

Shire of Jerramungup

Budget Review 2018 - 2019

Using figures to 31 January 2019

TABLE OF CONTENTS

Statement of Financial Activity

Note 1 Significant Accounting Policies

Note 2 Predicted Variances

Note 3 Budget Amendments

Note 4 Detailed Capital Works and Asset Acquisitions Summary

Note 5 Capital Disposals

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

Shire of Jerramungup
STATEMENT OF BUDGET REVIEW
(Nature or Type)
Using figures to 31 January 2019

Note	Budget v Actual		Predicted		
	Annual Budget \$ (a)	YTD Actual \$ (b)	Variance Permanent (c)	e Timing (Carryover)	Projected Year End \$ (a)+(c)+(d)
Operating Revenues	\$	\$	\$	\$	\$
Rate Revenue	3,280,348	3,333,234	52,886		3,333,234
Grants, Subsidies and Contributions	1,078,873	658,163	82,777		1,161,650
Profit on Asset Disposal	65,027	0	0		65,027
Fees and Charges	801,051	672,381	(22,522)		778,529
Service Charges	0	0	0		0
Interest Earnings	76,400	47,575	(11,647)		64,753
Other Revenue	78,029	17,124	(62,857)		15,172
	5,379,728	4,728,477	38,637	0	5,418,365
Operating Expense					
Employee Costs	(1,947,406)	(992,872)	941		(1,946,465)
Materials and Contracts	(1,981,151)	(852,144)	(68,421)		(2,049,572)
Utilities Charges	(187,058)	(103,457)	(10,274)		(197,332)
Depreciation (Non-Current Assets)	(1,796,522)	(540,225)	(104,814)		(1,901,336)
Interest Expenses	(44,786)	(10,680)	0		(44,786)
Insurance Expenses	(224,770)	(174,123)	(5,333)		(230,103)
Loss on Asset Disposal	(175,948)	(123,555)	510		(175,438)
Other Expenditure	(240,425)	(123,823)	(3,447)		(243,872)
	(6,598,066)	(2,920,878)	(190,839)	0	(6,788,904)
Funding Balance Adjustment					
Add Back Depreciation	1,796,522	540,225	104,814		1,901,336
Adjust (Profit)/Loss on Asset Disposal	110,921	123,555	(510)		110,411
Adjust Provisions and Accruals					0
Net Operating	689,105	2,471,379	(47,897)	0	641,208
Capital Revenues					
Grants, Subsidies and Contributions	2,824,604	772,653	279,338		3,103,942
Proceeds from Disposal of Assets	607,000	206,091	(911)		606,089
Proceeds from New Debentures	500,000	0	0		500,000
Proceeds from Sale of Investments	0	0	0		0
Proceeds from Advances	0	0	0		0
Self-Supporting Loan Principal	0	0	0		0
Transfer from Reserves	903,830	0	25,000		928,830
	4,835,434	978,744	303,427	0	5,138,861
Capital Expenses					
Land and Buildings	(2,744,750)	(31,528)	(317,569)		(3,062,319)
Plant and Equipment	(495,225)	(491,495)	3,730		(491,495)
Furniture and Equipment	(87,117)	(79,769)	400		(86,717)
Infrastructure Assets - Roads	(2,334,720)	(1,063,882)	48,955		(2,285,765)
Infrastructure Assets - Other	(511,259)	(496,345)	14,914		(496,345)
Purchase of Investments	0	0	0		0
Repayment of Debentures	(224,406)	(100,390)	0		(224,406)
Advances to Community Groups	0	0	0		0
Transfer to Reserves	(612,214)	(203,713)	0		(612,214)
	(7,009,691)	(2,467,121)	(249,569)	0	(7,259,261)
Net Capital	(2,174,257)	(1,488,377)	53,858	0	(2,120,399)
Net Operating + Capital	(1,485,152)	983,002	5,961	0	(1,479,191)
Opening Funding Surplus(Deficit)	1,485,152	1,485,320	168		1,485,320
Add Back Opening Balance items			0		0
Closing Funding Surplus(Deficit)	2 (0)	2,468,322	6,129	0	6,129

Shire of Jerramungup
STATEMENT OF BUDGET REVIEW
(Statutory Reporting Program)
Using figures to 31 January 2019

