

# Monthly Financial Report Form

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# Monthly Financial Report Form

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## 1. Title

- 1.1. This document is called 'Monthly Financial Report Form'.

## 2. Commencement

- 2.1. This Form commences on the day after the day it is issued.
- 2.2. The required format prescribed in this Form is at Schedule 2 and is mandatory on and from the month following a council's first budget review in the 2022-23 year.

## 3. Definitions

**Act** means the *Local Government Act 2019*.

**CEO** of a council, means the council's chief executive officer as appointed under section 165(1) of the Act, who is in charge of day-to-day operations of the council.

**Council** means a council as defined in the *Local Government Act 2019*.

**General Regulations** means the *Local Government (General) Regulations 2021*.

**LA** is an acronym for local authority.

**Material** in relation to this Form has the same meaning as in Accounting Standard AASB 1031 of the Australian Accounting Standards

## 4. Relevance to the General Regulations

- 4.1. Regulation 17 of the General Regulations requires:

### **17 Monthly financial reports to council**

(1) The CEO must, in each month, give the council a report setting out:

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

(2) The report must also include:

- (a) details of all cash and investments held by the council (including money held in trust); and
- (b) the closing cash at bank balance split between tied and untied funds; and
- (c) a statement on trade debtors and a general indication of the age of the debts owed to the council; and
- (d) a statement on trade creditors and a general indication of the age of the debts owed by the council; and
- (e) a statement in relation to the council's payment and reporting obligations for GST, fringe benefits tax, PAYG withholding tax, superannuation and insurance; and
- (f) other information required by the council

## 5. Required Form

- 5.1. The required form of monthly financial reports is provided in Schedule 2 to satisfy the requirements of regulation 17(1) and 2(a) to (e) of the General Regulations.
- 5.2. The required form provides for the minimum information that is required, but does not preclude a council from including any additional information per regulation 2(f) of the General Regulations.

*Note for clause 5 - A template version of the required form (Schedule 2) is available for download on the Department of the Chief Minister and Cabinet's website.*

# Monthly Financial Report Form

## Schedule 1. Annotated form for monthly financial reports for all local government councils

### Statement 1. Comparison of Actual Performance against Budget

Table 1.1 Monthly Income and Expenditure Statement

	YTD Actuals \$ (a)	YTD Budget \$ *	YTD Variance \$ (a) **	Annual Budget \$ * (a)
<b>OPERATING INCOME</b>				
Rates				
Charges				
Fees and Charges				
Operating Grants and Subsidies				
Interest / Investment Income				
Commercial and Other Income				
<b>TOTAL OPERATING INCOME</b>				
<b>OPERATING EXPENDITURE</b>				
Employee Expenses				
Materials and Contracts				
Elected Member Allowances				
Elected Member Expenses	(b)			(b)
Council Committee & LA Allowances				
Council Committee & LA Expenses	(b)			(b)
Depreciation, Amortisation and Impairment				
Interest Expenses				
Other Expenses				
<b>TOTAL OPERATING EXPENDITURE</b>				
<b>OPERATING SURPLUS / DEFICIT</b>				

# Monthly Financial Report Form

Table 1.2 Monthly Operating Position

	YTD Actuals \$ <sup>(a)</sup>	YTD Budget \$ *	YTD Variance \$ <sup>(a)</sup> **	Annual Budget \$ * <sup>(a)</sup>
<b>BUDGETED OPERATING SURPLUS / DEFICIT</b>				
<b>Remove NON-CASH ITEMS</b>				
Less Non-Cash Income				(f)
Add Back Non-Cash Expenses				(f)
<b>TOTAL NON-CASH ITEMS</b>				
<b>Less ADDITIONAL OUTFLOWS</b>				
Capital Expenditure				(c)
Borrowing Repayments (Principal Only)				(d)
Transfers to Reserves	(e)			
Other Outflows				
<b>TOTAL ADDITIONAL OUTFLOWS</b>				
<b>Add ADDITIONAL INFLOWS</b>				
Capital Grants Income				
Prior Year Carry Forward Tied Funding				
Other Inflow of Funds				
Transfers from Reserves	(e)			
<b>TOTAL ADDITIONAL INFLOWS</b>				
<b>NET BUDGETED OPERATING POSITION</b>			**	

\* The most recently approved budget.

