

# SHIRE OF MERREDIN

## MONTHLY FINANCIAL REPORT

(Containing the required statement of financial activity and statement of financial position)

**For the period ended 31 August 2024**

*LOCAL GOVERNMENT ACT 1995*

*LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996*

### TABLE OF CONTENTS

Statement of Financial Activity	2
Statement of Financial Position	3
Note 1      Basis of Preparation	4
Note 2      Net Current Assets Information	5
Note 3      Explanation of Material Variances	6

SHIRE OF MERREDIN  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 AUGUST 2024

Note	Adopted Budget Estimates (a)	YTD Budget Estimates (b)	YTD Actual (c)	Variance* \$ (c) - (b)	Variance* % ((c) - (b))/(b)
<b>OPERATING ACTIVITIES</b>					
<b>Revenue from operating activities</b>					
General rates	5,561,753	0	5,480,195	5,480,195	0.00%
Grants, subsidies and contributions	592,800	112,146	178,791	66,645	59.43%
Fees and charges	1,081,700	180,314	709,294	528,980	293.37%
Interest revenue	336,000	53,168	75,469	22,301	41.94%
Other revenue	269,600	44,940	86,580	41,640	92.66%
Profit on asset disposals	165,000	27,500	0	(27,500)	(100.00%)
	<b>8,006,853</b>	<b>418,068</b>	<b>6,530,329</b>	<b>6,112,261</b>	<b>1462.03%</b>
<b>Expenditure from operating activities</b>					
Employee costs	(4,978,915)	(867,898)	(625,978)	241,920	27.87%
Materials and contracts	(3,927,702)	(667,118)	(478,173)	188,945	28.32%
Utility charges	(494,520)	(82,410)	(32,649)	49,761	60.38%
Depreciation	(5,278,850)	(885,634)	0	885,634	100.00%
Finance costs	(156,966)	(26,162)	(35,442)	(9,280)	(35.47%)
Insurance	(296,480)	(49,424)	0	49,424	100.00%
Other expenditure	(293,250)	(25,948)	(39,422)	(13,474)	(51.93%)
Loss on asset disposals	(8,700)	0	0	0	0.00%
	<b>(15,435,383)</b>	<b>(2,604,594)</b>	<b>(1,211,664)</b>	<b>1,392,930</b>	<b>53.48%</b>
Non cash amounts excluded from operating activities	5,122,550	858,134	0	(858,134)	(100.00%)
<b>Amount attributable to operating activities</b>	<b>(2,305,980)</b>	<b>(1,328,392)</b>	<b>5,318,665</b>	<b>6,647,057</b>	<b>500.38%</b>
<b>INVESTING ACTIVITIES</b>					
<b>Inflows from investing activities</b>					
Proceeds from capital grants, subsidies and contributions	8,044,700	895,018	1,311,598	416,580	46.54%
Proceeds from disposal of assets	484,950	0	0	0	0.00%
Proceeds from financial assets at amortised cost - self supporting loans	38,700	0	0	0	0.00%
	<b>8,568,350</b>	<b>895,018</b>	<b>1,311,598</b>	<b>416,580</b>	<b>46.54%</b>
<b>Outflows from investing activities</b>					
Payments for non-current land held for resale	0	0	0	0	0.00%
Payments for property, plant and equipment	(1,671,200)	(278,532)	(19,114)	259,418	93.14%
Payments for construction of infrastructure	(9,495,750)	(1,830,262)	(851,009)	979,253	53.50%
	<b>(11,166,950)</b>	<b>(2,108,794)</b>	<b>(870,122)</b>	<b>1,238,672</b>	<b>58.74%</b>
<b>Amount attributable to investing activities</b>	<b>(2,598,600)</b>	<b>(1,213,776)</b>	<b>441,476</b>	<b>1,655,252</b>	<b>136.37%</b>
<b>FINANCING ACTIVITIES</b>					
<b>Inflows from financing activities</b>					
Transfer from reserves	550,950	0	0	0	0.00%
	<b>550,950</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>
<b>Outflows from financing activities</b>					
Repayment of borrowings	(225,000)	(91,872)	(91,872)	0	0.00%
Transfer to reserves	(280,020)	0	(44,432)	(44,432)	0.00%
	<b>(505,020)</b>	<b>(91,872)</b>	<b>(136,304)</b>	<b>(44,432)</b>	<b>(48.36%)</b>
<b>Amount attributable to financing activities</b>	<b>45,930</b>	<b>(91,872)</b>	<b>(136,304)</b>	<b>(44,432)</b>	<b>(48.36%)</b>
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>					
Surplus or deficit at the start of the financial year	4,870,115	4,870,115	4,526,390	(343,725)	(7.06%)
Amount attributable to operating activities	(2,305,980)	(1,328,392)	5,318,665	6,647,057	500.38%
Amount attributable to investing activities	(2,598,600)	(1,213,776)	441,476	1,655,252	136.37%
Amount attributable to financing activities	45,930	(91,872)	(136,304)	(44,432)	(48.36%)
<b>Surplus or deficit after imposition of general rates</b>	<b>11,465</b>	<b>2,236,075</b>	<b>10,150,227</b>	<b>7,914,152</b>	<b>353.93%</b>

**KEY INFORMATION**

- ▲▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data outside the adopted materiality threshold.
  - ▲ Indicates a variance with a positive impact on the financial position.
  - ▼ Indicates a variance with a negative impact on the financial position.
- Refer to Note 3 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying notes.

