

SHIRE OF MOORA

MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the period ending 31 August 2022

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

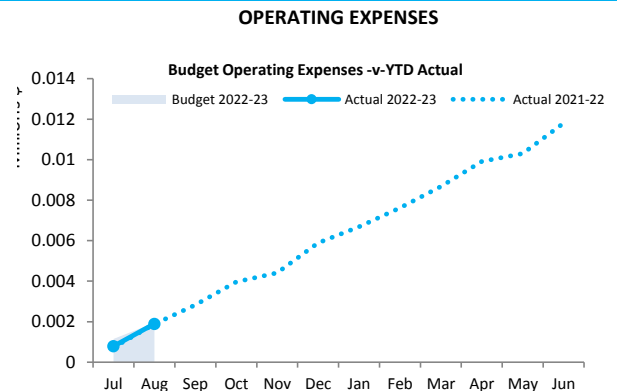
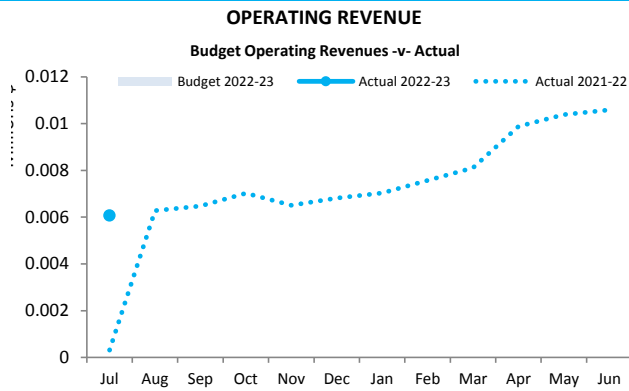
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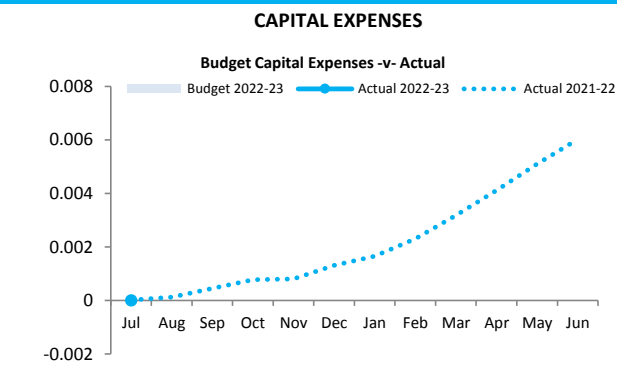
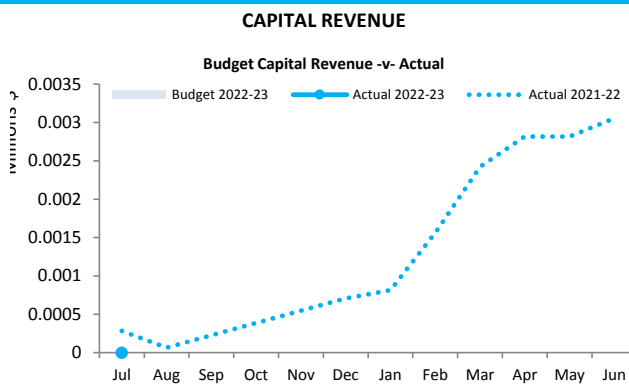
**MONTHLY FINANCIAL REPORT
FOR THE PERIOD ENDED 31 AUGUST 2022**

