

# Attachment 11.4.1

## SHIRE OF NANNUP

### MONTHLY FINANCIAL REPORT (Containing the Statement of Financial Activity) For the period ending 31 January 2024

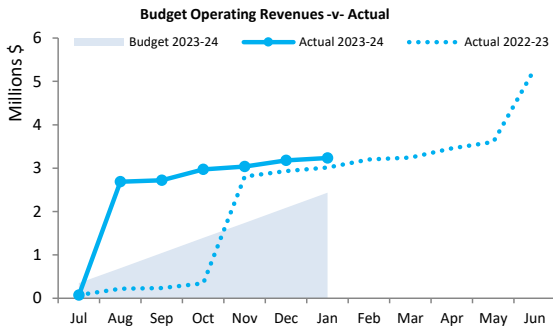
*LOCAL GOVERNMENT ACT 1995  
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996*

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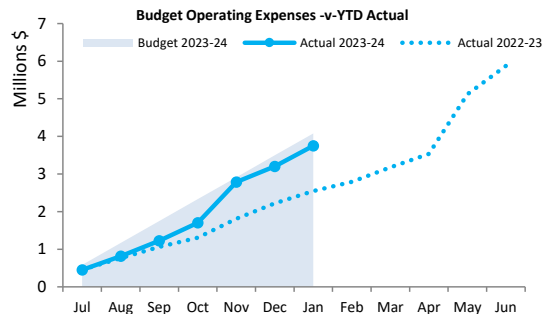
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OPERATING ACTIVITIES

OPERATING REVENUE

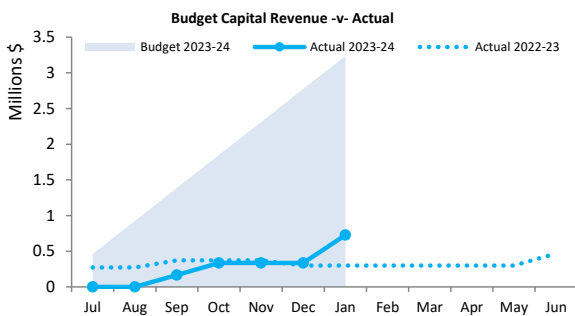


OPERATING EXPENSES

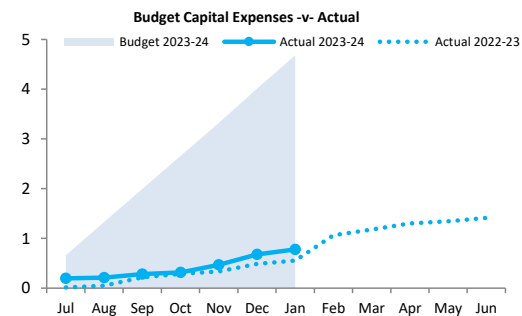


INVESTING ACTIVITIES

CAPITAL REVENUE



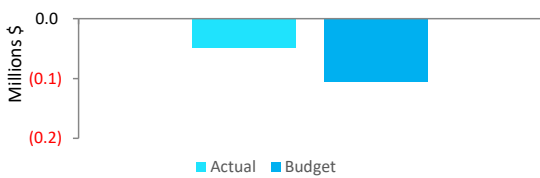
CAPITAL EXPENSES



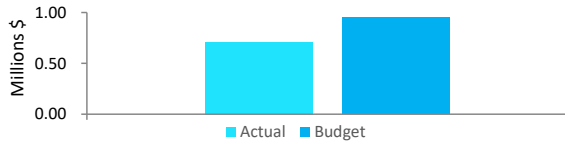
FINANCING ACTIVITIES

BORROWINGS

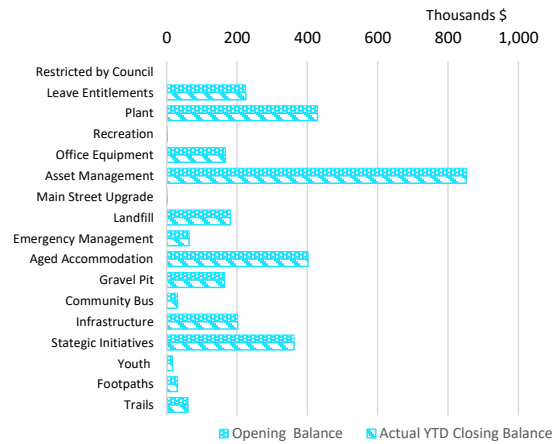
Principal Repayments



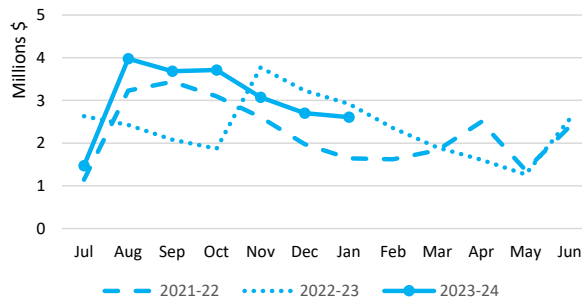
Principal Outstanding



RESERVES



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	\$2.56 M	\$2.56 M	\$2.43 M	(\$0.13 M)
Closing	\$0.00 M	\$0.31 M	\$2.61 M	\$2.30 M

Refer to Statement of Financial Activity

Cash and cash equivalents		
	\$5.53 M	% of total
Unrestricted Cash	\$1.89 M	34.2%
Restricted Cash	\$3.64 M	65.8%

Refer to Note 2 - Cash and Financial Assets

Payables		
	\$0.26 M	% Outstanding
Trade Payables	(\$0.00 M)	
0 to 30 Days		0.0%
Over 30 Days		100.0%
Over 90 Days		102.9%