**SHIRE OF MERREDIN**  
**STATEMENT OF FINANCIAL POSITION**  
**FOR THE PERIOD ENDED 31 AUGUST 2024**

	Actual 30 June 2024	Actual as at 31 August 2024
	\$	\$
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	14,087,178	11,733,690
Trade and other receivables	1,733,891	7,137,258
Other financial assets	38,676	38,676
Inventories	19,816	26,817
Other assets	40,831	5,625
<b>TOTAL CURRENT ASSETS</b>	<b>15,920,392</b>	<b>18,942,066</b>
<b>NON-CURRENT ASSETS</b>		
Trade and other receivables	121,222	121,222
Other financial assets	296,735	296,735
Inventories	184,000	184,000
Property, plant and equipment	29,758,402	29,777,515
Infrastructure	212,071,800	212,922,809
<b>TOTAL NON-CURRENT ASSETS</b>	<b>242,432,159</b>	<b>243,302,281</b>
<b>TOTAL ASSETS</b>	<b>258,352,551</b>	<b>262,244,347</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	3,560,684	914,192
Other liabilities	994,885	994,885
Borrowings	224,230	132,358
Employee related provisions	516,573	516,573
<b>TOTAL CURRENT LIABILITIES</b>	<b>5,296,372</b>	<b>2,558,008</b>
<b>NON-CURRENT LIABILITIES</b>		
Borrowings	1,645,758	1,645,758
Employee related provisions	69,271	69,271
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>1,715,029</b>	<b>1,715,029</b>
<b>TOTAL LIABILITIES</b>	<b>7,011,401</b>	<b>4,273,037</b>
<b>NET ASSETS</b>	<b>251,341,150</b>	<b>257,971,310</b>
<b>EQUITY</b>		
Retained surplus	59,786,003	66,371,832
Reserve accounts	6,669,075	6,713,506
Revaluation surplus	185,055,318	185,055,318
<b>TOTAL EQUITY</b>	<b>251,510,396</b>	<b>258,140,656</b>

This statement is to be read in conjunction with the accompanying notes.

SHIRE OF MERREDIN  
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 AUGUST 2024

1 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

**BASIS OF PREPARATION**

This prescribed financial report has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

**Local Government Act 1995 requirements**

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996*, prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

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.

*Local Government (Financial Management) Regulations 1996*, regulation 34 prescribes contents of the financial report. Supplementary information does not form part of the financial report.

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.

**PREPARATION TIMING AND REVIEW**

Date prepared: All known transactions up to 00 January 1900

**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.

**MATERIAL ACCOUNTING POLICES**

Material accounting policies utilised in the preparation of these statements are as described within the 2024-25 Annual Budget. Please refer to the adopted budget document for details of these policies.

**Critical accounting estimates and judgements**

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

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
  - Property, plant and equipment
  - Infrastructure
- Impairment losses of non-financial assets
- Expected credit losses on financial assets
- Measurement of employee benefits

**SHIRE OF MERREDIN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 31 AUGUST 2024**

**2 NET CURRENT ASSETS INFORMATION**

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

Note	Adopted Budget Opening	Actual as at	Actual as at
	1 July 2024	30 June 2024	31 August 2024
	\$	\$	\$
<b>Current assets</b>			
Cash and cash equivalents	14,087,175	14,087,178	11,733,690
Trade and other receivables	1,142,769	1,733,891	7,137,258
Other financial assets		38,676	38,676
Inventories	(12,591)	19,816	26,817
Other assets	328,085	40,831	5,625
	15,545,438	15,920,392	18,942,066
<b>Less: current liabilities</b>			
Trade and other payables	(2,522,248)	(3,560,684)	(914,192)
Other liabilities	(484,439)	(994,885)	(994,885)
Lease liabilities - Contract Liabilities	(18,492)	0	0
Borrowings	(225,000)	(224,230)	(132,358)
	(3,821,764)	(5,296,372)	(2,558,008)
Net current assets	11,723,674	10,624,020	16,384,058
Less: Total adjustments to net current assets	2(b) (6,853,559)	(6,097,630)	(6,231,436)
<b>Closing funding surplus / (deficit)</b>	<b>4,870,115</b>	<b>4,526,390</b>	<b>10,150,227</b>

**(b) Current assets and liabilities excluded from budgeted deficiency**

<b>Adjustments to net current assets</b>			
Less: Reserve accounts	(7,078,559)	(6,669,075)	(6,713,507)
Less: Financial assets at amortised cost - self supporting loans		(38,676)	(38,676)
Add: Current liabilities not expected to be cleared at the end of the year			
- Current portion of borrowings	225,000	224,230	132,358
- Current portion of employee benefit provisions held in reserve		385,891	388,389
<b>Total adjustments to net current assets</b>	2(a) <b>(6,853,559)</b>	<b>(6,097,630)</b>	<b>(6,231,436)</b>

**(c) Non-cash amounts excluded from operating activities**

	Adopted Budget Estimates	YTD Budget Estimates	YTD Actual
	30 June 2025	31 August 2024	31 August 2024
	\$	\$	\$
<b>Adjustments to operating activities</b>			
Less: Profit on asset disposals	(165,000)	(27,500)	0
Add: Loss on asset disposals	8,700	0	0
Add: Depreciation	5,278,850	885,634	0
<b>Total non-cash amounts excluded from operating activities</b>	<b>5,122,550</b>	<b>858,134</b>	<b>0</b>

