

SHIRE OF JERRAMUNGUP

MONTHLY FINANCIAL REPORT

**(Containing the required statement of financial activity and statement of financial position)
For the period ended 30 September 2023**

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

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SHIRE OF JERRAMUNGUP
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2023

	Supplementary Information	Adopted Budget Estimates (a) \$	YTD Budget Estimates (b) \$	YTD Actual (c) \$	Variance* \$ (c) - (b) \$	Variance* % ((c) - (b))/(b) %	Var.
OPERATING ACTIVITIES							
Revenue from operating activities							
Rates	10	3,880,317	3,880,317	3,872,265	(8,052)	(0.21%)	
Grants, subsidies and contributions	14	668,257	115,651	40,228	(75,423)	(65.22%)	▼
Fees and charges		916,049	621,089	666,908	45,819	7.38%	▲
Interest revenue		104,542	26,125	31,835	5,710	21.86%	▲
Other revenue		79,315	19,803	29,305	9,502	47.98%	▲
Profit on asset disposals	6	11,244	0	0	0	0.00%	
		5,659,724	4,662,985	4,640,541	(22,444)	(0.48%)	
Expenditure from operating activities							
Employee costs		(2,665,192)	(725,709)	(575,251)	150,458	20.73%	▲
Materials and contracts		(3,267,034)	(963,369)	(679,289)	284,080	29.49%	▲
Utility charges		(188,516)	(46,990)	(42,460)	4,530	9.64%	
Depreciation		(2,591,846)	(647,574)	(791,572)	(143,998)	(22.24%)	▼
Finance costs		(34,827)	(8,615)	(311)	8,304	96.39%	▲
Insurance		(241,463)	(241,454)	(127,929)	113,525	47.02%	▲
Other expenditure		(249,473)	(166,062)	(78,506)	87,556	52.72%	▲
Loss on asset disposals	6	(40,139)	0	0	0	0.00%	
		(9,278,490)	(2,799,773)	(2,295,318)	504,455	18.02%	
Non-cash amounts excluded from operating activities	Note 2(b)	2,620,741	612,048	791,682	179,634	29.35%	▲
Amount attributable to operating activities		(998,025)	2,475,260	3,136,905	661,645	26.73%	
INVESTING ACTIVITIES							
Inflows from investing activities							
Proceeds from capital grants, subsidies and contributions	15	1,857,778	179,986	0	(179,986)	(100.00%)	▼
Proceeds from disposal of assets	6	150,000	0	0	0	0.00%	
		2,007,778	179,986	0	(179,986)	(100.00%)	
Outflows from investing activities							
Payments for property, plant and equipment	5	(635,000)	(144,000)	(91,800)	52,200	36.25%	▲
Payments for construction of infrastructure	5	(3,585,050)	(1,013,491)	(220,491)	793,000	78.24%	▲
		(4,220,050)	(1,157,491)	(312,291)	845,200	73.02%	
Amount attributable to investing activities		(2,212,272)	(977,505)	(312,291)	665,214	68.05%	
FINANCING ACTIVITIES							
Inflows from financing activities							
Proceeds from new debentures	11	900,000	0	0	0	0.00%	
Transfer from reserves	4	340,000	0	0	0	0.00%	
		1,240,000	0	0	0	0.00%	
Outflows from financing activities							
Repayment of borrowings	11	(183,351)	(38,084)	(38,084)	0	0.00%	
Payments for principal portion of lease liabilities	12	(4,023)	(992)	(992)	0	0.00%	
Transfer to reserves	4	(668,499)	0	(3,238)	(3,238)	0.00%	
		(855,873)	(39,076)	(42,314)	(3,238)	(8.29%)	
Amount attributable to financing activities		384,127	(39,076)	(42,314)	(3,238)	(8.29%)	
MOVEMENT IN SURPLUS OR DEFICIT							
Surplus or deficit at the start of the financial year		2,826,170	2,826,170	2,826,779	609	0.02%	
Amount attributable to operating activities		(998,025)	2,475,260	3,136,905	661,645	26.73%	▲
Amount attributable to investing activities		(2,212,272)	(977,505)	(312,291)	665,214	68.05%	▲
Amount attributable to financing activities		384,127	(39,076)	(42,314)	(3,238)	(8.29%)	
Surplus or deficit after imposition of general rates		0	4,284,849	5,609,079	1,324,230	30.90%	▲

KEY INFORMATION

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

* Refer to Note 3 for an explanation of the reasons for the variance.