Refer to Note 5 - Payables

Receivables		
	\$0.24 M	% Collected
Rates Receivable	\$0.65 M	74.5%
Trade Receivable	\$0.24 M	% Outstanding
Over 30 Days		65.4%
Over 90 Days		62.6%

Refer to Note 3 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$1.47 M)	(\$0.84 M)	\$0.26 M	\$1.10 M

Refer to Statement of Financial Activity

Rates Revenue		
	YTD Actual	% Variance
	\$2.17 M	
	YTD Budget	\$1.33 M
		62.92%

Refer to Statement of Financial Activity

Operating Grants and Contributions		
	YTD Actual	% Variance
	\$0.44 M	
	YTD Budget	\$0.65 M
		(32.83%)

Refer to Note 12 - Operating Grants and Contributions

Fees and Charges		
	YTD Actual	% Variance
	\$0.53 M	
	YTD Budget	\$0.35 M
		49.37%

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)
(\$2.20 M)	(\$1.41 M)	(\$0.02 M)	\$1.39 M

Refer to Statement of Financial Activity

Proceeds on sale		
	YTD Actual	%
	\$0.00 M	
	Adopted Budget	\$0.22 M
		0.00%

Refer to Note 6 - Disposal of Assets

Asset Acquisition		
	YTD Actual	% Spent
	\$0.78 M	
	Adopted Budget	\$8.02 M
		9.7%

Refer to Note 7 - Capital Acquisitions

Capital Grants		
	YTD Actual	% Received
	\$0.73 M	
	Adopted Budget	\$5.55 M
		13.09%

Refer to Note 7 - Capital Acquisitions

Key Financing Activities

Amount attributable to financing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$1.11 M	\$0.00 M	(\$0.06 M)	(\$0.06 M)

Refer to Statement of Financial Activity

Borrowings	
Principal repayments	\$0.05 M
Interest expense	\$0.01 M
Principal due	\$0.71 M

Refer to Note 8 - Borrowings

Reserves	
Reserves balance	\$3.19 M
Interest earned	\$0.00 M

Refer to Note 10 - Cash Reserves

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

Refer to Note 9 - Lease Liabilities

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

## KEY TERMS AND DESCRIPTIONS

FOR THE PERIOD ENDED 31 JANUARY 2024

### REVENUE

#### RATES

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

#### OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refers to all amounts received as grants, subsidies and contributions that are not non-operating grants.

#### NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Amounts received specifically for the acquisition, construction of new or the upgrading of identifiable non financial assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

#### REVENUE FROM CONTRACTS WITH CUSTOMERS

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

#### FEES AND CHARGES

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, and other fees and charges.

#### SERVICE CHARGES

Service charges imposed under *Division 6 of Part 6 of the Local Government Act 1995*. Regulation 54 of the *Local Government (Financial Management) Regulations 1996* identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges.

#### INTEREST EARNINGS

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

#### OTHER REVENUE / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, rebates, reimbursements etc.

#### PROFIT ON ASSET DISPOSAL

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

## NATURE OR TYPE DESCRIPTIONS

### EXPENSES

#### EMPLOYEE COSTS

All costs associated with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

#### MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

#### UTILITIES (GAS, ELECTRICITY, WATER)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

#### INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

#### LOSS ON ASSET DISPOSAL

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

#### DEPRECIATION ON NON-CURRENT ASSETS

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

#### INTEREST EXPENSES

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

#### OTHER EXPENDITURE

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

**STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2024**

**BY NATURE OR TYPE**

	Ref	Adopted Budget	YTD Budget	YTD Actual	Variance \$	Variance %	Var.
	Note	(a)	(a)	(b)	(b) - (a)	((b) - (a))/(a)	
		\$	\$	\$	\$	%	
<b>Opening funding surplus / (deficit)</b>	1(c)	2,562,609	2,562,609	2,429,802	(132,807)	0.00%	
<b>Revenue from operating activities</b>							
Rates		2,225,650	1,298,297	2,236,220	937,923	72.24%	▲
Rates (excluding general rate)		62,085	36,211	(62,084)	(98,295)	(271.45%)	▼
Operating grants, subsidies and contributions	12	1,113,455	649,467	436,269	(213,198)	(32.83%)	▼
Fees and charges		605,668	353,220	527,609	174,389	49.37%	▲
Interest earnings		54,903	32,018	68,853	36,835	115.04%	▲
Other revenue		43,800	25,515	27,298	1,783	6.99%	
Profit on disposal of assets	6	68,087	39,711	0	(39,711)	(100.00%)	▼
		<b>4,173,648</b>	<b>2,434,439</b>	<b>3,234,165</b>	<b>799,726</b>	<b>32.85%</b>	
<b>Expenditure from operating activities</b>							
Employee costs		(2,525,449)	(1,472,653)	(1,612,508)	(139,855)	(9.50%)	
Materials and contracts		(2,542,565)	(1,482,439)	(996,865)	485,574	32.76%	▲
Utility charges		(58,150)	(33,845)	(52,012)	(18,167)	(53.68%)	
Depreciation on non-current assets		(1,406,769)	(820,568)	(777,444)	43,124	5.26%	
Interest expenses		(28,981)	(16,849)	(11,714)	5,135	30.48%	
Insurance expenses		(183,189)	(106,582)	(184,462)	(77,880)	(73.07%)	▼
Other expenditure		(239,900)	(139,867)	(115,233)	24,634	17.61%	
Loss on disposal of assets	6	(8,893)	(5,187)	0	5,187	100.00%	
		<b>(6,993,896)</b>	<b>(4,077,990)</b>	<b>(3,750,238)</b>	<b>327,752</b>	<b>(8.04%)</b>	
Non-cash amounts excluded from operating activities	1(a)	1,348,634	803,619	777,444	(26,175)	(3.26%)	
<b>Amount attributable to operating activities</b>		<b>(1,471,614)</b>	<b>(839,932)</b>	<b>261,371</b>	<b>1,101,303</b>	<b>(131.12%)</b>	
<b>Investing activities</b>							
Proceeds from non-operating grants, subsidies and contributions	13	5,548,240	3,236,359	726,364	(2,509,995)	(77.56%)	▼
Proceeds from disposal of assets	6	221,000	0	0	0	0.00%	
Proceeds from financial assets at amortised cost - self supporting loans	8	56,729	30,600	30,600	0	0.00%	
Payments for property, plant and equipment and infrastructure	7	(8,024,448)	(4,680,613)	(779,430)	3,901,183	83.35%	▲
<b>Amount attributable to investing activities</b>		<b>(2,198,479)</b>	<b>(1,413,654)</b>	<b>(22,466)</b>	<b>1,391,188</b>	<b>(98.41%)</b>	
<b>Financing Activities</b>							
Proceeds from new debentures	8	300,000	0	0	0	0.00%	
Transfer from reserves	10	1,674,168	0	0	0	0.00%	
Payments for principal portion of lease liabilities		(12,752)	0	(9,918)	(9,918)	0.00%	
Repayment of debentures	8	(105,848)	0	(48,693)	(48,693)	0.00%	▼
Transfer to reserves	10	(748,084)	0	0	0	0.00%	
<b>Amount attributable to financing activities</b>		<b>1,107,484</b>	<b>0</b>	<b>(58,611)</b>	<b>(58,611)</b>	<b>0.00%</b>	
<b>Closing funding surplus / (deficit)</b>	1(c)	<b>0</b>	<b>309,023</b>	<b>2,610,100</b>	<b>2,301,077</b>	<b>(744.63%)</b>	<b>▲</b>

