

TOWN OF PORT HEDLAND

STATEMENT OF FINANCIAL ACTIVITY

For the Period Ended 31 December 2018

TABLE OF CONTENTS

| | |
|--|----|
| Statement of Financial Activity by Nature & Type | 2 |
| Statement of Financial Activity by Program | 3 |
| Net Current Assets | 7 |
| Capital Acquisitions | 9 |
| Cash and Investments | 14 |
| Receivable and Payables | 17 |
| Reserves | 19 |
| Rating Information | 20 |
| Borrowings | 21 |
| Grants and contributions | 22 |
| Budget amendments | 23 |
| Trust | 24 |

COMMUNITY VISION

To be Australia's leading Port Town embracing community, culture and environment.

Principal place of business:
Civic Centre
McGregor St
Port Hedland WA 6721

TOWN OF PORT HEDLAND
STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018
By Nature & Type

| | Amended 2018/19 Budget | YTD Budget (a) | YTD Actual (b) | Var \$ (b)-(a) | Var % (b)-(a)/(a) |
|--|---------------------------|---------------------|---------------------|-------------------|----------------------|
| | \$ | \$ | \$ | \$ | % |
| Opening Funding Surplus(Deficit) | 1,101,592 | 1,101,592 | 7,140,251 | | |
| Revenue from operating activities | | | | | |
| Rates | 30,227,659 | 30,227,659 | 36,174,985 | 5,947,326 | 20% |
| Operating grants, subsidies and contributions | 2,526,450 | 1,263,225 | 1,406,084 | 142,859 | 11% |
| Fees and charges | 10,567,936 | 5,283,968 | 6,663,046 | 1,379,078 | 26% |
| Interest earnings | 6,659,437 | 3,329,719 | 3,591,181 | 261,462 | 8% |
| Internal Revenue | - | - | 152,985 | 152,985 | N/A |
| Other revenue | 970,112 | 485,056 | 1,221,588 | 736,532 | 152% |
| Profit on disposal of assets | - | - | 355,366 | 355,366 | 0% |
| | 50,951,594 | 40,589,627 | 49,565,234 | 8,975,608 | |
| Expenditure from operating activities | | | | | |
| Employee costs | (18,841,532) | (9,420,766) | (8,360,953) | 1,059,813 | 11% |
| Materials and contracts | (23,907,186) | (11,953,593) | (5,618,878) | 6,334,715 | 53% |
| Utility charges (electricity, gas, water etc.) | (2,723,361) | (1,361,681) | (870,202) | 491,479 | 36% |
| Depreciation on non-current assets | (14,259,481) | (7,129,741) | (7,129,741) | - | 0% |
| Interest expense | (1,131,047) | (565,524) | (302,813) | 262,711 | 46% |
| Insurance expense | (816,535) | (408,268) | (397,839) | 10,428 | 3% |
| Internal expenditure | - | - | (146,732) | (146,732) | N/A |
| Other expenditure | (1,749,134) | (874,567) | (785,953) | 88,614 | 10% |
| Loss on disposal of assets | (14,127) | (7,064) | - | 7,064 | 100% |
| | (63,442,403) | (31,721,202) | (23,613,109) | 8,108,092 | |
| Operating activities excluded from budget | | | | | |
| Add back Depreciation | 14,259,481 | 7,129,741 | 7,129,741 | - | 0% |
| Adjust (Profit)/Loss on Disposal | 14,127 | 7,064 | (355,366) | (362,429) | (5,131%) |
| Transfer to/(from) Non current | (924,160) | (462,080) | - | 462,080 | (100%) |
| Amount attributable to operating activities | 858,639 | 15,543,149 | 32,726,500 | 17,183,351 | |
| Investing activities | | | | | |
| Grants, Subsidies and Contributions | 2,340,242 | 1,170,121 | 237,011 | (933,110) | (80%) |
| Proceeds from Disposal of Assets | 1,591,000 | 795,500 | 349,454 | (446,046) | (56%) |
| Capital Works | (15,272,102) | (4,514,108) | (3,620,686) | 893,422 | 20% |
| Amount attributable to investing activities | (11,340,860) | (2,548,487) | (3,034,221) | (485,734) | |
| Financing activities | | | | | |
| Proceeds from self supporting loans | 69,006 | 34,503 | 33,430 | (1,073) | 3% |
| Transfer from Reserves | 16,511,038 | 1,453,014 | 1,453,014 | - | 0% |
| Transfer to Reserves | (5,793,889) | (5,289,673) | (5,289,673) | - | 0% |
| Repayment of Debentures | (1,119,869) | (559,935) | (552,473) | 7,461 | 1% |
| Amount attributable to financing activities | 9,666,286 | (4,362,091) | (4,355,702) | 6,389 | |
| Closing Funding Surplus(Deficit) | 285,657 | 9,734,163 | 32,476,827 | | |

Notes:

The Actual Opening Funding Surplus(Deficit) shown is as per unaudited financial statements. The opening balance may change subject to receipt of the audited financial statements

The amended budget reflects changes adopted by Council since the original budget was adopted on 7 September 2018. The mid-year budget review will be completed in February 2019.

The budget profile for Reserves will be adjusted during mid-year review

TOWN OF PORT HEDLAND
STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018
By Program

| | Amended 2018/19 Budget | YTD Budget (a) | YTD Actual (b) | Var \$ (b)-(a) | Var % (b)-(a)/(a) |
|--|---------------------------|---------------------|---------------------|-------------------|----------------------|
| | \$ | \$ | \$ | \$ | % |
| Opening Funding Surplus(Deficit) | 1,101,592 | 1,101,592 | 7,140,251 | | |
| Revenue from operating activities | | | | | |
| General Purpose Funding - Rates | 30,227,659 | 30,227,659 | 36,174,985 | 5,947,326 | 20% |
| General Purpose Funding - Other | 9,234,058 | 4,617,029 | 4,000,885 | (616,144) | (13%) |
| Law, Order, Public Safety | 370,832 | 185,416 | 373,799 | 188,383 | 102% |
| Health | 468,051 | 234,026 | 202,506 | (31,520) | (13%) |
| Education and Welfare | 169,872 | 84,936 | 136,851 | 51,915 | 61% |
| Housing | 19,000 | 9,500 | 363,096 | 353,596 | 3,722% |
| Community amenities | 7,747,230 | 3,873,615 | 5,685,111 | 1,811,496 | 47% |
| Recreation and Culture | 1,688,791 | 844,396 | 1,079,888 | 235,493 | 28% |
| Transport | 374,090 | 187,045 | 156,208 | (30,837) | (16%) |
| Economic Services | 234,641 | 117,321 | 1,121,290 | 1,003,970 | 856% |
| Other Property and Services | 417,370 | 208,685 | 270,614 | 61,929 | 30% |
| | 50,951,594 | 40,589,627 | 49,565,234 | 8,975,608 | |
| Expenditure from operating activities | | | | | |
| Governance | (3,321,152) | (1,660,576) | (1,487,849) | 172,727 | 10% |
| General Purpose Funding | (237,812) | (118,906) | (119,433) | (527) | (0%) |
| Law, Order, Public Safety | (2,375,642) | (1,187,821) | (768,290) | 419,531 | 35% |
| Health | (1,165,664) | (582,832) | (382,434) | 200,398 | 34% |
| Education and Welfare | (2,780,184) | (1,390,092) | (839,419) | 550,673 | 40% |
| Housing | (796,873) | (398,437) | (320,080) | 78,356 | 20% |
| Community amenities | (8,203,066) | (4,101,533) | (3,608,768) | 492,765 | 12% |
| Recreation and Culture | (20,838,986) | (10,419,493) | (8,496,732) | 1,922,761 | 18% |
| Transport | (22,561,866) | (11,280,933) | (6,636,481) | 4,644,452 | 41% |
| Economic Services | (776,509) | (388,255) | (243,480) | 144,774 | 37% |
| Other Property and Services | (384,649) | (192,325) | (710,143) | (517,818) | (269%) |
| | (63,442,403) | (31,721,202) | (23,613,109) | 8,108,092 | |
| Operating activities excluded from budget | | | | | |
| Add back Depreciation | 14,259,481 | 7,129,741 | 7,129,741 | - | 0% |
| Adjust (Profit)/Loss on Disposal | 14,127 | 7,064 | (355,366) | (362,429) | (5,131%) |
| Transfer to/(from) Non current | (924,160) | (462,080) | - | 462,080 | 100% |
| Amount attributable to operating activities | 858,639 | 15,543,149 | 32,726,500 | 17,183,351 | |
| Investing activities | | | | | |
| Grants, Subsidies and Contributions | 2,340,242 | 1,170,121 | 237,011 | (933,110) | (80%) |
| Proceeds from Disposal of Assets | 1,591,000 | 795,500 | 349,454 | (446,046) | (56%) |
| Capital Works | (15,272,102) | (4,514,108) | (3,620,686) | 893,422 | 20% |
| Amount attributable to investing activities | (11,340,860) | (2,548,487) | (3,034,221) | (485,734) | |
| Financing activities | | | | | |
| Proceeds from self supporting loans | 69,006 | 34,503 | 33,430 | (1,073) | 3% |
| Transfer from Reserves | 16,511,038 | 1,453,014 | 1,453,014 | - | 0% |
| Transfer to Reserves | (5,793,889) | (5,289,673) | (5,289,673) | - | 0% |
| Repayment of Debentures | (1,119,869) | (559,935) | (552,473) | 7,461 | 1% |
| Amount attributable to financing activities | 9,666,286 | (4,362,091) | (4,355,702) | 6,389 | |
| Closing Funding Surplus(Deficit) | 285,657 | 9,734,163 | 32,476,827 | | |