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

SHIRE OF JERRAMUNGUP
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 30 SEPTEMBER 2023

	Supplementary Information	30 June 2023	30 September 2023
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	5,357,240	6,856,504
Trade and other receivables		715,504	1,998,461
Inventories	8	36,995	37,204
TOTAL CURRENT ASSETS		6,109,739	8,892,169
NON-CURRENT ASSETS			
Investments - LG unit shares		61,117	61,117
Property, plant and equipment		26,265,320	26,086,221
Infrastructure		178,929,336	178,630,197
Right-of-use assets		15,377	14,321
TOTAL NON-CURRENT ASSETS		205,271,150	204,791,856
TOTAL ASSETS		211,380,889	213,684,025
CURRENT LIABILITIES			
Trade and other payables	9	661,602	332,377
Other liabilities	13	90,516	416,741
Lease liabilities	12	4,023	3,031
Borrowings	11	183,351	145,267
Employee related provisions	13	469,566	469,566
TOTAL CURRENT LIABILITIES		1,409,058	1,366,982
NON-CURRENT LIABILITIES			
Lease liabilities	12	11,432	11,432
Borrowings	11	807,944	807,944
Employee related provisions		47,718	47,718
Other provisions		1,752,735	1,752,735
TOTAL NON-CURRENT LIABILITIES		2,619,829	2,619,829
TOTAL LIABILITIES		4,028,887	3,986,811
NET ASSETS		207,352,002	209,697,214
EQUITY			
Retained surplus		67,081,202	69,423,175
Reserve accounts	4	2,134,117	2,137,355
Revaluation surplus		138,136,683	138,136,683
TOTAL EQUITY		207,352,002	209,697,213

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

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

1 BASIS OF PREPARATION AND SIGNIFICANT 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. Supporting 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.

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.

Judgements and 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 that are 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:

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, infrastructure and investment property
- estimation uncertainties made in relation to lease accounting
- estimated useful life of intangible assets

SIGNIFICANT ACCOUNTING POLICES

Significant accounting policies utilised in the preparation of these statements are as described within the 2023-24 Annual Budget. Please refer to the adopted budget document for details of these policies.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 16 October 2023

SHIRE OF JERRAMUNGUP
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2023

2 STATEMENT OF FINANCIAL ACTIVITY INFORMATION

(a) Net current assets used in the Statement of Financial Activity	Supplementary Information	Adopted Budget Opening	Last Year Closing	Year to Date
		30 June 2023	30 June 2023	30 September 2023
Current assets		\$	\$	\$
Cash and cash equivalents	3	5,357,232	5,357,240	6,856,504
Trade and other receivables		716,482	715,504	1,998,460
Inventories	8	36,995	36,995	37,204
		6,110,709	6,109,739	8,892,168
Less: current liabilities				
Trade and other payables	9	(663,181)	(661,602)	(332,377)
Other liabilities	13	(90,516)	(90,516)	(416,741)
Lease liabilities	12	(4,023)	(4,023)	(3,031)
Borrowings	11	(183,351)	(183,351)	(145,267)
Employee related provisions	13	(469,566)	(469,566)	(469,566)
		(1,410,637)	(1,409,058)	(1,366,982)
Net current assets		4,700,072	4,700,681	7,525,186
Less: Total adjustments to net current assets	Note 2(c)	(1,873,902)	(1,873,902)	(1,916,107)
Closing funding surplus / (deficit)		2,826,170	2,826,779	5,609,079

(b) Non-cash amounts 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*.

Non-cash amounts excluded from operating activities		Adopted Budget	YTD Budget	YTD Actual
		\$	(a)	(b)
Adjustments to operating activities				
Less: Profit on asset disposals	6	(11,244)	(35,526)	0
Less: Movement in liabilities associated with restricted cash		0	0	110
Add: Loss on asset disposals	6	40,139	0	0
Add: Depreciation		2,591,846	647,574	791,572
Total non-cash amounts excluded from operating activities		2,620,741	612,048	791,682

(c) Current assets and liabilities excluded from budgeted deficiency

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.

Adjustments to net current assets		Adopted Budget Opening	Last Year Closing	Year to Date
		30 June 2023	30 June 2023	30 September 2023
		\$	\$	\$
Less: Reserve accounts	4	(2,134,117)	(2,134,117)	(2,137,355)
Add: Current liabilities not expected to be cleared at the end of the year:				
- Current portion of borrowings	11	183,351	183,351	145,267
- Current portion of lease liabilities	12	4,023	4,023	3,031
- Current portion of employee benefit provisions held in reserve	4	72,841	72,841	72,951
Total adjustments to net current assets	Note 2(a)	(1,873,902)	(1,873,902)	(1,916,107)

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.