\*\* Provide the reason/s for each material YTD variation.

### **Relevant Legislative References:**

- a)** Regulation 17(1) of the General Regulations requires the CEO each month give the council a report setting out the actual income and expenditure for the year to date; the most recently adopted annual budget; and details of any material variances between the most recent actuals and the most recently adopted annual budget.
- b)** Section 109(3) of the Act requires council, council committee and local authority expenses and benefits to be disclosed in council's monthly financial reports and budget.
- c)** Section 201(2)(b) of the Act requires the annual budget to contain, among other things, the projected capital expenditure
- d)** Guideline 3: Borrowing clause 7.6 requires approved borrowings to be reflected in council's budget.
- e)** Note, regulation 11 of the General Regulations requires a council resolution for a transfer to or from council reserves.
- f)** Regulation 10 of the General Regulations permits Council's budget to be in deficit if the result can be attributed to depreciation or other non-cash items.

# Monthly Financial Report Form

## Statement 2. Capital Expenditure and Funding

Table 2.1 By class of infrastructure, property, plant and equipment.

CAPITAL EXPENDITURE **	YTD Actuals \$	YTD Budget \$	YTD Variance \$	Current Financial Year (Annual) Budget \$
Land and Buildings				
Infrastructure (including roads, footpaths, park furniture)				
Plant and Machinery				
Fleet				
Other Assets (including furniture and office equipment)				
Leased Land and Buildings				
Other Leased Assets				
<b>TOTAL CAPITAL EXPENDITURE *</b>				
<b>TOTAL CAPITAL EXPENDITURE FUNDED BY: **</b>				
Operating Income (amount allocated to fund capital items)				
Capital Grants				
Transfers from Cash Reserves	(h)			
Borrowings				
Sale of Assets (including trade-ins)				
Other Funding				
<b>TOTAL CAPITAL EXPENDITURE FUNDING</b>				(g)

\* Table 2.1 Total Capital Expenditure amounts are to equal Table 1.2 Capital Expenditure.

\*\* Additional lines can be added to Table 2.1 and lines can be split to provide more detail but not reduced or combined.

### **Relevant Legislative References:**

- g)** Section 201(2)(b) of the Act requires the annual budget to contain, among other things, the projected capital expenditure.
- h)** Note, regulation 11 of the General Regulations requires a council resolution for a transfer to or from council reserves.

# Monthly Financial Report Form

## Table 2.2 Quarterly Report on Planned Major Capital Works

This report is for major capital projects that are either in progress, that will continue over more than one financial year or will be completed this current financial year (including projects that are started and completed in the current financial year).

As a minimum requirement, this report is only required to be included in the Monthly Financial Reports to council on a quarterly basis.

<b>Class of Assets</b>	<b>By Major Capital Project *</b>	<b>Total Prior Year(s) Actuals \$</b>	<b>YTD Actuals \$</b>	<b>Total Actuals \$</b>	<b>Total Planned Budget \$ **</b>	<b>Total Yet To Spend \$</b>	<b>Expected Project Completion Date</b>
		<b>(A)</b>	<b>(B)</b>	<b>(C = A + B)</b>	<b>(D)</b>	<b>(E = D - C)</b>	
<i>Example: Land and Buildings</i>	<i>Refurbish Building XXX Construction Works</i>	175 000	55 000	230 000	280 000	50 000	30/09/20XX
<i>Example: Infrastructure</i>	<i>XXXX Road Reseal</i>	-	90 000	90 000	110 000	20 000	30/11/20XX
	<b>TOTAL</b>				<b>***</b>		

\* A council must, by resolution, adopt a minimum threshold as the basis for including planned major capital works projects in Table 2.2 (for example, Council resolved major capital works projects are projects that are expected to cost more than \$150 000 in total). Nothing precludes a council from including capital works projects lower than the threshold value in Table 2.2 (for example, where a capital project is of significant public interest.)