Note	Budget v Actual		Predicted		Year End \$ (a)+(c)+(d)
	Annual Budget \$ (a)	YTD Actual \$ (b)	Variance Permanent (c)	Timing (Carryover) (d)	
Operating Revenues					
Governance	\$ 0	\$ 1,193	\$ 1,193	\$	\$ 1,193
General Purpose Funding	4,000,992	3,710,222	41,447		4,042,439
Law, Order and Public Safety	236,321	140,791	311,795		548,116
Health	7,363	9,598	5,731		13,094
Education and Welfare	1,088	621	33		1,121
Housing	129,233	50,806	(30,140)		99,093
Community Amenities	578,085	489,208	(56,200)	0	521,885
Recreation and Culture	222,293	212,593	39,280		261,573
Transport	1,292,472	766,565	55,055		1,347,527
Economic Services	61,895	33,516	(2,836)		59,059
Other Property and Services	1,674,590	86,017	(47,383)		1,627,207
	8,204,332	5,501,131	317,976	0	8,522,308
Operating Expense					
Governance	(393,160)	(185,725)	(11,349)		(404,509)
General Purpose Funding	(125,603)	(63,721)	1,575		(124,028)
Law, Order and Public Safety	(617,322)	(306,040)	2,999		(614,323)
Health	(269,267)	(176,897)	(18,148)		(287,415)
Education and Welfare	(84,569)	(48,275)	(3,593)		(88,162)
Housing	(224,912)	(10,859)	25,622		(199,290)
Community Amenities	(1,384,383)	(651,124)	(119,311)	0	(1,503,694)
Recreation and Culture	(778,096)	(650,060)	(282,859)		(1,060,955)
Transport	(2,491,922)	(519,216)	127,234		(2,364,688)
Economic Services	(90,208)	(134,313)	(47,576)		(137,784)
Other Property and Services	(138,624)	(174,649)	134,568		(4,056)
	(6,598,066)	(2,920,879)	(190,838)	0	(6,788,905)
Funding Balance Adjustment					
Add Back Depreciation	1,796,522	540,225	104,814		1,901,336
Adjust (Profit)/Loss on Asset Disposal	110,921	123,555	(510)		110,411
Adjust Provisions and Accruals					0
Net Operating	3,513,709	3,244,032	231,442	0	3,745,150
Capital Revenues					
Proceeds from Disposal of Assets	607,000	206,091	(911)	0	606,089
Proceeds from New Debentures	500,000	0	0		500,000
Proceeds from Sale of Investments	0	0	0		0
Proceeds from Advances	0	0	0		0
Self-Supporting Loan Principal	0	0	0		0
Transfer from Reserves	903,830	0	25,000	0	928,830
	2,010,830	206,091	24,089	0	2,034,919
Capital Expenses					
Land Held for Resale	0	0	0		0
Land and Buildings	(2,744,750)	(31,528)	(317,569)	0	(3,062,319)
Plant and Equipment	(495,225)	(491,495)	3,730	0	(491,495)
Furniture and Equipment	(87,117)	(79,769)	400		(86,717)
Infrastructure Assets - Roads	(2,334,720)	(1,063,882)	48,955	0	(2,285,765)
Infrastructure Assets - Other	(511,259)	(496,345)	14,914	0	(496,345)
Purchase of Investments	0	0	0		0
Repayment of Debentures	(224,406)	(100,390)	0		(224,406)
Advances to Community Groups	0	0	0		0
Transfer to Reserves	(612,214)	(203,713)	0		(612,214)
	(7,009,691)	(2,467,121)	(249,569)	0	(7,259,261)
Net Capital	(4,998,861)	(2,261,030)	(225,480)	0	(5,224,342)
Net Operating + Capital	(1,485,153)	983,001	5,961	0	(1,479,191)
Opening Funding Surplus(Deficit)	1,485,152	1,485,320	168		1,485,320
Add Back Opening Balance items			0		
Closing Funding Surplus(Deficit)	(1)	2,468,321	6,129	0	6,129

Shire of Jerramungup
NOTES TO THE BUDGET REVIEW REPORT
Using figures to 31 January 2019

1. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of this statement of financial activity are:

(a) Basis of Accounting

This statement is a special purpose financial report, prepared in accordance with applicable Australian Accounting Standards, other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended).

(b) 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.

(c) Rounding Off Figures

All figures shown in this statement, other than a rate in the dollar, are rounded to the nearest dollar.

(d) Rates, Grants, Donations and Other Contributions

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.

(e) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables are stated inclusive of applicable GST.

(f) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities.

(g) Trade and Other Receivables

Trade receivables, which generally have 30 - 90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for uncollectible amounts.

Collectability of trade 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.

Shire of Jerramungup
NOTES TO THE BUDGET REVIEW REPORT
Using figures to 31 January 2019

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Inventories

General

Inventories are valued 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 of necessary to make the sale.