SHIRE OF JERRAMUNGUP
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2023

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

Description	Var. \$ \$	Var. % %	
Revenue from operating activities			
Grants, subsidies and contributions	(75,423)	(65.22%)	▼
Timing			
Fees and charges	45,819	7.38%	▲
Timing			
Interest revenue	5,710	21.86%	▲
Timing			
Other revenue	9,502	47.98%	▲
Timing			
Expenditure from operating activities			
Employee costs	150,458	20.73%	▲
Timing			
Materials and contracts	284,080	29.49%	▲
Timing			
Depreciation	(143,998)	(22.24%)	▼
Depreciation rates changed after Fair value of Other Infrastructure report completed			
Finance costs	8,304	96.39%	▲
Timing			
Insurance	113,525	47.02%	▲
Timing			
Other expenditure	87,556	52.72%	▲
Timing			
Non-cash amounts excluded from operating activities	179,634	29.35%	▲
Timing			
Inflows from investing activities			
Proceeds from capital grants, subsidies and contributions	(179,986)	(100.00%)	▼
Timing			
Outflows from investing activities			
Payments for property, plant and equipment	52,200	36.25%	▲
Timing			
Payments for construction of infrastructure	793,000	78.24%	▲
Timing			
Surplus or deficit after imposition of general rates	1,324,230	30.90%	▲
Due to variances described above			

SHIRE OF JERRAMUNGUP
SUPPLEMENTARY INFORMATION

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SHIRE OF JERRAMUNGUP
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 SEPTEMBER 2023

1 KEY INFORMATION

Funding Surplus or Deficit Components

Funding surplus / (deficit)				
	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$2.83 M	\$2.83 M	\$2.83 M	\$0.00 M
Closing	\$0.00 M	\$4.28 M	\$5.61 M	\$1.32 M

Refer to Statement of Financial Activity

Cash and cash equivalents		
	\$6.86 M	% of total
Unrestricted Cash	\$4.72 M	68.8%
Restricted Cash	\$2.14 M	31.2%

Refer to 3 - Cash and Financial Assets

Payables	
	\$0.33 M
Trade Payables	\$0.08 M
0 to 30 Days	99.7%
Over 30 Days	0.3%
Over 90 Days	0.3%

Refer to 9 - Payables

Receivables		
	\$0.52 M	% Collected
Rates Receivable	\$1.48 M	62.8%
Trade Receivable	\$0.52 M	% Outstanding
Over 30 Days		81.0%
Over 90 Days		60.2%

Refer to 7 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$1.00 M)	\$2.48 M	\$3.14 M	\$0.66 M

Refer to Statement of Financial Activity

Rates Revenue		
YTD Actual	\$3.87 M	% Variance
YTD Budget	\$3.88 M	(0.2%)

Refer to 10 - Rate Revenue

Grants and Contributions		
YTD Actual	\$0.04 M	% Variance
YTD Budget	\$0.12 M	(65.2%)

Refer to 14 - Grants and Contributions

Fees and Charges		
YTD Actual	\$0.67 M	% Variance
YTD Budget	\$0.62 M	7.4%

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)
(\$2.21 M)	(\$0.98 M)	(\$0.31 M)	\$0.67 M

Refer to Statement of Financial Activity

Proceeds on sale		
YTD Actual	\$0.00 M	%
Adopted Budget	\$0.15 M	(100.0%)

Refer to 6 - Disposal of Assets

Asset Acquisition		
YTD Actual	\$0.22 M	% Spent
Adopted Budget	\$3.59 M	(93.8%)

Refer to 5 - Capital Acquisitions

Capital Grants		
YTD Actual	\$0.00 M	% Received
Adopted Budget	\$1.86 M	(100.0%)

Refer to 5 - Capital Acquisitions

Key Financing Activities

Amount attributable to financing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$0.38 M	(\$0.04 M)	(\$0.04 M)	(\$0.00 M)

Refer to Statement of Financial Activity

Borrowings	
Principal repayments	(\$0.04 M)
Interest expense	(\$0.00 M)
Principal due	\$0.95 M

Refer to 11 - Borrowings

Reserves	
Reserves balance	\$2.14 M
Interest earned	\$0.00 M

Refer to 4 - Cash Reserves

Lease Liability	
Principal repayments	(\$0.00 M)
Interest expense	(\$0.00 M)
Principal due	\$0.01 M

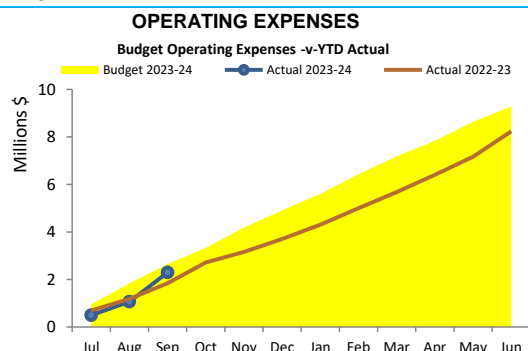
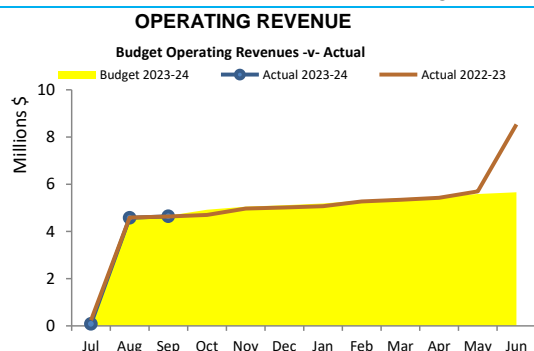
Refer to Note 12 - Lease Liabilities

