

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 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 01-07-18	Amount Received	Amount Paid	Closing Balance 31 Jan 2019
	\$	\$	\$	\$
Number Plates	0	900	(900)	0
Hall Deposits	5,000	5,475	(5,435)	5,040
Miscellaneous Deposits	1,327	0	0	1,327
Housing Bonds	4,742	2,320	(320)	6,742
Standpipe Bonds	6,300	713	(51)	6,962
BCITF	0	153	(153)	0
Builders Registration Board	0	347	(347)	0
Key Bonds	75	0	0	75
NGT Swimming Pool Key Bond	160	70	0	230
	17,604	9,978	(7,206)	20,376

KEY INFORMATION

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

**NOTE 12
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 Actual materially.

The material variance adopted by Council for the 2018-19 year is \$10,000 or 10.00% whichever is the greater.

Reporting Program	Var. \$	Var. %	Var. Timing/ Permanent	Explanation of Variance
	\$	%		
Revenue from operating activities				
Governance	60,401	896.02%	▲ Timing	Reimbursements higher than expected, sale of asset to be transferred.
General Purpose Funding - Rates	1,178,168	67.96%	▲ Timing	Rates raised in advance
General Purpose Funding - Other	(93,343)	(10.71%)	▼ Timing	Grants Commission payments due February
Law, Order and Public Safety	(50,312)	(64.39%)	▼ Timing	Awaiting DFES operating grant
Community Amenities	153,881	89.09%	▲ Timing	Rates raised in advance
Recreation and Culture	444,600	67.95%	▲ Timing	Rates raised in advance
Transport	352,132	11.78%	▲ Timing	WANDRRA income in February
Economic Services	84,145	120.38%	▲ Timing	Sale of Gravel to WANDRRA (Budget Review)
Expenditure from operating activities				
Governance	56,569	24.01%	▲ Timing	Awaiting commencement of projects - eg Review of Integrated Plans etc
General Purpose Funding	21,509	20.02%	▲ Timing	Valuation costs lower than expected.
Law, Order and Public Safety	39,631	21.96%	▲ Timing	Costs lower than expected
Health	101,223	50.90%	▲ Timing	Contributions to medical yet to happen
Education and Welfare	28,658	64.66%	▲ Timing	Costs lower than expected
Housing	97,143	86.36%	▲ Timing	Costs lower than expected
Community Amenities	245,454	42.91%	▲ Timing	Sewerage maintenance costs lower than expected
Recreation and Culture	584,349	48.00%	▲ Timing	Projects yet to happen
Transport	1,093,636	21.00%	▲ Timing	Road maintenance program behind schedule
Economic Services	116,216	32.86%	▲ Timing	Costs lower than expected
Other Property and Services	68,955	133.50%	▲ Timing	PWO & POC costs to be reviewed
Investing Activities				
Non-operating Grants, Subsidies and Contributions	(722,901)	(73.21%)	▼ Timing	R2R Grant yet to be paid
Capital Acquisitions	738,228	30.57%	▲ Timing	Capital program behind schedule

KEY INFORMATION

MOORE STEPHENS

Ms Denise Gobbart
Chief Executive Officer
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LAKE GRACE WA 6353

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Dear Denise

COMPILATION REPORT TO THE SHIRE OF LAKE GRACE

We have compiled the accompanying Local Government special purpose financial statements of the Shire of Lake Grace, which comprise the Statement of Financial Activity (by Statutory Reporting Program), a summary of significant accounting policies and other explanatory notes for the period ending 31 January 2019. The financial statements have been compiled to meet compliance with the *Local Government Act 1995* and associated Regulations.

THE RESPONSIBILITY OF THE SHIRE OF LAKE GRACE

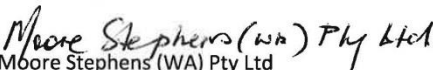
The Shire of Lake Grace are solely responsible for the information contained in the special purpose financial statements and are responsible for the maintenance of an appropriate accounting system in accordance with the relevant legislation.