**KEY INFORMATION**

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

Refer to Note 2 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 14 to these financial statements.

## **SIGNIFICANT ACCOUNTING POLICES**

### **CRITICAL ACCOUNTING ESTIMATES**

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

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

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

### **GOODS AND SERVICES TAX**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

### **ROUNDING OFF FIGURES**

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

## **PREPARATION TIMING AND REVIEW**

Date prepared: All known transactions up to 13 February 2024

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2024

NOTE 1  
STATEMENT OF FINANCIAL ACTIVITY INFORMATION

(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)
<b>Non-cash items excluded from operating activities</b>				
		\$	\$	\$
<b>Adjustments to operating activities</b>				
Less: Profit on asset disposals	6	(68,087)	(39,711)	0
Movement in employee benefit provisions (non-current)		1,059	17,575	0
Add: Loss on asset disposals	6	8,893	5,187	0
Add: Depreciation on assets		1,406,769	820,568	777,444
<b>Total non-cash items excluded from operating activities</b>		<b>1,348,634</b>	<b>803,619</b>	<b>777,444</b>

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

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

		Adopted Budget Opening 30 June 2023	Last Year Closing 30 June 2023	Year to Date 31 January 2024
<b>Adjustments to net current assets</b>				
Less: Reserves - restricted cash	10	(2,293,708)	(3,186,771)	(3,186,771)
Less: - Financial assets at amortised cost - self supporting loans	4	(58,839)	(40,701)	(10,100)
Add: Borrowings	8	105,000	93,027	44,334
Add: Provisions employee related provisions	11	226,005	224,946	224,946
Add: Lease liabilities		1	12,752	2,834
<b>Total adjustments to net current assets</b>		<b>(2,021,541)</b>	<b>(2,896,747)</b>	<b>(2,924,757)</b>

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

**Current assets**

Cash and cash equivalents	2	5,005,569	6,008,669	5,527,831
Rates receivables	3	58,839	378,370	649,727
Receivables	3	387,233	68,905	239,205
Other current assets	4	4,164	330,423	280,379

**Less: Current liabilities**

Payables	5	(318,172)	(494,137)	(255,215)
Borrowings	8	(105,000)	(93,027)	(44,334)
Contract liabilities	11	0	(452,864)	(452,864)
Lease liabilities		(1)	(12,752)	(2,834)
Provisions	11	(448,482)	(407,038)	(407,038)
<b>Less: Total adjustments to net current assets</b>	1(b)	<b>(2,021,541)</b>	<b>(2,896,747)</b>	<b>(2,924,757)</b>

**Closing funding surplus / (deficit)**

**2,562,609**      **2,429,802**      **2,610,100**

**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 operational cycle.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2024**

**OPERATING ACTIVITIES  
NOTE 2  
CASH AND FINANCIAL ASSETS**

Description	Classification	Unrestricted	Restricted	Total Cash	Trust	Institution	Interest Rate	Maturity Date
		\$	\$	\$	\$			
Municipal Cash at Bank	Cash and cash equivalents	1,888,195	452,864	2,341,059	0	CBA	0.35%	on call
Reserve Cash at Bank	Cash and cash equivalents	0	561,983	561,983	0	CBA	0.25%	on call
Reserve Term Deposit	Cash and cash equivalents	0	2,624,789	2,624,789	0	Westpac	0.25%	11/02/2024
<b>Total</b>		<b>1,888,195</b>	<b>3,639,636</b>	<b>5,527,831</b>	<b>0</b>			
<b>Comprising</b>								
Cash and cash equivalents		1,888,195	3,639,636	5,527,831	0			
		<b>1,888,195</b>	<b>3,639,636</b>	<b>5,527,831</b>	<b>0</b>			

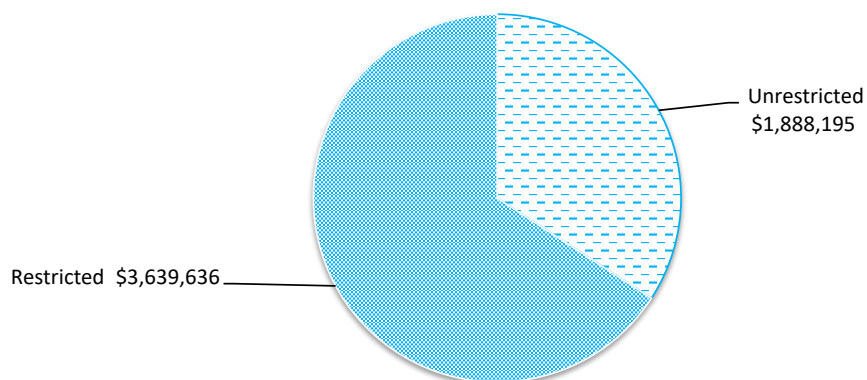
**KEY INFORMATION**

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 4 - Other assets.