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

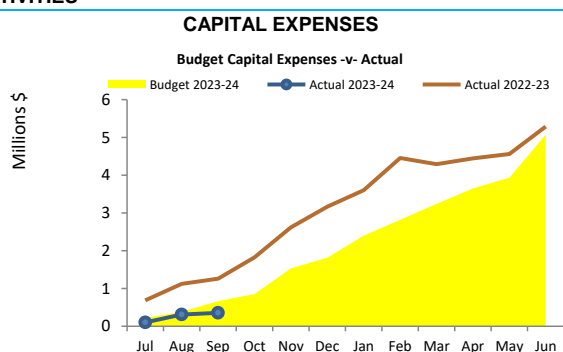
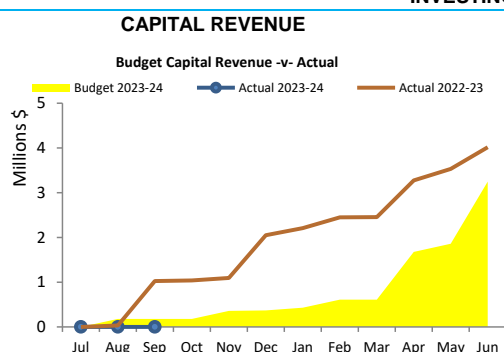
SHIRE OF JERRAMUNGUP
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 SEPTEMBER 2023

2 KEY INFORMATION - GRAPHICAL

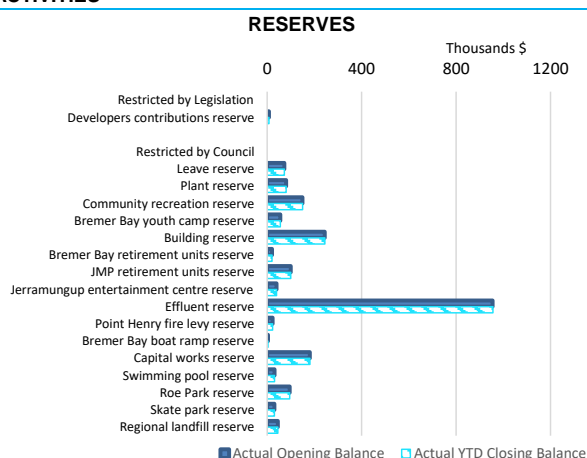
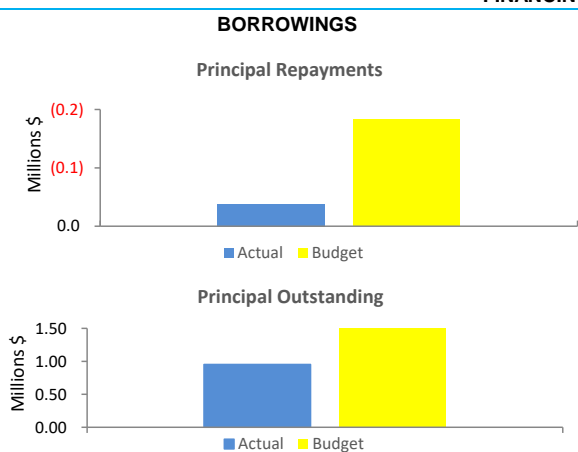
OPERATING ACTIVITIES



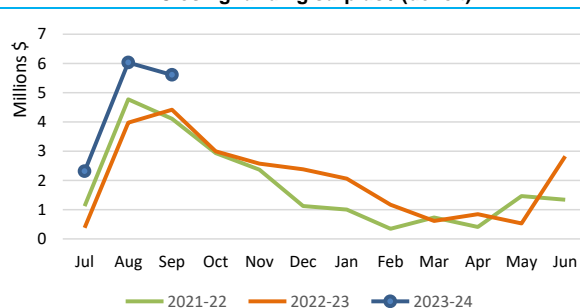
INVESTING ACTIVITIES



FINANCING ACTIVITIES



Closing funding surplus / (deficit)



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

SHIRE OF JERRAMUNGUP
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 SEPTEMBER 2023

3 CASH AND FINANCIAL ASSETS

Description	Classification	Unrestricted	Restricted	Total Cash	Trust	Institution	Interest Rate	Maturity Date
		\$	\$	\$	\$			
Municipal cash at bank	Cash and cash equivalents	3,718,948	0	3,718,948		Bankwest	2.50%	N/A
Municipal cash at bank	Financial assets at amortised cost	500,000	0	500,000		Commonwealth	4.77%	Nov-23
Municipal cash at bank	Financial assets at amortised cost	500,000	0	500,000		Commonwealth	4.85%	Dec-23
Reserve Bank account	Cash and cash equivalents	0	246	246		Bankwest	1.35%	N/A
Reserve Bank account	Financial assets at amortised cost	0	2,137,110	2,137,110		Commonwealth	5.02%	Mar-24
Cash on hand	Cash and cash equivalents	200	0	200		Till	0.00%	N/A
Total		4,719,148	2,137,356	6,856,504	0			
Comprising								
Cash and cash equivalents		3,719,148	246	3,719,394	0			
Financial assets at amortised cost		1,000,000	2,137,110	3,137,110	0			
		4,719,148	2,137,356	6,856,504	0			