Inventories held from trading are classified as current even if not expected to be raised in the next 12 months.

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of the cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale.

Land held for resale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

(i) Fixed Assets

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 Municipality 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.

(j) Depreciation of Non-Current Assets

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Land	Not Depreciated
Buildings	2.00%
Furniture and Internal	15.00%
-Computers	33.30%
Light Vehicles - replacement due	
- Every Year	5.00%
- Every Two Years	10.00%
- More Than Two Years	15.00%
Light Plant and External	15.00%
Heavy Plant and External	10.00%
Sealed Roads and Streets:	
- Clearing and Earthwork	0.00%
- Pavement	2.00%
- Kerb	5.00%
- Seal	3.33%
Unsealed Roads and Streets	
- Clearing and Earthwork	0.00%
- Pavement	3.33%
Footpaths	2.00%
Drainage, Sewerage and Stormwater	2.00%
Other Infrastructure	2.00%

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Shire of Jerramungup
NOTES TO THE BUDGET REVIEW REPORT
Using figures to 31 January 2019

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Impairment

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 "Impairment of Assets" and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Income Statement.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

At the time of preparing this report, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2010.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on the Monthly Statement of Financial Position from a budgetary perspective.

(l) Trade and Other Payables

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Municipality prior to the end of the financial year that are unpaid and arise when the Municipality becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition

(m) 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 municipality 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 Council 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 Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

Shire of Jerramungup
NOTES TO THE BUDGET REVIEW REPORT
Using figures to 31 January 2019

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Interest-bearing Loans and Borrowings

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.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

(o) 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.

(p) 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.

Shire of Jerramungup
NOTES TO THE BUDGET REVIEW REPORT
Using figures to 31 January 2019

(q) Nature or Type Classifications

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, service charges and sewerage rates.

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.

Service Charges

Council does not have any service charges.

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.

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.

Shire of Jerramungup
NOTES TO THE BUDGET REVIEW REPORT
Using figures to 31 January 2019

(q) Nature or Type Classifications (Continued)

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 levies including WA Fire Brigade Levy and State taxes. Donations and subsidies made to community groups.

(r) Statement of Objectives

In order to discharge its responsibilities to the community, the Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis and for each of its broad activities/programs.

Council operations as disclosed in this statement encompass the following service orientated activities/programs:

GOVERNANCE

Details expenses related to Councils seven councillors, who normally meet the third Wednesday of each month, make policy decisions, review Councils operations, plan for current and future service provision requirements and undertake necessary appropriate training and attend conferences.

GENERAL PURPOSE FUNDING

Rates - the amount raised is determined by Councils budget "shortfall" that is known income and desired expenditure.

General purpose grants - are the grant amounts paid to the shire from Federal Government funding as determined by and via the Western Australian Local Government Grants Commission.

Interest - interest earned on monies invested or deposited by Council.

LAW, ORDER, PUBLIC SAFETY

Supervision of by-laws, fire prevention and animal control.
Requirements that Council carries out by statute.

HEALTH

Food quality control, immunisation, contributions to medical, health and operation of the child health clinic.

Shire of Jerramungup
NOTES TO THE BUDGET REVIEW REPORT
Using figures to 31 January 2019

(r) STATEMENT OF OBJECTIVE (Continued)

EDUCATION AND WELFARE

Assists in the provision of the Home and Community Care services, Seniors and Pensioner requirements.

HOUSING

Provides and maintains housing rented to staff and non-staff. Council is a major landlord, providing accommodation for aged, pensioner, single, married and Government Employees.

COMMUNITY AMENITIES

Operation and control of cemeteries, public conveniences and sanitation service. Provides public amenities. Owns and operates the town site deep sewerage service. Controls and maintains one rubbish disposal site.

RECREATION AND CULTURE

Maintenance of hall, the aquatic centre, library and various reserves.

TRANSPORT

Construction and maintenance of roads, footpaths, drainage works and cleaning of streets. Provision of infrastructure necessary to ensure adequate transport, communication, freight, social access routes and environmental enhancement within the shire.

ECONOMIC SERVICES

Tourism, pest control, building controls and natural resource management. Tourism facilities, information and directional signs. Weed and pest control services. Necessary building control services.

OTHER PROPERTY & SERVICES

Private works carried out by council and indirect cost allocation pools. Public Works Overheads, plant operation and administrative costs are allocated to the various functions, works and services provided by Council.