OUR RESPONSIBILITY

On the basis of information provided by the Shire of Lake Grace we have compiled the accompanying special purpose financial statements in accordance with the requirements of the *Local Government Act 1995*, associated Regulations and APES 315 *Compilation of Financial Information*.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Shire of Lake Grace provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The Local Government special purpose financial statements were compiled exclusively for the benefit of the Shire of Lake Grace. We do not accept responsibility to any other person for the contents of the special purpose financial statements.


Moore Stephens (WA) Pty Ltd
Chartered Accountants


PAUL BREMAN
DIRECTOR

6 March 2019

Bank Statement**Summary:**

G/L Account (as at Month End)
1A0011010 Municipal Bank Account MUN

Opening Balance	4,609,918.47
Deposits	\$1,025,511.60
Payments	-701,108.21
Fees	-81,513.20
Adjustments	-127,341.96
Closing Balance	4,725,466.70

Municipal Account - Reconciliation to 28/02/2019**Fees:**

Dept of Transport	\$86,133.45
Bank Fees	\$629.24
Write back: Deposit 21/09/2016 (not outstanding)	\$250.00
LESS: Interest Received	- \$5,499.49
	<u>\$81,513.20</u>

Adjustments

Payroll	<u>\$127,341.96</u>
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Outstanding Deposits

Cash/Chq 28/02/2019	<u>\$2,334.00</u>
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Outstanding Payments

Chq 36574 - Synergy	<u>\$127.60</u>
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Page 6 of 6

Statement No 3
Statement Date 28/02/2019

Opening Balance	4,596,552.92
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Reconciled Items

Deposits	1,036,293.15
Payments	-700,980.61
Fees	-81,513.20
Adjustments	-127,341.96
Closing Balance	4,723,260.30

Unreconciled Items

Deposits	2,334.00
Payments	-127.60
Fees	0.00
Adjustments	0.00
Unreconciled Closing Balance	2,206.40
Total - To agree with GL	4,725,466.70

ENTERED

By Belinda Knight - Deputy CEO at 9:28 am, Mar 05, 2019

APPROVED

By Denise Gobbart - CEO at 9:42 am, Mar 05, 2019

Shire of Lake Grace



Reserve No	Reserve Account Name	Balance
11	Emergency Services Reserve Bank	\$26,784.58
12	Housing Reserve Bank	\$425,798.35
13	Swimming Pool (Lake Grace) Reserve Bank	\$55,477.99
14	Land Development Reserve Bank	\$121,185.83
15	Leave Reserve Bank	\$170,223.52
16	Plant Replacement Reserve Bank	\$935,215.90
17	Recreation Reserve Bank	\$750.17
18	Works & Services Reserve Bank	\$341,660.90
19	Newdegate Hall Reserve Bank	\$123,526.42
20	Lake Grace TV Reserve Bank	\$37,245.36
21	Newdegate TV Reserve Bank	\$4,557.30
23	Varley Sullage Reserve Bank	\$1,643.19
31	Lake Grace Sewerage Scheme Reserve Bank	\$996,391.32
35	Newdegate Sports Dam Reserve Bank	\$26,393.14
36	Newdegate Stadium Floor Reserve Bank	\$23,813.39
37	Community Water Supply Reserve Bank	\$11,818.62
39	Newdegate Ground Keeping SARS Reserve Bank	\$10,482.14
40	Office Furniture & Equipment Reserve Bank	\$13,130.55
41	Newdegate 100 Year Centenary Reserve Bank	\$31,667.57
42	History Book Reserve Bank	\$5,390.54
43	Essential Medical Services Reserve Bank	\$613,524.28
		\$3,976,681.03

PROCESS DATE: 28 February 2019

Bank Balance	
Term Deposit	\$349,161.18
Term Deposit	\$664,540.63
Term Deposit	\$20,117.62
Term Deposit	\$175,038.01
Reserve Acc	\$2,767,823.59
\$3,976,681.03	