**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 local governments' operational cycle.

**SHIRE OF MERREDIN**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 31 AUGUST 2024**

**3 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 2024-25 year is \$10,000 and 10.00% whichever is the greater.

Description	Var. \$	Var. %	
	\$	%	
<b>Revenue from operating activities</b>			
<b>Grants, subsidies and contributions</b>	66,645	59.43%	▲
Financial Assistance grant received		Timing	
<b>Fees and charges</b>	528,980	293.37%	▲
Budget adoption occurred in August. New fees and charges rates implemented.		Timing	
<b>Other revenue</b>	41,640	92.66%	▲
Unbudgeted sale of scrap metal from Refuse Site resulted in a favourable variance.		Timing	
<b>Profit on asset disposals</b>	(27,500)	(100.00%)	▼
Still awaiting sale of plant items.		Timing	
<b>Expenditure from operating activities</b>			
<b>Employee costs</b>	241,920	27.87%	▲
Organisational vacancies have contributed to a reduction in employee costs.		Timing	
<b>Utility charges</b>	49,761	60.38%	▲
Utility costs can vary per billing cycle due to usage.		Timing	
<b>Depreciation</b>	885,634	100.00%	▲
July-Aug depreciation still to be processed.		Timing	
<b>Insurance</b>	49,424	100.00%	▲
First payment of insurance was paid in June 2024. Yet to be recognised in 2024-25.		Timing	
<b>Non cash amounts excluded from operating activities</b>	(858,134)	(100.00%)	▼
No asset disposal undertaken yet.		Timing	
<b>Inflows from investing activities</b>			
<b>Proceeds from capital grants, subsidies and contributions</b>	416,580	46.54%	▲
Lotterywest Grant received for Apex Park completion		Timing	
<b>Outflows from investing activities</b>			
<b>Payments for property, plant and equipment</b>	259,418	93.14%	▲
Still to make payment for plant.		Timing	
<b>Payments for construction of infrastructure</b>	979,253	53.50%	▲
Awaiting contractor invoices to make payment.		Timing	
<b>Surplus or deficit at the start of the financial year</b>	0	0.00%	

**SHIRE OF MERREDIN**  
**SUPPLEMENTARY INFORMATION**  
**TABLE OF CONTENTS**

1	Key Information	2
2	Key Information - Graphical	3
3	Cash and Financial Assets	4
4	Reserve Accounts	5
5	Capital Acquisitions	6
6	Disposal Of Assets	8
7	Receivables	9
8	Other Current Assets	10
9	Payables	11
10	Borrowings	12
11	Other Current Liabilities	13
12	Grants, Subsidies and Contributions	14
13	Capital Grants, Subsidies and Contributions	15
14	Budget Amendments	16

**BASIS OF PREPARATION - SUPPLEMENTARY INFORMATION**

Supplementary information is presented for information purposes. The information does not comply with the disclosure requirements of the Australian Accounting Standards.

SHIRE OF MERREDIN  
SUPPLEMENTARY INFORMATION  
FOR THE PERIOD ENDED 31 AUGUST 2024

1 KEY INFORMATION

Funding Surplus or Deficit Components

Funding surplus / (deficit)				
	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$4.87 M	\$4.87 M	\$4.53 M	(\$0.34 M)
Closing	\$0.01 M	\$2.24 M	\$10.15 M	\$7.91 M

Refer to Statement of Financial Activity

Cash and cash equivalents			Payables			Receivables		
	\$11.73 M	% of total		\$0.91 M	% Outstanding		\$1.22 M	% Collected
Unrestricted Cash	\$5.02 M	42.8%	Trade Payables	\$0.13 M		Rates Receivable	\$5.91 M	2.8%
Restricted Cash	\$6.71 M	57.2%	0 to 30 Days		99.3%	Trade Receivable	\$1.22 M	% Outstanding
			Over 30 Days		0.7%	Over 30 Days		89.1%
			Over 90 Days		0.2%	Over 90 Days		15.5%

Refer to 3 - Cash and Financial Assets

Refer to 9 - Payables

Refer to 7 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$2.31 M)	(\$1.33 M)	\$5.32 M	\$6.65 M

Refer to Statement of Financial Activity

Rates Revenue			Grants and Contributions			Fees and Charges		
YTD Actual	\$5.48 M	% Variance	YTD Actual	\$0.18 M	% Variance	YTD Actual	\$0.71 M	% Variance
YTD Budget	\$0.00 M	0.0%	YTD Budget	\$0.11 M	59.4%	YTD Budget	\$0.18 M	293.4%

Refer to 12 - Grants and Contributions

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)
(\$2.60 M)	(\$1.21 M)	\$0.44 M	\$1.66 M

Refer to Statement of Financial Activity

Proceeds on sale			Asset Acquisition			Capital Grants		
YTD Actual	\$0.00 M	%	YTD Actual	\$0.85 M	% Spent	YTD Actual	\$1.31 M	% Received
Adopted Budget	\$0.48 M	(100.0%)	Adopted Budget	\$9.50 M	(91.0%)	Adopted Budget	\$8.04 M	(83.7%)

Refer to 6 - Disposal of Assets

Refer to 5 - Capital Acquisitions

Refer to 5 - Capital Acquisitions

Key Financing Activities

Amount attributable to financing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$0.05 M	(\$0.09 M)	(\$0.14 M)	(\$0.04 M)