Shire of Jerramungup
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
Using figures to 31 January 2019

Note 2: PREDICTED VARIANCES

Comments/Reason for Variance	Variance \$	
	Permanent	Timing
2.1 OPERATING REVENUE (EXCLUDING RATES)		
2.1.2 FEES AND CHARGES		
Reduction in fees & charges due to Shire staff properties not being rented as predicted for the full year (20 Coral Sea Road & Unit A Collins Street)	(22,522)	0
2.1.3 GRANTS, SUBSIDIES AND CONTRIBUTIONS		
Increase due to Main Roads Direct Grant \$54k higher than budgeted, slight increase to expected FAGS funding and DFES contribution factored into budget review for shire employee wages from the Bremer Bay Bushfire.	82,777	0
2.1.7 INTEREST EARNINGS		
Penalty interest on rates reduced expected amount is lower than expected. Lower interest rate on term deposits than expected.	(11,647)	0
2.1.8 OTHER REVENUE		
Ex gratia rates for CBH total tonnage has been treated as "rate revenue" rather than "other revenue".	(62,857)	0
Predicted Variances Carried Forward	(14,250)	0

Shire of Jerramungup
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
Using figures to 31 January 2019

Note 2: PREDICTED VARIANCES

Comments/Reason for Variance	Variance \$	
	Permanent	Timing
Predicted Variances Brought Forward	(14,250)	0
2.2 OPERATING EXPENSES		
2.2.1 EMPLOYEE COSTS		
Budget was factored in at 100% labour overhead rate however had to increase to 120% to recover costs.	941	0
2.2.2 MATERIAL AND CONTRACTS		
Slight increase to contractor services	(68,421)	0
Predicted Variances Carried Forward	(81,729)	0
Predicted Variances Brought Forward	(81,729)	0
2.2.3 UTILITY CHARGES		
Increase to doctors telephone budget and overall increase of electricity charges due to current YTD totals	(10,274)	0
2.2.4 DEPRECIATION (NON CURRENT ASSETS)		
Increase in projected depreciation costs due to increase in asset valuations and adjustments to depreciation rates. Non cash item which will not affect net position.	(104,814)	0
Predicted Variances Carried Forward	(205,088)	0

Shire of Jerramungup
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
Using figures to 31 January 2019

Note 2: PREDICTED VARIANCES

Comments/Reason for Variance	Variance \$	
	Permanent	Timing
Predicted Variances Brought Forward	(205,088)	0
2.3 CAPITAL REVENUE		
2.3.1 GRANTS, SUBSIDIES AND CONTRIBUTIONS		
DFES Capital Grant factored into the budget review for the Jacup Volunteer Bushfire Shed.	279,338	0
2.3.7 TRANSFER FROM RESERVES (RESTRICTED ASSETS)		
\$25,000 will be transferred from the Fisheries Boat Ramp Reserve due to the expenditure incurred with the urgent maintenance repairs on the boat ramp prior to Christmas 2018. DOT contributed \$37,992 ex GST towards the urgent repairs. Total cost of the repairs was \$66,031.	25,000	0
Predicted Variances Carried Forward	98,339	0

Shire of Jerramungup
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
Using figures to 31 January 2019

Note 2: PREDICTED VARIANCES

Comments/Reason for Variance	Variance \$	
	Permanent	Timing
Predicted Variances Brought Forward	98,339	0
2.4 CAPITAL EXPENSES		
2.4.2 LAND AND BUILDINGS		
Variance due to the construction of the Jacup Bushfire Shed	(317,569)	0
2.4.4 FURNITURE AND EQUIPMENT		
Swimming Pontoon was budgeted to go to Furniture and Equipment, budget review has reallocated it to "Infrastructure Assets - Other".	400	0
2.4.5 INFRASTRUCTURE ASSETS - ROADS		
Reduction in road construction program to cover increase to Meechi Road project and power connection not factored into the budget for the Jacup Fire Shed.	48,955	0
2.4.6 INFRASTRUCTURE ASSETS - OTHER		
\$22k for swimming Pontoon allocated to "Other" through budget review process. Civic Square construction completed under budget.	14,914	0
Predicted Variances Carried Forward	(151,230)	0

Shire of Jerramungup
NOTES TO THE REVIEW OF THE ANNUAL BUDGET
Using figures to 31 January 2019

Note 2: PREDICTED VARIANCES

Comments/Reason for Variance	Variance \$	
	Permanent	Timing
Predicted Variances Brought Forward	(151,230)	0
2.5 OTHER ITEMS		
2.5.1 RATE REVENUE		
Ex gratia rates for CBH total tonnage was factored into the budget as "other revenue".	52,886	0
2.5.3 NON-CASH WRITE BACK OF PROFIT (LOSS), DEPRECIATION		
As discussed above depreciation rates higher due to fair value adjustments.	104,304	0
	0	0
Total Predicted Variances as per Annual Budget Review	6,129	0

