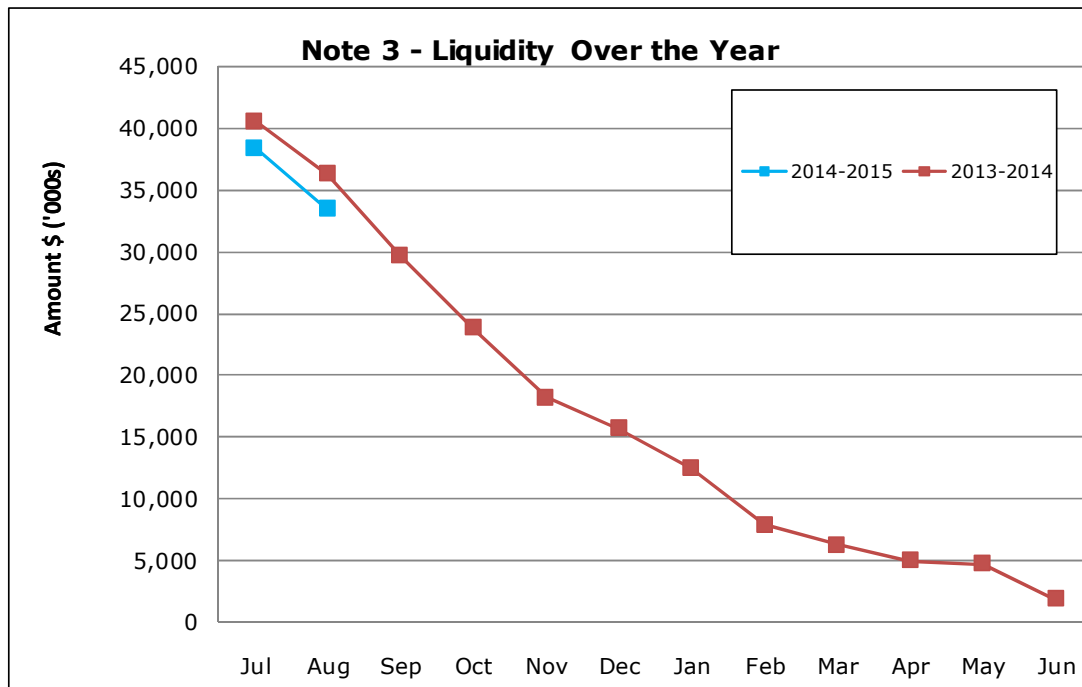
Comments/Notes - Capital Revenues

Capital revenue recorded as at 31 August is \$114,658. no major variances to report on.

City of Greater Geraldton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31st August 2014