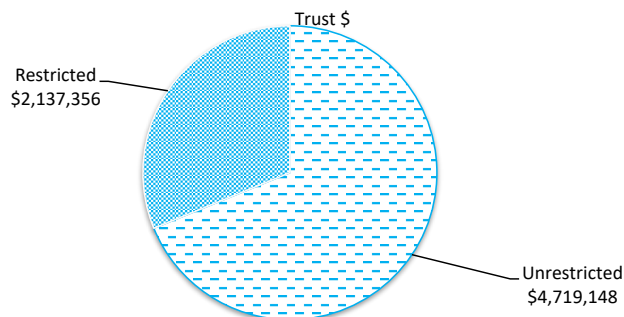
KEY INFORMATION

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.



SHIRE OF JERRAMUNGUP
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 SEPTEMBER 2023

4 RESERVE ACCOUNTS

Reserve name	Budget Opening Balance	Budget Interest Earned	Budget Transfer s In (+)	Budget Transfer s Out (-)	Budget Closing Balance	Actual Opening Balance	Actual Interest Earned	Actual Transfer s In (+)	Transf ers Out (-)	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by Legislation										
Developers contributions reserve	7,356	320	0	0	7,676	7,356	11	0	0	7,367
Restricted by Council										
Leave reserve	72,841	3,167	50,000	0	126,008	72,841	110	0	0	72,951
Plant reserve	80,346	3,494	50,000	0	133,840	80,346	121	0	0	80,467
Community recreation reserve	149,758	4,289	95,427	(40,000)	209,474	149,758	227	0	0	149,985
Bremer Bay youth camp reserve	55,456	2,411	0	0	57,867	55,456	84	0	0	55,540
Building reserve	243,776	2,780	50,000	0	296,556	243,776	370	0	0	244,146
Bremer Bay retirement units reserve	20,535	893	0	0	21,428	20,535	31	0	0	20,566
JMP retirement units reserve	99,923	4,345	0	0	104,268	99,923	151	0	0	100,074
Jerramungup entertainment centre reserve	39,766	1,729	10,000	0	51,495	39,766	60	0	0	39,826
Effluent reserve	954,642	40,535	74,127	0	1,069,304	954,643	1,450	0	0	956,093
Point Henry fire levy reserve	22,996	462	21,670	0	45,128	22,996	35	0	0	23,031
Bremer Bay boat ramp reserve	3,594	156	20,000	0	23,750	3,594	6	0	0	3,600
Capital works reserve	180,836	1,316	150,000	(300,000)	32,152	180,836	275	0	0	181,111
Swimming pool reserve	31,243	1,359	45,233	0	77,835	31,243	47	0	0	31,290
Roe Park reserve	95,237	4,141	10,000	0	109,378	95,237	144	0	0	95,381
Skate park reserve	30,724	1,336	10,000	0	42,060	30,724	47	0	0	30,771
Regional landfill reserve	45,088	1,961	7,348	0	54,397	45,089	69	0	0	45,158
	2,134,117	74,694	593,805	(340,000)	2,462,616	2,134,117	3,238	0	0	2,137,355

5 CAPITAL ACQUISITIONS

	Adopted Budget	YTD Budget	YTD Actual	YTD Actual Variance
	\$	\$	\$	\$
Capital acquisitions				
Land and buildings	80,100	47,100	6,850	(40,250)
Furniture and equipment	18,000	0	0	0
Plant and equipment	536,900	96,900	84,950	(11,950)
Acquisition of property, plant and equipment	635,000	144,000	91,800	(52,200)
Infrastructure - roads	1,493,187	995,072	192,925	(802,147)
Infrastructure - footpaths	97,728	0	0	0
Infrastructure - parks & ovals	18,419	18,419	27,252	8,833
Infrastructure - other	100,000	0	314	314
Aerodromes	1,875,716	0	0	0
Acquisition of infrastructure	3,585,050	1,013,491	220,491	(897,400)
Total capital acquisitions	4,220,050	1,157,491	312,291	(949,600)
Capital Acquisitions Funded By:				
Capital grants and contributions	1,857,778	179,986	0	(179,986)
Borrowings	900,000	0	0	0
Other (disposals & C/Fwd)	150,000	0	0	0
Reserve accounts				
Community recreation reserve	40,000	0	0	0
Capital works reserve	300,000	0	0	0
Contribution - operations	972,272	977,505	312,291	(665,214)
Capital funding total	4,220,050	1,157,491	312,291	(845,200)

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.