SUMMARY INFORMATION - GRAPHS

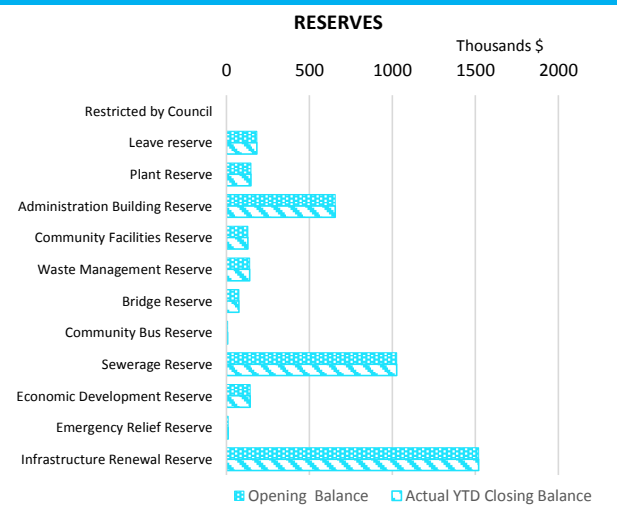
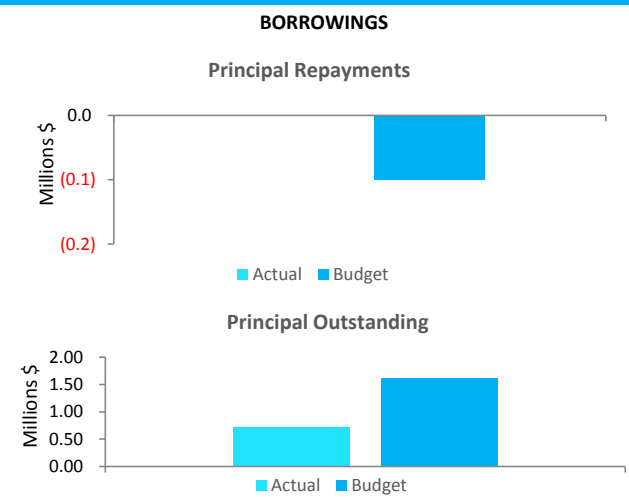
OPERATING ACTIVITIES



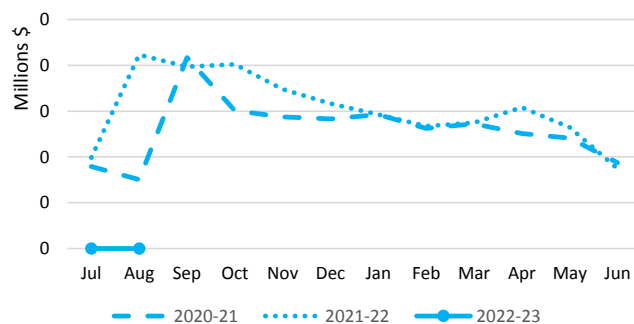
INVESTING ACTIVITIES



FINANCING ACTIVITIES



Closing funding surplus / (deficit)



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

MONTHLY FINANCIAL REPORT
FOR THE PERIOD ENDED 31 AUGUST 2022

EXECUTIVE SUMMARY

Funding surplus / (deficit) Components

Funding surplus / (deficit)				
	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$3.37 M	\$3.37 M	\$3.38 M	\$0.00 M
Closing	(\$0.69 M)	\$5.44 M	\$8.15 M	\$2.71 M

Refer to Statement of Financial Activity

Cash and cash equivalents		
	\$	% of total
Unrestricted Cash	\$7.86 M	66.1%
Restricted Cash	\$4.04 M	33.9%

Refer to Note 2 - Cash and Financial Assets

Payables		
	\$	% Outstanding
Trade Payables	\$0.80 M	
0 to 30 Days		24.1%
Over 30 Days		75.9%
Over 90 Days		0%

Refer to Note 5 - Payables

Receivables		
	\$	% Collected
Rates Receivable	\$3.01 M	39.2%
Trade Receivable	\$1.84 M	% Outstanding
Over 30 Days		15.1%
Over 90 Days		1.6%

Refer to Note 3 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.23 M)	(\$0.03 M)	\$4.83 M	\$4.86 M

Refer to Statement of Financial Activity

Rates Revenue		
	\$	% Variance
YTD Actual	\$4.57 M	
YTD Budget	\$0.76 M	498.1%

Refer to Statement of Financial Activity

Operating Grants and Contributions		
	\$	% Variance
YTD Actual	\$0.37 M	
YTD Budget	\$0.26 M	41.5%

Refer to Note 11 - Operating Grants and Contributions

Fees and Charges		
	\$	% Variance
YTD Actual	\$1.61 M	
YTD Budget	\$0.48 M	233.0%

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)
(\$6.67 M)	(\$0.83 M)	(\$0.05 M)	\$0.78 M

Refer to Statement of Financial Activity

Proceeds on sale		
	\$	%
YTD Actual	\$0.00 M	
Adopted Budget	\$0.34 M	(100.0%)

Refer to Note 6 - Disposal of Assets

Asset Acquisition		
	\$	% Spent
YTD Actual	\$0.32 M	
Adopted Budget	\$16.60 M	(98.1%)

Refer to Note 7 - Capital Acquisitions

Capital Grants		
	\$	% Received
YTD Actual	\$0.27 M	
Adopted Budget	\$9.58 M	(97.2%)