Shire of Jerramungup
NOTES TO THE BUDGET REVIEW REPORT
Using figures to 31 January 2019

Note 3: Amendments to original budget since budget adoption. Surplus/(Deficit)

GL Account Code	Description	Council Resolution	Classification	No Change (Non Cash Items) Adjust.	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
	Budget Adoption		Opening Surplus(Deficit)				(0)
	Amended Budget Cash Position as per Council Resolution			0	0	0	(0)

Shire of Jerramungup
NOTES TO THE BUDGET REVIEW REPORT
Using figures to 31 January 2019

Note 4: Detailed Capital Works and Asset Acquisitions Summary

Classification	Description	Data	Total
Buildings	4 Derrick Street Improvements	Sum of YTD Actual	\$11,143
		Sum of Current Budget	\$0
		Sum of Adjusted Forecast	\$11,143
		Sum of Variance	\$11,143
	Paperbarks Ablutions	Sum of YTD Actual	\$0
		Sum of Current Budget	\$144,000
		Sum of Adjusted Forecast	\$144,000
		Sum of Variance	\$0
	Jerramungup Day Care Centre	Sum of YTD Actual	\$16,750
		Sum of Current Budget	\$16,750
		Sum of Adjusted Forecast	\$16,750
		Sum of Variance	\$0
	Seniors And Key Worker Housing	Sum of YTD Actual	\$3,635
		Sum of Current Budget	\$2,584,000
		Sum of Adjusted Forecast	\$2,584,000
		Sum of Variance	\$0
	Fire Shed - Lot 301 Jacup	Sum of YTD Actual	\$0
		Sum of Current Budget	\$0
		Sum of Adjusted Forecast	\$306,426
		Sum of Variance	\$306,426
Buildings Sum of YTD Actual			\$31,528
Buildings Sum of Current Budget			\$2,744,750
Buildings Sum of Adjusted Forecast			\$3,062,319
Buildings Sum of Variance			\$317,569

Shire of Jerramungup
NOTES TO THE BUDGET REVIEW REPORT
Using figures to 31 January 2019

Note 4: Detailed Capital Works and Asset Acquisitions Summary

Classification	Description	Data	Total
Plant	Ceo Vehicle - 2018	Sum of YTD Actual	\$58,956
		Sum of Current Budget	\$55,095
		Sum of Adjusted Forecast	\$58,956
		Sum of Variance	\$3,861
	Dceo Vecicle - 2018	Sum of YTD Actual	\$56,157
		Sum of Current Budget	\$54,067
		Sum of Adjusted Forecast	\$56,157
		Sum of Variance	\$2,090
	Ranger Utility - 2018	Sum of YTD Actual	\$32,356
		Sum of Current Budget	\$30,803
		Sum of Adjusted Forecast	\$32,356
		Sum of Variance	\$1,553
	Loader - 2018	Sum of YTD Actual	\$151,760
		Sum of Current Budget	\$165,000
		Sum of Adjusted Forecast	\$151,760
		Sum of Variance	-\$13,240
	Roller -2018	Sum of YTD Actual	\$132,000
		Sum of Current Budget	\$131,250
		Sum of Adjusted Forecast	\$132,000
		Sum of Variance	\$750
	Cab Chassis Truck - 2018	Sum of YTD Actual	\$57,865
		Sum of Current Budget	\$59,010
		Sum of Adjusted Forecast	\$57,865
		Sum of Variance	-\$1,145
	Trailer- Ride On Mower	Sum of YTD Actual	\$2,400
		Sum of Current Budget	\$0
		Sum of Adjusted Forecast	\$2,400
		Sum of Variance	\$2,400
Plant Sum of YTD Actual			\$491,495
Plant Sum of Current Budget			\$495,225
Plant Sum of Adjusted Forecast			\$491,495
Plant Sum of Variance			-\$3,730

Shire of Jerramungup
NOTES TO THE BUDGET REVIEW REPORT
Using figures to 31 January 2019

