

SHIRE OF MERREDIN

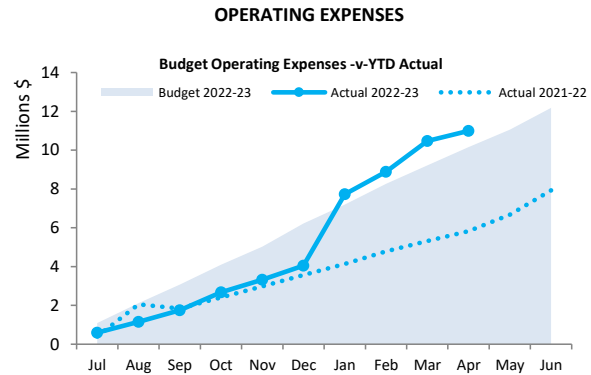
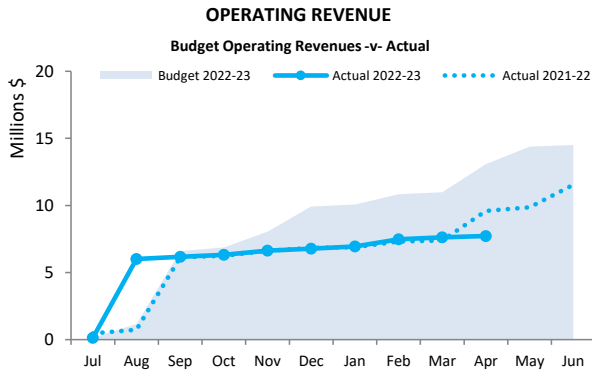
MONTHLY FINANCIAL REPORT (Containing the Statement of Financial Activity) For the period ending 30 April 2023

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

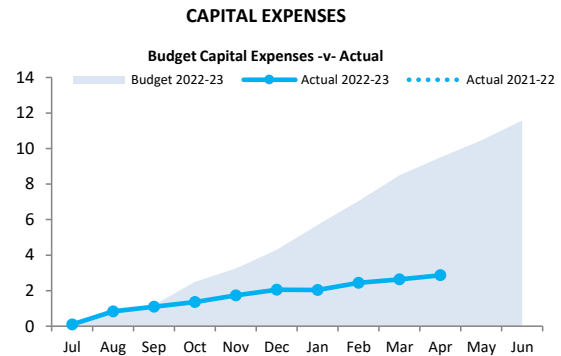
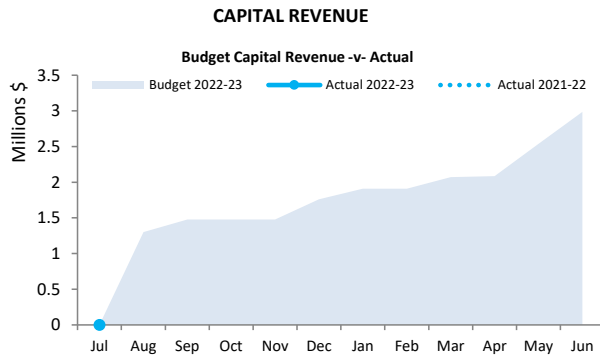
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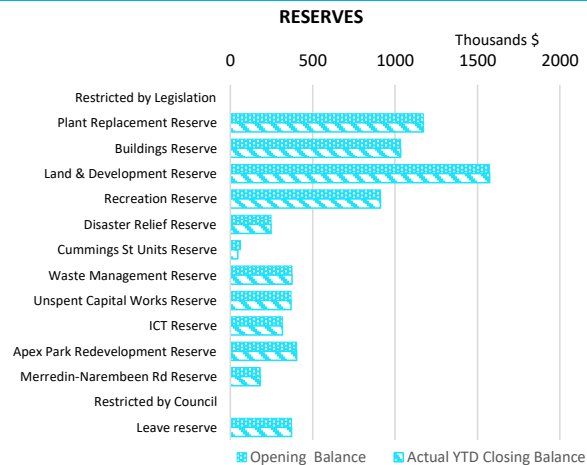
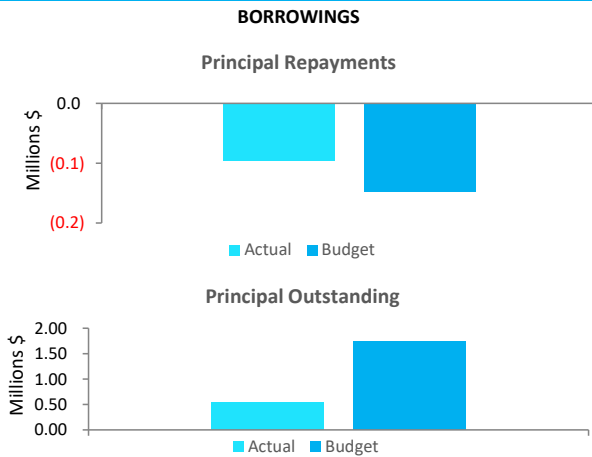
OPERATING ACTIVITIES