Note 3: NET CURRENT FUNDING POSITION

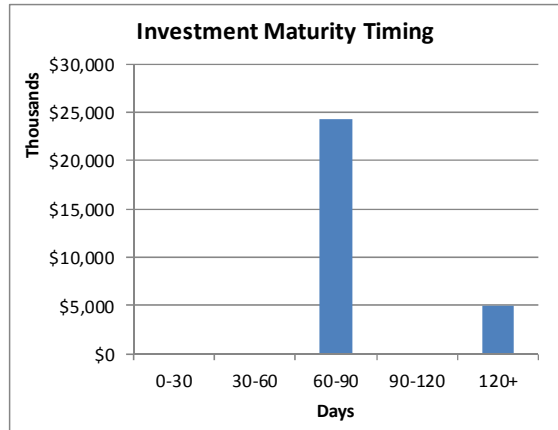
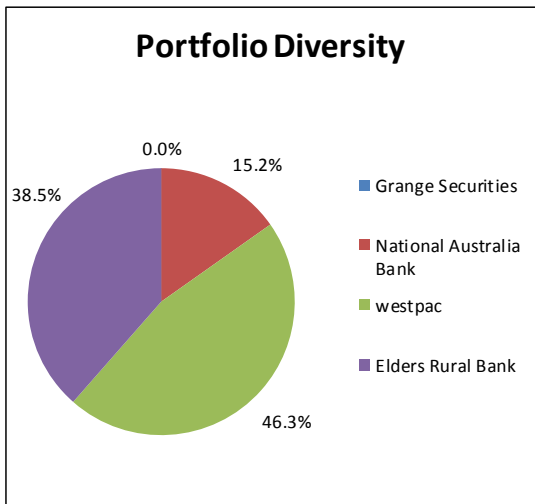
	Positive=Surplus (Negative=Deficit)		
	2014-2015		2013-2014
	This Period	Last Period	This Period
	\$	\$	\$
Current Assets			
Cash at Bank			
Municipal Account	22,589,504	3,337,117	22,645,922
Reserve Account	16,256,002	13,296,039	23,922,686
Restricted Assets	333,395	333,395	825,463
Total Cash at Bank	39,178,901	16,966,551	47,394,071
Receivables			
Prepayments	48,327	339,452	126,327
Tax Recoverable	305,304	473,935	376,533
Sundry Debtors	2,546,882	1,721,513	1,890,312
Rates Receivable	18,685,266	42,254,661	17,147,571
Inventories	342,078	357,168	301,861
Total Current Assets	61,106,757	62,113,280	67,236,675
Less: Current Liabilities			
Creditors and Provisions	1,497,351	748,533	963,435
Current Borrowings	4,825,950	4,625,842	1,709,806
Employee Entitlements	4,724,405	4,724,405	4,376,892
	11,047,706	10,098,780	7,050,133
Less: Cash Restricted	(16,589,397)	(13,629,434)	(23,922,686)
Net Current Funding Position	33,469,654	38,385,066	36,263,856



City of Greater Geraldton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31st August 2014

Note 4 - Monthly Investment Report

Deposit Ref	Current Credit Rating	Maturity/ Conversion	Invested Interest rates	Amount Invested	Interest Earned YTD	Current Value @31/08/2014	Percentage of Portfolio	
Grange Securities								
Kakadu	D		4.78%	700,000		-		
Parkes AAA	D	20/6/2015	5.01%	250,000		-		
Scarborough AA Ac 21	N/R			500,000	-	-		
				Subtotal	1,450,000	-	0.0%	
National Australia Bank								
Reserve180	A1+	11/11/2014	3.55%	4,454,847		4,454,847		
				Subtotal	4,454,847	-	15.2%	
Westpac								
Reserve 181	A1+	13/11/2014	3.79%	5,545,153		5,545,153		
Municipal 244	A1+	26/11/2014	3.63%	8,000,000		8,000,000		
				Subtotal	13,545,153	-	46.3%	
Elders Rural Bank								
Reserve182	A2	13/11/2014	3.70%	6,256,002		6,256,002		
Municipal 243	A2	15/2/2015	3.75%	5,000,000		5,000,000		
				Subtotal	11,256,002	-	38.5%	
				Total Funds Invested	30,706,002	-	29,256,002	100%



Graph Data - Portfolio Diversity		
Grange Securities		0.0%
National Australia Bank		15.2%
westpac		46.3%
Elders Rural Bank		38.5%
		100.0%

City of Greater Geraldton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31st August 2014