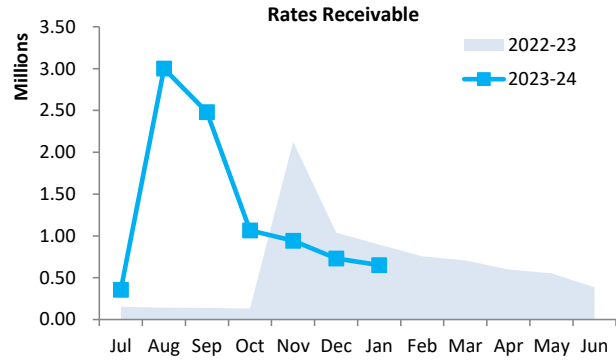




**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2024**

**OPERATING ACTIVITIES  
NOTE 3  
RECEIVABLES**

Rates receivable	30 June 2023	31 Jan 2024
	\$	\$
Opening arrears previous years	103,016	378,370
Levied this year	1,981,669	2,174,136
Less - collections to date	(1,706,315)	(1,902,779)
Gross rates collectable	<b>378,370</b>	<b>649,727</b>
Net rates collectable	<b>378,370</b>	<b>649,727</b>
% Collected	81.9%	74.5%



Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	0	71,525	3,205	2,455	129,035	206,220
Percentage	0.00%	34.7%	1.6%	1.2%	62.6%	
<b>Balance per trial balance</b>						
Pensioner Rebates Receivable						7,452
Sundry receivable						206,220
ATO GST receivable						23,873
<b>Total receivables general outstanding</b>						<b>239,205</b>

Amounts shown above include GST (where applicable)

**KEY INFORMATION**

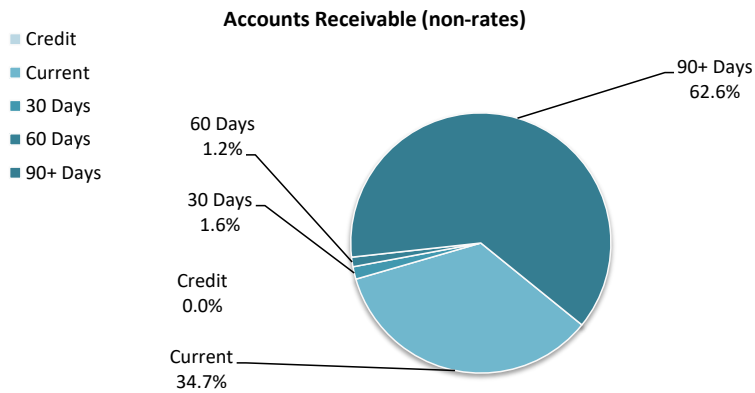
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

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.



Other current assets	Opening Balance 1 July 2023	Asset Increase	Asset Reduction	Closing Balance 31 January 2024
	\$	\$	\$	\$
<b>Other financial assets at amortised cost</b>				
Financial assets at amortised cost - self supporting loans	40,701	0	(30,601)	10,100
<b>Inventory</b>				
Fuel	4,164	0	0	4,164
<b>Total other current assets</b>	<b>330,423</b>	<b>0</b>	<b>(50,044)</b>	<b>280,379</b>
<b>Amounts shown above include GST (where applicable)</b>				

#### 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.

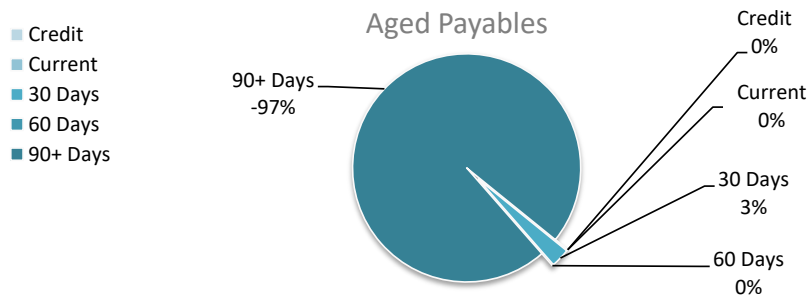
Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	0	127	0	(4,547)	(4,421)
Percentage	0%	0%	-2.9%	0%	102.9%	
<b>Balance per trial balance</b>						
Sundry creditors						(4,421)
ATO GST & PAYG liabilities						61,647
Bonds & Deposits						97,228
Rates in Advance						19,229
Other payables						77,641
Payroll - Novated Leases						3,891
<b>Total payables general outstanding</b>						<b>255,215</b>

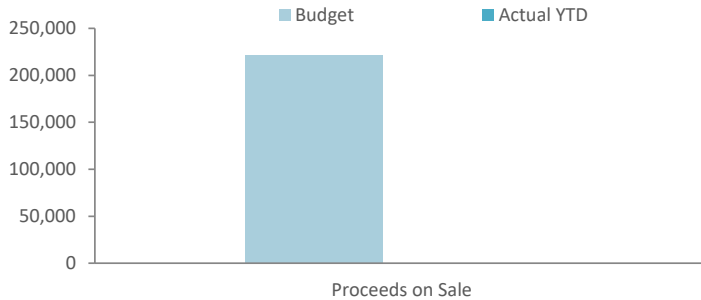
Amounts shown above include GST (where applicable)