Reserves Fund Statement

Bank Statement**Summary:**

G/L Account (as at Month End)
1A0013050 Trust Fund Cash At Bank MUN

Opening Balance	20,375.57
Deposits	\$1,126.65
Payments	-881.00
Fees	0.00
Adjustments	0.00
Closing Balance	20,621.22

The Bank Statement balances to the General
Ledger

Statement No 3
Statement Date 28/02/2019

Page 2 of 2

Opening Balance	22,440.57
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Reconciled Items

Deposits	1,126.65
Payments	-716.00
Fees	0.00
Adjustments	0.00
Closing Balance	22,851.22

Unreconciled Items

Deposits	0.00
Payments	-2,230.00
Fees	0.00
Adjustments	0.00
Unreconciled Closing Balance	-2,230.00
Total - To agree with GL	20,621.22

ENTERED

By Belinda Knight - Deputy CEO at 8:55 am, Mar 05, 2019

APPROVED

By Denise Gobbart - CEO at 9:32 am, Mar 05, 2019

14.5.3 WRITE OFF SUNDRY DEBTOR ACCOUNTS

Applicant: Internal Report
File No. 0276
Attachments: Nil
Author: Ms Belinda Knight



Deputy Chief Executive Officer

Disclosure of Interest: Nil
Date of Report: 05 March 2019
Senior Officer: Ms Denise Gobbart



Chief Executive Officer

Summary

For Council to authorise the writing off of debtor accounts deemed uncollectable.

Background

The following sundry debtor accounts are deemed uncollectable:

Debtor No	Description	Debt Collectors Reason for Write Off	Amount
DEB01	Rent 07/09/2014 – 23/09/2015 plus utilities	No avenue for recoup	\$12,963.00
DCK01	Rent 2012 – 2013 plus utilities	Bankrupt estate – way paying off. No payments since 06/2017	\$9281.19
DTD03	Rent – 2011 – 2012	Unable to recoup	\$1,649.29
		TOTAL	\$23,893.48

Comment

The Shire's debt collectors have exhausted all avenues to recoup these costs, it is recommended they be written off.

Legal ImplicationsLocal Government Act*S6.12(c) Power to defer, grant discounts, waive or write off debts*

- (1) Subject to subsection (2) and any other written law, a local government may —
 - (a) when adopting the annual budget, grant* a discount or other incentive for the early payment of any amount of money; or
 - (b) waive or grant concessions in relation to any amount of money; or
 - (c) write off any amount of money, which is owed to the local government.
- * Absolute majority required.
- (2) Subsection (1)(a) and (b) do not apply to an amount of money owing in respect of rates and service charges.
- (3) The grant of a concession under subsection (1)(b) may be subject to any conditions determined by the local government.
- (4) Regulations may prescribe circumstances in which a local government is not to exercise a power under subsection (1) or regulate the exercise of that power.

Policy Implications

Policy 3.8 – Outstanding Debtors

Debtors who receive goods and services from the Shire and do not pay in a prompt manner may be referred to debt collectors to recover debt except where there is an agreed repayment arrangement in place or it is known that the debt is unrecoverable.

Objective: To ensure that outstanding accounts are collected in a timely manner.

Guidelines: *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996*.

The following guidelines are to be followed for outstanding debtors:

- End of month statements for outstanding debts to be sent out.
- If payment outstanding at end of second month, final demand letter to be sent requesting payment within 15 days or the matter will be referred to Collection Agent.
- If payment not received and/or suitable explanation given as to explain non-payment, final letter sent advising matter referred to the Shire's Collection Agent.
- Contact Shire's Collection Agent with details and proceed with action to recover debt.
- Deputy Chief Executive Officer to assess cost effectiveness of collection process before deciding to proceed with action.

A debt is considered unrecoverable where the whereabouts of the debtor is unknown or is a declared bankrupt.