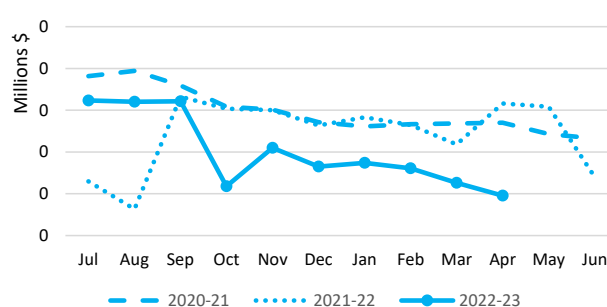
INVESTING ACTIVITIES



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	\$2.36 M	\$2.36 M	\$2.36 M	(\$0.00 M)
Closing	\$0.00 M	\$2.13 M	\$1.91 M	(\$0.22 M)

Refer to Statement of Financial Activity

Cash and cash equivalents		
	\$	% of total
Unrestricted Cash	\$2.64 M	26.9%
Restricted Cash	\$7.19 M	73.1%

Refer to Note 2 - Cash and Financial Assets

Payables		% Outstanding
Trade Payables		\$0.12 M
0 to 30 Days		93.9%
Over 30 Days		6.1%
Over 90 Days		0.1%

Refer to Note 5 - Payables

Receivables		
	\$	% Collected
Rates Receivable	\$0.85 M	84.7%
Trade Receivable	\$0.15 M	% Outstanding
Over 30 Days		77.3%
Over 90 Days		64.2%

Refer to Note 3 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$1.26 M)	(\$0.20 M)	\$1.09 M	\$1.28 M

Refer to Statement of Financial Activity

Rates Revenue		
	\$	% Variance
YTD Actual	\$4.85 M	
YTD Budget	\$4.85 M	0.1%

Refer to Statement of Financial Activity

Operating Grants and Contributions		
	\$	% Variance
YTD Actual	\$1.35 M	
YTD Budget	\$1.32 M	2.0%

Refer to Note 11 - Operating Grants and Contributions

Fees and Charges		
	\$	% Variance
YTD Actual	\$0.89 M	
YTD Budget	\$0.81 M	10.2%

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)
(\$3.60 M)	(\$2.53 M)	(\$1.45 M)	\$1.08 M

Refer to Statement of Financial Activity

Proceeds on sale		
	\$	%
YTD Actual	\$0.39 M	
Adopted Budget	\$0.46 M	(14.4%)

Refer to Note 6 - Disposal of Assets

Asset Acquisition		
	\$	% Spent
YTD Actual	\$2.86 M	
Adopted Budget	\$11.56 M	(75.2%)

Refer to Note 7 - Capital Acquisitions

Capital Grants		
	\$	% Received
YTD Actual	\$0.98 M	
Adopted Budget	\$7.47 M	(86.8%)

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)
\$2.51 M	\$2.51 M	(\$0.08 M)	(\$2.59 M)

Refer to Statement of Financial Activity

Borrowings	
Principal repayments	\$0.10 M
Interest expense	\$0.00 M
Principal due	\$0.53 M

Refer to Note 8 - Borrowings

Reserves	
Reserves balance	\$7.00 M
Interest earned	\$0.00 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 APRIL 2023

