



WEST DALY REGIONAL COUNCIL

FOR THE FINANCE COMMITTEE MEETING OF 26 OCTOBER 2023

Report for Agenda Item No 2

Prepared by **David Glover, Executive Director Corporate Services**

Finance Report - September 2023

Purpose

To provide the Finance Committee the Financial Management Reports for the period ended 30 September 2023.

Background

The *Local Government (General) Regulations 2021*, Division 7, require that Council receive a report setting out:

- (a) the actual income and expenditure of the council for the period from the commencement of the financial year up to the end of the previous month; and
- (b) the most recently adopted annual budget; and
- (c) details of any material variances between the most recent actual income and expenditure of the council and the most recently adopted annual budget.

Council has continued to meet its financial obligations for the period, as per the attached report

Statutory Environment

Regulation 17 of the *Local Government (General) Regulations 2021*.

Impact for Council

Under Regulation 17 of the *Local Government (General) Regulations 2021* Council must receive the Financial Report.

Strategic Alignment

This report is aligned to the West Daly Regional Plan 2023-24:

| | |
|--|---|
| Focus 1 - Strengthen our Organisation | |
| 1.2 Governance | |
| Journey 1.2.3 | Continue to strengthen the governance framework and encourage active contribution at all meetings |

Recommendation

- 1. That the Finance Committee receives, notes, and recommends Council approve the West Daly Regional Council Financial report for September 2023.**

Attachments

- [1](#)  WDRC Finance Report September 2023



FINANCIAL MANAGEMENT REPORT

For the period ended 30 September 2023

Certification by the Council (A) CEO

Council Name: WEST DALY REGIONAL COUNCIL
Reporting Period Ended: 30 September 2023




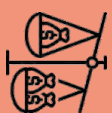







To the best of the (A) CEO's knowledge, information and belief:
(1) the internal controls implemented by the council are appropriate; and
(2) the monthly reports best reflects the financial affairs of the council.

Andrew Everingham
(A) CEO



Date: 22/10/23

Snapshot - Financial Report

| | | |
|--|--|--|
| <p>Revenue</p> <p>\$5.992 M</p>  | <p>Current Ratio</p> <p>1.28</p>  | <p>Cash at Bank</p> <p>\$9.645 M</p>  |
| <p>Expenditures</p> <p>\$3.507 M</p>  | <p>Unspent Tied Funds</p> <p>\$9.280 M</p>  | <p>Net Current Assets</p> <p>\$2.752 M</p>  |
| <p>Operating Result (including tied grants)</p> <p>\$2.484 M</p>  | <p>Local Authority</p> <p>\$1.086 M</p>  | <p>Capital Expenditures</p> <p>\$2.936 M</p>  |

Income and Expenditure Statement - Actual v Budget Year to Date

| | YTD Actuals \$ | YTD Budget \$ | YTD Variance \$ | Annual Budget \$ | Note Reference |
|---|-------------------|------------------|--------------------|------------------------|-------------------|
| OPERATING INCOME | | | | | |
| Rates-General Allocation | 406,150 | 406,601 | (451) | 1,626,405 | |
| Rates Charges-Waste Allocation | 284,321 | 274,673 | 9,648 | 1,098,692 | |
| Fees, levies and Charges | 47,854 | 21,380 | 26,474 | 85,520 | |
| Operating Grants and Subsidies | 4,728,467 | 2,614,178 | 2,114,289 | 10,456,712 | |
| Interest / Investment Income | 143,843 | 68,985 | 74,858 | 275,940 | |
| Commercial and Other Income | 380,895 | 511,881 | (130,986) | 2,047,524 | |
| TOTAL OPERATING INCOME | 5,991,529 | 3,897,698 | 2,093,831 | 15,590,793 | (1) |
| OPERATING EXPENDITURE | | | | | |
| Employee Expenses | 1,382,426 | 1,628,282 | 245,856 | 6,513,130 | |
| Operational & Other Expenses | 784,869 | 846,983 | 62,114 | 3,704,537 | |
| Elected Member Allowances | 46,315 | 64,279 | 17,963 | 257,115 | |
| Elected Member Expenses | 11,497 | 10,805 | (691) | 43,222 | |
| Council Committee & LA Allowances | 4,800 | 0 | (4,800) | 0 | |
| Council Committee & LA Expenses | 0 | 7,830 | 7,830 | 31,320 | |
| Interest Expenses | 9,086 | 56,153 | 47,067 | 224,613 | |
| Repair and Maintenance | 414,738 | 250,534 | (164,204) | 1,002,137 | |
| Materials and Contracts | 225,580 | 641,239 | 415,659 | 2,248,352 | (2) |
| TOTAL OPERATING EXPENDITURE | 2,879,311 | 3,506,106 | 626,795 | 14,024,424 | (2) |
| OPERATING SURPLUS / DEFICIT | 3,112,217 | 391,592 | 2,720,625 | 1,566,368 | (3) |
| Depreciation, Amortisation and Impairment | 627,704 | 338,551 | (289,154) | 1,354,202 | (4) |
| SURPLUS / (DEFICIT) INCLUDING DEPRECIATION | 2,484,513 | 53,042 | 2,431,472 | 212,166 | |

