

SHIRE OF MERREDIN

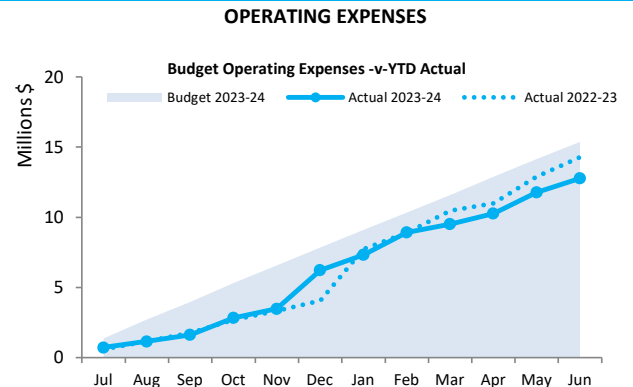
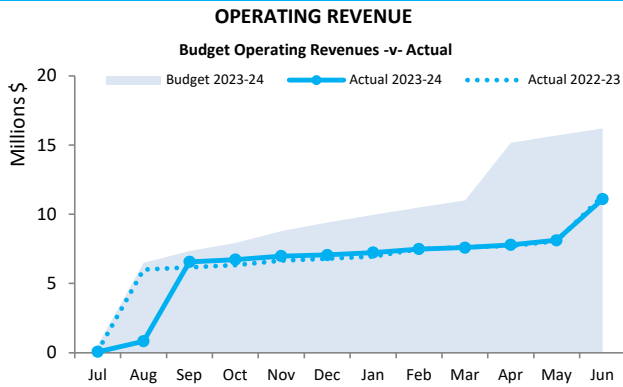
MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the period ending 30 June 2024

LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

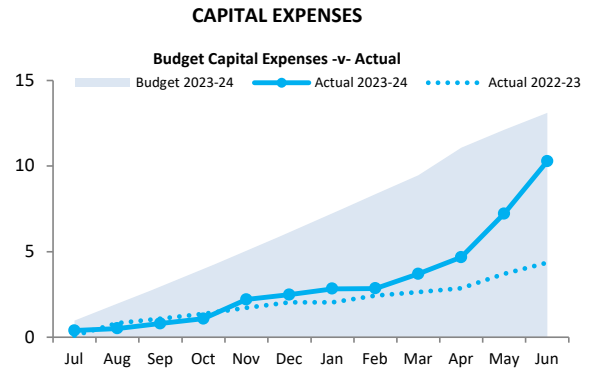
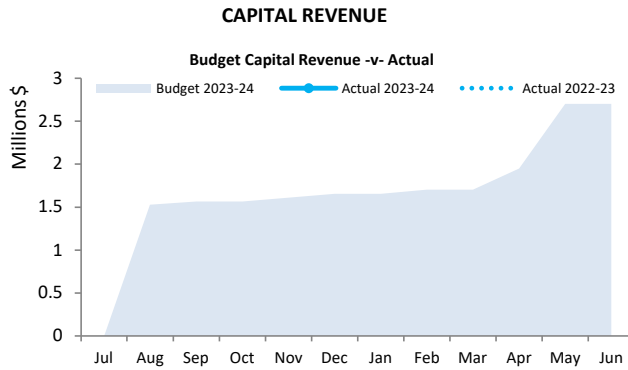
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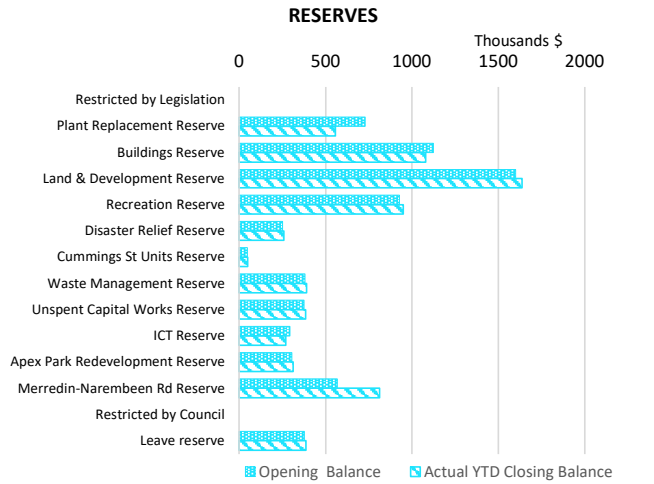
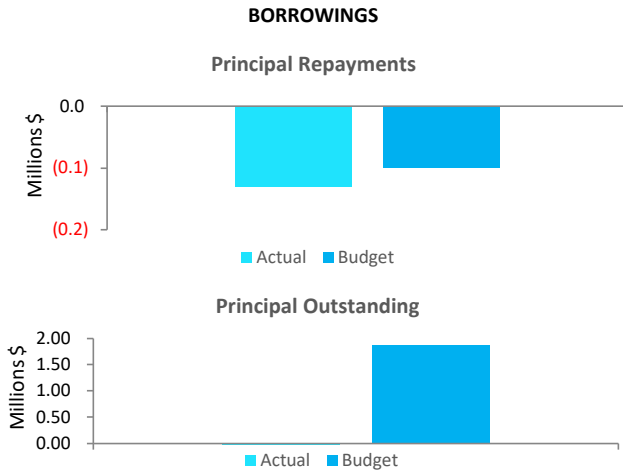
OPERATING ACTIVITIES