Note 4: Detailed Capital Works and Asset Acquisitions Summary

Classification	Description	Data	Total
Roads	Devils Creek Road	Sum of YTD Actual	\$20,687
		Sum of Current Budget	\$180,000
		Sum of Adjusted Forecast	\$180,041
		Sum of Variance	\$41
	Rabbit Proof Fence Road	Sum of YTD Actual	\$74,229
		Sum of Current Budget	\$140,478
		Sum of Adjusted Forecast	\$82,229
		Sum of Variance	-\$58,249
	Jerramungup North Road	Sum of YTD Actual	\$112,733
		Sum of Current Budget	\$135,321
		Sum of Adjusted Forecast	\$131,334
		Sum of Variance	-\$3,987
	Brook Road	Sum of YTD Actual	\$93,740
		Sum of Current Budget	\$126,478
		Sum of Adjusted Forecast	\$101,740
		Sum of Variance	-\$24,738
	Lake Magenta Road - Regional Road Group	Sum of YTD Actual	\$172,561
		Sum of Current Budget	\$232,881
		Sum of Adjusted Forecast	\$233,499
Sum of Variance		\$618	
Meechi Road - R2R	Sum of YTD Actual	\$63,733	
	Sum of Current Budget	\$166,738	
	Sum of Adjusted Forecast	\$337,838	
	Sum of Variance	\$171,100	
Borden Boxwood Road - Mrwa	Sum of YTD Actual	\$24,068	
	Sum of Current Budget	\$90,000	
	Sum of Adjusted Forecast	\$90,000	
	Sum of Variance	\$0	
Jacup North Road - R2R	Sum of YTD Actual	\$92,331	
	Sum of Current Budget	\$234,461	
	Sum of Adjusted Forecast	\$201,961	
	Sum of Variance	-\$32,500	
Needilup North	Sum of YTD Actual	\$40,583	
	Sum of Current Budget	\$180,000	
	Sum of Adjusted Forecast	\$180,000	
	Sum of Variance	\$0	
Bremer Bay Townsite Reseals - Bennett, Street, Barbara	Sum of YTD Actual	\$15,235	
	Sum of Current Budget	\$60,000	
	Sum of Adjusted Forecast	\$68,418	
	Sum of Variance	\$8,418	
Stock Road	Sum of YTD Actual	\$77,844	
	Sum of Current Budget	\$87,830	
	Sum of Adjusted Forecast	\$77,844	
	Sum of Variance	-\$9,986	
Gairdner South Road - Regional Road Group	Sum of YTD Actual	\$242,215	
	Sum of Current Budget	\$225,000	
	Sum of Adjusted Forecast	\$242,215	
	Sum of Variance	\$17,215	
Black Rocks Road	Sum of YTD Actual	\$10,257	
	Sum of Current Budget	\$67,230	
	Sum of Adjusted Forecast	\$67,230	
	Sum of Variance	\$0	
Site Works - Staff Housing & Seniors Living	Sum of YTD Actual	\$0	
	Sum of Current Budget	\$63,750	

Shire of Jerramungup
NOTES TO THE BUDGET REVIEW REPORT
Using figures to 31 January 2019

Note 4: Detailed Capital Works and Asset Acquisitions Summary

Classification	Description	Data	Total
Roads	Site Works - Staff Housing & Seniors Living	Sum of Adjusted Forecast	\$63,750
		Sum of Variance	\$0
	Upgrade 4Wd Access	Sum of YTD Actual	\$0
		Sum of Current Budget	\$8,000
		Sum of Adjusted Forecast	\$8,000
		Sum of Variance	\$0
	Cowalellup Road	Sum of YTD Actual	\$46
		Sum of Current Budget	\$126,020
		Sum of Adjusted Forecast	\$126,020
		Sum of Variance	\$0
	Dillon Bay Road	Sum of YTD Actual	\$91
		Sum of Current Budget	\$119,499
		Sum of Adjusted Forecast	\$0
		Sum of Variance	-\$119,499
	Townsite Footpaths - Bremer Bay	Sum of YTD Actual	\$621
		Sum of Current Budget	\$28,034
		Sum of Adjusted Forecast	\$28,034
		Sum of Variance	\$0
Bremer Town Centre Footpaths Around Lot 1 Seadragon	Sum of YTD Actual	\$0	
	Sum of Current Budget	\$15,000	
	Sum of Adjusted Forecast	\$15,000	
	Sum of Variance	\$0	
New Path In Town Centre (Connecting The New Park To	Sum of YTD Actual	\$17,362	
	Sum of Current Budget	\$18,000	
	Sum of Adjusted Forecast	\$17,362	
	Sum of Variance	-\$638	
Townsite Reseals - Jerramungup - R2R	Sum of YTD Actual	\$5,544	
	Sum of Current Budget	\$30,000	
	Sum of Adjusted Forecast	\$33,251	
	Sum of Variance	\$3,251	
Roads Sum of YTD Actual			\$1,063,882
Roads Sum of Current Budget			\$2,334,720
Roads Sum of Adjusted Forecast			\$2,285,765
Roads Sum of Variance			-\$48,955