WDRC Financial Management Report September 2023

Variance Analysis

| Income/Expense or Balance Sheet Item | Note Ref | Comments |
|--------------------------------------|----------|--|
| Total Operating Income | (1) | Total Operating Income significantly exceeds Forecast due to recognition of income from Grants and projects, in particular the Wadeye Pool |
| Expense | (2) | Operating Expenses generally tracking under Budget, except the high cost of repairs and maintenance |
| Operating Surplus | (3) | Revenue amounts driving Operating result |
| Depreciation and Asset Costs | (4) | Depreciation higher than Budget due to revised Asset Values now recognised as from 30 June 2023 in the Balance Sheet |
| Tied Funds | (5) | Unspent Grant Liabilities not yet finalised through External Audit process |
| Non-current Assets | (6) | Non-current Assets vary materially from prior year due to asset revaluation, including recognition of buildings |
| Equity | (7) | The 2023 Result is still subject to change through the External Audit process. Interim figures provided |

Financial Report for each Local Authority Area - July to September

| | Regional Office/Unallocated Darwin 200 | | | LA1 Ngamarrinyanga 300 | | |
|---|--|--------------------|--------------------|------------------------|------------------|--------------------|
| | YTD Actuals \$ | YTD Budget * \$ | YTD Variance \$ | YTD Actuals \$ | YTD Budget \$ | YTD Variance \$ |
| OPERATING INCOME | | | | | | |
| Rates-General Allocation | 0 | 0 | 0 | 28,516 | 32,056 | (3,540) |
| Rates Charges-Waste Allocation | 0 | 0 | 0 | 26,203 | 27,419 | (1,216) |
| Fees and Charges | 0 | 0 | 0 | 4,867 | 322 | 4,546 |
| Operating Grants and Subsidies | 0 | 173 | (173) | 466,951 | 431,114 | 35,837 |
| Interest / Investment Income | 0 | 0 | 0 | 0 | 0 | 0 |
| Commercial and Other Income | 42,171 | 358 | 41,813 | 48,819 | 106,653 | (57,835) |
| TOTAL OPERATING INCOME | 42,171 | 531 | 41,640 | 575,356 | 597,564 | (22,207) |
| OPERATING EXPENDITURE | | | | | | |
| Employee Expenses | 455,136 | 414,512 | (40,624) | 84,603 | 225,981 | 141,378 |
| Operational & Other Expenses | 184,548 | 94,678 | (89,870) | 46,947 | 113,697 | 66,750 |
| Elected Member Allowances | 1,155 | 0 | (1,155) | 4,536 | 3,928 | (608) |
| Elected Member Expenses | - | 0 | 0 | 1,252 | 430 | (822) |
| Council Committee & LA Allowances | - | 0 | 0 | 2,250 | 0 | (2,250) |
| Council Committee & LA Expenses | 0 | 635 | 635 | 0 | 2,747 | 2,747 |
| Interest Expenses | 0 | 0 | 0 | 0 | 0 | 37,411 |
| Repair and Maintenance | 1,473 | 37 | (1,437) | 69,284 | 37,411 | 126,248 |
| Materials and Contracts | 118 | 24,614 | 24,496 | 60,017 | 195,532 | (65,545) |
| Internal Charges | | 227,559 | | 47,521 | -5,528 | |
| TOTAL OPERATING EXPENDITURE | 642,431 | 762,035 | 119,604 | 316,410 | 574,198 | 257,788 |
| OPERATING SURPLUS / DEFICIT | (600,260) | (761,505) | 161,244 | 258,947 | 23,366 | 235,581 |
| Depreciation, Amortisation and Impairment | (0) | (22,594) | (22,594) | 0 | 0 | 0 |
| SURPLUS / (DEFICIT) INCLUDING DEPRECIATION | (600,260) | (738,910) | 183,839 | 258,947 | 23,366 | 235,581 |