\*\* The capital project's total planned budget is the most recently approved budget, that is, the original budget plus approved variations covering the entire life of the project. (For example: the Refurbish Building XXX Construction Works project had one material budget variation for an additional \$50 000 expenditure approved on 20/04/20XX to change all doorways to be wheelchair access compliant.)

\*\*\* For each project provide the reason/s for each material budget change approved.

# Monthly Financial Report Form

**Table 3. Monthly Balance Sheet**

BALANCE SHEET AS AT XXXX 20YY	YTD Actuals \$	Note Reference*
<b>ASSETS</b>		
Cash at Bank		(1)
Tied Funds	(i)	
Untied Funds	(i)	
Accounts Receivable		
Trade Debtors		(2)
Rates & Charges Debtors		
Other Current Assets		
<b>TOTAL CURRENT ASSETS</b>		
Non-Current Financial Assets		
Property, Plant and Equipment		
<b>TOTAL NON-CURRENT ASSETS</b>		
<b>TOTAL ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable		(3)
ATO & Payroll Liabilities		(4)
Current Provisions		
Accruals		
Other Current Liabilities		
<b>TOTAL CURRENT LIABILITIES</b>		
Non-Current Provisions		
Other Non-Current Liabilities		
<b>TOTAL NON-CURRENT LIABILITIES</b>		
<b>TOTAL LIABILITIES</b>		
<b>NET ASSETS</b>		
<b>EQUITY</b>		
Asset Revaluation reserve		
Reserves		
Accumulated Surplus		
<b>TOTAL EQUITY</b>		

\* The note reference can change depending on the amount of detail that council would like to include in the report. However, the four notes identified are required as per Regulation 17 of the General Regulations.

**Relevant Legislative References:**

- i) Regulation 17(2)(b) of the General Regulations requires the monthly financial report include the closing cash at bank balance split between tied and untied funds

# Monthly Financial Report Form

## Notes required in relation to Table 3. Monthly Balance Sheet

### Note 1. Details of Cash and Investments Held

The content is to include the list of investments and any other details required under Council's Investment Policy (such as a rating of each investment). The Note is to also include the balance of monies held in trust. (*Regulation 17(2)(a) of the General Regulations*).

### Note 2. Statement of Trade Debtors

The content is to include an indication of the age of trade debtors. Council may also seek to include information on the efforts made to recover a debt, and any amounts that are to be assessed for possible write-off. (*Regulation 17(2)(c) of the General Regulations*).

Example:

<i>(Council can select timing of the age of trade debtors)</i>	Current	Past Due 1-30 Days	Past Due 31-60 Days	Past Due 61-90 Days	Past Due 90+ Days	Total *
Trade Debtors	\$	\$	\$	\$	\$	\$

\* Total to equal the monthly balance sheet YTD actual amount for Accounts Payable in Table 3.

### Note 3. Statement on Trade Creditors

The content is to include an indication of the age of the trade creditors. (*Regulation 17(2)(d) of the General Regulations*).

Example:

<i>(Council can select timing of the age of creditors)</i>	Current	Past Due 1-30 Days	Past Due 31-60 Days	Past Due 61-90 Days	Past Due 90+ Days	Total
Trade Creditors	\$	\$	\$	\$	\$	\$
Other Creditors						\$ **
Total Accounts Payable						\$ *

\* Total to equal the monthly balance sheet YTD actual amount for Accounts Payable in Table 3.

\*\* If there are Other Creditors it is optional to report the age of Other Creditors otherwise record the total amount.

### Note 4. Statement on Australian Tax Office, Payroll and Insurance Obligations

The content is to include a narrative on the Council's current payment and reporting obligations for Goods and Services Tax (GST), Fringe Benefits Tax (FBT), PAYG Withholding Tax, superannuation and insurance. (*Regulation 17(2)(e) of the General Regulations*)



# Monthly Financial Report Form

## Table 4. Member and CEO Council Credit Card Transactions for the Month

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

Example:

Cardholder Name: .....