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 APRIL 2023

BY NATURE OR TYPE

	Ref	Adopted Budget	YTD Budget	YTD Actual	Forecast 30 June 2023 Closing	Variance \$	Variance % ((c) - (b))/(b)	Var.	
	Note	(a)	(b)	(c)	(a)-(b)+(c)	(c) - (b)			
		\$	\$	\$	\$	\$	%		
Opening funding surplus / (deficit)	1(c)	2,356,758	2,356,758	2,356,757	2,356,757	(1)	(0.00%)		
Revenue from operating activities									
Rates		4,848,800	4,848,800	4,854,325	4,854,325	5,525	0.11%		
Operating grants, subsidies and contributions	11	1,612,100	1,319,762	1,350,708	1,643,046	30,946	2.34%		
Fees and charges		855,900	808,372	890,654	938,182	82,282	10.18%	▲	
Interest earnings		178,700	148,910	165,669	195,459	16,759	11.25%	▲	
Other revenue		277,400	234,321	294,256	337,335	59,935	25.58%	▲	
Profit on disposal of assets	6	167,000	139,170	166,999	194,829	27,829	20.00%	▲	
		7,939,900	7,499,335	7,722,611	8,163,176	223,276	2.98%		
Expenditure from operating activities									
Employee costs		(3,611,140)	(3,342,078)	(3,133,616)	(3,402,678)	208,462	6.24%		
Materials and contracts		(4,396,260)	(3,423,478)	(2,440,742)	(3,413,524)	982,736	28.71%	▲	
Utility charges		(479,860)	(301,211)	(356,657)	(535,306)	(55,446)	(18.41%)	▼	
Depreciation on non-current assets		(5,212,200)	(4,343,490)	(4,404,111)	(5,272,821)	(60,621)	(1.40%)		
Interest expenses		(52,100)	(52,100)	(22,219)	(22,219)	29,881	57.35%	▲	
Insurance expenses		(226,520)	(224,402)	(233,807)	(235,925)	(9,405)	(4.19%)		
Other expenditure		(270,400)	(216,718)	(283,560)	(337,242)	(66,842)	(30.84%)	▼	
Loss on disposal of assets	6	(337,900)	(299,300)	(118,525)	(157,125)	180,775	60.40%	▲	
		(14,586,380)	(12,202,777)	(10,993,237)	(13,376,840)	1,209,540	(9.91%)		
Non-cash amounts excluded from operating activities	1(a)	5,383,100	4,503,620	4,355,637	5,235,117	(147,983)	(3.29%)		
Amount attributable to operating activities		(1,263,380)	(199,822)	1,085,011	21,453	1,284,833	(642.99%)		
Investing activities									
Proceeds from non-operating grants, subsidies and contributions	12	7,471,200	6,363,780	984,474	2,091,894	(5,379,306)	(84.53%)	▼	
Proceeds from disposal of assets	6	461,000	461,000	394,526	394,526	(66,474)	(14.42%)	▼	
Proceeds from financial assets at amortised cost - self supporting loans	8	33,410	35,080	35,080	33,410	0	0.00%		
Payments for property, plant and equipment and infrastructure	7	(11,564,600)	(9,394,215)	(2,864,864)	(5,035,249)	6,529,351	69.50%	▲	
Amount attributable to investing activities		(3,598,990)	(2,534,355)	(1,450,785)	(2,515,420)	1,083,570	(42.76%)		
Financing Activities									
Proceeds from new debentures	8	1,300,000	1,300,000	0	0	(1,300,000)	(100.00%)	▼	
Transfer from reserves	9	1,590,270	1,590,270	15,687	15,687	(1,574,583)	(99.01%)	▼	
Repayment of debentures	8	(147,700)	(147,700)	(95,780)	(95,780)	51,920	35.15%	▲	
Transfer to reserves	9	(235,400)	(235,400)	0	0	235,400	100.00%	▲	
Amount attributable to financing activities		2,507,170	2,507,170	(80,093)	(80,093)	(2,587,263)	(103.19%)		
Closing funding surplus / (deficit)	1(c)	1,558	2,129,751	1,910,890	(217,303)	(218,861)	10.28%	▼	

KEY INFORMATION

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

Refer to Note 15 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. A separate statement of those monies appears at Note 13 to these financial statements.

SIGNIFICANT ACCOUNTING POLICIES

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 00 January 1900

(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 30 June 2023 Closing
		\$	\$	\$	
Non-cash items excluded from operating activities					
Adjustments to operating activities					
Less: Profit on asset disposals	6	(167,000)	(139,170)	(166,999)	(194,829)
Add: Loss on asset disposals	6	337,900	299,300	118,525	157,125
Add: Depreciation on assets		5,212,200	4,343,490	4,404,111	5,272,821
Total non-cash items excluded from operating activities		5,383,100	4,503,620	4,355,637	5,235,117

(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 2022	Last Year Closing 30 June 2022	Year to Date 30 April 2023
Adjustments to net current assets			
Less: Reserves - restricted cash	9	(7,013,785)	(6,998,098)
Less: - Financial assets at amortised cost - self supporting loans	4	(35,080)	0
Less: User defined		(795,292)	(795,292)
Add: Borrowings	8	95,779	(1)
Add: Provisions employee related provisions	10	551,288	551,288
Total adjustments to net current assets		(7,197,090)	(7,242,103)

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

Current assets				
Cash and cash equivalents	2	11,125,675	11,125,675	9,836,922
Rates receivables	3	696,690	696,690	851,098
Receivables	3	274,791	274,791	149,696
Other current assets	4	289,178	289,178	257,943
Less: Current liabilities				
Payables	5	(525,851)	(525,851)	(203,253)
Borrowings	8	(95,779)	(95,779)	1
Contract liabilities	10	(1,659,569)	(1,659,569)	(1,188,221)
Provisions	10	(551,288)	(551,288)	(551,288)
Less: Total adjustments to net current assets	1(b)	(7,197,090)	(7,197,090)	(7,242,103)
Closing funding surplus / (deficit)		2,356,757	2,356,757	1,910,796

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		1,480,506		1,480,506				
Petty Cash - Admin		950		950				
Municipal Investment Account		1,142,363		1,142,363				
Reserve Bank Account		0	7,194,717	7,194,717				
Trust Cash at Bank		18,386		18,386				
Total		2,642,205	7,194,717	9,836,922	0			
Comprising								
Cash and cash equivalents		2,642,205	7,194,717	9,836,922	0			
		2,642,205	7,194,717	9,836,922	0			

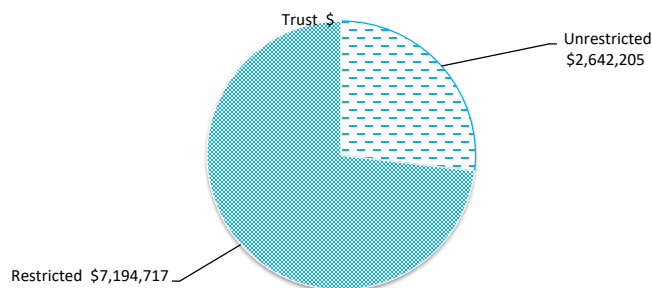
KEY INFORMATION

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.