WDRC Financial Management Report September 2023

Income and Expense Statement by Local Authority (continued)

| | LA2 Peppimenari 400 | | | LA3 Wadeye 700 | | | TOTAL | | |
|---|---------------------|------------------|--------------------|-------------------|------------------|--------------------|-------------------|------------------|--------------------|
| | YTD Actuals \$ | YTD Budget \$ | YTD Variance \$ | YTD Actuals \$ | YTD Budget \$ | YTD Variance \$ | YTD Actuals \$ | YTD Budget \$ | YTD Variance \$ |
| OPERATING INCOME | | | | | | | | | |
| Rates-General Allocation | 33,676 | 35,898 | (2,222) | 343,958 | 338,647 | 5,310 | 406,150 | 406,601 | (451) |
| Rates Charges-Waste Allocation | 29,743 | 22,082 | 7,660 | 228,375 | 225,172 | 3,203 | 284,321 | 274,673 | 9,648 |
| Fees and Charges | 4,354 | 5,103 | (749) | 38,633 | 15,955 | 22,678 | 47,854 | 21,380 | 26,474 |
| Operating Grants and Subsidies | 325,907 | 299,668 | 26,240 | 3,935,609 | 1,883,224 | 2,052,385 | 4,728,467 | 2,614,178 | 2,114,289 |
| Interest / Investment Income | | 0 | 0 | 143,843 | 68,985 | 74,858 | 4,728,467 | 2,614,178 | 2,114,289 |
| Commercial and Other Income | 40,059 | 106,538 | (66,479) | 249,847 | 298,331 | (48,485) | 143,843 | 68,985 | 74,858 |
| TOTAL OPERATING INCOME | 433,738 | 469,288 | (35,550) | 4,940,264 | 2,830,315 | 2,109,949 | 5,991,529 | 3,897,698 | 2,093,831 |
| OPERATING EXPENDITURE | | | | | | | | | |
| Employee Expenses | 154,646 | 211,459 | 56,813 | 688,041 | 776,330 | 88,289 | 1,382,426 | 1,628,282 | 245,856 |
| Operational & Other Expenses | 53,524 | 92,015 | 38,491 | 499,850 | 546,594 | 46,744 | 784,869 | 846,983 | 62,114 |
| Elected Member Allowances | 4,566 | 13,251 | 8,685 | 36,057 | 47,100 | 11,043 | 46,315 | 64,279 | 17,964 |
| Elected Member Expenses | 640 | 1,601 | 961 | 9,605 | 8,774 | (831) | 11,497 | 10,805 | (692) |
| Council Committee & LA Allowances | 1,350 | 0 | (1,350) | 1,200 | 0 | (1,200) | 4,800 | 0 | (4,800) |
| Council Committee & LA Expenses | 0 | 1,267 | 1,267 | 0 | 3,181 | 3,181 | 0 | 7,830 | 7,830 |
| Interest Expenses | 0 | 0 | 0 | 9,086 | 56,153 | 47,067 | 9,086 | 56,153 | 47,067 |
| Repair and Maintenance | 66,079 | 36,697 | (29,383) | 277,902 | 176,390 | (101,512) | 414,738 | 250,534 | (164,204) |
| Materials and Contracts | 124,055 | 57,106 | (66,949) | 41,390 | 363,987 | 322,597 | 225,580 | 641,239 | 415,659 |
| Internal Charges | 36,450 | -5,376 | (41,826) | (83,971) | -216,655 | (132,684) | 0 | 0 | 0 |
| TOTAL OPERATING EXPENDITURE | 441,311 | 408,018 | (33,292) | 1,479,160 | 1,761,854 | 282,694 | 2,879,311 | 3,506,106 | 626,795 |
| OPERATING SURPLUS / DEFICIT | (7,573) | 61,270 | (68,843) | 3,461,104 | 1,068,461 | 2,392,643 | 3,112,218 | 391,592 | 2,720,626 |
| Depreciation, Amortisation and Impairment | 0 | 0 | 0 | 627,704 | 361,145 | (266,559) | 627,704 | 338,551 | 0 |
| SURPLUS / (DEFICIT) INCLUDING DEPRECIATION | (7,573) | 61,270 | (68,843) | 2,833,400 | 707,316 | 2,392,643 | 2,484,514 | 53,041 | 2,720,626 |