Notes:

The Actual Opening Funding Surplus(Deficit) shown is as per the interim 30 June 2018 Statement of Financial Activity and will be updated on completion of the FY18 Annual Financial Statements
The amended budget reflects changes adopted by Council since the original budget was adopted on 7 September 2018. The mid-year budget review will be completed in February 2019.

**TOWN OF PORT HEDLAND
NOTES TO THE STATEMENT OF FINANCIAL
ACTIVITY**

For the Period Ended 31 December 2018

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

This statement comprises a special purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this statement are presented below and have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

Critical Accounting Estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

(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. All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 11.

(c) Rounding Off Figures

All figures shown in this statement 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

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other

short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

(g) Trade and Other Receivables

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other 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.

(h) Inventories

General

Inventories are measured 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 necessary to make the sale.

Land Held for Resale

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed. Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point. Land held for sale 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 local government 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

TOWN OF PORT HEDLAND
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

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

| Asset | Years |
|---|-----------------|
| Buildings | 30 to 50 years |
| Furniture and Equipment | 4 to 10 years |
| Plant and Equipment | 5 to 15 years |
| Sealed roads and streets – formation depreciated | not |
| - pavement | 50 years |
| Seal - bituminous seals | 20 years |
| - asphalt surfaces | 25 years |
| Gravel Roads - formation | not depreciated |
| - pavement | 50 years |
| - gravel sheet | 12 years |
| Formed roads - formation | not depreciated |
| pavement | 50 years |
| Footpaths - slab | 20 years |
| Sewerage piping | 100 years |
| Water supply & drainage systems | 75 years |

(k) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

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

(m) 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.

(n) 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.

(o) 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.

(p) 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 and service charges.

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 noncurrent 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.

TOWN OF PORT HEDLAND
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

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. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

Service Charges

Service charges imposed under Division 6 of Part 6 of the Local Government Act 1995. Regulation 54 of the Local Government (Financial Management) Regulations 1996 identifies the These are television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges. 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.

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.

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) Program Classifications

(Function/Activity) Governance

Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.

General Purpose Funding

Rates, general purpose government grants and interest revenue.

Law, Order, Public Safety

Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.

Health

Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.

Education and Welfare

Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home and community care programs and youth services.

Housing

Provision and maintenance of elderly residents housing.

Community Amenities

Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.

Recreation and Culture

Maintenance of public halls, civic centres, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.

Transport

Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.

Economic Services

Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building Control.

Other Property and Services

Private works operation, plant repair and operation costs and engineering operation cost

TOWN OF PORT HEDLAND
STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

NOTE 2 - NET CURRENT ASSETS

| Net Current Assets | 30 June 2018 | YTD 31 December 2018 |
|--|----------------------|-----------------------------|
| | \$ | \$ |
| Current Assets | | |
| Municipal | (376,884) | 14,161,047 |
| Reserves | 233,056,500 | 236,571,472 |
| Receivables - Rates | 4,266,579 | 13,256,813 |
| Receivables - Other | 4,577,294 | 5,628,163 |
| Inventories | 803,360 | 661,441 |
| Land held for resale | 1,483,526 | 1,181,052 |
| | 243,810,374 | 271,459,987 |
| CHECK | | |
| Less: Current Liabilities | | |
| Payables | (3,236,440) | (1,507,225) |
| Loan Liability - Current | (1,241,592) | (1,119,869) |
| Provisions | (16,362,109) | (16,440,327) |
| Less: Cash Reserves | (233,056,500) | (236,571,472) |
| Less: Self supporting loan receivable | (104,294) | (77,321) |
| Less: Land held for resale | (1,483,526) | (1,181,052) |
| Add: Current loan liability | 1,241,592 | 1,119,869 |
| Add: Premium PHIA prepaid | 924,160 | 924,160 |
| Add: Provisions employee cash backed | 875,612 | 875,612 |
| Add: Airport major works | 15,075,490 | 14,994,465 |
| Net Current Funding Position | 6,442,767 | 32,476,827 |

TOWN OF PORT HEDLAND
STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

NOTE 3 - Capital Acquisitions

| Summary Capital Acquisitions | Note | Amended 2018/19 Budget | YTD Budget | YTD Actual Total | Variance (Under)/Over |
|-----------------------------------|------|---------------------------|------------------|---------------------|--------------------------|
| | | \$ | \$ | \$ | \$ |
| Land and Buildings | | 2,218,824 | 618,445 | 619,439 | (994) |
| Furniture and Equipment | | 2,006,201 | 147,246 | 157,018 | (9,772) |
| Plant and Equipment | | 1,425,318 | 417,496 | 104,973 | 312,523 |
| Infrastructure | | 9,621,760 | 3,330,921 | 2,739,255 | 591,666 |
| Capital Expenditure Totals | | 15,272,103 | 4,514,108 | 3,620,686 | 893,422 |
| New | | | | | |
| Land and Buildings | | 50,000 | - | - | - |
| Furniture and Equipment | | 561,201 | 29,760 | 82,237 | (52,477) |
| Plant and Equipment | | 44,318 | - | - | - |
| Infrastructure | | 875,000 | 100,000 | 127,244 | (27,244) |
| New Total | | 1,530,519 | 129,760 | 209,481 | (79,721) |
| Upgrade | | | | | |
| Land and Buildings | | 170,000 | 9,996 | 480 | 9,516 |
| Furniture and Equipment | | 485,000 | 9,996 | - | 9,996 |
| Plant and Equipment | | - | - | - | - |
| Infrastructure | | 1,990,185 | 1,082,185 | 1,073,932 | 8,253 |
| Upgrade Total | | 2,645,185 | 1,102,177 | 1,074,412 | 27,765 |
| Renewal | | | | | |
| Land and Buildings | | 1,998,824 | 608,449 | 618,959 | (10,510) |
| Furniture and Equipment | | 960,000 | 107,490 | 74,781 | 32,709 |
| Plant and Equipment | | 1,381,000 | 417,496 | 104,973 | 312,523 |
| Infrastructure | | 6,756,575 | 2,148,736 | 1,538,080 | 610,656 |
| Renewal Total | | 11,096,399 | 3,282,171 | 2,336,793 | 945,378 |