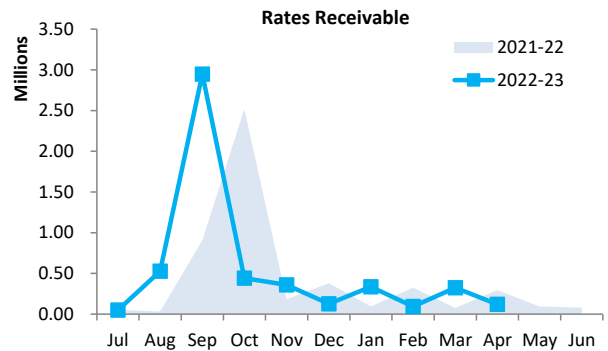
The local government classifies financial assets at amortised cost if both of the following criteria are met:

- 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 2022	30 Apr 2023
	\$	\$
Opening arrears previous years	700,762	696,690
Levied this year		4,854,325
Less - collections to date	(4,072)	(4,699,917)
Gross rates collectable	696,690	851,098
Net rates collectable	696,690	851,098
% Collected	0.6%	84.7%



Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(4,362)	17,110	4,473	2,845	35,924	55,990
Percentage	(7.8%)	30.6%	8%	5.1%	64.2%	
Balance per trial balance						
Sundry receivable						55,990
GST receivable						0
Other receivables						5,447
Accrued Income						132,467
Other receivables - Provision for Doubtful Debts						(44,208)
Total receivables general outstanding						149,696

Amounts shown above include GST (where applicable)

KEY INFORMATION

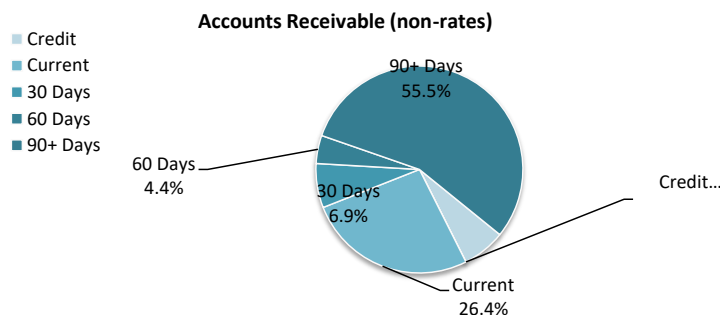
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

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 2022	Asset Increase	Asset Reduction	Closing Balance 30 April 2023
	\$	\$	\$	\$
Other financial assets at amortised cost				
Financial assets at amortised cost - self supporting loans	35,080		(35,080)	0
Inventory				
Fuel	10,098	63,845	0	73,943
Land held for resale				
Cost of acquisition	244,000		(60,000)	184,000
Total other current assets	289,178	63,845	(95,080)	257,943
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.

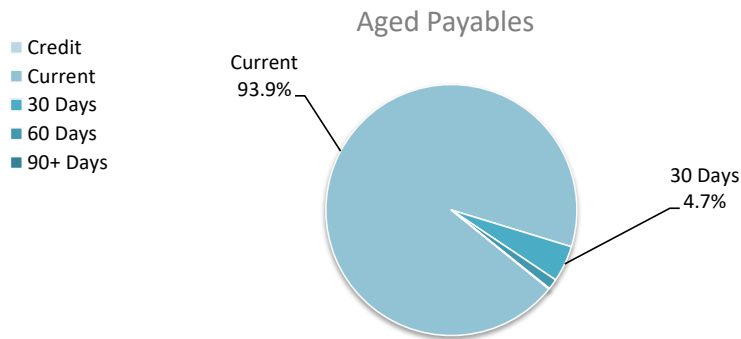
Land held for resale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	84,655	4,214	1,211	80	90,160
Percentage	0%	93.9%	4.7%	1.3%	0.1%	
Balance per trial balance						
Sundry creditors						123,799
ATO liabilities						(102,990)
Other payables						124,752
Income in Advance						107,117
PAYG						(49,425)
Total payables general outstanding						203,253

Amounts shown above include GST (where applicable)

KEY INFORMATION

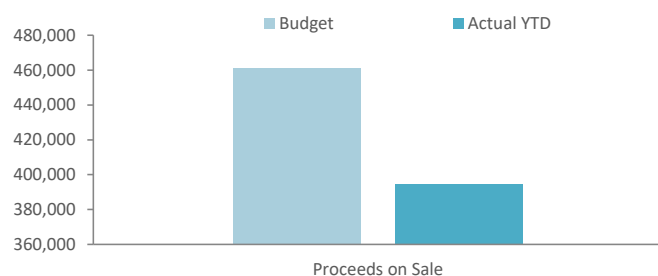
Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the period that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised 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.



NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2023

OPERATING ACTIVITIES
NOTE 6
DISPOSAL OF ASSETS

Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
	Buildings								
	Lutheran Church			0	(106,300)	106,322	0	0	(106,322)
	Plant and equipment								
	General purpose funding								
	Law, order, public safety								
	Health								
	Education and welfare								
	Housing								
	Community amenities								
	Recreation and culture								
	Transport								
	John Deere 770G	189,700	110,000	0	(79,700)			0	0
	Hitachi ZW220-5 Loader	203,600	70,000	0	(133,600)			0	0
	Hino 700 13 Ton	77,100	80,000	12,800	0	75,538	152,326	76,788	0
	Hino - 4.5 Ton	32,600	20,000	0	(12,600)	18,873	6,670	0	(12,203)
	Utility - Reticulation	7,100	16,000	8,900	0	6,632	18,019	11,387	0
	Utility - Construction Supervisor	0	25,000	25,000	0	6,632	18,814	12,182	0
	Utility - Roads Dualcab - Construction	8,000	23,000	15,000	0	17,638	20,666	3,028	0
	EMES - 44MD	0	30,000	30,000	0	14,653	25,019	10,366	0
	EMDS - 50MD	0	25,000	25,000	0	18,315	30,859	12,544	0
	EMCS - 60MD	0	30,000	30,000	0	18,315	34,769	16,454	0
	EHO - MD8877	6,700	27,000	20,300	0			0	0
	Cherry Picker	10,700	5,000	0	(5,700)			0	0
	Komatsu Wheel Loader (PLDR01) WA200PZ6			0	0	63,132	87,384	24,252	0
		535,500	461,000	167,000	(337,900)	346,050	394,526	167,001	(118,525)



Capital acquisitions	Adopted		YTD Actual	Forecast 30 June Closing	YTD Actual Variance
	Budget	YTD Budget			
	\$	\$	\$		\$
Land				0	0
Land - vested in and under the control of Council	509	13,000	12,949	12,949	(51)
Buildings				0	0
Buildings - specialised	512	224,000	106,632	194,538	(29,462)
Furniture and equipment		0	0	0	0
Plant and equipment	530	1,671,000	1,510,935	993,407	(677,593)
Infrastructure - roads	540	3,455,900	2,384,836	783,053	1,854,117
Infrastructure - Footpaths	560	50,000	50,001	0	(1)
Infrastructure - Drainage	550	20,000	20,000	0	0
Infrastructure - Parks & Gardens	570	5,960,700	5,116,017	1,102,833	1,947,516
Infrastructure - Other	590	170,000	163,332	26,056	32,724
Payments for Capital Acquisitions		11,564,600	9,394,215	2,864,864	5,035,249
Capital Acquisitions Funded By:					
Capital grants and contributions		7,471,200	6,363,780	984,474	2,091,894
Borrowings		1,300,000	1,300,000	0	0
Lease liabilities		0	0	0	0
Other (disposals & C/Fwd)		461,000	461,000	394,526	394,526
Cash backed reserves					
Plant Replacement Reserve		(650,000)	0	(650,000)	0
Buildings Reserve		(450,000)	0	(450,000)	0
Land & Development Reserve		0	0	0	0
Recreation Reserve		0	0	0	0
Disaster Relief Reserve		0	0	0	0
Cummings St Units Reserve		(15,700)	15,687	(13)	15,687
Waste Management Reserve		(120,000)	0	(120,000)	0
Unspent Capital Works Reserve		0	0	0	0
ICT Reserve		(68,270)	0	(68,270)	0
Apex Park Redevelopment Reserve		(286,300)	0	(286,300)	0
Merredin-Narembeen Rd Reserve		0	0	0	0
Contribution - operations		3,922,670	1,269,435	1,470,177	4,123,413
Capital funding total		11,564,600	9,394,215	2,864,864	5,035,249

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.

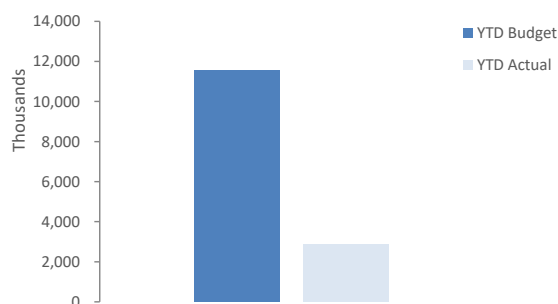
Initial recognition and measurement for assets held at cost

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

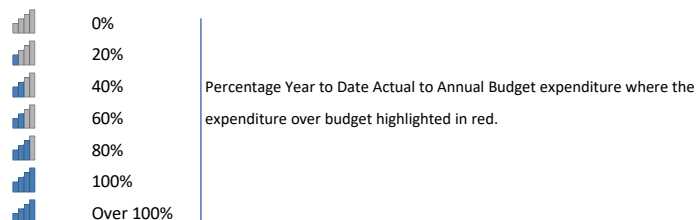
In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The 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



Capital expenditure total

Level of completion indicators



Level of completion indicator, please see table at the end of this note for further detail.