WDRC Financial Management Report September 2023

Highest 10 Contractor & Other Payments made during September

| Supplier | Territory | Interstate |
|--------------------------------|------------------|---------------|
| M & J Builders | 1,074,341.79 | |
| Sizler Pty Ltd | 826,056 | |
| Inland Electrical Pty Ltd | 134,514 | |
| Heath Motor Group | 128,333 | |
| Austfuel | 118,547 | |
| TOA Construction | 98,614 | |
| Countrywide Building Pty Ltd | 91,371 | |
| Quicksuper | 71,587 | |
| Jardine Lloyd Thompson Pty Ltd | 69,322 | |
| Quicksuper | | 62,753 |
| Total | 2,612,686 | 62,753 |

Monthly Balance Sheet Report

| BALANCE SHEET | YTD Actuals \$ | Note Reference |
|---------------------------------|-------------------|-------------------|
| ASSETS | | |
| Cash at Bank | 9,645,062 | |
| Tied Funds | 9,279,693 | (5) |
| Un tied Funds | 365,369 | |
| Accounts Receivable | 2,949,983 | |
| Trade Debtors | 460,921 | |
| Rates & Charges Debtors | 2,489,062 | |
| Other Current Assets | 134,047 | |
| TOTAL CURRENT ASSETS | 12,729,092 | |
| Right-of-Use Assets | 5,238,406 | |
| Property, Plant and Equipment | 52,623,019 | |
| Other Non-current Assets | 0 | |
| TOTAL NON-CURRENT ASSETS | 57,861,424 | (6) |
| TOTAL ASSETS | 70,590,517 | |

| BALANCE SHEET | YTD Actuals \$ | Note Reference |
|--|-------------------|-------------------|
| LIABILITIES | | |
| Accounts Payable | 202,479 | |
| ATO & Payroll Liabilities | 17,825 | |
| Current Provisions AL and LSL | 467,702 | |
| Accruals | 0 | |
| Other Current Liabilities | 9,288,711 | |
| TOTAL CURRENT LIABILITIES | 9,976,718 | |
| Non-Current Provisions | 27,268 | |
| Other Non-Current Liabilities | 5,693,163 | |
| TOTAL NON-CURRENT LIABILITIES | 5,720,431 | |
| TOTAL LIABILITIES | 15,697,149 | |
| EQUITY | | |
| Asset Revaluation Reserve | 45,183,132 | |
| Accumulated Surplus | 6,062,961 | |
| YTD Result + Interim PY Result Carried Forward | 3,647,280 | |
| Adjusting balance | (5) | (7) |
| TOTAL EQUITY | 54,893,368 | |

Monthly Balance Sheet Report (continued)
 Details of Cash and Investments Held

| Cash and Investments Held | Sep-23 |
|----------------------------------|------------------|
| 11110 - Bank Operational | 547,977 |
| 11130 - Bank High Inter | 596,660 |
| 11210 - Petty Cash | 426 |
| 12110 - Term Deposits | 8,500,000 |
| TOTAL CASH | 9,645,062 |
| Cash and Investments Held | Sep-23 |
| Tied Funds | 9,279,693 |
| Untied Funds | 18,924,755 |
| Cash at Bank | 9,645,062 |