TOWN OF PORT HEDLAND
STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

NOTE 3 - Capital Acquisitions

| | Job | Amended 2018/19 Budget | YTD Budget | YTD Actual | Variance (Under)/Over | Variance (Under)/Over |
|-----------------------|---|---------------------------|----------------|----------------|--------------------------|--------------------------|
| | | \$ | \$ | \$ | \$ | % |
| Infrastructure | | | | | | |
| New | | | | | | |
| | Bollard installation | CIF128001 | 100,000 | 100,000 | 113,894 | (13,894) (14%) |
| | Port Hedland Baseball Association - Re-establishment of dugouts and scorers box | CIF117002 | 30,000 | - | - | 0% |
| | Shade structure for South Hedland taxi rank | CIF107003 | 15,000 | - | - | 0% |
| | South Hedland Landfill - Batters | CIF108004 | 220,000 | - | - | 0% |
| | South Hedland Landfill - Fire suppression | CIF108005 | 60,000 | - | - | 0% |
| | South Hedland Landfill - Transfer station | CIF108006 | 50,000 | - | - | 0% |
| | South Hedland Skate Park shade cover | CIF117007 | 400,000 | - | 13,350 | (13,350) 0% |
| | New Total | | 875,000 | 100,000 | 127,244 | (27,244) (27%) |
| Renewal | | | | | | |
| | Cassia Primary School footbridge | CIF124008 | 300,000 | 30,000 | 10,455 | 19,545 65% |
| | Depot works | CIF129009 | 835,000 | 223,750 | 33,539 | 190,211 85% |
| | Drainage Improvement Program | CIF126010 | 350,000 | 174,996 | 58,622 | 116,374 67% |
| | Footpath renewal program | CIF125011 | 577,798 | 288,894 | 212,839 | 76,055 26% |
| | Gratwick Aquatic Centre - Remedial Works | CIF117012 | 905,298 | 452,652 | 350,866 | 101,786 22% |
| | Intersection - Lukis & McGregor Streets | CIF124013 | 113,833 | 113,832 | 115,479 | (1,647) (1%) |
| | Intersection – Murdoch Drive & Brolga Way | CIF124014 | 70,078 | 70,078 | 70,692 | (614) (1%) |
| | Irrigation inground renewal | CIF117015 | 150,000 | 75,000 | 20,514 | 54,486 73% |
| | Kerb and disability ramp improvements and renewal | CIF124016 | 150,000 | - | 85,256 | (85,256) 0% |
| | Marapikurrinya drainage and open area development | CIF117017 | 200,000 | - | - | 0% |
| | Marquee Park pump replacement and repair | CIF117018 | 290,000 | 289,998 | 157,948 | 132,050 46% |
| | McGregor st Irrigation tank Replacement stage 1 | CIF117019 | 250,000 | - | - | 0% |
| | Playground softfall renewal program | CIF117020 | 75,000 | - | - | 0% |
| | Playground renewal program | CIF117021 | 350,000 | 87,500 | - | 87,500 100% |
| | Port Hedland boat ramp sandblast and repaint | CIF127022 | 130,000 | 64,998 | - | 64,998 100% |

TOWN OF PORT HEDLAND
STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

NOTE 3 - Capital Acquisitions

| | Job | Amended 2018/19 Budget | YTD Budget | YTD Actual | Variance (Under)/Over | Variance (Under)/Over |
|---|-----------|---------------------------|------------------|------------------|--------------------------|--------------------------|
| | | \$ | \$ | \$ | \$ | % |
| Road Renewal Program - Cajarina Road | CIF124023 | 200,000 | - | 1,004 | (1,004) | 0% |
| Road Renewal Program - Redbank Road | CIF124024 | 104,567 | - | 409 | (409) | 0% |
| Road Renewal Program - Shoata Road | CIF124025 | 970,922 | 30,000 | 32,463 | (2,463) | (8%) |
| Road Renewal Program - Yandeyarra Road | CIF124026 | 224,079 | 112,038 | 182,235 | (70,197) | (63%) |
| South Hedland Landfill - Asphaltting | CIF104028 | 100,000 | - | - | - | 0% |
| South Hedland Landfill - Fencing | CIF108029 | 140,000 | 35,000 | 69,592 | (34,592) | (99%) |
| South Hedland Landfill - Road Resheeting | CIF104030 | 50,000 | - | - | - | 0% |
| WANDRRA project | CIF124031 | 100,000 | 100,000 | 105,409 | (5,409) | (5%) |
| Waste - Public place bin enclosures renewal project | CIF107032 | 120,000 | - | - | - | 0% |
| Carpark Renewal Program | C1201321 | - | - | 19,893 | (19,893) | 0% |
| JD Hardie Centre Fencing Renewal | CIF118041 | - | - | 10,865 | (10,865) | 0% |
| Renewal Total | | 6,756,575 | 2,148,736 | 1,538,080 | 610,656 | 28% |
| Upgrade | | | | | | |
| Shade structures | CIF117027 | 154,000 | 154,000 | 142,204 | 11,796 | 8% |
| Intersection – Murdoch Drive & Masters Way | CIF124033 | 81,185 | 81,185 | 31,879 | 49,306 | 61% |
| Local Area Traffic Management | CIF124034 | 200,000 | 200,000 | 81,654 | 118,346 | 59% |
| Road Reseals Program | CIF124035 | 1,050,000 | 525,000 | 711,157 | (186,157) | (35%) |
| South Hedland Main street- Throssel Road Verge Upgrade | CIF124036 | 250,000 | - | - | - | 0% |
| Sutherland street beach access improvement | CIF117037 | 60,000 | 42,000 | 12,733 | 29,267 | 70% |
| Traffic Calming- Sutherland Street | CIF124038 | 115,000 | - | 1,687 | (1,687) | 0% |
| Yandeyarra Formation Improvements | CIF124039 | 80,000 | 80,000 | 82,667 | (2,667) | (3%) |
| Drainage Construction Wanangkurra Stadium Faye Gladstone Netball Courts | C1201503 | - | - | 8,060 | (8,060) | 0% |
| Council Records Storage | C1405801 | - | - | 275 | (275) | 0% |
| Pipingarra Road Intersection Upgrade | CIF124040 | - | - | 1,615 | (1,615) | 0% |
| Upgrade Total | | 1,990,185 | 1,082,185 | 1,073,932 | 8,253 | 1% |
| Infrastructure Total | | 9,621,760 | 3,330,921 | 2,739,255 | 591,666 | 18% |

