



Item No: 2.1
Title: Monthly Finance Report June 2024
Department: Corporate Services

23 July 2024 Ordinary Council Meeting

Reference: F2020/03205 - D16294418
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Recommendation

That Council receives the report Monthly Financial Reports – June 2024 (Preliminary).

Report purpose

To present to Council the preliminary high level financial position as at 30 June 2024. The preliminary result as at 30 June 2024 also represents the indicative result for the 2023-24 Financial Year (FY), noting that the result is subject to change as end of financial year processes continue.

Executive Summary

This report presents the indicative financial result for the 2023-24 FY. As at 17 July 2024, based on amounts already processed and amounts yet to be included, it is estimated that Council will have an operating surplus on a consolidated basis ranging from \$17M to \$32M. Council's budgeted operating surplus for 2023-24 FY is \$25.9M.

The financial result included in this report is subject to changes due to end of financial year adjustments yet to be processed, and adjustments that may be requested as part of the audit of the 2023-24 FY Annual Financial Statements by the NSW Audit Office.

The 2023-24 Draft Financial Statements will be presented to Council for referral to audit in August 2024.

Background

The monthly financial reports have been prepared in accordance with the requirements of the *Local Government Act 1993* ("LG Act"), the *Local Government (General) Regulation 2005* ("LG Reg"), and the relevant accounting and reporting requirements of the Office of Local Government prescribed Code of Accounting Practice and Financial Reporting and Australian Accounting Standards.

2.1 Monthly Finance Report June 2024 (cont'd)

The June 2024 financial report is a high-level summary report aimed at providing an indicative financial position for 2023-24 FY, subject to end of financial year adjustments and any adjustments arising from the audit of Council's Financial Statements.

Following the completion of all the necessary end of financial year adjustments, including accounting for all revenue and expenditure attributable to the 2023-24 FY, Council's Annual Financial Statements will be compiled in the mandated format and submitted to Council to refer to audit.

Report

For the 2023-24 FY, at the time of preparing this report, and based on identified adjustments yet to be processed, Council has an indicative consolidated net operating result surplus range of \$17M to \$32M. Council's budgeted operating surplus for 2023-24 FY is \$25.9M. It is anticipated that Council's final consolidated operating surplus will be within an appropriate variance range compared to budget.

It is to be noted that the operating result is subject to changes due to several material end of year adjustments yet to be processed, including, but not limited to:

- Accrual of revenue
- Accrual of expenditure
- Processing of provisions
- Grant recognition adjustments

At this stage, there is limited scope to analyse the budget variations associated with each component of the Operating Statement, as amounts are subject to change. Results by Fund are also subject to change to the end of year restrictions adjustments being still in progress at the time of preparing this report. This analysis will be provided in August 2024.

Financial Performance Benchmarks

At the time of preparing this report the Financial Performance Benchmarks for 2023-24 FY was still being finalised as per the production of Council's financial statements.

Cash and Investments

Details on cash and investments as at June 2024 are included in the Monthly Investment Report June 2024, included as a separate report in this business paper.

Restricted Funds

At the time of preparing this report restrictions for 2023-24 FY were still being finalised as per the production of Council's financial statements.

Capital Works

At the time of preparing this report capital expenditure attributable to 2023-24 FY was still being finalised as per the production of Council's financial statements.

Link to Community Strategic Plan

Theme 4: Responsible

Goal G: Good governance and great partnerships

R-G2: Engage and communicate openly and honestly with the community to build a relationship based on trust, transparency, respect and use community participation and feedback to inform decision making.

Attachments

Nil