Consultation

Internal: Denise Gobbart, Chief Executive Officer

Financial Implications

These debts, due to their nature have already been identified as doubtful debts, and as such the writing off of these funds will have no impact on operating accounts.

Strategic Implications

Shire of Lake Grace Strategic Community Plan 2017-2027

Leadership – Strong governance and leadership, demonstrating fair and equitable community values.

Outcomes 4.2 An efficient and effective organisation

- 4.2.1 Maintain accountability and financial responsibility through effective planning
- 4.2.2 Comply with statutory and legislative requirements

Voting Requirements

Simple majority required.

Recommendation/Resolution**RESOLUTION 12957**

Moved Cr Hunt
Seconded Cr Clarke

That Council, pursuant to S6.12(c) of the *Local Government Act 1995*, write-off the following debtors:

Debtor No	Description	Amount
DEB01	Rent 07/09/2014 – 23/09/2015 plus utilities	\$12,963.00
DCK01	Rent 2012 – 2013 plus utilities	\$9281.19
DTD03	Rent – 2011 – 2012	\$1,649.29
	TOTAL	\$23,893.48

CARRIED 7/0

14.6 COMMUNITY SERVICES**NO MATTERS FOR CONSIDERATION.****15.0 QUESTIONS OF WHICH DUE NOTICE HAS BEEN GIVEN**

Nil

16.0 INFORMATION BULLETIN**16.1 INFORMATION BULLETIN – MARCH 2019**

Applicant: Internal Report
File No. N/A
Attachments: Information Bulletin (under separate cover)
Author: Miss Cheryl Cavanagh


 Executive Assistant

Disclosure of Interest: Nil
Date of Report: 11 March 2019
Senior Officer: Ms Denise Gobbart


 Chief Executive Officer

Summary

The purpose of the Information Bulletin is to keep Elected Members informed on matters of interest and importance to Council.

Background

The Information Bulletin Reports deal with monthly standing items and other information of a strategic nature relevant to Council.

Note: The Information Bulletin is an internal management document; therefore attachments are not for public information.

Copies of other relevant Councillor information are distributed via email.

Comment

This month's (March 2019) Information Bulletin Report has been emailed to Councillors.

The March 2019 Information Bulletin attachment includes:

Reports

1. Council Status Report – March 2019
2. Infrastructure Services Report – February 2019
3. Monthly Schedules – January 2019

Circulars, Media Releases & Newsletters

5. WALGA Media Release – Requirements on Councillors Support Democracy – 14 February 2019
6. WALGA Media Release – Performance Proven with Local Government Monitoring Project – 19 February 2019
7. WALGA Media Release – New Chief Executive Officer for WALGA – 21 February 2019

8. WALGA Infopage – Study into Remote Area Tax Concessions and Payments – 12 February 2019
9. WALGA Infopage – Draft Australian Standard 2927 released for public comment – storage and handling of liquefied chlorine gas – 28 February 2019
10. WALGA Infopage – Western Power’s Access Arrangement for the period 2017 to 2022 – 28 February 2019

Legal Implications

Nil

Policy Implications

Nil

Consultation

Nil

Financial Implications

Nil

Strategic Implications

Shire of Lake Grace Strategic Community Plan 2017 – 2027

Leadership – Strong governance and leadership, demonstrating fair and equitable community values.

Outcome 4.1 A strategically focused, unified Council functioning efficiently

- 4.1.1 Provide informed leadership on behalf of the community
- 4.1.2 Promote and advocate for the community and district
- 4.1.3 Provide strategic leadership and governance

Outcome 4.2 An efficient and effective organisation

- 4.2.1 Maintain accountability and financial responsibility through effective planning
- 4.2.2 Comply with statutory and legislative requirements

Voting Requirements

Simple majority required.

Recommendation/Resolution

RESOLUTION 12958

Moved Cr Stoffberg
Seconded Cr Marshall

That Council accepts the Information Bulletin report.