TOWN OF PORT HEDLAND
STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

NOTE 3 - Capital Acquisitions

| | Job | Amended 2018/19 Budget | YTD Budget | YTD Actual | Variance (Under)/Over | Variance (Under)/Over |
|----------------------------------|---|---------------------------|------------------|----------------|--------------------------|--------------------------|
| | | \$ | \$ | \$ | \$ | % |
| Land and Buildings | | | | | | |
| New | | | | | | |
| | Staff housing construction | CPP091001 | 50,000 | - | - | 0% |
| | New Total | | 50,000 | - | - | 0% |
| Renewal | | | | | | |
| | Civic Centre and Gratwick Hall refurbishment | CPP111002 | 743,876 | 247,959 | 226,827 | 21,132 9% |
| | Commercial building renewal program | CPP111003 | 375,121 | 125,040 | 146,510 | (21,470) (17%) |
| | Housing renewal program | CPP091004 | 277,000 | 235,450 | 201,301 | 34,149 15% |
| | JD Hardie expansion | CPP081005 | 143,841 | - | 44,285 | (44,285) 0% |
| | Port Hedland Community Facilities (Turf club) | CPP101008 | 93,841 | - | - | 0% |
| | South Hedland Sports Precinct | CPP111009 | 365,145 | - | 35 | (35) 0% |
| | Renewal Total | | 1,998,824 | 608,449 | 618,959 | (10,510) (2%) |
| Upgrade | | | | | | |
| | JD Hardie kiosk and reception redesign | CPP081006 | 20,000 | 9,996 | - | 9,996 100% |
| | Marapikurrinya Toilet re-vamp | CPP101007 | 150,000 | - | 480 | (480) 0% |
| | Upgrade Total | | 170,000 | 9,996 | 480 | 9,516 95% |
| Land and Buildings Total | | | 2,218,824 | 618,445 | 619,439 | (994) (0%) |
| Furniture & Equipment | | | | | | |
| New | | | | | | |
| | CCTV - Finucane Island boat ramp/car park remote CCTV | CPP052010 | 4,200 | 2,100 | - | 2,100 100% |
| | CCTV - Safer Communities - CCTV network expansion | CPP052011 | 411,656 | - | - | 0% |
| | Infocouncil software | CPP142012 | 35,345 | 17,670 | - | 17,670 100% |
| | Library software | CPP112013 | 90,000 | - | 80,542 | (80,542) 0% |
| | Plan Cabinets for Records | CPP142014 | 10,000 | 4,998 | - | 4,998 100% |
| | Rapid Plan traffic management system | CPP122015 | 5,000 | 2,496 | 1,695 | 801 32% |
| | Safe purchase | CPP142016 | 5,000 | 2,496 | - | 2,496 100% |

TOWN OF PORT HEDLAND
STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

NOTE 3 - Capital Acquisitions

| | Job | Amended 2018/19 Budget | YTD Budget | YTD Actual | Variance (Under)/Over | Variance (Under)/Over |
|---|-----------|---------------------------|----------------|----------------|--------------------------|--------------------------|
| | | \$ | \$ | \$ | \$ | % |
| New Total | | 561,201 | 29,760 | 82,237 | (52,477) | (176%) |
| Renewal | | | | | | |
| CCTV hardware refresh | CPP052017 | 250,000 | - | 30,250 | (30,250) | 0% |
| Firewalls refresh | CPP142018 | 75,000 | - | - | - | 0% |
| ICT Hardware and Renewal including windows 10 upgrade | CPP142019 | 80,000 | 79,998 | 44,531 | 35,467 | 44% |
| Iphone replacement | CPP142020 | 5,000 | 2,496 | - | 2,496 | 100% |
| South Hedland Skate Park CPTED Design Response | CPP052021 | 15,000 | 7,500 | - | 7,500 | 100% |
| Telecommunications renewal & upgrade project | CPP142022 | 500,000 | - | - | - | 0% |
| Workstations refresh (IT) | CPP142023 | 35,000 | 17,496 | - | 17,496 | 100% |
| Renewal Total | | 960,000 | 107,490 | 74,781 | 32,709 | 30% |
| Upgrade | | | | | | |
| CCTV - Marquee Park federation into Town's CCTV network | CPP052024 | 60,000 | - | - | - | 0% |
| Desktop phone system | CPP142025 | 155,000 | - | - | - | 0% |
| JD Hardie outdoor basketball courts backboards upgrade | CPP082026 | 20,000 | 9,996 | - | 9,996 | 100% |
| Server room refresh / Microwave link upgrade | CPP142027 | 250,000 | - | - | - | 0% |
| Upgrade Total | | 485,000 | 9,996 | - | 9,996 | 100% |
| Furniture & Equipment Total | | 2,006,201 | 147,246 | 157,018 | (9,772) | (7%) |
| Plant and Equipment | | | | | | |
| New | | | | | | |
| Phase 2 Digital Radio System | CPP143031 | 44,318 | - | - | - | 0% |
| New Total | | 44,318 | - | - | - | 0% |
| Renewal | | | | | | |
| Small Plant Replacement Program | CPP143028 | 35,000 | 17,496 | 24,407 | (6,911) | (40%) |
| Large Plant Replacement Program | CPP143029 | 400,000 | 400,000 | 80,566 | 319,434 | 80% |
| Light Fleet Replacement Program | CPP143030 | 946,000 | - | - | - | 0% |

**TOWN OF PORT HEDLAND
STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018**

NOTE 3 - Capital Acquisitions

| Job | Amended 2018/19 Budget | YTD Budget | YTD Actual | Variance (Under)/Over | Variance (Under)/Over |
|----------------------------------|---------------------------|----------------|----------------|--------------------------|--------------------------|
| | \$ | \$ | \$ | \$ | % |
| Renewal Total | 1,381,000 | 417,496 | 104,973 | 312,523 | 75% |
| Plant and Equipment Total | 1,425,318 | 417,496 | 104,973 | 312,523 | 75% |

TOWN OF PORT HEDLAND
STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

NOTE 4 - Cash and Investments

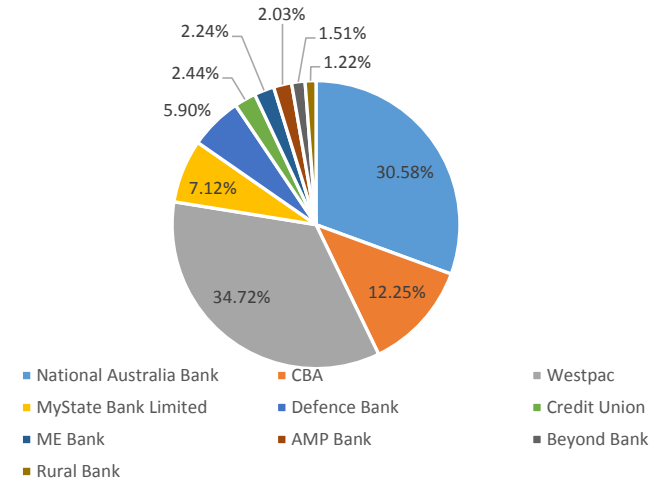
| Bank Accounts | Note | Municipal | Reserves | Trust | Total |
|--|-------------|-------------------|--------------------|----------------|--------------------|
| (a) Cash Deposits | | | | | |
| Municipal account | | 641,106 | | | 641,106 |
| Other cash | | | | | - |
| At Call | | 4,260,000 | | | 4,260,000 |
| Cash on Hand | | 4,275 | | | 4,275 |
| Trust Fund Bank | | | | 186,753 | 186,753 |
| Cash Restricted: Reserve Fund | | 1,000 | | | 1,000 |
| | | | | | - |
| (b) Term Deposits | | | | | |
| Funds Invested: Airport Lease Proceeds | 4a | | 168,026,138 | | 168,026,138 |
| Funds Invested: Pooled | 4a | 9,254,665 | 68,545,335 | | 77,800,000 |
| Total | | 14,161,047 | 236,571,472 | 186,753 | 250,919,272 |