Account Description	Adopted			Variance (Under)/Over
	Budget	YTD Budget	YTD Actual	
	\$	\$	\$	\$
4040130 MEMBERS - Plant & Equipment (Capital)	2,000	2,000	2,070.95	70.95
4080210 OTHER ED - Building (Capital)	15,000	15,000	14,000.00	(1,000.00)
4090210 BC030 OTH HOUSE - Building (Capital)	20,000	20,000	15,193.14	(4,806.86)
4090210 BC033 OTH HOUSE - Building (Capital)	15,000	15,000	13,385.00	(1,615.00)
4090210 BC035 OTH HOUSE - Building (Capital)	10,000	10,000	3,536.36	(6,463.64)
4090210 BC036 OTH HOUSE - Building (Capital)	15,000	15,000	-	(15,000.00)
4100110 LC041 SAN - Building (Capital)	10,000	10,000	-	(10,000.00)
4090211 OTH HOUSING - Land (Capital)	13,000	13,000	12,949.17	(50.83)
4100770 CC001 COM AMEN - Infrastructure Parks & Ovals (Capital)	14,000	14,000	13,529.00	(471.00)
4110110 BC005 HALLS - Building (Capital)	10,000	10,000	3,500.00	(6,500.00)
4110290 SC041 SWIM AREAS - Infrastructure Other (Capital)	20,000	20,000	-	(20,000.00)
4110330 REC - Plant & Equipment (Capital)	12,000	0	10,935.00	10,935.00
4110370 PC001 REC - Infrastructure Parks & Gardens (Capital)	1,827,500	1,827,500	73,352.10	(1,754,147.90)
4110370 PC007 REC - Infrastructure Parks & Gardens (Capital)	3,750,400	3,750,400	999,945.77	(2,750,454.23)
4110370 PC030A REC - Infrastructure Parks & Gardens (Capital)	2,700	2,700	2,700.00	-
4110370 PC041 REC - Infrastructure Parks & Gardens (Capital)	351,100	351,100	2,150.00	(348,950.00)
4110370 PC042 REC - Infrastructure Parks & Gardens (Capital)	6,000	6,000	5,986.00	(14.00)
4110370 PC101 REC - Infrastructure Parks & Gardens (Capital)	9,000	9,000	8,200.00	(800.00)
4110510 BC004 LIBRARY - Library Building (Capital)	35,500	35,500	21,435.60	(14,064.40)
4110530 LIBRARY - Plant & Equipment (Capital)	0	0	-	-
4110610 HC041 HERITAGE - Building (Capital)	30,000	30,000	1,600.00	(28,400.00)
4110710 BC002 OTH CUL - Building (Capital)	63,500	63,500	33,981.82	(29,518.18)
4120140 RC401 ROADC - Roads Built Up Area - Council Funded	30,000	30,000	-	(30,000.00)
4120141 RC239 ROADC - Roads Outside BUA - Sealed - Council Funded	2,288,800	2,288,800	113,618.85	(2,175,181.15)
4120144 R2R000 ROADC - Roads Built Up Area - Roads to Recovery	58,000	58,000	-	(58,000.00)
4120144 R2R011 ROADC - Roads Built Up Area - Roads to Recovery	40,000	40,000	-	(40,000.00)
4120149 RRG003 ROADC - Roads Outside BUA - Sealed - Regional Road Group	244,000	244,000	207,175.00	(36,825.00)
4120149 RRG072 ROADC - Roads Outside BUA - Sealed - Regional Road Group	120,000	120,000	-	(120,000.00)
4120150 RRG090 ROADC - Roads Outside BUA - Gravel - Regional Road Group	482,100	482,100	238,601.55	(243,498.45)
4120150 RRG015 ROADC - Roads Outside BUA - Gravel - Regional Road Group	193,000	193,000	203,298.98	10,298.98
4120165 DC142 ROADC - Drainage Built Up Area (Capital)	20,000	20,000	-	(20,000.00)
4120170 FC000 ROADC - Footpaths and Cycleways (Capital)	50,000	50,000	-	(50,000.00)
4120330 PLANT - Plant & Equipment (Capital)	1,657,000	1,657,000	820,335.63	(836,664.37)
4120790 WC002 WATER - Infrastructure Other (Capital)	140,000	140,000	30,010.75	(109,989.25)
4130890 OTH ECON - Infrastructure Other (Capital)	10,000	10,000	-	(10,000.00)
4140710 W0242 UNCLASS - Buildings (Capital)	0	0	-	-
	11,564,600	11,552,600	2,851,490.67	-8,701,109.33