**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.



Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
	<b>Plant and equipment</b>								
	<b>Recreation and culture</b>								
	Ford Transit Tipper	0	20,000	20,000	0	0	0	0	0
	John Deere Mower C/Fwd	120	6,000	5,880	0	0	0	0	0
	<b>Transport</b>								
	Fuso Tipper	53,893	45,000	0	(8,893)	0	0	0	0
	Tri Axle Plant Trailer C/Fwd	0	15,000	15,000	0	0	0	0	0
	<b>Other property and services</b>								
	Toyota Prado C/Fwd	59,240	65,000	5,760	0	0	0	0	0
	Toyota Prado C/Fwd	22,098	35,000	12,902	0	0	0	0	0
	Toyota Hilux	26,455	35,000	8,545	0	0	0	0	0
		<b>161,806</b>	<b>221,000</b>	<b>68,087</b>	<b>(8,893)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



	Adopted Budget	Adopted YTD Budget	YTD Actual	YTD Actual Variance
	\$	\$	\$	\$
<b>Capital acquisitions</b>				
Buildings	652,001	380,303	81,388	(298,915)
Furniture and equipment	405,000	236,243	57,600	(178,643)
Plant and equipment	1,328,992	775,222	44,676	(730,546)
Infrastructure - roads	1,368,000	797,881	271,525	(526,356)
Infrastructure - footpaths & cyclepaths	2,909,598	1,697,199	318,275	(1,378,924)
Infrastructure - drainage	578,623	337,477	5,966	(331,511)
Infrastructure - bridges	713,000	415,905	0	(415,905)
Infrastructure - other	69,234	40,383	0	(40,383)
<b>Payments for Capital Acquisitions</b>	<b>8,024,448</b>	<b>4,680,613</b>	<b>779,430</b>	<b>(3,901,183)</b>
<b>Capital Acquisitions Funded By:</b>				
	\$	\$	\$	\$
Capital grants and contributions	5,548,240	3,236,359	726,364	(2,509,995)
Borrowings	300,000	0	0	0
Other (disposals & C/Fwd)	221,000	0	0	0
Cash backed reserves				
Plant	(604,000)	0	0	0
Recreation	(583)	0	0	0
Office Equipment	(105,000)	0	0	0
Asset Management	(360,000)	0	0	0
Main Street Upgrade	(61)	0	0	0
Community Bus	(31,175)	0	0	0
Infrastructure	(442,999)	0	0	0
Strategic Initiatives	(100,000)	0	0	0
Footpaths	(30,350)	0	0	0
Contribution - operations	3,629,376	1,444,254	53,066	(1,391,188)
<b>Capital funding total</b>	<b>8,024,448</b>	<b>4,680,613</b>	<b>779,430</b>	<b>(3,901,183)</b>

#### 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.

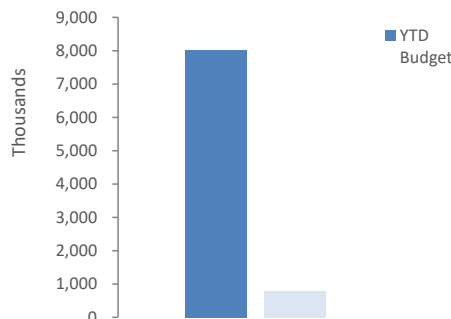
#### Initial recognition and measurement for assets held at cost