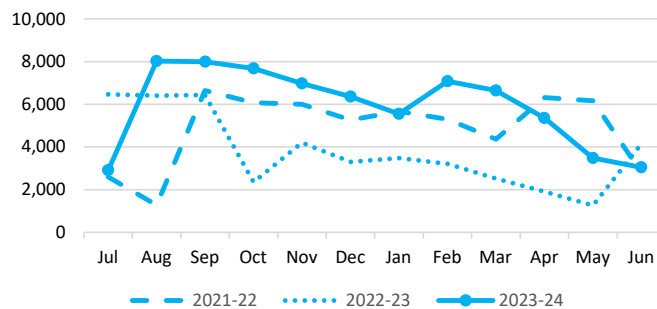
INVESTING ACTIVITIES



FINANCING ACTIVITIES



Closing funding surplus / (deficit)



This information is to be read in conjunction with the accompanying Financial Statements and Notes.

Funding surplus / (deficit) Components

Funding surplus / (deficit)				
	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$3.93 M	\$3.93 M	\$3.93 M	\$0.00 M
Closing	\$0.01 M	\$0.26 M	\$4.83 M	\$4.57 M

Refer to Statement of Financial Activity

Cash and cash equivalents		
	\$	% of total
Unrestricted Cash	\$7.01 M	49.8%
Restricted Cash	\$7.08 M	50.2%

Refer to Note 2 - Cash and Financial Assets

Payables		
	\$	% Outstanding
Trade Payables	\$1.99 M	
0 to 30 Days		99.3%
Over 30 Days		0.7%
Over 90 Days		0.2%

Refer to Note 5 - Payables

Receivables		
	\$	% Collected
Rates Receivable	\$0.61 M	89.8%
Trade Receivable	\$0.82 M	
Over 30 Days		37.4%
Over 90 Days		14.7%

Refer to Note 3 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$1.23 M)	(\$1.23 M)	\$2.54 M	\$3.76 M

Refer to Statement of Financial Activity

Rates Revenue		
	\$	% Variance
YTD Actual	\$5.30 M	
YTD Budget	\$5.30 M	0.0%

Refer to Statement of Financial Activity

Operating Grants and Contributions		
	\$	% Variance
YTD Actual	\$3.82 M	
YTD Budget	\$1.75 M	118.8%

Refer to Note 11 - Operating Grants and Contributions

Fees and Charges		
	\$	% Variance
YTD Actual	\$1.12 M	
YTD Budget	\$0.89 M	25.2%

Refer to Statement of Financial Activity

Key Investing Activities

Amount attributable to investing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$4.63 M)	(\$4.38 M)	(\$2.88 M)	\$1.50 M

Refer to Statement of Financial Activity

Proceeds on sale		
	\$	%
YTD Actual	\$0.12 M	
Adopted Budget	\$0.15 M	(16.9%)

Refer to Note 6 - Disposal of Assets

Asset Acquisition		
	\$	% Spent
YTD Actual	\$10.29 M	
Adopted Budget	\$15.46 M	(33.5%)

Refer to Note 7 - Capital Acquisitions

Capital Grants		
	\$	% Received
YTD Actual	\$7.25 M	
Adopted Budget	\$10.64 M	(31.9%)

Refer to Note 7 - Capital Acquisitions

Key Financing Activities

Amount attributable to financing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$1.94 M	\$1.94 M	\$1.25 M	(\$0.69 M)

Refer to Statement of Financial Activity

Borrowings	
Principal repayments	\$0.13 M
Interest expense	\$0.01 M
Principal due	(\$1.09 M)

Refer to Note 8 - Borrowings

Reserves	
Reserves balance	\$7.08 M
Interest earned	\$0.16 M

Refer to Note 9 - Cash Reserves

This information is to be read in conjunction with the accompanying Financial Statements and notes.

KEY TERMS AND DESCRIPTIONS FOR THE PERIOD ENDED 30 JUNE 2024

REVENUE

RATES

All rates levied under the *Local Government Act 1995*. Includes general, differential, specified area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts and concessions offered. Excludes administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refers 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 identifiable non financial assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

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, and 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 these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges.

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, reimbursements etc.

PROFIT ON ASSET DISPOSAL

Excess of assets received over the net book value for assets on their disposal.

NATURE OR TYPE DESCRIPTIONS

EXPENSES

EMPLOYEE COSTS

All costs associated 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, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, 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)

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

Shortfall between the value of assets received over the net book value for assets on their disposal.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets. Excluding Land.

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, allowance for impairment of assets, member's fees or State taxes. Donations and subsidies made to community groups.

STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2024

BY NATURE OR TYPE

	Ref	Current	Budget	YTD Budget	YTD Actual	Forecast 29 June 2024 Closing	Variance \$	Variance %	Var.
	Note	(a)	(b)	(b)	(c)	(a)-(b)+(c)	(c) - (b)	((c) - (b))/(b)	
		\$	\$	\$	\$	\$	\$	%	
Opening funding surplus / (deficit)	1(c)	3,934,246	3,934,246	3,934,246	3,934,246	3,934,246	0	0.00%	
Revenue from operating activities									
Rates		5,298,000	5,298,000	5,298,000	5,299,799	5,299,799	1,799	0.03%	
Operating grants, subsidies and contributions	11	1,745,000	1,745,000	1,745,000	3,817,928	3,817,928	2,072,928	118.79%	▲
Fees and charges		891,200	891,200	891,200	1,115,613	1,115,613	224,413	25.18%	▲
Interest earnings		404,528	404,528	404,528	477,677	477,677	73,149	18.08%	▲
Other revenue		357,400	357,400	357,400	304,995	304,995	(52,405)	(14.66%)	▼
Profit on disposal of assets	6	84,500	84,500	84,500	77,605	77,605	(6,895)	(8.16%)	
		8,780,628	8,780,628	8,780,628	11,093,617	11,093,617	2,312,989	26.34%	
Expenditure from operating activities									
Employee costs		(4,956,810)	(4,956,810)	(4,956,810)	(4,398,281)	(4,398,281)	558,529	11.27%	▲
Materials and contracts		(3,748,190)	(3,748,190)	(3,748,190)	(2,956,495)	(2,956,495)	791,695	21.12%	▲
Utility charges		(507,250)	(507,250)	(507,250)	(450,797)	(450,797)	56,453	11.13%	▲
Depreciation on non-current assets		(5,903,700)	(5,903,700)	(5,903,700)	(4,302,353)	(4,302,353)	1,601,347	27.12%	▲
Interest expenses		(101,000)	(101,000)	(101,000)	(21,689)	(21,689)	79,311	78.53%	▲
Insurance expenses		(262,410)	(258,700)	(258,700)	(256,384)	(260,094)	2,316	0.90%	
Other expenditure		(349,800)	(352,000)	(352,000)	(396,974)	(394,774)	(44,974)	(12.78%)	▼
Loss on disposal of assets	6	(11,700)	(11,700)	(11,700)	(19,780)	(19,780)	(8,080)	(69.06%)	
		(15,840,860)	(15,839,350)	(15,839,350)	(12,802,753)	(12,804,263)	3,036,597	(19.17%)	
Non-cash amounts excluded from operating activities	1(a)	5,830,900	5,830,900	5,830,900	4,244,528	4,244,528	(1,586,372)	(27.21%)	▼
Amount attributable to operating activities		(1,229,332)	(1,227,822)	(1,227,822)	2,535,392	2,533,882	3,763,214	(306.50%)	
Investing activities									
Proceeds from non-operating grants, subsidies and contributions	12	10,644,698	10,644,698	10,644,698	7,249,066	7,249,066	(3,395,632)	(31.90%)	▼
Proceeds from disposal of assets	6	146,000	146,000	146,000	121,280	121,280	(24,720)	(16.93%)	▼
Proceeds from financial assets at amortised cost - self supporting loans	8	36,800	36,834	36,834	36,834	36,800	0	0.00%	
Payments for property, plant and equipment and infrastructure	7	(15,462,328)	(15,208,411)	(15,208,411)	(10,287,706)	(10,541,622)	4,920,706	32.36%	▲
Amount attributable to investing activities		(4,634,830)	(4,380,879)	(4,380,879)	(2,880,526)	(3,134,476)	1,500,354	(34.25%)	
Financing Activities									
Proceeds from new debentures	8	1,480,000	1,480,000	1,480,000	1,480,000	1,480,000	0	0.00%	
Transfer from reserves	9	1,254,600	1,254,600	1,254,600	290,300	290,300	(964,300)	(76.86%)	▼
Repayment of debentures	8	(99,100)	(99,100)	(99,100)	(131,516)	(131,516)	(32,416)	(32.71%)	▼
Transfer to reserves	9	(700,428)	(700,428)	(700,428)	(392,987)	(392,987)	307,441	43.89%	▲
Amount attributable to financing activities		1,935,072	1,935,072	1,935,072	1,245,797	1,245,797	(689,275)	(35.62%)	
Closing funding surplus / (deficit)	1(c)	5,156	260,617	260,617	4,834,910	4,579,449	4,574,293	(1755.18%)	▲

KEY INFORMATION

▲▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

Refer to Note 14 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

BASIS OF PREPARATION

The financial report has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying Regulations.

The *Local Government Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has 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.

THE LOCAL GOVERNMENT REPORTING ENTITY

All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

All monies held in the Trust Fund are excluded from the financial statements.

SIGNIFICANT ACCOUNTING POLICES

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 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 not readily apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimation of fair values of certain financial assets
- estimation of fair values of fixed assets shown at fair value
- impairment of financial assets

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.

ROUNDING OFF FIGURES

All figures shown in this statement are rounded to the nearest dollar.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 30 June 2024

(a) Non-cash items excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

	Notes	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Forecast 29 June 2024 Closing
		\$	\$	\$	
Non-cash items excluded from operating activities					
Adjustments to operating activities					
Less: Profit on asset disposals	6	(84,500)	(84,500)	(77,605)	(77,605)
Add: Loss on asset disposals	6	11,700	11,700	19,780	19,780
Add: Depreciation on assets		5,903,700	5,903,700	4,302,353	4,302,353
Total non-cash items excluded from operating activities		5,830,900	5,830,900	4,244,528	4,244,528

(b) Adjustments to net current assets in the Statement of Financial Activity

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

	Adopted Budget Opening 30 June 2023	Last Year Closing 30 June 2023	Year to Date 30 June 2024
Adjustments to net current assets			
Less: Reserves - restricted cash	9	(7,013,785)	(6,975,873)
Less: - Financial assets at amortised cost - self supporting loans	4	(36,834)	(36,834)
Less: User defined		(755,760)	(755,760)
Add: Borrowings	8	99,461	99,461
Add: Provisions employee related provisions	10	571,585	571,585
Total adjustments to net current assets		(7,135,333)	(7,097,421)