Please refer to Note 4a for further detail

**TOWN OF PORT HEDLAND
STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018**

NOTE 4a - CASH AND INVESTMENTS

| Term Deposits | Amount | % of portfolio | Average Int rate |
|-------------------------|--------------------|-----------------------|-------------------------|
| National Australia Bank | 75,162,056 | 30.58% | 2.75% |
| CBA | 30,124,933 | 12.25% | 2.67% |
| Westpac | 85,339,148 | 34.72% | 2.76% |
| MyState Bank Limited | 17,500,000 | 7.12% | 2.83% |
| Defence Bank | 14,500,000 | 5.90% | 2.83% |
| Credit Union | 6,000,000 | 2.44% | 2.85% |
| ME Bank | 5,500,000 | 2.24% | 2.83% |
| AMP Bank | 5,000,000 | 2.03% | 2.80% |
| Beyond Bank | 3,700,000 | 1.51% | 2.80% |
| Rural Bank | 3,000,000 | 1.22% | 2.80% |
| Total | 245,826,138 | 100% | |



**TOWN OF PORT HEDLAND
STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018**

NOTE 4a - CASH AND INVESTMENTS

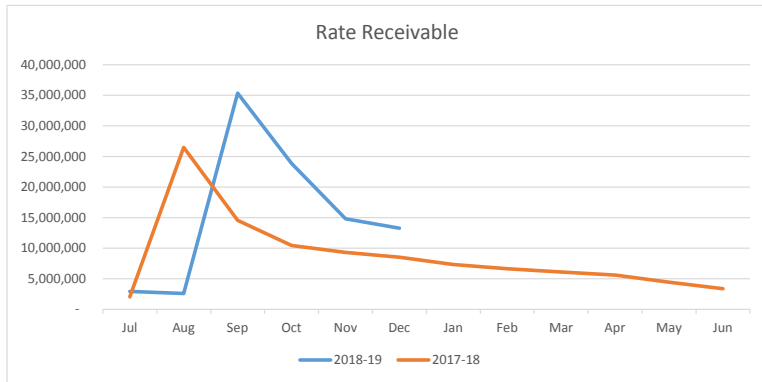
| Bank accounts | Credit Rating | Principal | Interest Rate | Term | Maturity date | Interest on Maturity | % Portfolio |
|-----------------------------|---------------|--------------------|---------------|------|---------------|----------------------|-------------|
| | | \$ | | | | | |
| ME Bank | A-2 | 5,500,000 | 2.83% | 180 | 22/01/2019 | 76,759 | 2% |
| Rural Bank | A-2 | 3,000,000 | 2.80% | 271 | 4/02/2019 | 62,367 | 1% |
| Beyond Bank | A-2 | 1,900,000 | 2.80% | 184 | 8/02/2019 | 26,819 | 1% |
| Defence Bank | A-2 | 3,500,000 | 2.65% | 365 | 27/02/2019 | 92,750 | 1% |
| MyState Bank Limited | A-2 | 5,000,000 | 2.83% | 273 | 5/03/2019 | 105,834 | 2% |
| Credit Union | A-2 | 4,000,000 | 2.90% | 243 | 6/03/2019 | 77,227 | 2% |
| National Australia Bank | A1+ | 2,000,000 | 2.80% | 274 | 14/03/2019 | 42,038 | 1% |
| CBA | A1+ | 4,000,000 | 2.69% | 275 | 6/06/2019 | 81,068 | 2% |
| National Australia Bank | A1+ | 4,000,000 | 2.72% | 271 | 17/06/2019 | 80,780 | 2% |
| Defence Bank | A-2 | 5,000,000 | 2.85% | 365 | 26/07/2019 | 142,500 | 2% |
| AMP Bank | A-1 | 1,500,000 | 2.85% | 364 | 26/07/2019 | 42,633 | 1% |
| Credit Union | A-2 | 2,000,000 | 2.80% | 243 | 20/08/2019 | 37,282 | 1% |
| National Australia Bank | A1+ | 4,000,000 | 2.72% | 365 | 2/10/2019 | 108,800 | 2% |
| National Australia Bank | A1+ | 8,000,000 | 2.74% | 365 | 11/10/2019 | 219,200 | 3% |
| National Australia Bank | A1+ | 7,400,000 | 2.75% | 365 | 15/10/2019 | 203,500 | 3% |
| MyState Bank Limited | A-2 | 5,000,000 | 2.80% | 364 | 4/11/2019 | 139,616 | 2% |
| National Australia Bank | A1+ | 5,000,000 | 2.72% | 364 | 4/11/2019 | 135,627 | 2% |
| MyState Bank Limited | A-2 | 3,000,000 | 2.82% | 365 | 13/11/2019 | 84,600 | 1% |
| Beyond Bank | A-2 | 1,800,000 | 2.80% | 365 | 29/11/2019 | 50,400 | 1% |
| National Australia Bank | A1+ | 1,200,000 | 2.70% | 365 | 29/11/2019 | 32,400 | 0% |
| Defence Bank | A-2 | 1,000,000 | 2.90% | 365 | 10/12/2019 | 29,000 | 0% |
| PHA Westpac | A1+ | 21,012,403 | 2.74% | 90 | 7/03/2019 | 141,963 | 9% |
| PHA National Australia Bank | A1+ | 5,175,536 | 2.80% | 273 | 12/03/2019 | 108,388 | 2% |
| PHA National Australia Bank | A1+ | 12,864,576 | 2.80% | 273 | 12/03/2019 | 269,416 | 5% |
| PHA CBA | A1+ | 26,124,933 | 2.65% | 365 | 15/03/2019 | 692,311 | 11% |
| PHA Westpac | A1+ | 64,326,745 | 2.78% | 121 | 11/04/2019 | 592,828 | 26% |
| PHA AMP Bank | A-1 | 3,500,000 | 2.75% | 240 | 9/08/2019 | 63,551 | 1% |
| PHA National Australia Bank | A1+ | 25,521,944 | 2.73% | 274 | 11/09/2019 | 523,039 | 10% |
| PHA Defence Bank | A-2 | 5,000,000 | 2.90% | 365 | 10/12/2019 | 71,904 | 2% |
| PHA MyState Bank Limited | A-2 | 4,500,000 | 2.85% | 365 | 11/12/2019 | 63,949 | 2% |
| Total | | 245,826,138 | | | | 4,398,553 | |

PHA Investment of the proceeds from the advance payment of the 50 year lease of the Port Hedland International Airport, as per Council Resolution 201516/257.