Refer to Note 7 - Capital Acquisitions

Key Financing Activities

Amount attributable to financing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$2.83 M	\$2.94 M	\$0.00 M	(\$2.94 M)

Refer to Statement of Financial Activity

Borrowings	
Principal repayments	\$0.00 M
Interest expense	\$0.00 M
Principal due	\$0.72 M

Refer to Note 8 - Borrowings

Reserves	
Reserves balance	\$4.04 M
Interest earned	\$0.00 M

Refer to Note 9 - Cash Reserves

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

KEY TERMS AND DESCRIPTIONS FOR THE PERIOD ENDED 31 AUGUST 2022

NATURE OR TYPE DESCRIPTIONS

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.

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 AUGUST 2022**

BY NATURE OR TYPE

	Ref	Adopted Budget	YTD Budget	YTD Actual	Variance \$	Variance %	Var.
	Note	(a)	(b)	(c)	(c) - (b)	((c) - (b))/(b)	
		\$	\$	\$	\$	%	
Opening funding surplus / (deficit)	1(c)	3,374,123	3,374,123	3,375,350	1,227	0.04%	
Revenue from operating activities							
Rates		4,588,891	764,816	4,574,395	3,809,579	498.10%	▲
Operating grants, subsidies and contributions	11	1,551,753	258,612	365,940	107,328	41.50%	▲
Fees and charges		2,959,840	484,072	1,612,154	1,128,082	233.04%	▲
Interest earnings		60,486	10,078	11,501	1,423	14.12%	
Other revenue		118,300	22,214	165,250	143,036	643.90%	▲
Profit on disposal of assets	6	15,000	0	0	0	0.00%	
		9,294,270	1,539,792	6,729,240	5,189,448	337.02%	
Expenditure from operating activities							
Employee costs		(4,873,986)	(812,132)	(1,204,513)	(392,381)	(48.31%)	▼
Materials and contracts		(3,513,730)	(585,426)	(454,365)	131,061	22.39%	▲
Utility charges		(425,960)	(70,948)	(66,458)	4,490	6.33%	
Depreciation on non-current assets		(4,603,079)	(767,164)	0	767,164	100.00%	▲
Interest expenses		(20,994)	(3,494)	0	3,494	100.00%	
Insurance expenses		(219,636)	(36,592)	(110,425)	(73,833)	(201.77%)	▼
Other expenditure		(376,848)	(62,776)	(61,737)	1,039	1.66%	
Loss on disposal of assets	6	(35,000)	0	0	0	0.00%	
		(14,069,233)	(2,338,532)	(1,897,498)	441,034	(18.86%)	
Non-cash amounts excluded from operating activities	1(a)	4,548,525	767,164	0	(767,164)	(100.00%)	▼
Amount attributable to operating activities		(226,438)	(31,576)	4,831,742	4,863,318	(15401.94%)	
Investing activities							
Proceeds from non-operating grants, subsidies and contributions	12	9,584,329	1,597,360	268,168	(1,329,192)	(83.21%)	▼
Proceeds from disposal of assets	6	335,000	335,000	0	(335,000)	(100.00%)	▼
Proceeds from financial assets at amortised cost - self supporting loans	8	8,488	0	0	0	0.00%	
Payments for property, plant and equipment and infrastructure	7	(16,601,410)	(2,766,836)	(321,813)	2,445,023	88.37%	▲
Amount attributable to investing activities		(6,673,593)	(834,476)	(53,645)	780,831	(93.57%)	
Financing Activities							
Proceeds from new debentures	8	1,000,000	1,000,000	0	(1,000,000)	(100.00%)	▼
Transfer from reserves	9	2,075,000	2,075,000	0	(2,075,000)	(100.00%)	▼
Repayment of debentures	8	(101,000)	0	0	0	0.00%	
Transfer to reserves	9	(140,000)	(140,000)	0	140,000	100.00%	▲
Amount attributable to financing activities		2,834,000	2,935,000	0	(2,935,000)	(100.00%)	
Closing funding surplus / (deficit)	1(c)	(691,908)	5,443,071	8,153,447	2,710,376	(49.79%)	▲

KEY INFORMATION

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

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

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

**MONTHLY FINANCIAL REPORT
FOR THE PERIOD ENDED 31 AUGUST 2022**

BASIS OF PREPARATION

BASIS OF PREPARATION

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

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

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

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

THE LOCAL GOVERNMENT REPORTING ENTITY

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 13 to these financial statements.