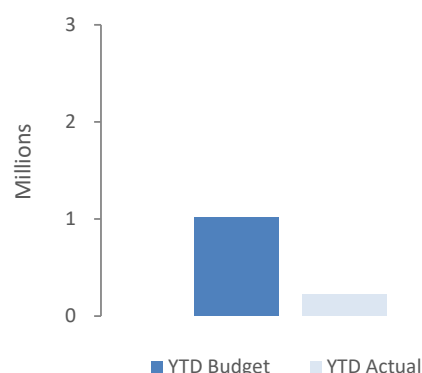
Initial recognition and measurement for assets held at cost

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.

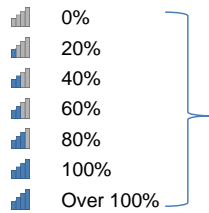
Payments for Capital Acquisitions



5 CAPITAL ACQUISITIONS - DETAILED

Capital expenditure total

Level of completion indicators



Percentage Year to Date Actual to Annual Budget expenditure where the expenditure over budget highlighted in red.

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

			Adopted		Variance
Account Description			Budget	YTD Budget	(Under)/Over
			\$	\$	\$
Furniture & Equipment					
A947	Audio Recording System - Council Meetings		18,000	0	0
Plant & Equipment					
A925	Traffic Trailer		35,000	0	0
A951	800Lt On-Road Trailer Fire Fighting Unit Town Services		13,900	13,900	13,950
A952	Broons Duo Roller		78,000	78,000	71,000
A953	Construction Loader 2023		340,000	0	0
A954	200Lt Versatile Motorised Sled Sprayer		5,000	5,000	0
A942	DCEO Vehicle		65,000	0	0
Land & Buildings					
A47	9 (Lot 24) Memorial Road - Replace awning		13,000	0	0
A33	6 Memorial Road - Painting & flooring		19,000	19,000	6,850
A729	2 (Lot 223)Derrick Street - Outside blinds		10,000	10,000	0
A730	6 (Lot 225) Derrick St - Outside blinds & screens		18,100	18,100	0
A34	Lot 120 Vasey Street - Shire Office		20,000	0	0
Roads					
C148EV	Java Road Ev Charging		103,019	103,019	0
C16	Cameron Road Construcion		126,101	0	0
C160	Bennett St - Jerramungup		59,347	0	0
C173	Marnigarup South Road		126,851	126,851	0
C206	Cameron Road - Flood Crossing		14,000	0	0
C30	Cowalellup Road		124,091	124,091	2,160
C32	Devils Creek Road		24,152	24,152	0
C38	Exchange Road		130,311	130,311	6,230
RG14	Cuiss Road - Mrwa		119,561	119,561	22,643
RR34	Rabbit Proof Fence Road		123,488	123,488	92,144
RR35	Doubtful Island		181,855	0	0
RR36	Monjebup Road		121,230	121,230	19,540
RR37	Jacup North Road		122,369	122,369	50,208
RR38	Doubtful Island Crossing		116,812	0	0
Aerodromes					
A458A	BB Airfield Cross Runway		1,717,012	0	0
A71	Jerramungup Airstrip		158,704	0	0
Footpaths					
P325	Foothpath - BB Brewery To Telegraph		97,728	0	0
Parks & Gardens					
A46P	Jerramungup Sports club - Retaining wall		18,419	18,419	27,252
Other Infrastructure					
A63I	Football Pavillion Water Tank		100,000	0	314
			4,220,050	1,157,491	312,291
					845,200

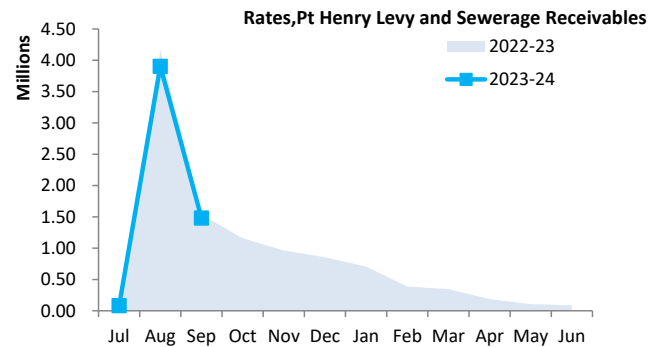
6 DISPOSAL OF ASSETS

Asset Ref.	Asset description	Net Book Value	YTD Actual		
			Net Book Value	Proceeds	Profit (Loss)
		\$	\$	\$	\$
	Plant and equipment				
A841	Loader	122,875	0	0	0
A133	Broons Duo Roller	17,264	0	0	0
A924	DCEO vehicle	38,756	0	0	0
		178,895	0	0	0