Transaction Date	Amount \$	Supplier's Name	Reason for the Transaction
<b>Total</b>			

## Monthly Financial Report Certification

The monthly financial report to council must either be accompanied by a written certification by the CEO to the council, as set out below, or the CEO is to provide written reasons for not providing the certification. (*Regulation 17(5) of the General Regulations*)

### Certification by the CEO to the Council

That, to the best of the CEO's knowledge, information and belief:

- (1) The internal controls implemented by the council are appropriate; and
- (2) The council's financial report best reflects the financial affairs of the council.

CEO Signed .....

Date Signed .....

# Monthly Financial Report Form

**Table 5. Monthly Financial Report for Each Local Authority Area**

**OPERATING INCOME AND EXPENDITURE FOR LOCAL AUTHORITIES FOR THE PERIOD ENDING XXXX 20YY**

*This report only applies to regional local government councils.*

	NOTES	Regional Office / Unallocated			LA 1			LA 2			Total		
		YTD Actuals \$	YTD Budget \$	YTD Variance \$	YTD Actuals \$	YTD Budget \$	YTD Variance \$	YTD Actuals \$	YTD Budget \$	YTD Variance \$	YTD Actuals \$	YTD Budget \$	YTD Variance \$
<b>OPERATING INCOME</b>													
Rates													
Charges													
Fees and Charges													
Operating Grants and Subsidies													
Interest / Investment Income													
Commercial and Other Income													
<b>TOTAL OPERATING INCOME</b>													
<b>OPERATING EXPENDITURE</b>													
Employee Expenses													
Materials and Contracts													
Elected Member Allowances													
Elected Member Expenses													
Council Committee and LA Allowances													
Council Committee and LA Expenses													
Depreciation, Amortisation and Impairment													
Interest Expenses													
Other Expenses													
<b>TOTAL OPERATING EXPENDITURE</b>													
<b>OPERATING SURPLUS/DEFICIT</b>													

# Monthly Financial Report Form

## Schedule 2. Required form

### Statement 1. Comparison of Actual Performance against Budget

Table 1.1 Monthly Income and Expenditure Statement

	YTD Actuals \$	YTD Budget \$	YTD Variance \$	Annual Budget \$
<b>OPERATING INCOME</b>				
Rates				
Charges				
Fees and Charges				
Operating Grants and Subsidies				
Interest / Investment Income				
Commercial and Other Income				
<b>TOTAL OPERATING INCOME</b>				
<b>OPERATING EXPENDITURE</b>				
Employee Expenses				
Materials and Contracts				
Elected Member Allowances				
Elected Member Expenses				
Council Committee & LA Allowances				
Council Committee & LA Expenses				
Depreciation, Amortisation and Impairment				
Interest Expenses				
Other Expenses				
<b>TOTAL OPERATING EXPENDITURE</b>				
<b>OPERATING SURPLUS / DEFICIT</b>				

# Monthly Financial Report Form

Table 1.2 Monthly Operating Position

	YTD Actuals \$	YTD Budget \$	YTD Variance \$	Annual Budget \$
<b>BUDGETED OPERATING SURPLUS / DEFICIT</b>				
<i>Remove</i> <b>NON-CASH ITEMS</b>				
Less Non-Cash Income				
Add Back Non-Cash Expenses				
<b>TOTAL NON-CASH ITEMS</b>				
<i>Less</i> <b>ADDITIONAL OUTFLOWS</b>				
Capital Expenditure				
Borrowing Repayments (Principal Only)				
Transfers to Reserves				
Other Outflows				
<b>TOTAL ADDITIONAL OUTFLOWS</b>				
<i>Add</i> <b>ADDITIONAL INFLOWS</b>				
Capital Grants Income				
Prior Year Carry Forward Tied Funding				
Other Inflow of Funds				
Transfers from Reserves				
<b>TOTAL ADDITIONAL INFLOWS</b>				
<b>NET BUDGETED OPERATING POSITION</b>				

# Monthly Financial Report Form

## Statement 2. Capital Expenditure and Funding

Table 2.1 By class of infrastructure, property, plant and equipment.