TOWN OF PORT HEDLAND
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

NOTE 5 - Current Receivables

| Receivables - Rates and Other Rates Receivable | YTD 31 December 2018 | 30 June 2018 |
|--|----------------------|---------------------|
| | \$ | \$ |
| Opening Arrears Previous Years | 3,384,131 | 2,754,662 |
| Levied this year | 36,195,421 | 25,771,302 |
| <u>Less collections to date</u> | (26,322,739) | (25,141,833) |
| Equals Current Outstanding | 13,256,813 | 3,384,131 |
| | 13,256,813 | 3,384,131 |
| % Collected | 67% | 88% |



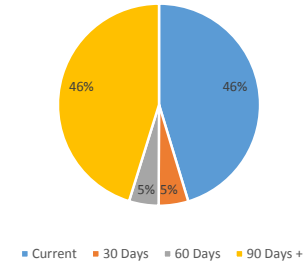
| Receivables - General | Credit | Current | 30 Days | 60 Days | 90 Days + | Total |
|--|---------|---------|---------|---------|-------------|------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Receivables - General* | (2,725) | 876,952 | 225,309 | 106,647 | 1,019,973** | 2,226,155 |
| Balances per Trial Balance | | | | | | |
| Sundry Debtors | | | | | | 2,226,155 |
| Prepayments | | | | | | 699,374 |
| Receivables - Other | | | | | | 1,584,397 |
| Accruals | | | | | | 1,735,652 |
| Self Supporting Loan | | | | | | 77,321 |
| Provision for Doubtful Debts | | | | | | (694,737) |
| Total Receivables General Outstanding | | | | | | 5,628,163 |

Amounts shown above include GST (where applicable)

*Includes underground power charges

** 77% of this amount relates to insolvent debtors which we are awaiting finalisation of investigations by the insolvency practitioners

Receivables - General*



TOWN OF PORT HEDLAND
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

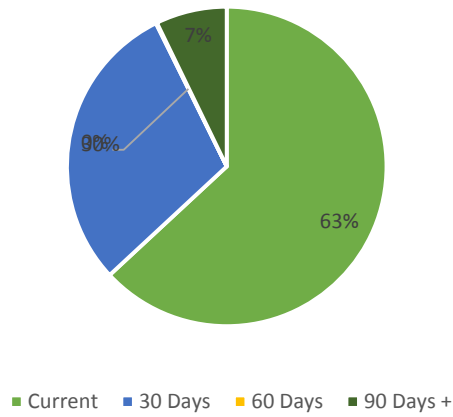
NOTE 6 - Current Payables

| Payables | Credit | Current | 30 Days | 60 Days | 90 Days + | Total |
|-------------------------------|--------|---------|---------|---------|----------------|------------------|
| | \$ | | | | | |
| Payables - General | | 94,375 | 44,269 | 164 | 10,771 | 149,579 |
| Balances per Trial Balance | | | | | | |
| Sundry Payables | | | | | | |
| Payables - Other | | | | | | 149,579 |
| Other Payables* | | | | | | 1,026,019 |
| Income Received in Advance | | | | | | 924,160 |
| ATO Liability | | | | | | (599,775) |
| Sundry Suspense | | | | | | 7,242 |
| Total Payables - Other | | | | | | 1,357,646 |
| | | | | | Total Payables | 1,507,225 |

Amounts shown above include GST (where applicable)

*This amount is attributed to ESL levy

Aged Payables



TOWN OF PORT HEDLAND
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

NOTE 7 - Cash backed reserves

| Reserves | Draft Actual Opening Balance | Adopted Budget Interest Earned | Adpoted Budget Transfers in (+) | Adopted Budget Transfers Out (-) | Adopted Budget Closing Balance | Actual Interest Earned | Actual Transfers in (+) | Actual Transfers Out (-) | Actual YTD Closing Balance |
|---|---------------------------------|---|--|---|---|---------------------------|----------------------------|--------------------------------|-------------------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Financial Risk Reserve | - | - | 3,000,000 | - | 3,000,000 | - | - | - | - |
| Asset Management - Community Facilities and Infrastructure Reserve | 2,099,467 | - | 2,179,000 | (1,209,073) | 3,069,394 | - | 730,843 | (296,504) | 2,533,806 |
| Staff Housing Reserve | 276,354 | - | - | (276,354) | 0.15 | - | 349,454 | (201,301) | 424,507 |
| Employee Leave Reserve | 875,612 | - | - | - | 875,612 | - | - | - | 875,612 |
| Plant Reserve | 2,454,835 | - | 612,039 | (1,013,318) | 2,053,556 | - | - | (104,973) | 2,349,861 |
| Unfinished Works & Committed Works Reserve | 1,463,995 | - | - | (1,336,377) | 127,618 | - | - | (100,012) | 1,363,982 |
| Insurance Reserve | 123,826 | - | - | (123,826) | 0.14 | - | - | - | 123,826 |
| Developer Contributions - Car Parking and Public Open Space Reserve | 259,269 | - | - | - | 259,269 | - | - | - | 259,269 |
| Airport Reserve | 14,975,559 | - | - | (10,684,795) | 4,290,764 | - | - | (108,249) | 14,867,311 |
| Spoilbank Reserve | 37,568,502 | - | - | (110,000) | 37,458,502 | - | - | (47,114) | 37,521,388 |
| GP Housing | 184,728 | - | - | - | 184,728 | - | - | - | 184,728 |
| Waste Management Reserve | 7,652,244 | - | - | (1,445,000) | 6,207,244 | - | - | (584,860) | 7,067,384 |
| Strategic Reserve | 499,645 | - | - | - | 499,645 | - | - | - | 499,645 |
| Unspent Grants, Loans & Contributions Reserve | 392,486 | - | - | (13,000) | 379,486 | - | - | (10,000) | 382,486 |
| PHIA Long Term Lease Proceeds Reserve | 168,026,137 | - | - | - | 168,026,137 | - | - | - | 168,026,137 |
| Cyclone Emergency Support Response | 80,410 | - | - | - | 80,410 | - | - | - | 80,410 |
| Historical Reserve | 11,123 | - | 2,850 | - | 13,973 | - | - | - | 11,123 |
| Unallocated Internal Overdraft Facility | (4,209,376) | - | - | - | - | - | 4,209,376 | - | - |
| Total | 232,734,813 | - | 5,793,889 | (16,211,743) | 226,526,335 | - | 5,289,673 | (1,453,014) | 236,571,472 |

Opening balance is pending the finalisation of the audited annual financial statements for 30 June 2018

TOWN OF PORT HEDLAND
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

NOTE 8 - Rating Information

| RATE TYPE | Number of properties | Rateable value | YTD Actual | | | | Amended Budget | | | Total Budgeted Revenue |
|---|----------------------|--------------------|--------------------|-------------------|------------------|-------------------|-------------------|-------------------|---------------|------------------------|
| | | | Rate in | Rate revenue | Interim Rates | Back Rates | Total Revenue | Rate revenue | Interim rates | |
| | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Differential Rate | | | | | | | | | | |
| GRV Residential | 4,475 | 110,260,608 | 10,307,492 | 5,737,646 | - | 16,045,138 | 10,307,492 | 50,000 | - | 10,357,492 |
| Commercial / Industrial | 497 | 48,284,976 | 4,513,824 | - | - | 4,513,824 | 4,513,824 | - | - | 4,513,824 |
| Commercial / Industrial - Vacant | 11 | 564,830 | 79,203 | - | - | 79,203 | 79,203 | - | - | 79,203 |
| Mass Accommodation | 8 | 10,753,600 | 3,506,297 | - | - | 3,506,297 | 3,506,297 | - | - | 3,506,297 |
| Tourist Accommodation | 10 | 3,687,760 | 822,938 | - | - | 822,938 | 822,938 | - | - | 822,938 |
| UV Pastoral | 9 | 1,118,424 | 120,295 | - | - | 120,295 | 120,295 | - | - | 120,295 |
| Mining | 331 | 3,612,363 | 1,342,589 | - | - | 1,342,589 | 1,342,589 | - | - | 1,342,589 |
| Other | 24 | 34,529,500 | 6,621,377 | - | - | 6,621,377 | 6,621,377 | - | - | 6,621,377 |
| Sub-Totals | 5,365 | 212,812,061 | 27,314,015 | 5,737,646 | - | 33,051,661 | 27,314,015 | 50,000 | - | 27,364,015 |
| Minimum | | | | | | | | | | |
| Minimum payment | | \$ | | | | | | | | - |
| GRV Residential | 1,422 | 17,353,702 | 1,848,600 | - | - | 1,848,600 | 1,848,600 | - | - | 1,848,600 |
| Residential - Vacant | 454 | 856,733 | 862,600 | - | - | 862,600 | 862,600 | - | - | 862,600 |
| Commercial / Industrial | 117 | 1,501,862 | 222,300 | - | - | 222,300 | 222,300 | - | - | 222,300 |
| Commercial / Industrial - Vacant | 90 | 171,000 | 171,000 | - | - | 171,000 | 171,000 | - | - | 171,000 |
| Mass Accommodation | - | - | - | - | - | - | 0 | - | - | - |
| Tourist Accommodation | - | - | - | - | - | - | 0 | - | - | - |
| UV Pastoral | 1 | 17,000 | 1,900 | - | - | 1,900 | 1,900 | - | - | 1,900 |
| Mining | 68 | 34,569 | 18,360 | - | - | 18,360 | 18,360 | 45,900 | - | 64,260 |
| Other | 10 | 4,047 | 19,000 | - | - | 19,000 | 19,000 | - | - | 19,000 |
| Sub-Totals | 2,162 | 19,938,913 | 3,143,760 | - | - | 3,143,760 | 3,143,760 | 45,900 | - | 3,189,660 |
| | | 7,527 | 232,750,974 | 30,457,775 | 5,737,646 | - | 36,195,421 | 30,457,775 | 95,900 | - |
| Discounts/concessions (Refer note 1(h)) | | | | | | | | | | |
| Pensioner Cap Gap | | | | | | | | | | |
| Total amount raised from general rates | | | | | | | 36,195,421 | | | |
| Rates Written off | | | | | | | (20,437) | | | |
| Total rates | | | | | | | 36,174,985 | | | |