Shire of Jerramungup
NOTES TO THE BUDGET REVIEW REPORT
Using figures to 31 January 2019

Note 4: Detailed Capital Works and Asset Acquisitions Summary

Classification	Description	Data	Total
Furniture	New Server Computer Network	Sum of YTD Actual	\$9,544
		Sum of Current Budget	\$8,000
		Sum of Adjusted Forecast	\$9,544
		Sum of Variance	\$1,544
	Library Computer	Sum of YTD Actual	\$0
		Sum of Current Budget	\$2,340
		Sum of Adjusted Forecast	\$2,340
		Sum of Variance	\$0
	Pa System	Sum of YTD Actual	\$4,343
		Sum of Current Budget	\$4,777
		Sum of Adjusted Forecast	\$4,343
		Sum of Variance	-\$434
	Furniture And Equipment For Back Storeroom(4 Worksta	Sum of YTD Actual	\$39,572
		Sum of Current Budget	\$50,000
		Sum of Adjusted Forecast	\$44,180
		Sum of Variance	-\$5,820
Swimming Pontoon At John Cove	Sum of YTD Actual	\$26,310	
	Sum of Current Budget	\$22,000	
	Sum of Adjusted Forecast	\$26,310	
	Sum of Variance	\$4,310	
Furniture Sum of YTD Actual			\$79,769
Furniture Sum of Current Budget			\$87,117
Furniture Sum of Adjusted Forecast			\$86,717
Furniture Sum of Variance			-\$400
Other	Paperbarks Redevelopment	Sum of YTD Actual	\$131,848
		Sum of Current Budget	\$132,361
		Sum of Adjusted Forecast	\$131,848
		Sum of Variance	-\$513
	Bremer Bay Skate Park	Sum of YTD Actual	\$56,076
		Sum of Current Budget	\$55,082
		Sum of Adjusted Forecast	\$56,076
		Sum of Variance	\$994
	Bremer Bay Civic Square Construction	Sum of YTD Actual	\$308,421
		Sum of Current Budget	\$323,816
		Sum of Adjusted Forecast	\$308,421
		Sum of Variance	-\$15,395
Other Sum of YTD Actual			\$496,345
Other Sum of Current Budget			\$511,259
Other Sum of Adjusted Forecast			\$496,345
Other Sum of Variance			-\$14,914
Total Sum of YTD Actual			\$2,163,018
Total Sum of Current Budget			\$6,173,071
Total Sum of Adjusted Forecast			\$6,422,640
Total Sum of Variance			\$249,569

Shire of Jerramungup
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
Using figures to 31 January 2019

Note 5: CAPITAL DISPOSALS

Disposals	Profit(Loss) of Asset Disposal				
	Status	Net Book Value	Budget Proceeds	Actual / Forecast Proceeds	Actual / Forecast Profit (Loss)
		\$		\$	\$
JP0036 - Kluger (DCEO)	Sale Complete	34,160	28,000	25,454	(8,706)
JP0025 - Kluger (Doctor)	Sale Complete	39,500	28,000	25,454	(14,046)
JP00 - Prado (CEO)	Sale Complete	47,626	46,000	41,818	(5,808)
JP4816 - Tool Carrier Volvo Load	Sale Complete	82,568	30,000	35,000	(47,568)
Bomag BW24 Roller	Sale Complete	46,900	27,500	32,000	(14,900)
Vibromax VM116	Sale Complete	32,980	30,000	30,000	(2,980)
Isuzu Dual Cab Truck	Sale Complete	20,855	10,000	5,454	(15,401)
Ranger Utility	Sale Complete	25,055	7,500	10,909	(14,146)
Sale of 9 Monash Avenue	Forecast	171,882	120,000	120,000	(51,882)
Sale of 2 Coral Sea Road	Forecast	68,411	120,000	120,000	51,589
Sale of 8 Derrick Street	Forecast	146,562	160,000	160,000	13,438
Totals		0	716,499	607,089	(110,410)