7 RECEIVABLES

Rates,Pt Henry levy & Sewerage c	30 Jun 2023	30 Sep 2023
	\$	\$
Opening arrears previous years	88,021.0	75,961
Levied this year	3,627,616	3,912,071
Less - collections to date	(3,639,676)	(2,506,231)
Gross rates collectable	75,961	1,481,801
Allowance for impairment of rates receivable	(1,327)	0
Net rates collectable	74,634	1,481,801
% Collected	98.0%	62.8%



Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(733)	4,146	1,571	2,171	10,828	17,983
Percentage	(4.1%)	23.1%	8.7%	12.1%	60.2%	
Balance per trial balance						
Trade receivables						17,983
Waste collections fees						124,996
GST receivable						34,965
Allowance for credit losses of trade receivables						(3,259)
Accrued income/prepayments						296,801
ESL						45,174
Total receivables general outstanding						516,660

Amounts shown above include GST (where applicable)

KEY INFORMATION

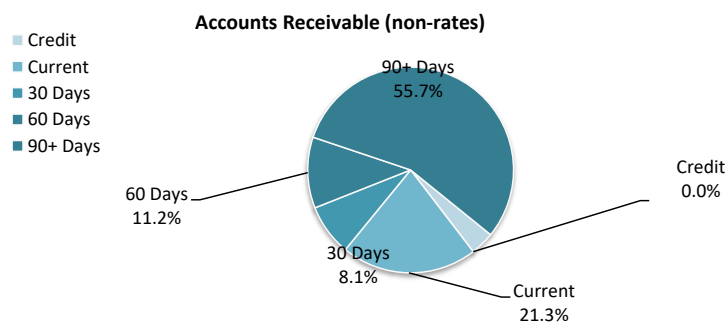
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

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.



8 OTHER CURRENT ASSETS

	Opening Balance 1 July 2023	Asset Increase	Asset Reduction	Closing Balance 30 September 2023
Other current assets	\$	\$	\$	\$
Inventory				
Fuel, oils and materials on hand	36,995	57,084	(56,875)	37,204
Total other current assets	36,995	57,084	(56,875)	37,204

KEY INFORMATION

Inventory

Inventories are measured at the lower of cost and net realisable value.

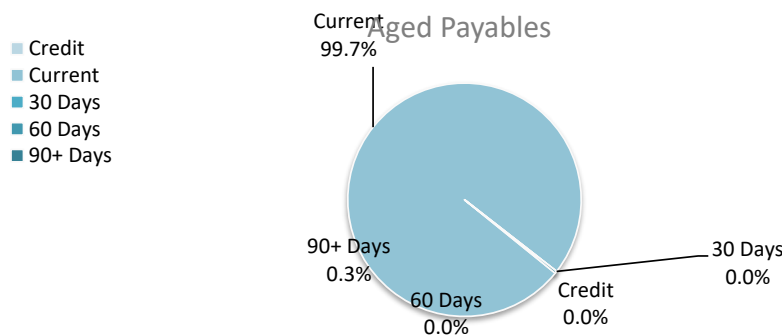
Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

9 PAYABLES

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	78,751	0	0	243	78,994
Percentage	0.0%	99.7%	0.0%	0.0%	0.3%	
Balance per trial balance						
Sundry creditors						78,994
Retention funds owing						49,803
FESA ESL liability						84,231
Excess rates						19,722
BCITF						1,272
Builders Registration Levy						6,805
Dept of Transport						1,003
Bonds - current liability						54,448
GST payable						1,550
Payroll creditors						34,549
Total payables general outstanding						332,377
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 RATE REVENUE

General rate revenue

RATE TYPE	Rate in	Number of	Rateable	Rate	Budget	Total	Rate	YTD Actual	Total
	\$ (cents)	Properties	Value	Revenue	Reassessed	Revenue	Revenue	Reassessed	Revenue
				\$	\$	\$	\$	\$	\$
Gross rental value									
Gross Rental Value	0.1099	567	7,123,263	782,847	0	782,847	782,847	(8,053)	774,794
Unimproved value									
Unimproved Properties	0.0058	314	470,923,000	2,745,480	0	2,745,480	2,745,480	0	2,745,480
Sub-Total		881	478,046,263	3,528,327	0	3,528,327	3,528,327	(8,053)	3,520,274
Minimum payment	Minimum Payment \$								
Gross rental value									
Gross Rental Value	765.45	295	1,191,137	225,808	0	225,808	225,808	0	225,808
Unimproved value									
Unimproved Properties	765.45	49	3,024,200	37,507	0	37,507	37,507	0	37,507
Unimproved Mining	765.45	32	494,313	24,494	0	24,494	24,494	0	24,494
Sub-total		376	4,709,650	287,809	0	287,809	287,809	0	287,809
Amount from general rates						3,816,136			3,808,083
Ex-gratia rates						64,181			64,182
Total general rates						3,880,317			3,872,265
KEY INFORMATION									