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



Account Description	Adopted		YTD Actual	Variance (Under)/Over	
	Budget	YTD Budget			
	\$	\$	\$	\$	
<b>Buildings</b>					
4050614	ESL SES - Buildings Non Specialised (Capital)	66,491	71,155	33,897	37,258
4050614	ESL SES - Buildings Non Specialised (Capital) C/Fwd	55,510			
BC5509	Cundinup BFB Fire Station - Building (Capital) C/Fwd	20,000	11,662	0	11,662
BC8101	Pre-School Centre Nannup - Building (Capital)	30,000	17,500	4,770	12,730
BC9101	House (Lot 234) 30 Dunnett Road - Building (Capital)	100,000	58,331	0	58,331
BC10101	Waste Management Facility - Building (Capital)	40,000	23,331	0	23,331
BC11101	Town Hall Nannup (1903) - Building (Capital)	40,000	23,331	3,223	20,108
BC11303	Recreation Centre Nannup - Building (Capital)	150,000	87,500	0	87,500
4120114	ROADC - Buildings Non Specialised (Capital)	25,000	14,581	10,824	3,757
BC11308	Bowling Club Nannup - Building (Capital) C/Fwd	50,000	29,162	3,707	25,455
BC11305	Foreshore Park Amphitheatre Stage - Building (Capital)	30,000	17,500	0	17,500
BC11601	Old Road Board Office (1898?) - Building (Capital) C/Fwd	45,000	26,250	24,967	1,283
	<b>Total Buildings</b>	<b>652,001</b>	<b>380,303</b>	<b>81,388</b>	<b>298,915</b>
<b>ADMIN - Furniture &amp; Equipment (Capital)</b>					
4140220	ADMIN - Furniture & Equipment (Capital)	50,000	236,243	57,600	178,643
4140220	ADMIN - Furniture & Equipment (Capital) C/Fwd	355,000			
	<b>Total Furniture &amp; Equipment</b>	<b>405,000</b>	<b>236,243</b>	<b>57,600</b>	<b>178,643</b>
<b>Plant &amp; Equipment</b>					
4050530	ESL BFB - Plant & Equipment (Capital)	503,992	293,993	0	293,993
4110330	REC - Plant & Equipment (Capital)	25,000	113,743	0	113,743
4110330	REC - Plant & Equipment (Capital) C/Fwd	170,000			
4120330	PLANT - Plant & Equipment (Capital)	400,000	233,331	0	233,331
4130830	OTH ECON - Plant & Equipment (Capital)	50,000	29,162	0	29,162
4140230	ADMIN - Plant & Equipment (Capital)	50,000	104,993	44,676	60,317
4140230	ADMIN - Plant & Equipment (Capital) C/Fwd	130,000			
	<b>Total Plant &amp; Equipment</b>	<b>1,328,992</b>	<b>775,222</b>	<b>44,676</b>	<b>730,546</b>
<b>Roads</b>					
RC032	Grange Road (Capital) C/Fwd	443,000	258,412	1,943	256,469
RC042	Jephson Street (Sealed) (Capital) C/Fwd	180,000	104,986	3,400	101,586
RC317	Gracillus Road (Capital) C/Fwd	120,000	69,993	0	69,993
RC005	Milyeannup Coast Road (Capital)	100,000	58,317	26,785	31,532
RC094	Cundinup South Road (Capital)	20,000	11,648	2,990	8,658
RC109	Bridgetown - Nannup Road (Capital)	20,000	11,648	0	11,648
RC026	Guthridge Road (Capital)	50,000	29,162	39,434	(10,272)
RRG094	Cundinup South Road (Rrg)	105,000	61,250	368	60,882
RRG109	Bridgetown - Nannup Road (Rrg)	90,000	52,500	368	52,132
RRG007	Governor Broome Road (Rrg)	120,000	69,986	75,759	(5,773)
RRG069	Fouracres Road (Rrg)	120,000	69,979	120,478	(50,499)
	<b>Total Roads</b>	<b>1,368,000</b>	<b>797,881</b>	<b>271,525</b>	<b>526,356</b>
<b>Drainage</b>					
R2R047	Mowen Road (R2R)	306,800	178,955	0	178,955
DC004	East Nannup Road - Drainage Capital	91,823	53,550	5,966	47,584
DC094	Cundinup South Road - Drainage Capital	50,000	29,148	0	29,148
DC039	Brockman Street - Drainage Capital C/Fwd	130,000	75,824	0	75,824
	<b>Total Drainage</b>	<b>578,623</b>	<b>337,477</b>	<b>5,966</b>	<b>331,511</b>
<b>Bridges</b>					
BR0863A	Balingup - Nannup Rd (Bua) - Bridge (Capital)	21,000	12,250	0	12,250
BR0867A	Balingup - Nannup Rd (Outside Bua) - Bridge (Capital)	21,000	12,250	0	12,250
BR3958A	East Nannup Rd - Bridge (Capital)	51,000	29,750	0	29,750
BR3983A	Sears Rd - Bridge (Capital)	15,000	8,750	0	8,750
BR3950	Cundinup West Rd - Bridge (Capital) C/Fwd	440,000	256,662	0	256,662
BR4643A	Brushtail Rd (F) - Bridge (Capital) C/Fwd	63,500	37,037	0	37,037
BR9222	Old Rail Alignment - Bridge (Capital) C/Fwd	101,500	59,206	0	59,206
	<b>Total Bridges</b>	<b>713,000</b>	<b>415,905</b>	<b>0</b>	<b>415,905</b>
<b>Footpaths &amp; Cyclepaths</b>					
FC000	Footpath Construction General (Budgeting Only)	20,000	11,648	0	11,648
FC305	Hitchcock Drive - Footpath Capital	50,000	29,155	0	29,155
OC12111	Trail Town - Stage 1 C/Fwd	472,830	275,814	35,546	240,268
OC12112	Trail Town - Stage 2 C/Fwd	306,653	178,871	215,224	(36,353)
OC12113	Trail Town - Stage 3	1,791,404	1,201,711	67,505	1,134,206
OC12113	Trail Town - Stage 3 C/Fwd	268,711			
	<b>Total Footpaths &amp; Cyclepaths</b>	<b>2,909,598</b>	<b>1,697,199</b>	<b>318,275</b>	<b>1,378,924</b>
<b>Parks &amp; Gardens</b>					
	<b>Total Parks &amp; Gardens</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Infrastructure</b>					
OC12110	Trail Town - Tank 7 Mtb Park Road Network Improvements	59,234	34,552	0	34,552
4100290	SAN OTH - Infrastructure Other (Capital) C/Fwd	10,000	5,831	0	5,831
	<b>Total Other Infrastructure</b>	<b>69,234</b>	<b>40,383</b>	<b>0</b>	<b>40,383</b>
	<b>TOTAL PPE &amp; INFRASTRUCTURE</b>	<b>8,024,448</b>	<b>4,680,613</b>	<b>779,430</b>	<b>3,901,183</b>

Repayments - borrowings

Particulars	Loan No.	1 July 2023	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
			Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	
<b>Community amenities</b>										
Waste Facility Machine	40	263,762	0	0	(18,093)	(35,851)	245,669	227,911	(1,635)	(3,158)
<b>Other property and services</b>										
Enterprise Resource Training (ERP) System	42	0	0	300,000	0	(13,268)	0	286,732	0	(6,919)
		263,762	0	300,000	(18,093)	(49,119)	245,669	514,643	(1,635)	(10,077)
<b>Self supporting loans</b>										
<b>Community amenities</b>										
Nannup Music Club	39	164,061	0	0	(30,600)	(29,897)	133,461	134,164	(10,078)	(4,453)
Nannup Music Club	41	330,000	0	0	0	(26,832)	330,000	303,168	0	(14,451)
		494,061	0	0	(30,600)	(56,729)	463,461	437,332	(10,078)	(18,904)
<b>Total</b>		757,823	0	300,000	(48,693)	(105,848)	709,130	951,975	(11,713)	(28,981)
Current borrowings		105,848					44,334			
Non-current borrowings		651,975					664,796			
		757,823					709,130			

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

New borrowings 2023-24

Particulars	Amount Borrowed	Amount Borrowed	Institution	Type	Years	Total Interest & Charges	Interest Rate	Amount (Used)		Balance Unspent
	Actual	Budget						Actual	Budget	
	\$	\$				\$	%	\$	\$	\$
Enterprise Resource Training (ERP) System	0	300,000	WATC	Fixed	10	77,413	4.19%	0	(300,000)	0
	0	300,000				77,413		0	(300,000)	0

The Shire has no unspent debenture funds as at 30th June 2024, nor is it expected to have unspent funds as at 30th June 2025.