(c) Net current assets used in the Statement of Financial Activity

Current assets				
Cash and cash equivalents	2	12,218,595	12,218,595	14,087,178
Rates receivables	3	733,267	733,267	612,680
Receivables	3	573,714	573,714	823,146
Other current assets	4	253,542	253,542	171,409
Less: Current liabilities				
Payables	5	(769,443)	(769,443)	(2,522,248)
Borrowings	8	(99,461)	(99,461)	32,056
Contract liabilities	10	(1,306,962)	(1,306,962)	(502,931)
Provisions	10	(571,585)	(571,585)	(571,585)
Less: Total adjustments to net current assets	1(b)	(7,097,421)	(7,097,421)	(7,294,795)
Closing funding surplus / (deficit)		3,934,246	3,934,246	4,834,910

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. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

Description	Classification	Unrestricted	Restricted	Total Cash	Trust	Institution	Interest Rate	Maturity Date	
		\$	\$	\$	\$				
Municipal Bank Account		5,538,853		5,538,853					
Petty Cash - Admin		950		950					
Float - MRCLC		3,100		3,100					
Municipal Investment Account		1,465,716		1,465,716					
Reserve Bank Account		0	7,078,559	7,078,559					
Total		7,008,619	7,078,559	14,087,178	0				
Comprising									
Cash and cash equivalents		7,008,619	7,078,559	14,087,178	0				
		7,008,619	7,078,559	14,087,178	0				

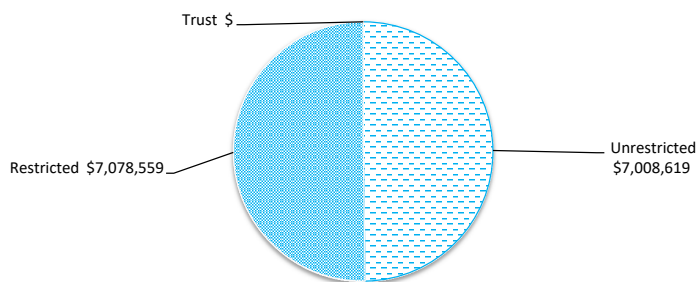
KEY INFORMATION

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of net current assets.

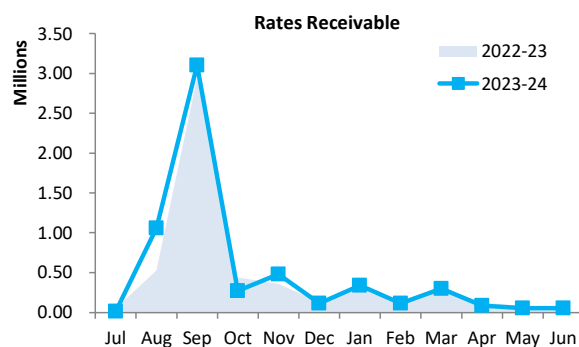
The local government classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 4 - Other assets.



Rates receivable	30 June 2023	30 Jun 2024
	\$	\$
Opening arrears previous years	733,267	733,267
Levied this year		5,299,799
Less - collections to date	0	(5,420,386)
Gross rates collectable	733,267	612,680
Net rates collectable	733,267	612,680
% Collected	0%	89.8%



Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	447	153,124	9,020	46,557	35,995	245,143
Percentage	0.2%	62.5%	3.7%	19%	14.7%	
Balance per trial balance						
Sundry receivable						245,143
GST receivable						0
Other receivables						273,895
Accrued Income						328,085
Other receivables - Provision for Doubtful Debts						(24,156)
Total receivables general outstanding						822,967

Amounts shown above include GST (where applicable)

KEY INFORMATION

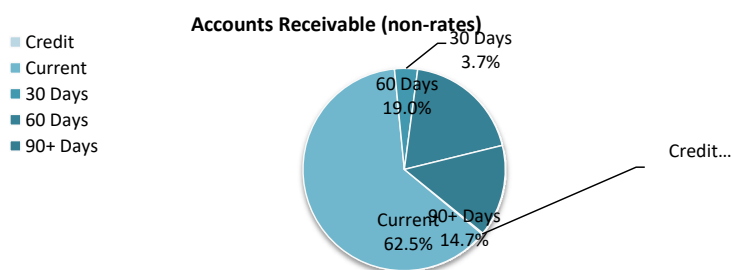
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectable amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore the Shire measures them subsequently at amortised cost using the effective interest rate method.



Other current assets	Opening Balance 1 July 2023	Asset Increase	Asset Reduction	Closing Balance 30 June 2024
	\$	\$	\$	\$
Other financial assets at amortised cost				
Financial assets at amortised cost - self supporting loans	36,834		(36,834)	0
Inventory				
Fuel	32,708	0	(45,299)	(12,591)
Land held for resale				
Cost of acquisition	184,000		0	184,000
Total other current assets	253,542	0	(82,133)	171,409
Amounts shown above include GST (where applicable)				

KEY INFORMATION

Other financial assets at amortised cost

The Shire classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Inventory

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 resale 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.

Borrowing 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 onto the buyer at this point.