11 BORROWINGS

Repayments - borrowings

Information on borrowings		New Loans			Principal Repayments		Principal Outstanding		Interest Repayments	
Particulars	Loan No.	1 July 2023	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Housing										
Staff housing/seniors	264	358,529	0	0	(24,264)	(48,728)	334,265	309,801	(703)	(5,715)
Community Amenities										
Housing Bremer Bay	261	42,070	0	0	0	(42,070)	42,070	0	415	(1,362)
Transport										
Bremer Bay Townsite	263	153,196	0	0	0	(36,529)	153,196	116,667	667	(4,525)
Grader	265	437,500	0	0	(13,819)	(56,024)	423,681	381,476	(559)	(14,906)
Bremer Bay Airstrip Upgrade Project	266	0	0	900,000	0	0	0	900,000	0	0
Total		991,295	0	900,000	(38,084)	(183,351)	953,211	1,707,944	(180)	(26,508)
Current borrowings		183,351					145,267			
Non-current borrowings		807,944					807,944			
		991,295					953,211			

All debenture repayments were financed by general purpose revenue.

New borrowings 2023-24

Particulars	Amount Borrowed	Amount Borrowed	Institution	Loan Type	Term Years	Total Interest & Charges	Interest Rate	Amount (Used)		Balance Unspent
	Actual	Budget				\$		Actual	Budget	
	\$	\$				\$	%	\$	\$	\$
Bremer Bay Airstrip	0	900,000	WATC	Fixed	10	234,027	4.62%	0	(900,000)	0
	0	900,000				234,027		0	(900,000)	0

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.

12 LEASE LIABILITIES

Movement in carrying amounts

Information on leases Particulars	Lease No.	1 July 2023	New Leases		Principal Repayments		Principal Outstanding		Interest Repayments	
			Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Photocopier - Konica Bizz		15,455	0	0	(992)	(4,023)	14,463	11,432	(131)	(470)
Total		15,455	0	0	(992)	(4,023)	14,463	11,432	(131)	(470)
Current lease liabilities		4,023					3,031			
Non-current lease liabilities		11,432					11,432			
		15,455					14,463			

All lease repayments were financed by general purpose revenue.

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.

13 OTHER CURRENT LIABILITIES

	Note	Opening Balance 1 July 2023	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 30 September 2023
		\$	\$	\$	\$	\$
Other current liabilities						
Other liabilities						
Contract liabilities		90,516	0	0	0	90,516
Capital grant/contributions liabilities		0	0	326,225	0	326,225
Total other liabilities		90,516	0	326,225	0	416,741
Employee Related Provisions						
Provision for annual leave		200,443	0	0	0	200,443
Provision for long service leave		269,123	0	0	0	269,123
Total Provisions		469,566	0	0	0	469,566
Total other current liabilities		560,082	0	326,225	0	886,307

Amounts shown above include GST (where applicable)

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 14 and 15

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.

14 GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Unspent grant, subsidies and contributions liability					Grants, subsidies and contributions revenue		
	Liability	Increase in	Decrease in	Liability	Current	Adopted	YTD	YTD
	1 July 2023	Liability	Liability	30 Sep 2023	Liability	Budget	Budget	Revenue
	\$	\$	(As revenue)	\$	\$	\$	\$	\$
Grants and subsidies								
Grants Commission General	0	0	0	0	0	0	0	9,979
Grants Commission Roads	0	0	0	0	0	0	0	9,887
Law order and public safety								
MAF 22/23	81,274	0	0	81,274	81,274	246,224	61,554	0
LGGS Operating grant - Bushfire brigades	0	0	0	0	0	78,000	19,500	20,200
BRMC funding - DFES, SoR	9,242	0	0	9,242	9,242	122,394	30,597	162
ESL Administration fee	0	0	0	0	0	4,000	4,000	0
Recreation and culture								
GSCORE - signage on walk trails	0	0	0	0	0	22,593	0	0
Transport								
Grant - MRWA Direct	0	0	0	0	0	192,262	0	0
	90,516	0	0	90,516	90,516	665,473	115,651	40,228
Contributions								
Law order and public safety								
DFES reimbursements	0	0	0	0	0	2,784	0	0
	0	0	0	0	0	2,784	0	0
TOTALS	90,516	0	0	90,516	90,516	668,257	115,651	40,228

15 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	YTD Revenue
	1 July 2023		(As revenue)	30 Sep 2023	30 Sep 2023	Revenue	Budget	Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Capital grants and subsidies								
Recreation and culture								
CWSP - Water tank	0	0	0	0	0	70,000	0	0
Transport								
Grant MRWA Project	0	0	0	0	0	80,000	20,000	0
LRCI Phase 4B	0	0	0	0	0	252,267	0	0
Grant Roads to Recovery	0	0	0	0	0	639,947	159,986	0
RAUP grant - airstrip	0	326,225	0	326,225	326,225	815,564	0	0
	0	326,225	0	326,225	326,225	1,857,778	179,986	0