CAPITAL EXPENDITURE	YTD Actuals \$	YTD Budget \$	YTD Variance \$	Current Financial Year (Annual) Budget \$
<b>TOTAL CAPITAL EXPENDITURE</b>				
<b>TOTAL CAPITAL EXPENDITURE FUNDED BY:</b>				
<b>TOTAL CAPITAL EXPENDITURE FUNDING</b>				

Table 2.2 Quarterly Report on Planned Major Capital Works

Class of Assets	By Major Capital Project	Total Prior Year(s) Actuals \$ (A)	YTD Actuals \$ (B)	Total Actuals \$ (C = A + B)	Total Planned Budget \$ (D)	Total Yet To Spend \$ (E = D - C)	Expected Project Completion Date
	<b>TOTAL</b>						

# Monthly Financial Report Form

**Table 3. Monthly Balance Sheet**

<b>BALANCE SHEET AS AT XXXX 20YY</b>	<b>YTD Actuals \$</b>	<b>Note Reference</b>
<b>ASSETS</b>		
Cash at Bank		(1)
Tied Funds		
Untied Funds		
Accounts Receivable		
Trade Debtors		(2)
Rates & Charges Debtors		
Other Current Assets		
<b>TOTAL CURRENT ASSETS</b>		
Non-Current Financial Assets		
Property, Plant and Equipment		
<b>TOTAL NON-CURRENT ASSETS</b>		
<b>TOTAL ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable		(3)
ATO & Payroll Liabilities		(4)
Current Provisions		
Accruals		
Other Current Liabilities		
<b>TOTAL CURRENT LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Non-Current Provisions		
Other Non-Current Liabilities		
<b>TOTAL NON-CURRENT LIABILITIES</b>		
<b>TOTAL LIABILITIES</b>		
<b>NET ASSETS</b>		
<b>EQUITY</b>		
Asset Revaluation reserve		
Reserves		
Accumulated Surplus		
<b>TOTAL EQUITY</b>		

# Monthly Financial Report Form

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**Notes required in relation to Table 3. Monthly Balance Sheet:**

**Note 1. Details of Cash and Investments Held**

**Note 2. Statement of Trade Debtors**

**Note 3. Statement on Trade Creditors**

**Note 4. Statement on Australian Tax Office, Payroll and Insurance Obligations**

**Table 4. Member and CEO Council Credit Card Transactions for the Month**

Cardholder Name: .....

Transaction Date	Amount \$	Supplier's Name	Reason for the Transaction
<b>Total</b>			

## Monthly Financial Report Certification

The monthly financial report to council must either be accompanied by a written certification by the CEO to the council, as set out below, or the CEO is to provide written reasons for not providing the certification. (*Regulation 17(5) of the General Regulations*)

### Certification by the CEO to the Council

That, to the best of the CEO's knowledge, information and belief:

- (1) The internal controls implemented by the council are appropriate; and
- (2) The council's financial report best reflects the financial affairs of the council.

CEO Signed .....

Date Signed .....

# Monthly Financial Report Form

**Table 5. Monthly Financial Report for Each Local Authority Area**

*This report only applies to regional local government councils.*

	NOTES	Regional Office / Unallocated			LA 1			LA 2			Total		
		YTD Actuals \$	YTD Budget \$	YTD Variance \$	YTD Actuals \$	YTD Budget \$	YTD Variance \$	YTD Actuals \$	YTD Budget \$	YTD Variance \$	YTD Actuals \$	YTD Budget \$	YTD Variance \$
<b>OPERATING INCOME</b>													
Rates													
Charges													
Fees and Charges													
Operating Grants and Subsidies													
Interest / Investment Income													
Commercial and Other Income													
<b>TOTAL OPERATING INCOME</b>													
<b>OPERATING EXPENDITURE</b>													
Employee Expenses													
Materials and Contracts													
Elected Member Allowances													
Elected Member Expenses													
Council Committee and LA Allowances													
Council Committee and LA Expenses													
Depreciation, Amortisation and Impairment													
Interest Expenses													
Other Expenses													
<b>TOTAL OPERATING EXPENDITURE</b>													
<b>OPERATING SURPLUS/DEFICIT</b>													