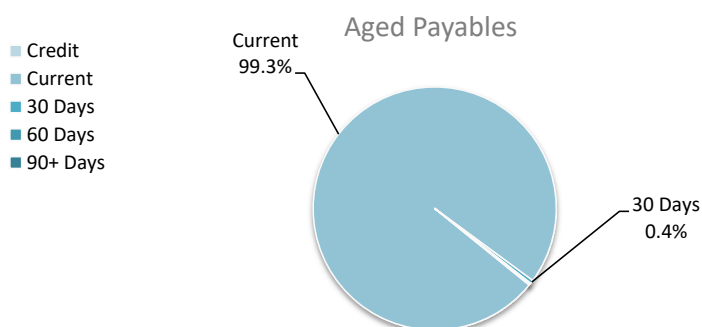
Land held for resale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	1,976,469	8,925	1,850	3,748	1,990,992
Percentage	0%	99.3%	0.4%	0.1%	0.2%	
Balance per trial balance						
Sundry creditors						1,990,991
Other payables						356,799
Income in Advance						174,243
PAYG						0
Total payables general outstanding						2,522,248

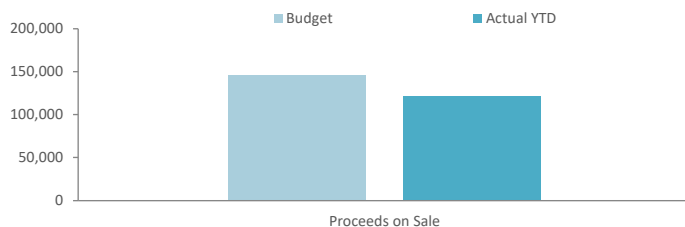
Amounts shown above include GST (where applicable)

KEY INFORMATION

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the period that are unpaid and arise when the Shire 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. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.



Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book		Profit	(Loss)	Net Book		Profit	(Loss)
		Value	Proceeds			Value	Proceeds		
		\$	\$	\$	\$	\$	\$	\$	
	Transport								
617	2020 MITSUBISHI SPORT QF	21,190	37,000	15,810	0	20,487	32,000	11,513	
501	2018 MITSUBISHI ASX LS 2WD	1,439	17,000	15,561	0	1,471	16,000	14,529	
278	805 SQUIRREL SELF PROPELLED ELEVATING PLATFORM	9,962	2,500	0	(7,462)				
483	KUBOTA RTV-X900W	0	6,500	6,500	0	0	8,500	8,500	
193	TRAILER RIGID POLMAC 6 TO 10 TONNE	3,067	5,000	1,933	0				
82	ROLLER-MCDONALD STEEL PROL 22	4,108	4,000	0	(108)	4,111	2,900		(1,211)
343	BOMAG BW25RH ROAD ROLLER 2011			0	0				
505	HAKO CITYMASTER 1600			0	0				
489	2015 HINO 300 SERIES 917 DUMP TRUCK	29,134	25,000	0	(4,134)	29,157	13,000		(16,157)
30	SMALL PLANT TRAILER (PTRL68)	0	3,000	3,000	0	0	8,000	8,000	
493	2018 NISSAN NAVARA D23 KING CAB 4x2 (RANGER)	1,402	15,000	13,598	0				
498	2018 NISSAN NAVARA D23 NP300 (CONSTRUCTION)	1,728	18,000	16,272	0	1,772	13,000	11,228	
506	2019 NISSAN NAVARA TRAY TOP (CONSTRUCTION)	1,148	13,000	11,852	0	1,170	12,500	11,330	
244	2003 LOADSTAR BOXTOP TRAILER (PTRL48)					0	600	600	
24	SWILL TRAILER (PTRL65)			0	0	0	300	300	0
289	JOHN PAPAS TANDEM TRAILER					0	2,200	2,200	
96	TANDEM TRAILER (PTRL35)					0	800	800	
502	RIDE ON HUSTLER SZ HD 72 FX100					1,604	4,700	3,096	
172	2020 MASPORT RIDEON REAR BAGGER					0	750	750	
2	WATER CART TANK					0	900	900	
25	TREE PLANTER (PTRP66)					0	1,300	1,300	
100	SMALL GARDEN PLANT - HYDRAULIC POST HOLE DIGGER					0	1,600	1,600	
299	DYNAPAC LT5000 COMPACTOR					0	300	300	
320	TORO VACUUM CLEANER					0	300	300	
4	HONDA TILLER MOTOR					0	350	350	
MAP003	APEX PARK - HORSE ROCKERS X 2					1,677	220		(1,457)
3,518	BBQ - STAINLESS STEEL DOUBLE PLATE					0	10	10	
487	TORO REELMASTER 3100-D NON-SIDEWINDER					2,006	1,050		(956)
		73,178	146,000	84,526	(11,704)	63,455	121,280	77,606	(19,781)



Capital acquisitions	Adopted		YTD Actual	Forecast 30 June Closing	YTD Actual Variance
	Budget	YTD Budget			
	\$	\$	\$		\$
Buildings - specialised	512	277,000	23,083	59,187	36,103
Buildings - non-specialised	514	58,100	58,100	29,846	(28,254)
Plant and equipment	530	1,352,600	1,352,600	1,096,105	(256,495)
Infrastructure - roads	540	4,312,300	4,312,300	3,911,581	(400,719)
Infrastructure - Footpaths	560	52,800	52,800	54,640	1,840
Infrastructure -Drainage	550	50,000	50,000	6,850	(43,150)
Infrastructure - Parks & Gardens	570	8,921,528	8,921,528	4,847,704	(4,073,824)
Infrastructure - Other	590	438,000	438,000	281,793	(156,207)
Payments for Capital Acquisitions	15,462,328	15,208,411	10,287,706	10,541,622	(4,920,706)
Capital Acquisitions Funded By:					
	\$	\$	\$		\$
Capital grants and contributions	10,644,698	10,644,698	7,249,066	7,249,066	(3,395,632)
Borrowings	1,480,000	1,480,000	1,480,000	1,480,000	0
Other (disposals & C/Fwd)	146,000	146,000	121,280	121,280	(24,720)
Cash backed reserves					
Plant Replacement Reserve	(188,200)		188,200	0	188,200
Buildings Reserve	(530,000)		70,400	(459,600)	70,400
Waste Management Reserve	(5,000)		0	(5,000)	0
ICT Reserve	(31,700)		31,700	0	31,700
Apex Park Redevelopment Reserve	(308,000)		0	(308,000)	0
Merredin-Narembeen Rd Reserve	(191,700)		0	(191,700)	0
Contribution - operations	4,446,230	2,937,713	1,147,060	2,655,576	(1,790,653)
Capital funding total	15,462,328	15,208,411	10,287,706	10,541,622	(4,920,706)