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 31 JANUARY 2024**

**FINANCING ACTIVITIES**

**NOTE 9**

**LEASE LIABILITIES**

**Movement in carrying amounts**

Information on leases	Lease No.	1 July 2023	New Leases		Principal Repayments		Principal Outstanding	
			Actual	Budget	Actual	Budget	Actual	Budget
Particulars		\$	\$	\$	\$	\$	\$	
<b>Law, order, public safety</b>								
CESM Vehicle	979823	12,752	0	0	(9,918)	(12,752)	2,834	0
<b>Total</b>		12,752	0	0	(9,918)	(12,752)	2,834	0
Current lease liabilities		12,752					2,834	
Non-current lease liabilities		0					0	
		12,752					2,834	

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.



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2024**

**OPERATING ACTIVITIES  
NOTE 10  
RESERVE ACCOUNTS**

**Reserve accounts**

Reserve name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Adopted Budget Transfers Out (-)	Actual Transfers Out (-)	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restricted by Council</b>								
Leave Entitlements	224,946	1,059	0	0	0	0	0	224,946
Plant	429,035	2,019	0	265,369	0	(604,000)	0	429,035
Recreation	580	3	0	0	0	(583)	0	580
Office Equipment	166,647	785	0	0	0	(105,000)	0	166,647
Asset Management	852,101	4,011	0	0	0	(360,000)	0	852,101
Main Street Upgrade	61	0	0	0	0	(61)	0	61
Landfill	181,111	852	0	0	0	0	0	181,111
Emergency Management	63,946	301	0	0	0	0	0	63,946
Aged Accommodation	401,706	1,891	0	0	0	0	0	401,706
Gravel Pit	164,662	775	0	0	0	0	0	164,662
Community Bus	31,029	146	0	0	0	(31,175)	0	31,029
Infrastructure	201,924	950	0	367,715	0	(442,999)	0	201,924
Stategic Initiatives	361,922	1,704	0	0	0	(100,000)	0	361,922
Youth	16,422	77	0	0	0	0	0	16,422
Footpaths	30,208	142	0	0	0	(30,350)	0	30,208
Trails	60,471	285	0	100,000	0	0	0	60,471
	<b>3,186,771</b>	<b>15,000</b>	<b>0</b>	<b>733,084</b>	<b>0</b>	<b>(1,674,168)</b>	<b>0</b>	<b>3,186,771</b>

	Note	Opening Balance 1 July 2023	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 31 January 2024
		\$		\$	\$	\$
<b>Other current liabilities</b>						
<b>Other liabilities</b>						
- Contract liabilities		452,864	0			452,864
<b>Total other liabilities</b>		452,864	0	0	0	452,864
<b>Employee Related Provisions</b>						
Annual leave		222,723	0	0	0	222,723
Long service leave		184,315	0	0	0	184,315
<b>Total Employee Related Provisions</b>		407,038	0	0	0	407,038
<b>Total other current assets</b>		<b>859,902</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>859,902</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.

Provider	Unspent operating grant, subsidies and contributions liability				Operating grants, subsidies and contributions revenue					
	Liability	Increase in Liability	Decrease in Liability	Liability	Adopted Budget Revenue	YTD Budget	Annual Budget	Expected	YTD Revenue Actual	
	1 July 2023		(As revenue)	31 Jan 2024						
	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<b>Operating grants and subsidies</b>										
<b>Governance</b>										
OTH GOV - Grant Funding - Council	0	0	0	0	50,000	29,162	50,000	50,000	0	
OTH GOV - Other Income	22,000	0	0	22,000	0	0	0	0	0	
<b>General purpose funding</b>										
GEN PUR - Financial Assistance Grant - General	0	0	0	0	310,000	180,831	310,000	310,000	21,831	
GEN PUR - Financial Assistance Grant - Roads	0	0	0	0	121,000	70,581	121,000	121,000	15,122	
<b>Law, order, public safety</b>										
FIRE - Grants	6,900	0	0	6,900	259,824	151,557	259,824	259,824	120,895	
ESL BFB - Operating Grant	0	0	0	0	165,840	96,740	165,840	165,840	95,407	
ESL SES - Operating Grant	0	0	0	0	15,190	8,855	15,190	15,190	17,671	
<b>Education and welfare</b>										
WELFARE - Contributions & Donations	0	0	0	0	5,000	2,912	5,000	5,000	0	
WELFARE - Grants	0	0	0	0	39,000	22,743	39,000	39,000	4,545	
<b>Recreation and culture</b>										
LIBRARY - Grant - Regional Library Services	7,600	0	0	7,600	8,600	5,012	8,600	8,600	1,000	
LIBRARY - Other Grants	0	0	0	0	1,000	581	1,000	1,000	0	
OTH CUL - Other Income	0	0	0	0	20,000	11,662	20,000	20,000	12,000	
OTH CUL - Grants	15,404	0	0	15,404	0	0	0	0	0	
<b>Transport</b>										
ROADM - Direct Road Grant (MRWA)	0	0	0	0	115,000	67,081	115,000	115,000	147,799	
	<b>51,904</b>	<b>0</b>	<b>0</b>	<b>51,904</b>	<b>1,110,454</b>	<b>647,717</b>	<b>1,110,454</b>	<b>1,110,454</b>	<b>436,270</b>	
<b>Operating contributions</b>										
<b>Economic services</b>										
OTH ECON - Contributions & Donations	0	0	0	0	3,000	1,750	3,000	3,000	0	
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,000</b>	<b>1,750</b>	<b>3,000</b>	<b>3,000</b>	<b>0</b>	
<b>TOTALS</b>	<b>51,904</b>	<b>0</b>	<b>0</b>	<b>51,904</b>	<b>1,113,454</b>	<b>649,467</b>	<b>1,113,454</b>	<b>1,113,454</b>	<b>436,270</b>	