SIGNIFICANT ACCOUNTING 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 31 August 2022

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2022**

**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)
Non-cash items excluded from operating activities				
		\$	\$	\$
Adjustments to operating activities				
Less: Profit on asset disposals	6	(15,000)	0	0
Movement in employee benefit provisions (non-current)		(74,554)	0	0
Add: Loss on asset disposals	6	35,000	0	0
Add: Depreciation on assets		4,603,079	767,164	0
Total non-cash items excluded from operating activities		4,548,525	767,164	0

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

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

		Adopted Budget Opening 30 June 2022	Last Year Closing 30 June 2022	Year to Date 31 August 2022
Adjustments to net current assets				
Less: Reserves - restricted cash	9	(4,039,292)	(4,039,292)	(4,039,292)
Less: - Financial assets at amortised cost - self supporting loans	4	(4,079)	(4,079)	(4,079)
Add: Borrowings	8	105,079	105,079	105,079
Add: Provisions employee related provisions	10	835,235	182,456	182,456
Total adjustments to net current assets		(3,103,057)	(3,755,836)	(3,755,836)

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

Current assets				
Cash and cash equivalents	2	10,028,713	10,028,713	11,903,547
Financial assets at amortised cost	2	6,173	0	0
Rates receivables	3	383,239	383,239	3,011,908
Receivables	3	759,562	759,562	1,842,668
Other current assets	4	102,001	102,001	73,355
Less: Current liabilities				
Payables	5	(639,399)	(639,399)	(1,557,316)
Borrowings	8	(105,079)	(105,079)	(105,079)
Contract liabilities	10	(2,562,616)	(2,562,616)	(2,424,565)
Provisions	10	(835,235)	(835,235)	(835,235)
Less: Total adjustments to net current assets	1(b)	(3,938,292)	(3,755,836)	(3,755,836)
Closing funding surplus / (deficit)		3,199,067	3,375,350	8,153,447

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.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2022

Description	Classification	Unrestricted	Restricted	Total Cash	Trust	Institution	Interest Rate	Maturity Date
		\$	\$	\$				
Municipal Bank Account 1510110		3,916,845	0	3,916,845		Westpac	7.49%	
Petty Cash & Floats		1,039	0	1,039				
Reserve Bank Account 1510210		108,299	523,294	631,593		Westpac	0.59%	
Trust Bank Account 1990110		5,894	0	5,894	5,734	Westpac		
Westpac Muni Notice Saver 1510160		3,832,176	0	3,832,176		Westpac	2.60%	
Westpac Reserve Fund Notice Saver 1510270		0	3,516,000	3,516,000		Westpac	2.60%	
Total		7,864,253	4,039,294	11,903,547	5,734			
Comprising								
Cash and cash equivalents		7,864,253	4,039,294	11,903,547	5,734			
		7,864,253	4,039,294	11,903,547	5,734			

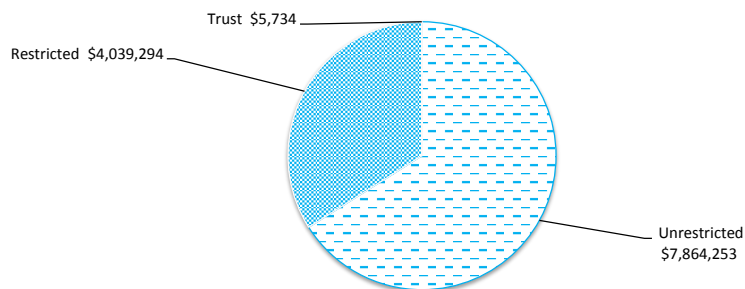
KEY INFORMATION

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.



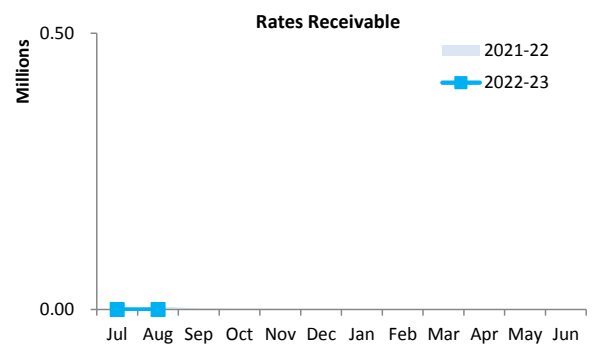
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2022**