SIGNIFICANT ACCOUNTING POLICIES

Each class of fixed assets within either plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

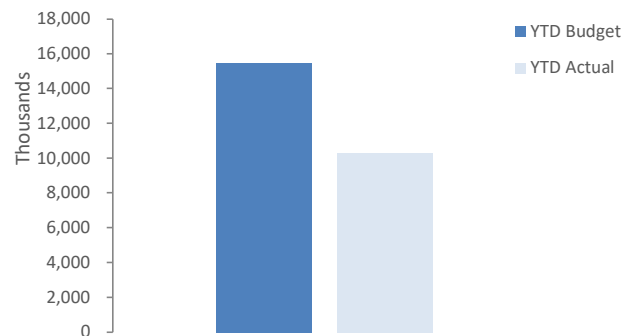
Initial recognition and measurement for assets held at cost

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost the asset is initially recognise at fair value. Assets held at cost are depreciated and assessed for impairment annually.

Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Payments for Capital Acquisitions



Repayments - borrowings

Information on borrowings Particulars	Loan No.	1 July 2023	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
			Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	
Education and welfare										
CEACA Contributions	217	262,693			(94,682)	(62,300)	168,011	200,393	(4,137)	(7,800)
Recreation and culture										
CBD Development	219		(1,480,000)	1,480,000			(1,480,000)	1,480,000	0	
		262,693	-1,480,000	1,480,000	-94,682	-62,300	-1,311,989	1,680,393	-4,137	-7,800
Self supporting loans										
Education and welfare										
Merretville	215	226,758	0	0	(36,834)	(36,800)	226,758	189,958	(5,601)	(10,700)
		226,758	0	0	(36,834)	-36,800	226,758	189,958	(5,601)	(10,700)
Total		489,451	-1,480,000	1,480,000	(131,516)	-99,100	-1,085,231	1,870,351	(9,738)	(18,500)
Current borrowings		99,100					-32,056			
Non-current borrowings		390,351					-1,053,175			
		489,451					-1,085,231			

All debenture repayments were financed by general purpose revenue.

Self supporting loans are financed by repayments from third parties.

The Shire has no unspent debenture funds as at 30th June 2023, nor is it expected to have unspent funds as at 30th June 2024.

KEY INFORMATION

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 until such time as the asset is substantially ready for its intended use or sale.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Non-current borrowings fair values are based on discounted cash flows using a current borrowing rate.

KEY INFORMATION

At inception of a contract, the Shire assesses if the contract contains or is a lease. A contract is or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the commencement date, a right of use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

All contracts classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2024

OPERATING ACTIVITIES
NOTE 9
RESERVE ACCOUNTS

Reserve accounts

Reserve name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by Legislation									
Plant Replacement Reserve	729,127	9,200	15,887	91,400		(188,200)	(188,200)	641,527	556,814
Buildings Reserve	1,123,227	31,700	25,855	8,600		(530,000)	(70,400)	633,527	1,078,682
Land & Development Reserve	1,600,696	22,900	37,478	6,300		0	0	1,629,896	1,638,174
Recreation Reserve	926,656	13,300	21,696	53,600		0	0	993,556	948,352
Disaster Relief Reserve	251,516	3,500	5,889	900		0	0	255,916	257,405
Cummings St Units Reserve	46,410	900	1,626	200		0	0	47,510	48,036
Waste Management Reserve	381,063	5,400	8,922	1,500		(5,000)	0	382,963	389,985
Unspent Capital Works Reserve	374,882	2,900	8,777	800		0	0	378,582	383,659
ICT Reserve	293,830	4,700	6,680	1,300		(31,700)	(31,700)	268,130	268,810
Apex Park Redevelopment Reserve	304,472	1,600	7,129	1,928		(308,000)	0	0	311,601
Merredin-Narembeen Rd Reserve	566,931	8,500	8,755	422,400	235,466	(191,700)	0	806,131	811,152
Restricted by Council									
Leave reserve	377,063	5,400	8,828	1,500	0		0	383,963	385,891
	6,975,873	110,000	157,521	590,428	235,466	(1,254,600)	(290,300)	6,421,701	7,078,560

	Note	Opening Balance 1 July 2023	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 30 June 2024
		\$		\$	\$	\$
Other current liabilities						
Other liabilities						
- Contract liabilities		1,288,770	0	998,674	(1,803,005)	484,439
- Capital grant/contribution liabilities		0	0	0	0	0
- Other liabilities [describe]		18,192	0	300		18,492
Total other liabilities		1,306,962	0	998,974	(1,803,005)	502,931
Employee Related Provisions						
Annual leave		329,317	0			329,317
Long service leave		242,268	0			242,268
Total Employee Related Provisions		571,585	0	0	0	571,585
Total Other Provisions		0	0	0	0	0
Total other current assets		1,878,547	0	998,974	(1,803,005)	1,074,516
Amounts shown above include GST (where applicable)						

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 11

KEY INFORMATION

Provisions

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Employee Related Provisions

Short-term employee benefits

Provision is made for the Shire's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the calculation of net current assets.