CARRIED 7/0

17.0 CONFIDENTIAL ITEMS – AS PER LOCAL GOVERNMENT ACT S5.23 (2)Recommendation/Resolution**RESOLUTION 12959**

Moved Cr Chappell
Seconded Cr Stoffberg

That Council meet behind closed doors at 5.20 pm to consider the following items:

- 17.1.1 Tender – RFT 2018-07 – Road Verge Clearing & Pruning Services
- 17.1.2 Tender – RFT 2018-06 – Storm Water Drainage Services

in accordance with section 3.7 of the Shire of Lake Grace Standing Orders Local Law 2015, and section 5.23 (2)(c) of the Local Government Act 1995.

CARRIED 7/0

These items and any attachments are confidential in accordance with Section 5.23(2)(c) of the Local Government Act 1995 as they contain “a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting”.

Mr Clarke left the meeting at 5.20 pm and did not return.

17.1 INFRASTRUCTURE SERVICES

Cr Clarke declared a financial interest in item 17.1.1 Tender – RFT 2018-07 – Road Verge Clearing & Pruning Services with the nature of the interest being have done business with Wagin Earthmoving.

Cr Stoffberg declared a financial interest in item 17.1.1 Tender – RFT 2018-07 – Road Verge Clearing & Pruning Services with the nature of the interest being Wagin Earthmoving use us for accommodation from time to time.

Cr Clarke and Cr Stoffberg left the meeting at 5.22 pm.

17.1.1 TENDER – RFT 2018-07 – ROAD VERGE CLEARING & PRUNING SERVICES**RESOLUTION 12960**

Moved Cr Hunt
Seconded Cr Marshall

That Council, not accept any tender, due to concerns with the suitability of the Tenderer's equipment given the lack of clarity in the scope of works issued in the tender documents.

CARRIED 5/0

Cr Clarke returned to the meeting at 5.25 pm.

The Shire President read aloud the decision of council.

Cr Stoffberg declared a financial interest in item 17.1.2 Tender – RFT 2018-06 – Storm Water Drainage Services with the nature of the interest being Roamin Enterprises used us for their accommodation during their last stay.

17.1.2 TENDER – RFT 2018-06 – STORM WATER DRAINAGE SERVICES

RESOLUTION 12961

Moved Cr Lloyd
Seconded Cr Hunt

That Council:

1. Award Tender RFT 2018-06 Supply of Stormwater Drainage Services to Roamin Enterprises Pty Ltd, for the estimated hourly rate of \$272 (Ex GST);
2. Authorise the Chief Executive Officer to enter into negotiations with Roamin Enterprises Pty Ltd to:
 - a. explore any other efficiencies this Tender may present;
 - b. clarify critical assumptions; and
 - c. Negotiate and contractual departures.

CARRIED 6/0

Cr Stoffberg returned to the meeting at 5.28 pm

The Shire President read aloud the decision of Council for items 17.1.1 and 17.1.2.

Recommendation/Resolution

RESOLUTION 12962

Moved Cr Chappell
Seconded Cr Clarke

That Council move out from behind closed doors at 5.29 pm.

CARRIED 7/0

18.0 DATE OF NEXT MEETING**18.1 APRIL 2019 ORDINARY MEETING**

The next Ordinary Meeting of Council is scheduled to take place on Wednesday 17 April 2019, commencing at 3.00 pm at the Council Chambers, 1 Bishop Street, Lake Grace.

Resolution**RESOLUTION 12963**

Moved Cr Chappell
Seconded Cr Clarke

All Ordinary Meetings of Council shall commence at 1.30 pm effective from Wednesday 17 April 2019.

CARRIED 7/0**19.0 CLOSURE**

There being no further business, the Shire President closed the meeting at 5.31 pm.

20.0 CERTIFICATION

I, Jeanette Francis De Landgraft, certify that the minutes of the meeting held on the 20 March 2019 as shown were confirmed as a true record at the meeting held on the 17 April 2019.

Shire President

Date