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2023

FINANCING ACTIVITIES
NOTE 8
BORROWINGS

Repayments - borrowings

Information on borrowings Particulars	Loan No.	1 July 2022	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
			Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Education and welfare										
CEACA Contributions	217	323,393			(60,700)	(60,700)	262,693	262,693	0	(9,700)
Recreation and culture										
CBD Development	219		0	1,300,000		(51,900)	0	1,248,100	0	(29,900)
		323,393	0	1,300,000	(60,700)	-112,600	262,693	1,510,793	0	-39,600
Self supporting loans										
Education and welfare										
Merretville	215	271,506	0	0	(35,080)	(35,100)	271,506	236,406	0	(12,500)
		271,506	0	0	(35,080)	-35,100	271,506	236,406	0	(12,500)
Total		594,899	0	1,300,000	(95,780)	-147,700	534,199	1,747,199	0	(52,100)
Current borrowings		147,700					-1			
Non-current borrowings		447,199					534,200			
		594,899					534,199			

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 2022, nor is it expected to have unspent funds as at 30th June 2023.

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.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2023

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	1,171,986	5,000		4,200	0	(650,000)	0	531,186	1,171,986
Buildings Reserve	1,034,508	8,100		23,600	0	(450,000)	0	616,208	1,034,508
Land & Development Reserve	1,573,763	12,400		10,500	0	0	0	1,596,663	1,573,763
Recreation Reserve	911,064	7,200		6,100	0	0	0	924,364	911,064
Disaster Relief Reserve	247,284	1,900		1,600	0	0	0	250,784	247,284
Cummings St Units Reserve	61,255	500		400	0	(15,700)	(15,687)	46,455	45,568
Waste Management Reserve	374,651	2,900		2,500	0	(120,000)	0	260,051	374,651
Unspent Capital Works Reserve	368,575	1,600		1,300	0	0	0	371,475	368,575
ICT Reserve	316,632	2,500		2,200	0	(68,270)	0	253,062	316,632
Apex Park Redevelopment Reserve	402,393	900		700	0	(286,300)	0	117,693	402,393
Merredin-Naremben Rd Reserve	180,955	100		133,800	0	0	0	314,855	180,955
Restricted by Council									
Leave reserve	370,719	2,900		2,500	0		0	376,119	370,719
	7,013,785	46,000	0	189,400	0	(1,590,270)	(15,687)	5,658,915	6,998,098

	Note	Opening Balance 1 July 2022	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 30 April 2023
		\$		\$	\$	\$
Other current liabilities						
Other liabilities						
- Contract liabilities		1,641,567	0		(471,428)	1,170,139
- Other liabilities [describe]		18,002	0	80		18,082
Total other liabilities		1,659,569	0	14,633	(471,428)	1,188,221
Employee Related Provisions						
Annual leave		293,251	0			293,251
Long service leave		258,037	0			258,037
Total Employee Related Provisions		551,288	0	0	0	551,288
Total other current assets		2,210,857	0	14,633	(471,428)	1,739,509
Amounts shown above include GST (where applicable)						

Opening balance plus movement doesn't equal closing balance

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

Provider	Unspent operating grant, subsidies and contributions liability					Operating grants, subsidies and contributions revenue			
	Liability	Increase in	Decrease in	Liability	Current	Adopted	YTD	YTD Revenue	Forecast 30
	1 July 2022	Liability	Liability	30 Apr 2023	Liability	Budget	Budget	Actual	June
	\$	\$	(As revenue)	\$	\$	\$	\$	\$	Closing
Operating grants and subsidies									
General purpose funding									
GEN PUR - Financial Assistance Grant - General				0		350,000	420,000	424,955	354,955
GEN PUR - Financial Assistance Grant - Roads				0		140,000	153,000	153,734	140,734
Law, order, public safety									
OLOPS - Grants				0		29,000	0	0	29,000
ESL BFB - Operating Grant				0		41,500	46,275	61,709	56,934
ESL SES - Operating Grant				0		15,400	14,330	17,207	18,277
Education and welfare									
SENIORS - Reimbursements				0		25,600	10,830	12,507	27,277
WELFARE - Youth Grants				0		1,000	0	0	1,000
WELFARE - Community Development Grants				0		13,900	21,800	10,200	2,300
Housing									
OTH HOUSE - Rental Reimbursements				0		0	41,670	48,367	6,697
Recreation and culture									
HALLS - Grants				0		0	0	0	0
REC - Grants				0		0	0	0	0
LIBRARY - Other Grants				0		6,200	0	0	6,200
OTH CUL - Grants - Theatre Shows				0		20,800	8,170	10,000	22,630
OTH CUL - Other Contributions				0		54,200	43,420	0	10,780
Transport									
ROADM - Street Lighting Subsidy				0		20,400	20,400	0	0
ROADM - Road Contribution Income				0		0	238,250	343,027	104,777
ROADM - Direct Road Grant (MRWA)				0		233,900	238,900	238,960	233,960
Economic services									
TOURISM - Reimbursements				0		35,800	27,877	3,926	11,849
TOURISM - Other Income Relating to Tourism & Area Promotion				0		39,400	39,760	724	364
TOURISM - Other Income				0		0	0	0	0
Other property and services									
PWO - Other Reimbursements				0		100	80	0	20
SAL - Reimbursement - Parental Leave				0		0	0	4,432	4,432
POC - Fuel Tax Credits Grant Scheme				0		0	0	20,962	20,962
	0	0	0	0	0	1,027,200	1,324,762	1,350,708	1,053,146
TOTALS	0	0	0	0	0	1,027,200	1,324,762	1,350,708	1,053,146