Other long-term employee benefits

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as employee related provisions in the statement of financial position.

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur. The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Contract liabilities

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.

Capital grant/contribution liabilities

Grants to acquire or construct recognisable non-financial assets to identified specifications be constructed to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2024

NOTE 11
OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Unspent operating grant, subsidies and contributions liability					Operating grants, subsidies and contributions revenue					
	Liability	Increase in Liability	Decrease in Liability	Liability	Current Liability	Adopted Budget	YTD	YTD Revenue	Forecast 30		
	1 July 2023		(As revenue)	30 Jun 2024	30 Jun 2024	Revenue	Budget	Actual	June Closing		
	\$	\$	\$	\$	\$	\$	\$	\$	\$		
Operating grants and subsidies											
General purpose funding											
GEN PUR - Financial Assistance Grant - General				0	0	0	82,900	1,901,013	1,818,113		3030210 31
GEN PUR - Financial Assistance Grant - Roads				0	0	0	52,920	1,023,323	970,403		3030211 31
Law, order, public safety											
ESL BFB - Operating Grant				0	0	69,200	67,360	66,747	68,587		3050510 31
ESL BFB - Capital Grant				0	0	0	548,200	0	(548,200)		3050515 31
ESL SES - Operating Grant				0	0	14,000	26,800	27,676	14,876		3050610 31
ESL SES - Capital Grant				0	0	0	145,700	0	(145,700)		3050615 31
Education and welfare											
SENIORS - Reimbursements				0	0	10,800	10,800	10,752	10,752		3080401 31
WELFARE - Community Development Grants				0	0	19,500	15,000	5,000	9,500		3080711 31
Housing											
OTH HOUSE - Rental Reimbursements				0	0	0	0	23,491	23,491		3090201 31
Recreation and culture											
HALLS - Grants				0	0	0	0	0	0		3110110 31
LIBRARY - Grant - Regional Library Services				0	0	0	0	683	683		3110510 31
Library - Other Grants				0	0	0	200	876	676		3110511 31
HERITAGE - Grant	8,000			8,000	8,000	20,000	20,000	0	0		3110610 31
Transport											
ROADM - Street Lighting Subsidy				0	0	20,900	20,900	21,985	21,985		3120200 31
ROADM - Road Contribution Income				0	0	285,900	420,000	376,368	242,268		3120201 31
ROADM - Direct Road Grant (MRWA)				0	0	251,200	256,400	256,337	251,137		3120210 31
Economic services											
TOURISM - Reimbursements				0	0	35,800	32,500	5,156	8,456		3130201 31
TOURISM - Other Income Relating to Tourism & Area Promotion				0	0	43,000	45,220	26,468	24,248		3130235 31
Other property and services											
PWO - Other Reimbursements				0	0	100	100	0	0		3140301 31
SAL - Reimbursement - Parental Leave				0	0	0	0	40,607	40,607		3140502 31
POC - Fuel Tax Credits Grant Scheme				0	0	0	0	31,446	31,446		3140410 31
TOTALS	8,000	0	0	8,000	8,000	770,400	1,745,000	3,817,928	2,843,328		
	8,000	0	0	8,000	0	770,400	1,745,000	3,817,928	2,843,328		

Provider	Capital grant/contribution liabilities					Non operating grants, subsidies and contributions revenue			
	Liability 1 July 2023	Increase in Liability	Decrease in Liability (As revenue)	Liability 30 Jun 2024	Current Liability 30 Jun 2024	Adopted Budget Revenue	YTD Budget	YTD Revenue Actual	Forecast 30 June Closing
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Non-operating grants and subsidies									
Law, order, public safety									
ESL BFB - Capital Grant				0				548,149	548,149
ESL SES - Capital Grant				0				145,679	145,679
Community amenities									
DWER - E-Waste Infrastructure Grants	0			0		75,700	75,700	75,680	75,680
DMIRS - EV Charges				0		3,800	3,800	4,200	4,200
Recreation and culture									
REC - Grants - Lotterywest						2,100,061	2,100,061	1,004,734	1,004,734
REC - Grants - LRCI	573,735			573,735		2,124,067	2,124,067	1,131,095	1,131,095
REC - Grants - BBRF				0		1,520,400	1,520,400	52,987	52,987
REC - Other Capital Contributions				0		574,070	574,070	45,000	45,000
Audience Development	47,521			47,521				0	0
War Stories Illumination Projections	10,658			10,658				10,658	10,658
Heritage Grant	0			0		0		0	0
Transport									
ROADC - Regional Road Group Grants (MRWA)	628,243			628,243		673,600	673,600	464,182	464,182
ROADC - Roads to Recovery Grant				0		799,200	799,200	1,124,500	1,124,500
ROADC - Wheatbelt Secondary Freight Network				0		2,584,700	2,584,700	2,582,691	2,582,691
LRCI - Phase 1	14,553			14,553				0	0
WATER - CWSP Grant 1				0		89,100	89,100	49,510	49,510
WATER - CWSP Grant 2				0		100,000	100,000	10,000	10,000
Vegetation control	6,060			6,060					0
	1,280,770	0	0	1,280,770	0	10,644,698	10,644,698	7,249,066	7,249,066
TOTALS	1,280,770	0	0	1,280,770	0	10,644,698	10,644,698	7,249,066	7,249,066