Classification	Description	Data		
		Sum of Current Budget	Sum of Adjusted Forecast	Sum of Variance
Buildings	4 Derrick Street Improvements	\$ -	\$ 11,143	\$ 11,143
	Paperbarks Ablutions	\$ 144,000.00	\$ 144,000	\$ -
	Jerramungup Day Care Centre	\$ 16,750.00	\$ 16,750	\$ -
	Seniors And Key Worker Housing	\$ 2,584,000.00	\$ 2,584,000	\$ -
	Fire Shed - Lot 301 Jacup	\$ -	\$ 306,426	\$ 306,426
Buildings Total		\$ 2,744,750.00	\$ 3,062,319	\$ 317,569
Plant	Ceo Vehicle - 2018	\$ 55,095.00	\$ 58,956	\$ 3,861
	Dceo Vecicle - 2018	\$ 54,067.00	\$ 56,157	\$ 2,090
	Ranger Utility - 2018	\$ 30,803.00	\$ 32,356	\$ 1,553
	Loader - 2018	\$ 165,000.00	\$ 151,760	\$ 13,240
	Roller - 2018	\$ 131,250.00	\$ 132,000	\$ 750
	Cab Chassis Truck - 2018	\$ 59,010.00	\$ 57,865	\$ 1,145
	Trailer- Ride On Mower	\$ -	\$ 2,400	\$ 2,400
Plant Total		\$ 495,225.00	\$ 491,495	\$ 3,730
Roads	Devils Creek Road	\$ 180,000.00	\$ 180,041	\$ 41
	Rabbit Proof Fence Road	\$ 140,478.00	\$ 82,229	\$ 58,249
	Jerramungup North Road	\$ 135,321.00	\$ 131,334	\$ 3,987
	Brook Road	\$ 126,478.00	\$ 101,740	\$ 24,738
	Lake Magenta Road - Regional Road Group	\$ 232,881.00	\$ 233,499	\$ 618
	Meechi Road - R2R	\$ 166,738.00	\$ 337,838	\$ 171,100
	Borden Boxwood Road - Mrwa	\$ 90,000.00	\$ 90,000	\$ -
	Jacup North Road - R2R	\$ 234,461.00	\$ 201,961	\$ 32,500
	Needilup North	\$ 180,000.00	\$ 180,000	\$ -
	Jerramungup Townsite Reseals - Memorial (School To South Coast Highway), Collins Street	\$ -	\$ -	\$ -
	Bremer Bay Townsite Reseals - Bennett, Street, Barbara Street And Margaret Street	\$ 60,000.00	\$ 68,418	\$ 8,418
	Stock Road	\$ 87,830.00	\$ 77,844	\$ 9,986
	Gairdner South Road - Regional Road Group	\$ 225,000.00	\$ 242,215	\$ 17,215
	Black Rocks Road	\$ 67,230.00	\$ 67,230	\$ 0
	Site Works - Staff Housing & Seniors Living	\$ 63,750.00	\$ 63,750	\$ -
	Upgrade 4Wd Access	\$ 8,000.00	\$ 8,000	\$ -
	Cowalellup Road	\$ 126,020.00	\$ 126,020	\$ -
	Dillon Bay Road	\$ 119,499.00	\$ -	\$ 119,499
	Townsite Footpaths - Bremer Bay	\$ 28,034.00	\$ 28,034	\$ -
	Bremer Town Centre Footpaths Around Lot 1 Seadragon Avenue	\$ 15,000.00	\$ 15,000	\$ -
	New Path In Town Centre (Connecting The New Park To The North)	\$ 18,000.00	\$ 17,362	\$ 638
	Townsite Reseals - Jerramungup - R2R	\$ 30,000.00	\$ 33,251	\$ 3,251
Roads Total		\$ 2,334,720.00	\$ 2,285,765	\$ 48,955
Furniture	New Server Computer Network	\$ 8,000.00	\$ 9,544	\$ 1,544
	Library Computer	\$ 2,340.00	\$ 2,340	\$ -
	Pa System	\$ 4,777.00	\$ 4,343	\$ 434
	Furniture And Equipment For Back Storeroom(4 Workstations)	\$ 50,000.00	\$ 44,180	\$ 5,820
	Swimming Pontoon At John Cove	\$ 22,000.00	\$ 26,310	\$ 4,310
Furniture Total		\$ 87,117.00	\$ 86,717	\$ 400
Other	Paperbarks Redevelopment	\$ 132,361.00	\$ 131,848	\$ 513
	Bremer Bay Skate Park	\$ 55,082.00	\$ 56,076	\$ 994
	Bremer Bay Civic Square Construction	\$ 323,816.00	\$ 308,421	\$ 15,395
Other Total		\$ 511,259.00	\$ 496,345	\$ 14,914
Grand Total		\$ 6,173,071.00	\$ 6,422,640	\$ 249,569