

10.1.1 Monthly Financial Statements – July 2020

Disclosure of Interest: Nil
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Author: D Long – Finance Consultant
Attachments: 10.1.1A Monthly Financial Statements – July 2020

Summary

The Monthly Financial Report for 31 July 2020 is presented for Councils adoption.

Background

The Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996 require local governments to prepare monthly reports containing the information that is prescribed.

Comment

The Shire prepares the monthly financial statements in the statutory format along with other supplementary financial reports consisting of:

- (a) Statement of Comprehensive Income by Function/Program;
- (b) Statement of Comprehensive Income by Nature/Type;
- (c) Statement of Financial Activity;
- (d) Summary of Net Current Asset Position;
- (e) Statement of Financial Position;
- (f) Statement of Cash Flows; and
- (g) Detailed Operating and Non-Operating Schedules.

MATERIAL VARIANCE COMMENTARY ON YEAR TO DATE JULY 2020

Normally commentary is provided on material variances between Year to Date (YTD) Budget Estimates and YTD Actuals for the reporting period. As Council is yet to adopt its budget, this comparative analysis cannot be provided at this time. Once the budget is adopted, material variances and commentary will be provided.

Statutory Environment

Local Government Act 1995

Section 6.4–Specifies that a local government is to prepare such other financial reports as are prescribed.

Local Government (Financial Management) Regulations 1996:

Regulation 34 states:

- (1) A local government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1)(d) for that month in the following detail:
 - (a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);

- (b) budget estimates to the end of month to which the statement relates;
- (c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;
- (d) material variances between the comparable amounts referred to in paragraphs (b) and (c);
- (e) the net current assets at the end of the month to which the statement relates.

Sub regulations 2, 3, 4, 5, and 6 prescribe further details of information to be included in the monthly statement of financial activity.

OFFICER'S RECOMMENDATION -10.1.1

That Council adopt the monthly financial report for the period ending 31 July 2020.