Refer to Statement of Financial Activity

Borrowings		Reserves	
Principal repayments	(\$0.09 M)	Reserves balance	\$6.71 M
Interest expense	(\$0.04 M)	Net Movement	\$0.04 M
Principal due	\$1.78 M		

Refer to 10 - Borrowings

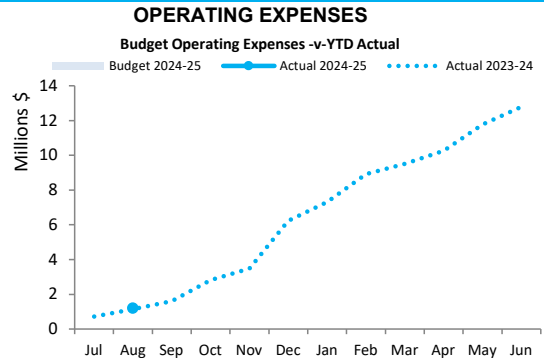
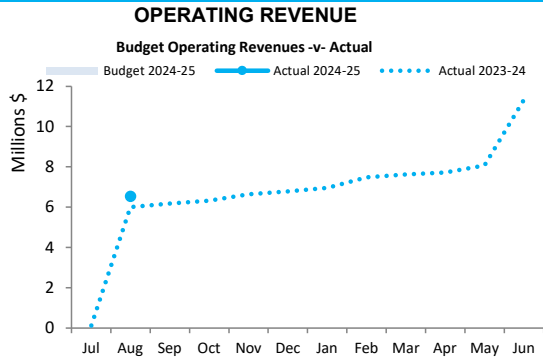
Refer to 4 - Cash Reserves

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

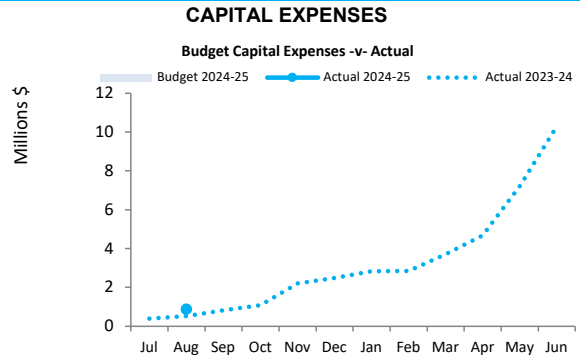
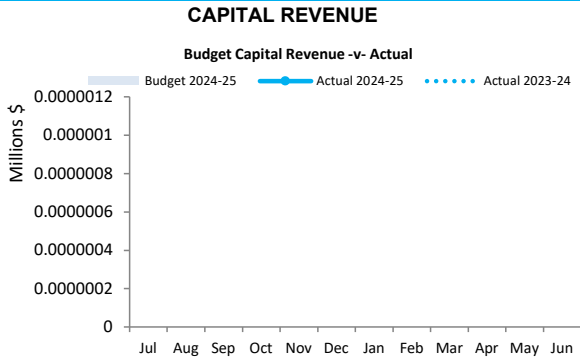


2 KEY INFORMATION - GRAPHICAL

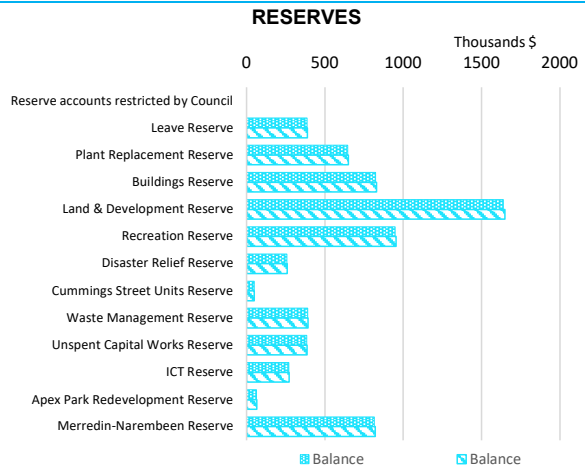
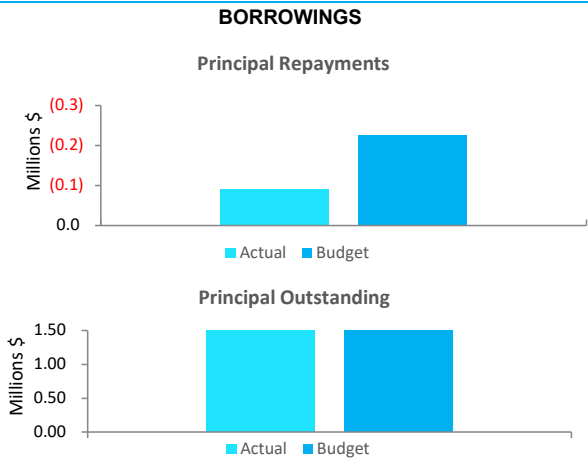
OPERATING ACTIVITIES



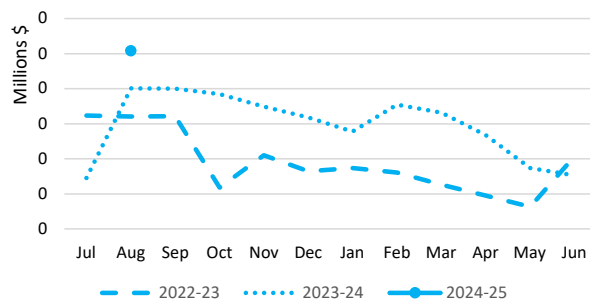
INVESTING ACTIVITIES



FINANCING ACTIVITIES



Closing funding surplus / (deficit)