Provider	Capital grant/contribution liabilities					Non operating grants, subsidies and contributions revenue			
	Liability	Increase in Liability	Decrease in Liability (As revenue)	Liability	Current Liability	Adopted Budget	YTD Budget	YTD Revenue Actual	Forecast 30 June
	1 July 2022			30 Apr 2023	30 Apr 2023	Revenue	Budget		Closing
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Non-operating grants and subsidies									
Community amenities									
Supply Grant DWER	16,979			16,979					0
Recreation and culture									
REC - Grants - Capital						35,000	35,000	35,000	35,000
REC - Grants - LRCI	573,735			573,735		1,721,200	1,721,200	128,439	128,439
REC - Grants - BBRF				0		1,925,400	1,925,400	618,916	618,916
REC - Other Capital Contributions				0		331,400	331,400	0	0
Audience Development	47,521			47,521					0
War Stories Illumination Projections	10,658			10,658					0
Cummins Theatre Program	71,302			71,302					0
Wages and Gaming	6,160		(6,160)	0					0
Transport									
ROADC - Regional Road Group Grants (MRWA)	429,341			429,341		692,700	577,250	11,297	126,747
ROADC - Roads to Recovery Grant	75,297		(75,297)	0		444,900	0	96,824	541,724
LRCI - Stage One		14,553		14,553		2,121,600	1,591,200	0	530,400
WATER - CWSP Grant				0		99,000	99,000	9,902	9,902
Vegetation control	6,060			6,060					0
Other property and services								0	
CEACA	465,258		(465,258)	0		100,000	83,330	84,096	100,766
	1,702,311	14,553	(546,715)	1,170,149	0	7,471,200	6,363,780	984,474	2,091,894
TOTALS	1,702,311	14,553	(546,715)	1,170,149	0	7,471,200	6,363,780	984,474	2,091,894

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2023**

**NOTE 13
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	Amount	Amount	Closing Balance
	1 July 2022	Received	Paid	30 Apr 2023
	\$	\$	\$	\$
BCTIF Levy	(92)	(1,343)	1,343	(92)
BRB Levy	398	(284)	284	398
Community Bus Fund	1,312	0	0	1,312
SBS Transmitter	2,220	0	0	2,220
Youth Advisory	154	0	0	154
Retention Funds	8,974	0	0	8,974
CEACA	4,559	0	0	4,559
Unclaimed Money	397	0	0	397
Councillor Nominations	80	80	0	160
	18,002	(1,547)	1,627	18,082

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2023**

**NOTE 14
BUDGET AMENDMENTS**

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

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
	Budget adoption						127,770
	October Budget Review 2022	83049			101,259		229,029
	February Budget Review 2023					(227,471)	1,558
	Watersmart Farms Desalination Project (Capital) April 2023					(10,000)	(8,442)
	Watersmart Farms Desalination Project (Operating) April 2023				10,000		1,558
				0	111,259	(237,471)	(126,212)

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 APRIL 2023**

**NOTE 15
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 2022-23 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	30,946	2.34%		
Interest earnings	16,759	11.25%	▲ Interest rates higher than budget.	Permanent
Other revenue	59,935	25.58%	▲ Sundry revenue difficult to predict timing	Timing
Profit on disposal of assets	27,829	20.00%	▲ Timing of Sale of assets	Timing
Expenditure from operating activities				
Materials and contracts	982,736	28.71%	▲ Delay in spending due to staffing/ budget	Timing
Depreciation on non-current assets	(60,621)	(1.40%)		
Insurance expenses	(9,405)	(4.19%)		
Loss on disposal of assets	180,775	60.40%	▲ Timing of Sale of assets	Timing
Non-cash amounts excluded from operating activities	(147,983)	(3.29%)		
Investing activities				
Proceeds from non-operating grants, subsidies and contributions	(5,379,306)	(84.53%)	▼ Grants not yet received	Timing
Proceeds from disposal of assets	(66,474)	(14.42%)	▼ Timing of Sale of assets	Timing
Payments for property, plant and equipment and infrastr	6,529,351	69.50%	▲ Timing on project	Timing
Financing activities				
Proceeds from new debentures	(1,300,000)	(100.00%)	▼ Timing on drawn down of loan	Timing
Transfer from reserves	(1,574,583)	(99.01%)	▼ Reserve not transferred until needed to maximise interest	Timing
Repayment of debentures	51,920	35.15%	▲ Total repayment noted - timing only	Timing
Transfer to reserves	235,400	100.00%	▲ Transfer not yet completed.	Timing
Closing funding surplus / (deficit)	(218,861)	10.28%	▼ Due to above items	Timing