TOWN OF PORT HEDLAND
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

NOTE 9 - INFORMATION ON BORROWINGS

(a) Debenture Repayments

| Particulars | Principal 1-Jul-18 | New Loans | Principal Repayments | | Principal Outstanding | | Interest Repayments | |
|--------------------------------------|-----------------------|--------------|----------------------|-------------------|-----------------------|-------------------|---------------------|-------------------|
| | | | YTD Actual | 2018/19 Budget | YTD Actual | 2018/19 Budget | YTD Actual | 2018/19 Budget |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Health | | | | | | | | |
| 135 - GP Housing | 1,244,705 | - | 28,967 | 58,618 | 1,215,739 | 1,186,087 | 18,469 | 58,190 |
| Education and Welfare | | | | | | | | |
| 129 - JD Hardie Upgrade | 1,200,156 | - | 31,023 | 62,985 | 1,169,132 | 1,137,171 | 26,614 | 71,671 |
| 136 - JD Hardie Facility Upgrade | 1,197,741 | - | 28,095 | 56,841 | 1,169,645 | 1,140,900 | 24,103 | 54,805 |
| Housing | | | | | | | | |
| 125 - Staff Housing - Morgans Street | 1,057,687 | - | 33,188 | 67,497 | 1,024,499 | 990,190 | 27,624 | 70,274 |
| 127 - Staff Housing - Morgans Street | 1,571,092 | - | 46,200 | 93,966 | 1,524,892 | 1,477,126 | 38,454 | 104,954 |
| 139 - Catamore Court | 1,412,365 | - | 28,808 | 58,366 | 1,383,558 | 1,353,999 | 23,978 | 72,834 |
| 143 - Catamore Court Additional | 279,655 | - | 15,838 | 31,881 | 263,817 | 247,774 | 13,182 | 6,935 |
| Recreation and culture | | | | | | | | |
| 130 - Marquee Park | 642,664 | - | 16,612 | 33,727 | 555,133 | 608,937 | 5,637 | 38,379 |
| 132 - Marquee Park | 3,546,075 | - | 87,531 | 177,347 | 3,389,999 | 3,368,728 | 29,702 | 182,821 |
| 133 - Wanangkura Stadium | 6,247,580 | - | 156,076 | 312,456 | 6,091,503 | 5,935,124 | 60,321 | 322,099 |
| 137 - Wanangkura Stadium | 2,077,844 | - | 46,150 | 97,179 | 2,031,694 | 1,980,665 | 17,836 | 98,995 |
| | 20,477,564 | - | 518,489 | 1,050,863 | 19,819,611 | 19,426,701 | 285,920 | 1,081,955 |
| Self Supporting Loans | | | | | | | | |
| Recreation and culture | | | | | | | | |
| 126 - Yacht Club | 284,788 | - | 17,103 | 34,767 | 267,686 | 250,021 | 9,076 | 17,434 |
| 128 - Yacht Club | 159,340 | - | 7,980 | 16,202 | 151,360 | 143,138 | 4,234 | 9,150 |
| 138 - South Hedland Bowls/Tennis | 436,454 | - | 8,902 | 18,037 | 427,552 | 418,417 | 3,582 | 22,507 |
| | 880,582 | - | 33,984 | 69,006 | 846,598 | 811,576 | 16,892 | 49,091 |
| Total | 21,358,146 | - | 552,473 | 1,119,869 | 20,666,209 | 20,238,277 | 302,813 | 1,131,047 |

Self supporting loans financed by payments from third parties. All other loan repayments were financed by general purpose revenue.

(b) New Debentures - 2018/19

The Town of Port Hedland do not plan any new debentures in 2018/19 financial year.

(c) Unspent Debentures

The Town of Port Hedland had no unspent borrowing funds as at 30 June 2018 nor is it expected to have unspent borrowing funds at 30 June 2019.

(d) 2018/19 Budget

The 2018/19 Budget reflects the full financial years budgeted loan and interest repayments.