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

**SHIRE OF MERREDIN  
SUPPLEMENTARY INFORMATION  
FOR THE PERIOD ENDED 31 AUGUST 2024**

**3 CASH AND FINANCIAL ASSETS AT AMORTISED COST**

Description	Classification	Unrestricted \$	Reserve Accounts \$	Total \$	Trust \$	Institution	Interest Rate	Maturity Date
Municipal Bank Account		3,549,806		3,549,806				
Petty Cash - Admin		950		950				
Float - MRCLC		3,100		3,100				
Municipal Investment Account		1,466,328		1,466,328				
Reserve Bank Account		0	6,713,506	6,713,506				
<b>Total</b>		<b>5,020,184</b>	<b>6,713,506</b>	<b>11,733,690</b>	<b>0</b>			
<b>Comprising</b>								
Cash and cash equivalents		5,020,184	6,713,506	11,733,690	0			
		<b>5,020,184</b>	<b>6,713,506</b>	<b>11,733,690</b>	<b>0</b>			

**KEY INFORMATION**

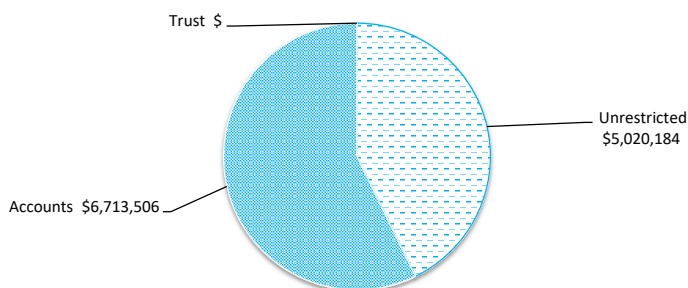
Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of 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 8 - Other assets.



**SHIRE OF MERREDIN**  
**SUPPLEMENTARY INFORMATION**  
**FOR THE PERIOD ENDED 31 AUGUST 2024**

**4 RESERVE ACCOUNTS**

Reserve account name	Budget				Actual			
	Opening Balance	Transfers In (+)	Transfers Out (-)	Closing Balance	Opening Balance	Transfers In (+)	Transfers Out (-)	Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Reserve accounts restricted by Council</b>								
Leave Reserve	385,891	10,900		396,791	385,891	2,498	0	388,389
Plant Replacement Reserve	556,813	15,740		572,553	645,713	3,904	0	649,617
Buildings Reserve	1,078,682	30,480	(107,800)	1,001,362	823,385	6,119	0	829,504
Land & Development Reserve	1,638,173	46,280		1,684,453	1,638,173	10,603	0	1,648,776
Recreation Reserve	948,352	26,800	(250,000)	725,152	948,352	6,138	0	954,490
Disaster Relief Reserve	257,405	7,280		264,685	257,405	1,666	0	259,071
Cummings Street Units Reserve	48,036	1,360		49,396	48,036	311	0	48,347
Waste Management Reserve	389,985	11,020		401,005	389,985	2,524	0	392,509
Unspent Capital Works Reserve	383,660	10,840		394,500	383,660	2,483	0	386,143
ICT Reserve	268,810	7,600		276,410	268,810	1,740	0	270,550
Apex Park Redevelopment Reserve	311,600	8,800	(78,700)	241,700	63,802	1,179	0	64,981
Merredin-Narembeen Reserve	811,152	102,920	(114,450)	799,622	815,863	5,266	0	821,129
	<b>7,078,559</b>	<b>280,020</b>	<b>(550,950)</b>	<b>6,807,629</b>	<b>6,669,075</b>	<b>44,432</b>	<b>0</b>	<b>6,713,507</b>

5 CAPITAL ACQUISITIONS

Capital acquisitions		Adopted		YTD Actual	YTD Variance
		Budget	YTD Budget		
		\$	\$	\$	\$
Buildings - non-specialised	514	25,000	4,166	0	(4,166)
Buildings - specialised	512	870,200	145,034	9,185	(135,849)
Furniture and equipment	520	25,000	4,166	0	(4,166)
Plant and equipment	530	751,000	125,166	9,929	(115,237)
<b>Acquisition of property, plant and equipment</b>		<b>1,671,200</b>	<b>278,532</b>	<b>19,114</b>	<b>(259,418)</b>
Infrastructure - Roads	540	6,474,800	1,079,136	1,682	(1,077,454)
Infrastructure - Footpaths	560	116,000	19,334	0	(19,334)
Infrastructure - Drainage	550	-	0	0	0
Infrastructure - Parks & Gardens	570	2,673,300	693,184	840,568	147,384
Infrastructure - Other	590	231,650	38,608	8,759	(29,849)
<b>Acquisition of infrastructure</b>		<b>9,495,750</b>	<b>1,830,262</b>	<b>851,009</b>	<b>(979,253)</b>
<b>Total of PPE and Infrastructure.</b>		<b>11,166,950</b>	<b>2,108,794</b>	<b>870,122</b>	<b>(1,238,672)</b>
<b>Total capital acquisitions</b>		<b>11,166,950</b>	<b>2,108,794</b>	<b>870,122</b>	<b>(1,238,672)</b>
<b>Capital Acquisitions Funded By:</b>					
Capital grants and contributions		8,044,700	895,018	1,311,598	416,580
Other (disposals & C/Fwd)		484,950	0	0	0
Reserve accounts					
Buildings Reserve		(107,800)		0	0
Recreation Reserve		(250,000)		0	0
Apex Park Redevelopment Reserve		(78,700)		0	0
Merredin-Narembeen Reserve		(114,450)		0	0
Contribution - operations		3,188,250	1,213,776	0	(1,213,776)
<b>Capital funding total</b>		<b>11,166,950</b>	<b>2,108,794</b>	<b>1,311,598</b>	<b>(797,196)</b>

**KEY INFORMATION**

**Initial recognition**

An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost.

Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, plus costs incidental to the 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. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition.

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 *Local Government (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.

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the Shire's revaluation policy, are recognised at cost and disclosed as being at reportable value.

**Measurement after recognition**

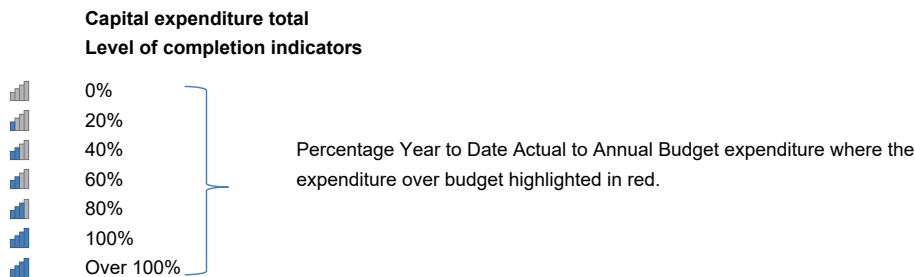
Plant and equipment including furniture and equipment and right-of-use assets (other than vested improvements) are measured using the cost model as required under *Local Government (Financial Management) Regulation 17A(2)*. Assets held under the cost model are carried at cost less accumulated depreciation and any impairment losses being their reportable value.

**Reportable Value**

In accordance with *Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are land and buildings classified as property, plant and equipment, investment properties, infrastructure or vested improvements that the local government controls.

Reportable value is for the purpose of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date minus (to the extent applicable) the accumulated depreciation and any accumulated impairment losses in respect of the non-financial asset subsequent to its last valuation date.

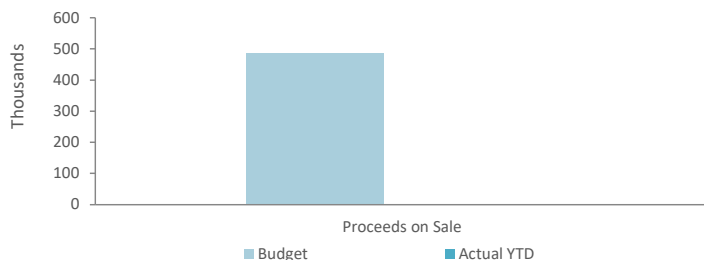
5 CAPITAL ACQUISITIONS (CONTINUED) - DETAILED



			Adopted		Variance
	Account Description	Budget	YTD Budget	YTD Actual	(Under)/Over
4090210	BC042	25,000	4,166	-	(4,166.00)
4100110	LC041	9,200	1,534	9,185.00	7,651.00
4100130	LC022	40,000	6,666	-	(6,666.00)
4090210	BC006	7,000	1,166	-	(1,166.00)
4090210	BC020	45,000	7,500	-	(7,500.00)
4100310	BC085	556,000	92,666	-	(92,666.00)
4110320		15,000	2,500	-	(2,500.00)
4110370	PC001	0	0	499.82	499.82
4110370	PC001A	369,100	123,034	172,040.46	49,006.46
4110370	PC001C	201,700	67,234	1,599.85	(65,634.15)
4110370	PC001D	86,600	28,866	83,120.95	54,254.95
4110370	PC036	10,000	1,666	1,200.00	(466.00)
4110370	PC007A	248,100	82,700	146,029.06	63,329.06
4110370	PC007B	580,300	193,434	273,099.83	79,665.83
4110370	PC007C	611,000	101,834	162,978.06	61,144.06
4110370	PC041	566,500	94,416	-	(94,416.00)
4110510	BC004	41,000	6,834	-	(6,834.00)
4110610	HC041	22,500	3,750	-	(3,750.00)
4110710	BC002	78,500	13,084	-	(13,084.00)
4120110		7,000	1,166	-	(1,166.00)
4120141	RC239A	223,200	37,200	650.00	(36,550.00)
4120141	RC239C	12,600	2,102	-	(2,102.00)
4120141	RC239D	335,500	55,914	-	(55,914.00)
4120141	RC239F	63,500	10,584	-	(10,584.00)
4120141	RC239I	22,200	3,700	-	(3,700.00)
4120145		570,000	95,000	-	(95,000.00)