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2024

NOTE 13  
NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Capital grant/contribution liabilities				Non operating grants, subsidies and contributions revenue		
	Liability	Increase in Liability	Decrease in Liability	Liability	Adopted Budget Revenue	YTD Budget	YTD Revenue Actual
	1 July 2023	(As revenue)	(As revenue)	31 Jan 2024	\$	\$	\$
<b>Non-operating grants and subsidies</b>							
<b>Law, order, public safety</b>							
ESL BFB - Capital Grant	0	0	0	0	503,992	293,993	0
ESL SES - Capital Grant	0	0	0	0	122,001	71,155	0
<b>Education and welfare</b>							
PRESCHOOL - Grant Funding	0	0	0	0	0	0	36,000
<b>Recreation and culture</b>							
HALLS - Grants	0	0	0	0	15,000	8,750	0
REC - Grants	0	0	0	0	109,234	63,714	2,170
REC - Grants	0	0	0	0	40,000	23,331	0
HERITAGE - Grants	0	0	0	0	45,000	26,250	0
<b>Transport</b>							
ROADC - Regional Road Group Grants (MRWA)	0	0	0	0	290,000	169,155	234,855
ROADC - Roads to Recovery Grant	0	0	0	0	306,800	178,962	0
ROADC - Other Grants - Roads/Streets	400,960	0	0	400,960	1,121,238	654,038	363,339
ROADC - Other Grants - Footpaths & Cycleway	0	0	0	0	2,484,975	1,449,532	30,000
ROADC - Other Grants - Bridges	0	0	0	0	320,000	186,662	0
ROADM - Other Grants	0	0	0	0	190,000	110,817	60,000
	<b>400,960</b>	<b>0</b>	<b>0</b>	<b>400,960</b>	<b>5,548,240</b>	<b>3,236,359</b>	<b>726,364</b>

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2024**

**NOTE 14  
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 2023	Received	Paid	31 Jan 2024
	\$	\$	\$	\$
Building Services Levy (BSL)	(1,038)	5,443	(2,651)	1,754
Construction Training Fund (CTF)	0	2,250	(1,850)	400
Councillor Nomination Fees	0	300	(300)	0
Department of Transport	813	176,627	(176,627)	813
Key, Facility & Equipment Bonds	7,520	1,300	(1,450)	7,370
Retention Bonds	39,692	3,000	0	42,692
Other Bonds	44,018	200	(200)	44,018
Unclaimed Monies	180	0	0	180
	<b>91,185</b>	<b>189,120</b>	<b>(183,078)</b>	<b>97,227</b>

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		Opening Surplus(Deficit)	\$	\$	\$	\$
				0	0	0	0

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 JANUARY 2024**

**NOTE 16  
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 \$30,000 or 10.00% whichever is the greater.

Nature or type	Var. \$	Var. %	Timing / Permanent	Explanation of variances
	\$	%		
<b>Opening funding surplus / (deficit)</b>	<b>(132,807)</b>	<b>0%</b>		
<b>Revenue from operating activities</b>				
Rates	937,923	72%	▲ Permanent	Ex-Gratia Rates Model Error - \$62k
Operating grants, subsidies and contributions	(213,198)	(33%)	▼ Permanent	DFES - Bushfire Mitigation Program 2023/24 Round 2 (\$241,790 total)
Fees and charges	174,389	49%	▲ Timing	
Interest earnings	36,835	115%	▲ Timing	
Other revenue	1,783	7%	Timing	
Profit on disposal of assets	(39,711)	(100%)	▼ Timing	
<b>Expenditure from operating activities</b>				
Employee costs	(139,855)	(9%)	Permanent	Fringe benefits tax expenditure - duplication in budget model - \$30k
Materials and contracts	485,574	33%	▲ Timing	
Utility charges	(18,167)	(54%)	Timing	
Depreciation on non-current assets	43,124	5%	Timing	
Interest expenses	5,135	30%	Timing	
Insurance expenses	(77,880)	(73%)	▼ Permanent	Insurance Premium overspend identified
Other expenditure	24,634	18%	Timing	
Loss on disposal of assets	5,187	100%	Timing	
Non-cash amounts excluded from operating activities	(26,175)	(3%)	Timing	
<b>Investing activities</b>				
Proceeds from non-operating grants, subsidies and contributions	(2,509,995)	(78%)	▼ Permanent	New Capital Projects Identified - funding increase
Proceeds from disposal of assets	0	0%		
Payments for financial assets at amortised cost - self supporting loans	0	0%		
Payments for property, plant and equipment and infrastructure	3,901,183	83%	▲ Permanent	Various Capital Projects being externally funded
<b>Financing activities</b>				
Proceeds from new debentures	0	0%		
Transfer from reserves	0	0%		
Payments for principal portion of lease liabilities	(9,918)	0%	Timing	
Repayment of debentures	(48,693)	0%	▼ Timing	
Transfer to reserves	0	0%		
<b>Closing funding surplus / (deficit)</b>	<b>2,301,077</b>	<b>(745%)</b>	▲	