TOWN OF PORT HEDLAND
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

NOTE 10 - Grants and Contributions

| Grant Provider | UVCODE | Type | Adopted budget | | | | | YTD Actual Revenue | |
|--|--|---------------|------------------|------------------|------------------|------------------|-----------------|--------------------|------------------|
| | | | Operating | Capital | YTD Budget | 2018/19 Budget | Post variations | | Expected |
| | | | \$ | \$ | \$ | \$ | \$ | \$ | |
| General purpose funding | | | | | | | | | |
| Grants Commission - General Purpose Grant | Operating Grants, Subsidies & Contributions | Operating | 840,000 | - | 420,000 | 840,000 | - | 840,000 | 179,121 |
| Grants Commission - Formula Local Road Grant | Operating Grants, Subsidies & Contributions | Operating | 730,000 | - | 365,000 | 730,000 | - | 730,000 | 171,394 |
| Law, order, public safety | | | | | | | | | |
| State Emergency Services Operating Grant | Operating Grants, Subsidies & Contributions | Operating | 27,479 | - | 13,740 | 27,479 | - | 27,479 | 42,065 |
| DFES Volunteer Bush Fire Brigade - Revenue | Operating Grants, Subsidies & Contributions | Operating | 12,000 | - | 6,000 | 12,000 | - | 12,000 | 6,747 |
| Community Safety and Crime Prevention Revenue | Operating Grants, Subsidies & Contributions | Operating | 250,000 | - | 125,000 | 250,000 | - | 250,000 | 250,000 |
| Health | | | | | | | | | |
| Pest Control Revenue | Operating Grants, Subsidies & Contributions | Operating | 2,882 | - | 1,441 | 2,882 | - | 2,882 | 2,883 |
| Education and welfare | | | | | | | | | |
| Grant Funded Library Projects | Operating Grants, Subsidies & Contributions | Operating | - | - | - | - | - | - | - |
| JD Hardie Workshop Programs | Non-Operating Grants, Subsidies & Contributions | Non-Operating | - | - | - | - | - | - | - |
| Community amenities | | | | | | | | | |
| Landfill Projects - Revenue | Operating Grants, Subsidies & Contributions | Operating | - | - | - | - | - | - | - |
| Community Contributions: Mia Mia | Operating Grants, Subsidies & Contributions | Operating | - | - | - | - | - | - | - |
| Recreation and culture | | | | | | | | | |
| SHAC Aquatic Centre Revenue | Operating Grants, Subsidies & Contributions | Operating | - | - | - | - | - | - | - |
| Recreation Administration Revenue | Operating Grants, Subsidies & Contributions | Operating | - | - | - | - | - | - | - |
| Recreation Club Development Revenue | Operating Grants, Subsidies & Contributions | Operating | - | - | - | - | - | - | 20,000 |
| Recreation Minor Events - Revenue | Operating Grants, Subsidies & Contributions | Operating | - | - | - | - | - | - | 16,636 |
| Wanangkura Stadium - Contribution : FMG Memberships and YMCA Spin Bike Cont. | Operating Grants, Subsidies & Contributions | Operating | - | - | - | - | - | - | 46,031 |
| Libraries Projects - Revenue | Operating Grants, Subsidies & Contributions | Operating | - | - | - | - | - | - | - |
| Libraries - Revenue | Operating Grants, Subsidies & Contributions | Operating | 15,000 | - | 7,500 | 15,000 | - | 15,000 | 13,957 |
| Libraries - Childrens Book Week Grant | Operating Grants, Subsidies & Contributions | Operating | - | - | - | - | - | - | 3,114 |
| Community Youth Revenue | Operating Grants, Subsidies & Contributions | Operating | 10,000 | - | 5,000 | 10,000 | - | 10,000 | - |
| Community Events Income | Operating Grants, Subsidies & Contributions | Operating | 70,000 | - | 35,000 | 70,000 | - | 70,000 | 103,145 |
| North West Festival Income | Operating Grants, Subsidies & Contributions | Operating | 400,000 | - | 200,000 | 400,000 | - | 400,000 | 395,000 |
| Non-Operating Revenue: SWIMMING AREAS AND BEACHES | Non-Operating Grants, Subsidies & Contributions | Non-Operating | - | - | - | - | - | - | 10,000 |
| Non-Operating Revenue: OTHER RECREATION AND SPORT | Non-Operating Grants, Subsidies & Contributions | Non-Operating | - | - | - | - | - | - | - |
| Non-Operating Revenue: OTHER LAW, ORDER & PUBLIC SAFETY | Non-Operating Grants, Subsidies & Contributions | Non-Operating | - | 411,656 | 205,828 | 411,656 | - | 411,656 | 205,738 |
| Transport | | | | | | | | | |
| Non-Operating Revenue: STREETS, ROADS, BRIDGES, DEPOTS | Non-Operating Grants, Subsidies & Contributions | Non-Operating | - | 1,928,586 | 964,293 | 1,928,586 | - | 1,928,586 | 21,273 |
| Infrastructure Maintenance Revenue | Operating Grants, Subsidies & Contributions | Operating | - | - | - | - | - | - | 153,717 |
| Infrastructure Construction - MRWA : Direct Grant | Operating Grants, Subsidies & Contributions | Operating | 169,089 | - | 84,545 | 169,089 | - | 169,089 | - |
| Economic services | | | | | | | | | |
| Economic Development Project Revenue | Operating Grants, Subsidies & Contributions | Operating | - | - | - | - | - | - | - |
| Other property and services | Operating Grants, Subsidies & Contributions | Operating | - | - | - | - | - | - | - |
| Financial Services Revenue | Operating Grants, Subsidies & Contributions | Operating | - | - | - | - | - | - | - |
| Human Resources Revenue | Operating Grants, Subsidies & Contributions | Operating | - | - | - | - | - | - | 2,273 |
| Total | | | 2,526,450 | 2,340,242 | 2,433,346 | 4,866,692 | - | 4,866,692 | 1,643,095 |
| Summary | | | | | | | | | |
| Operating | Operating Grants, Subsidies & Contributions | | 2,526,450 | - | 1,263,225 | 2,526,450 | - | 2,526,450 | 1,406,084 |
| Operating - Tied | Tied - Operating Grants, Subsidies and Contributions | | - | - | - | - | - | - | - |
| Non-operating | Non-Operating Grants, Subsidies & Contributions | | - | 2,340,242 | 1,170,121 | 2,340,242 | - | 2,340,242 | 237,011 |
| Total | | | 2,526,450 | 2,340,242 | 2,433,346 | 4,866,692 | - | 4,866,692 | 1,643,095 |

TOWN OF PORT HEDLAND
 NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
 For the Period Ended 31 December 2018

NOTE 11 - Budget Amendments

| COA | Description | Council Resolution | Classification | No Change - (Non Cash Items) Adjust. | Increase in Available Cash | Decrease in Available Cash |
|-----|---|--------------------|-----------------------|--------------------------------------|----------------------------|----------------------------|
| | | | | \$ | \$ | \$ |
| | Opening Carried Forward Surplus (Deficit) | | | (10,150,568) | | |
| | Adjustment to opening surplus | | | | | |
| | Community Amenities | Item 11.2.2 | Operating Expenditure | (210,000) | | |
| | Recreation and Culture | Item 14.2 | Capital Expenditure | 38,900 | | |
| | Recreation and Culture | Item 14.2 | Capital Expenditure | (38,900) | | |
| | Recreation and Culture | Item 14.3 | Capital Expenditure | (299,295) | | |
| | Adopted Budget Cash Position as per Council Resolution | | | (10,659,863) | - | - |

TOWN OF PORT HEDLAND
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 December 2018

NOTE 12 - Trust Fund

Funds held at balance date over which the local government has no control and which are not included in the financial statements are as follows:

| Description | Opening Balance | | | Closing Balance |
|-----------------------------|------------------------|------------------------|--------------------|-------------------------|
| | 1 July 2018 | Amount Received | Amount Paid | 31 December 2018 |
| | \$ | \$ | \$ | \$ |
| BCITF Levy | 3,442 | 32,905 - | 25,296 | 11,051 |
| Black Rock Stakes Donations | 178 | - | - | 178 |
| BRB Levy | 52,470 | 31,793 - | 24,126 | 60,136 |
| Building Bonds | 22,280 | - | - | 22,280 |
| Building Retention | 4,616 | - | - | 4,616 |
| Community Bank | 960 | - | - | 960 |
| DAP Levy | 9,868 | - | - | 9,868 |
| Garden Competition | 4,850 | - | - | 4,850 |
| Grants for Special Projects | 2,200 | - | - | 2,200 |
| Hall Hire Bonds | 7,350 | - - | 1,500 | 5,850 |
| BBQ Trailer/ Bus Bonds | 5,860 | 3,540 - | 6,620 | 2,780 |
| Nominated Election Bonds | 1,920 | - - | 1,360 | 560 |
| Public Open Space | 898 | - | - | 898 |
| Matt Dann Hire Events | - | 3,000 - | 2,000 | 1,000 |
| Ranger Service Bonds | 4,017 | 1,680 - | 2,737 | 2,960 |
| Sports Grounds | 36,296 | 14,550 - | 12,869 | 37,977 |
| Staff Bonds | 4,593 | - | - | 4,593 |
| Sundry Receipts | 694 | - | - | 694 |
| Technical Services Bonds | 3,550 | - | - | 3,550 |
| Unclaimed Money | 9,751 | - | - | 9,751 |
| TOTAL | 175,793 | 87,468 | (76,508) | 186,753 |