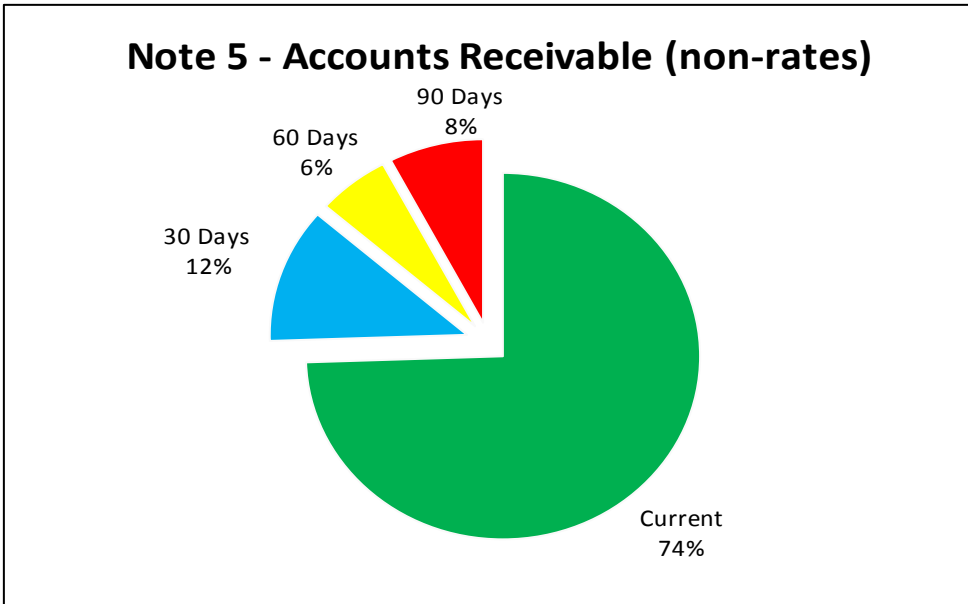
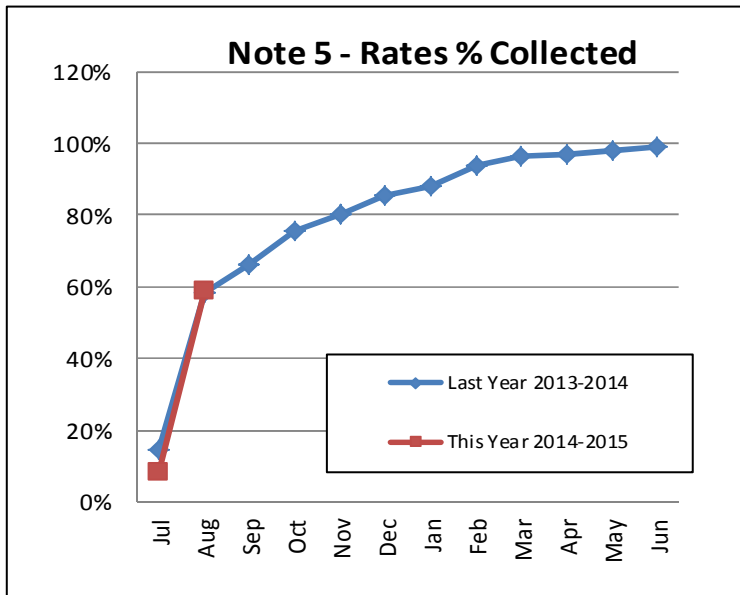
Note 5 : RECEIVABLES

Receivables - Rates and Rubbish

	Current 2014-2015
	\$
Opening Arrears Previous Years	(2,216,002)
Rates Levied this year	(46,762,254)
Less Collections to date	(27,566,278)
Equals Current Outstanding	(21,411,978)
<i>Comprises of Current Amt:</i>	<i>(21,141,736)</i>
<i>Deferred Amt:</i>	<i>(270,242)</i>
 Net Rates Collectable	
% Collected	58.95%

Receivables - General

	Current	30 Days	60 Days	90 Days
	\$	\$	\$	\$
	1,902,349	302,857	150,992	198,398
Total Outstanding				<u>2,554,595</u>
 General	1,712,882.77	67%		
Airport	456,888	18%		
Meru	384,825	15%		
	<u>2,554,595</u>	<u>100%</u>		



Comments/Notes - Receivables Rates and Rubbish
 Rates collections are 58.95% of total rates billed in July. Second Instalment due 27/10/2014

Comments/Notes - Receivables General
 - Major debtors in August include Department of Infrastructure \$1,000,000 , Virgin Australia \$237,397.18 , Qantaslink \$170,936.98, Veolia \$117,886.56
 - 90 days and over: Point Moore Leases \$ 69,517.52