6 DISPOSAL OF ASSETS

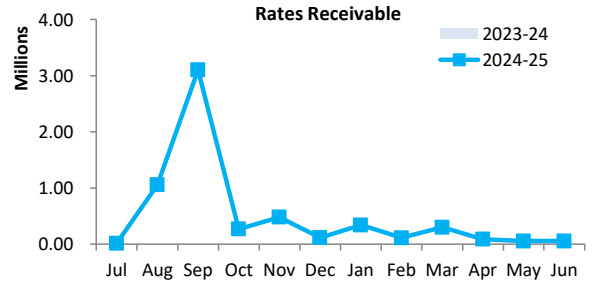
Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book		Profit	(Loss)	Net Book		Profit	(Loss)
		Value	Proceeds			Value	Proceeds		
\$	\$	\$	\$	\$	\$	\$	\$		
	<b>Buildings</b>								
	Sale of Lot 502 Gabo	235,000	325,000	90,000	0		0	0	
	<b>Plant and equipment</b>								
493	2018 Nissan Navara D23 King Cab 4x2 (Ranger)	0	14,950	14,950	0		0	0	
343	Roller - 2011 BOMAG BW25RH ROAD ROLLER Disposal (OVER DUE)	0	40,000	40,000	0		0	0	
150	Tandem Axle Fuel Trailer - 1TQZ598	0	4,000	4,000	0		0	0	
44	2022 Toyota Prado - OMD	43,190	58,000	14,810	0		0	0	
174	2022 Toyota Hilux SR-5 4x4 Dual Cab (MP)	40,760	42,000	1,240	0		0	0	
	805 Squirrel Self Propelled Elevating Platform	9,700	1,000	0	(8,700)		0	0	
278		<b>328,650</b>	<b>484,950</b>	<b>165,000</b>	<b>(8,700)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



7 RECEIVABLES

Rates receivable

	30 Jun 2024	31 Aug 2024
Opening arrears previous year	\$ 602,485	\$ 602,485
Levied this year		5,480,195
Less - collections to date	602,485	(170,224)
<b>Net rates collectable</b>	<b>602,485</b>	<b>5,912,456</b>
% Collected	0.0%	2.8%



Receivables - general

	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(2,053)	52,558	336,779	6,037	72,325	465,646
Percentage	(0.4%)	11.3%	72.3%	1.3%	15.5%	
<b>Balance per trial balance</b>						
Trade receivables						465,646
Other receivables						196,269
GST receivable						0
Other receivables - Provisions for Doubtful Debts						(70,558)
Accrued Income						633,445
<b>Total receivables general outstanding</b>						<b>1,224,802</b>

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.

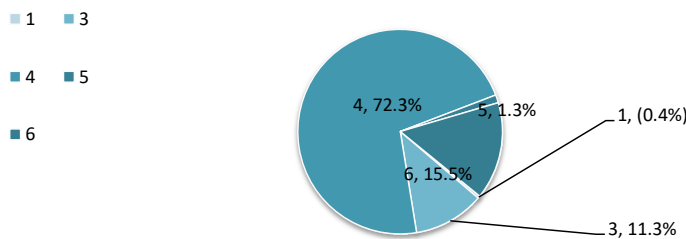
Trade receivables are recognised at original invoice amount less any allowances for uncollectable amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

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.

Accounts Receivable (non-rates)



8 OTHER CURRENT ASSETS

	Opening Balance 1 July 2024	Asset Increase	Asset Reduction	Closing Balance 31 August 2024
	\$	\$	\$	\$
<b>Other current assets</b>				
<b>Other financial assets at amortised cost</b>				
Financial assets at amortised cost - self supporting loans	38,676			38,676
<b>Inventory</b>				
Fuel	19,816	7,001		26,817
<b>Other assets</b>				
Other assets - Payments In Advance	40,831		(35,206)	5,625
<b>Total other current assets</b>	<b>99,323</b>	<b>7,001</b>	<b>(35,206)</b>	<b>71,118</b>

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.



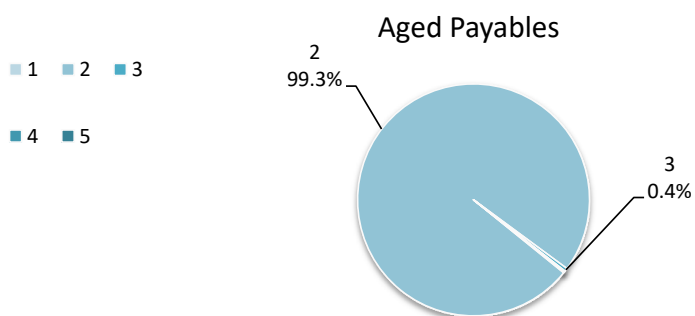
9 PAYABLES

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	0.0%	99.3%	0.4%	0.1%	0.2%	
<b>Balance per trial balance</b>						
Sundry creditors						133,973
ATO liabilities						(278)
Other payables						31,457
Accrued Expenses						22,376
Income in Advance						49,871
Payroll Creditors						(9,336)
PAYG						74
Other Expenses						686,055
<b>Total payables general outstanding</b>						<b>914,192</b>

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.



10 BORROWINGS

Repayments - borrowings

Information on borrowings Particulars	Loan No.	New Loans			Principal Repayments		Principal Outstanding		Interest Repayments	
		1 July 2024	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$
CEACA Contributions	217	200,066			(32,055)	(65,300)	168,011	134,766	(3,151)	(4,780)
CBD Development	219	1,480,000			(59,817)	(121,000)	1,420,183	1,359,000	(32,291)	(63,276)
Liquidity Loan - Interest							0	0		(80,000)
		1,680,066	0	0	(91,872)	(186,300)	1,588,194	1,493,766	(35,442)	(148,056)
<b>Self supporting loans</b>										
Merritville	215	189,922	0	0	0	(38,700)	189,922	151,222	0	(8,910)
		189,922	0	0	0	(38,700)	189,922	151,222	0	(8,910)
<b>Total</b>		<b>1,869,988</b>	<b>0</b>	<b>0</b>	<b>(91,872)</b>	<b>(225,000)</b>	<b>1,778,116</b>	<b>1,644,988</b>	<b>(35,442)</b>	<b>(156,966)</b>
Current borrowings		225,000					132,358			
Non-current borrowings		1,644,988					1,645,758			
		<b>1,869,988</b>					<b>1,778,116</b>			

All debenture repayments were financed by general purpose revenue.  
 Self supporting loans are financed by repayments from third parties.