| Product | Actual Balance | Available Balance | Interest Rate | Maturity |
|------------------------|--------------------|-------------------|---------------|------------|
| Fixed Term Deposit CBA | \$500,000 | \$0 | 4.93% | 25/10/2023 |
| Fixed Term Deposit CBA | \$500,000 | \$0 | 5.01% | 24/11/2023 |
| Fixed Term Deposit CBA | \$1,000,000 | \$0 | 5.10% | 27/12/2023 |
| Fixed Term Deposit CBA | \$500,000 | \$0 | 5.17% | 3/01/2024 |
| Fixed Term Deposit CBA | \$500,000 | \$0 | 5.22% | 30/01/2024 |
| Fixed Term Deposit CBA | \$1,000,000 | \$0 | 5.26% | 29/02/2024 |
| Fixed Term Deposit CBA | \$750,000 | \$0 | 4.88% | 11/10/2023 |
| Fixed Term Deposit CBA | \$750,000 | \$0 | 4.96% | 10/11/2023 |
| Fixed Term Deposit CBA | \$1,000,000 | \$0 | 5.19% | 15/03/2024 |
| Fixed Term Deposit CBA | \$1,000,000 | \$0 | 5.21% | 2/04/2024 |
| Fixed Term Deposit CBA | \$500,000 | \$0 | 5.04% | 16/04/2024 |
| Fixed Term Deposit CBA | \$500,000 | \$0 | 5.00% | 30/04/2024 |
| Total | \$8,500,000 | | | |

Monthly Balance Sheet Report - Current Ratio

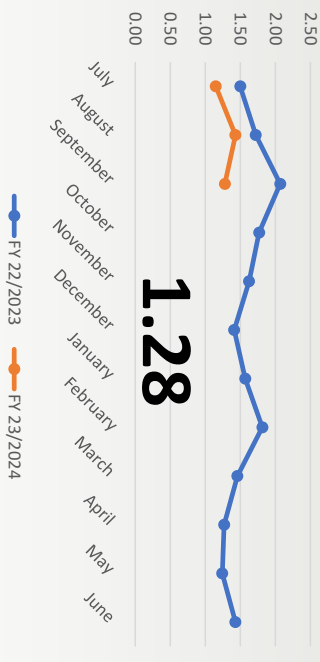
“How many dollars do we have for every dollar we owe?”

| Current Assets | | Current Liabilities | |
|-------------------------|------------|--------------------------------|-----------|
| Cash in Bank | 9,645,062 | Accounts Payable | 202,479 |
| Trade and Rates Debtors | 2,949,983 | Other Current Liabilities | 485,527 |
| Other Current Assets | 134,047 | Unspent Grants (Agency & Core) | 9,288,711 |
| | 12,729,092 | | 9,976,717 |

Current Ratio for FY2023/24

| PERIOD | July | August | September | October | November | December | January | February | March | April | May | June |
|------------|------|--------|-----------|---------|----------|----------|---------|----------|-------|-------|------|------|
| FY 22/2023 | 1.50 | 1.72 | 2.07 | 1.77 | 1.63 | 1.41 | 1.57 | 1.82 | 1.46 | 1.27 | 1.24 | 1.43 |
| FY 23/2024 | 1.15 | 1.43 | 1.28 | | | | | | | | | |

1.28



Monthly Balance Sheet Report (Continued)
Statement on Debts Owed to Council (Accounts Receivable)

| Trade Debtors Ageing Analysis | |
|--------------------------------------|----------------|
| Current | 30,852 |
| Over 30 days | 39,047 |
| Over 60 days | 3,217 |
| Over 90 days | 118,019 |
| Total | 191,136 |

Monthly Balance Sheet Report (continued)
 Statement on Debts Owed by Council (Accounts Payable)

| Trade Creditors Ageing Analysis | |
|--|----------------|
| Current | 127,086 |
| Over 30 days | 30,907 |
| Over 60 days | 26,455 |
| Over 90 days | 18,031 |
| Total | 202,480 |

Member and CEO Council Credit Card Transactions

Where a council credit card has been issued to an Elected Member and/or the CEO, a list per cardholder of all credit card transactions in the month is to be published including the name of the supplier, the amount for each transaction and the reason for the transaction.

| | | | |
|----------------------------------|---------------|------------------------|------------------------------------|
| Cardholder Name M Eastham | | | |
| Transaction Date | Amount | Supplier's Name | Reasons for the Transaction |
| 19/09/2023 | \$18 | ARLO | ARLO 408-638-3750IRL |
| 7/09/2023 | \$16 | NEWS LIMITED | NEWS LIMITED SURRY HILLS |
| TOTAL | \$34 | | |