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2024**

**NOTE 12
TRUST FUND**

Funds held at balance date which are required by legislation to be credited to the trust fund and which are not included in the financial statements are as follows:

Description	Opening Balance 1 July 2023	Amount Received	Amount Paid	Closing Balance 30 Jun 2024
	\$	\$	\$	\$
	0	0	0	0

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2024**

**NOTE 13
BUDGET AMENDMENTS**

Amendments to original budget since budget adoption. Surplus/(Deficit)

GL Code	Description	Council Resolution	Classification	Non Cash	Increase in	Decrease in	Amended Budget
				Adjustment	Cash	Available Cash	Running Balance
				\$	\$	\$	\$
	Budget adoption						5,156
3050610	ESL SES - Operating Grant				12,801		17,957
2050669	ESL SES - Plant & Equipment \$1,200 to \$5,000 per item					(12,801)	5,156
2050510	ESL BFB - Operating Grant					(3,721)	1,435
2050510	ESL BFB - Operating Grant				1,884		3,319
2050586	ESL BFB - Plant & Equipment <\$1,200					(4,837)	(1,518)
SC041	Capital Repairs to Pool Bowl					(15,000)	(16,518)
SC043	Capital Repairs to existing filters replacing laterals and filter media				15,000		(1,518)
9673301	Building Reserve					(80,000)	(81,518)
2110354	REC - MRCLC Initial Maintenance and Repairs				80,000		(1,518)
PC041	Water Tower Reimbursements					(228,900)	(230,418)
3110315	REC - Other Capital Contributions				237,670		7,252
3030211	GEN PUR - FAGS Roads Extra Financial Assistance				50,775		58,027
4120330	PLANT - Plant & Equipment (Capital) Trimble Survey Equipment					(49,000)	9,027
Various	Budget Review Amendments - October 2023				4,935		13,962
PC001	Apex Park Revitalisation				2,364,985		2,378,947
FC000	Footpath					(43,000)	2,335,947
KC000	Kerbing Replacement					(15,000)	2,320,947
9673501	Apex Park Reserve					(55,000)	2,265,947
PC036	Visitor Centre (Building Reserve)					(80,000)	2,185,947
3110313	REC - Grants - LRCl Capital					(71,924)	2,114,023
3110310	REC - Grants - Capital					(2,100,061)	13,962
PC007	CBD Redevelopment				330,943		344,905
3110313	REC - Grants - LRCl Capital					(330,943)	13,962
2110401	Liquidity Loan - Interest				80,000		93,962
3030245	GEN PUR - Interest earned - Reserve Funds					(80,000)	13,962
4120144	ROADC - Roads Built Up Area - Roads to Recovery					(37,000)	(23,038)
4120145	ROADC - Roads Outside BUA - Sealed - Roads To Recovery				694,900		671,862
4120146	ROADC - Roads Outside - Gravel - Roads to Recovery					(72,600)	599,262
4120147	ROADC - Roads Outside BUA - Formed - Roads to Recovery					(155,500)	443,762
4120149	ROADC - Roads Outside Built Up Area - Sealed - RRG				269,800		713,562
4120150	ROADC - Roads Outside Built Up - Gravel - RRG					(566,900)	146,662
3120110	ROADC - Regional Roads Group Grants (MRWA)					(26,700)	119,962
3120111	ROADC - Roads To Recovery Grant					(106,000)	13,962
Various	Budget Review Amendments - March 2024					(8,806)	5,156
				0	4,143,693	(4,143,693)	

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2024**

**NOTE 14
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 2023-24 year is \$10,000 or 10.00% whichever is the greater.

Nature or type	Var. \$	Var. %	Explanation of variances	
			Timing	Permanent
	\$	%		
Revenue from operating activities				
Operating grants, subsidies and contributions	2,072,928	118.79%	▲ Timing	FAGS for 24/25 received
Fees and charges	224,413	25.18%	▲ Timing	Increase in Shire amenities usage and building services applications
Interest earnings	73,149	18.08%	▲ Permanent	Interest Rates have increased
Expenditure from operating activities				
Employee costs	558,529	11.27%	▲ Timing	Staff Vacancy Roles yet to be filled
Materials and contracts	791,695	21.12%	▲ Timing	Expenditure not yet completed.
Utility charges	56,453	11.13%	▲ Timing	Utility costs lower than budgeted.
Depreciation on non-current assets	1,601,347	27.12%	▲ Timing	May and June Depreciation not run yet.
Interest expenses	79,311	78.53%	▲ Timing	Timing due to Loan Repayment Schedule
Investing activities				
Proceeds from non-operating grants, subsidies and contributions	(3,395,632)	(31.90%)	▼ Timing	Grants not yet received
Payments for property, plant and equipment and infrastructure	4,920,706	32.36%	▲ Timing	Capital expenditure not yet completed
Financing activities				
Transfer from reserves	(964,300)	(76.86%)	▼ Timing	Part Reserve Transfers Complete
Transfer to reserves	307,441	43.89%	▲ Timing	Part Reserve Transfers Complete
Closing funding surplus / (deficit)	4,574,293	(1755.18%)	▲	