KEY INFORMATION

The City has elected to recognise borrowing costs as an expense when incurred regardless of how the borrowings are applied.

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.

## 11 OTHER CURRENT LIABILITIES

Other current liabilities	Note	Opening Balance 1 July 2024 \$	Liability transferred from/(to) non current \$	Liability Increase \$	Liability Reduction \$	Closing Balance 31 August 2024 \$
<b>Other liabilities</b>						
Contract liabilities		994,985	0			994,985
Other Liabilities [describe]		(100)	0			(100)
<b>Total other liabilities</b>		994,885	0	0	0	994,885
<b>Employee Related Provisions</b>						
Provision for annual leave		317,150	0			317,150
Provision for long service leave		199,423	0			199,423
<b>Total Provisions</b>		516,573	0	0	0	516,573
<b>Total other current liabilities</b>		<b>1,511,458</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,511,458</b>

Amounts shown above include GST (where applicable)

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 12

### 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.

12 GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Unspent grant, subsidies and contributions liability					Grants, subsidies and contributions revenue					YTD Revenue Actual
	Liability	Increase in Liability	Decrease in Liability	Liability	Current Liability	Adopted Budget Revenue	YTD Budget	Annual Budget	Budget Variations	Expected	
	1 July 2024		(As revenue)	31 Aug 2024	31 Aug 2024						
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Grants and subsidies</b>											
<b>Law, order, public safety</b>					0						0
ESL BFB - Operating Grant					0	62,500	10,416				0
ESL SES - Operating Grant					0	15,500	2,584				0
<b>Education and welfare</b>					0						0
SENIORS - Reimbursements					0	10,800	1,800				0
WELFARE - Community Development Grants					0	10,500	1,756				0
<b>Recreation and culture</b>					0						0
Library - Other Grants					0	200	34				0
HERITAGE - Grant					0	20,000	3,334				0
<b>Transport</b>					0						0
ROADM - Street Lighting Subsidy					0	22,000	3,666				0
ROADM - Road Contribution Income					0	80,000	26,666				0
ROADM - Direct Road Grant (MRWA)					0	315,200	52,534				0
<b>Economic services</b>					0						0
TOURISM - Reimbursements					0	11,000	1,834				0
TOURISM - Other Income Relating to Tourism & Area Promotion					0	45,000	7,506				0
<b>Other property and services</b>					0						0
PWO - Other Reimbursements					0	100	16				0
					0						0
<b>TOTALS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>592,800</b>	<b>112,146</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>178,791</b>
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>592,800</b>	<b>112,146</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>178,791</b>

13 CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Capital grant/contribution liabilities				Capital grants, subsidies and contributions revenue						
	Liability	Increase in Liability	Decrease in Liability	Liability	Current Liability	Adopted Budget	YTD	Annual	Budget	YTD Revenue	
	1 July 2024		(As revenue)	31 Aug 2024	31 Aug 2024	Revenue	Budget	Budget	Variations	Expected	Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Capital grants and subsidies</b>											
<b>Non-operating grants and subsidies</b>				0						0	
Law, order, public safety				0						0	
ESL BFB - Capital Grant				0		15,800	2,634			0	0
ESL SES - Capital Grant				0		6,100	1,016			0	0
Recreation and culture				0						0	
REC - Grants - Lotterywest				0		337,600	56,266			0	913,070
REC - Grants - LRCI				0		558,200	93,034			0	0
REC - Grants - BBRF				0		562,700	93,784			0	0
REC - Other Capital Contributions				0		574,100	95,684			0	0
Transport				0						0	
ROADC - Regional Road Group Grants (MRWA)				0		730,200	121,700			0	315,210
ROADC - Roads to Recovery Grant				0		993,000	165,500			0	0
ROADC - Wheatbelt Secondary Freight Network				0		1,462,800	243,800			0	83,318
ROADC - Heavy Vehicle Safety and Productivity Program				0		2,674,600	0			0	0
WATER - CWSP Grant 1				0		39,600	6,600			0	0
WATER - CWSP Grant 2				0		90,000	15,000			0	0
<b>TOTALS</b>		0	0	0	0	<b>8,044,700</b>	<b>895,018</b>	0	0	0	<b>1,311,598</b>

**SHIRE OF MERREDIN  
SUPPLEMENTARY INFORMATION  
FOR THE PERIOD ENDED 31 AUGUST 2024**

**14 BUDGET AMENDMENTS**

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

Description	Council Resolution	Classification	Non Cash Adjustment \$	Increase in Available Cash \$	Decrease in Available Cash \$	Amended Budget Running Balance \$
<b>Budget adoption</b>						11,465
GL2100300 REC - Employee Costs	83439	Operating expenses			(20,000)	(8,535)
GL2110351 - REC - Sporting & Community Group C	43439	Operating expenses		20,000		11,465
				<b>20,000</b>	<b>(20,000)</b>	<b>0</b>