OPERATING ACTIVITIES

NOTE 3

RECEIVABLES

Rates receivable	30 Jun 2022	31 Aug 2022
	\$	\$
Opening arrears previous years	0	383,239
Levied this year	4,588,892	4,574,395
Less - collections to date	(4,205,653)	(1,945,726)
Gross rates collectable	383,239	3,011,908
Net rates collectable	383,239	3,011,908
% Collected	91.6%	39.2%



Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(71)	1,076,256	8,435	162,141	19,687	1,266,448
Percentage	0.0%	85%	0.7%	12.8%	1.6%	
Balance per trial balance						
Sundry receivable						1,266,448
GST receivable						614,278
Allowance for impairment of receivables from contracts with customers						(38,058)
Total receivables general outstanding						1,842,668

Amounts shown above include GST (where applicable)

KEY INFORMATION

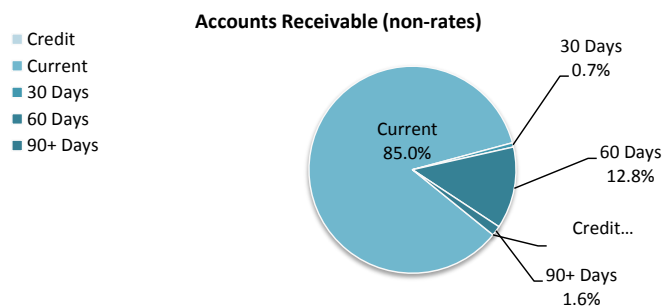
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

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.



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2022**

**OPERATING ACTIVITIES
NOTE 4
OTHER CURRENT ASSETS**

	Opening Balance 1 July 2022	Asset Increase	Asset Reduction	Closing Balance 31 August 2022
	\$	\$	\$	\$
Other current assets				
Other financial assets at amortised cost				
Financial assets at amortised cost - self supporting loans	4,079			4,079
Financial assets at amortised cost - sundry receivables	85			85
Inventory				
Fuel	97,837		(28,646)	69,191
Total other current assets	102,001	0	(28,646)	73,355
Amounts shown above include GST (where applicable)				

KEY INFORMATION

Other financial assets at amortised cost

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

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

Inventory

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

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

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2022**

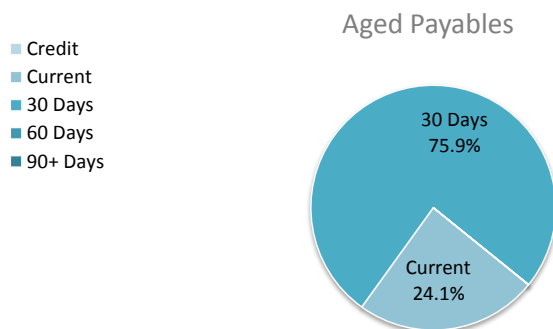
**OPERATING ACTIVITIES
NOTE 5
PAYABLES**

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	177,180	557,776	0	85	735,041
Percentage	0%	24.1%	75.9%	0%	0%	
Balance per trial balance						
Sundry creditors						798,187
ATO liabilities						208,979
Other payables [describe]						549,820
Trust Assets						(5,901)
Trust Liabilities						6,231
Total payables general outstanding						1,557,316

Amounts shown above include GST (where applicable)

KEY INFORMATION

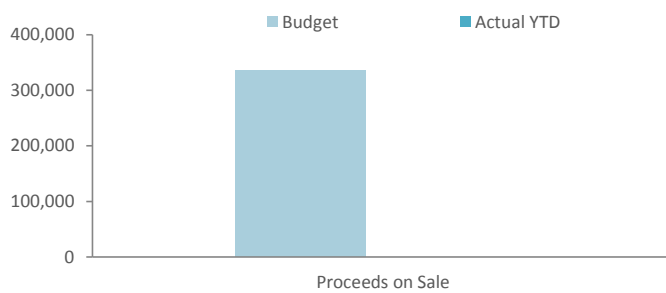
Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the period that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.



NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2022

OPERATING ACTIVITIES
NOTE 6
DISPOSAL OF ASSETS

Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
	Plant and equipment								
	Governance								
	Executive Fleet	60,000	60,000	0	0	0	0	0	0
	Transport								
	Transport General	180,000	145,000	0	(35,000)	0	0	0	0
	Transport General	115,000	130,000	15,000	0	0	0	0	0
		355,000	335,000	15,000	(35,000)	0	0	0	0



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2022**

**INVESTING ACTIVITIES
NOTE 7
CAPITAL ACQUISITIONS**

Capital acquisitions	Adopted		YTD Actual	YTD Actual Variance
	Budget	YTD Budget		
	\$	\$	\$	\$
Buildings	1,000,000	166,666	0	(166,666)
Buildings - specialised	4,330,000	721,660	42,900	(678,760)
Furniture and equipment	30,000	5,000	0	(5,000)
Plant and equipment	1,678,000	279,650	328	(279,322)
Infrastructure - roads	6,375,410	1,062,544	145,072	(917,472)
Infrastructure - footpaths	100,000	16,666	0	(16,666)
Infrastructure - street furniture & lighting	1,149,000	191,492	48	(191,444)
Infrastructure - parks & ovals	1,230,000	204,996	0	(204,996)
Infrastructure - sewerage	709,000	118,162	133,465	15,303
Payments for Capital Acquisitions	16,601,410	2,766,836	321,813	(2,445,023)
Capital Acquisitions Funded By:				
	\$	\$	\$	\$
Capital grants and contributions	9,584,329	1,597,360	268,168	(1,329,192)
Borrowings	1,000,000	1,000,000	0	(1,000,000)
Other (disposals & C/Fwd)	335,000	335,000	0	(335,000)
Cash backed reserves				
Leave reserve	(200,000)	0	0	0
Plant Reserve	(100,000)	0	0	0
Administration Building Reserve	(150,000)	0	0	0
Sewerage Reserve	(300,000)	0	0	0
Infrastructure Renewal Reserve	(1,325,000)	0	0	0
Contribution - operations	7,757,081	(165,524)	53,645	219,169
Capital funding total	16,601,410	2,766,836	321,813	(2,445,023)

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.

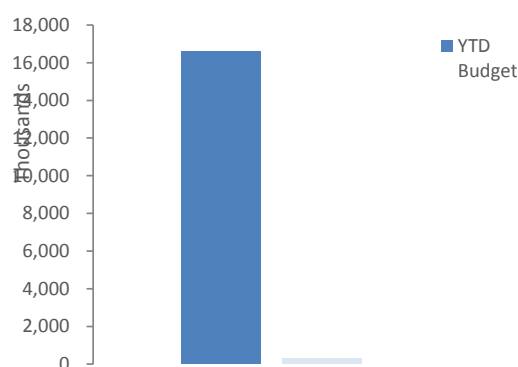
Initial recognition and measurement for assets held at cost

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

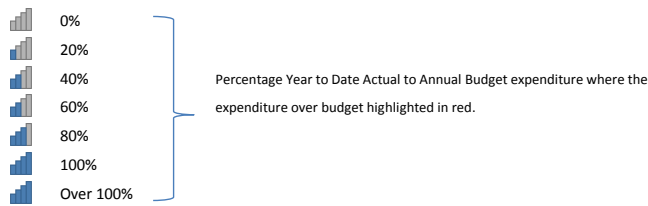


NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2022

INVESTING ACTIVITIES
NOTE 7
CAPITAL ACQUISITIONS (CONTINUED)

Capital expenditure total

Level of completion indicators



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

		Adopted			Variance
Account Description		Budget	YTD Budget	YTD Actual	(Under)/Over
		\$	\$	\$	\$
30410	Administration & Cultural Centre	150,000	25,000	0	-25000
30415	Hydrotherapy Pool	40,000	6,666	0	-6666
31710	Early Childhood Development Centre	3,800,000	166,666	0	-166666
32301	Housing Revitalisation - Acquire properties	1,000,000	633,332	0	-633332
33005	Apex Park Toilet Upgrade	200,000	33,332	42,900	9568
33340	Watheroo Pavilion Upgrade	80,000	13,332	0	-13332
34612	Caravan Park Buildings	20,000	3,332	0	-3332
33361	Moora Recreation Centre Renewal	40,000	6,666	0	-6666
30402	Purchase Computing Equipment	30,000	5,000	0	-5000
30401	Admin vehicles	155,000	25,830	0	-25830
30605	Workshop Hoist	25,000	4,166	0	-4166
30606	Scissor Lift - Hydrotherapy Pool	20,000	3,332	0	-3332
31304	Noise Level Monitor	17,000	2,832	0	-2832
33302	Ride on Mower	90,000	15,000	0	-15000
34004	4x4 Utilities	50,000	8,332	0	-8332
34010	6x4 Tip Truck	80,000	13,332	0	-13332
34018	Loader - Refuse Site	275,000	45,832	0	-45832
34020	Mechanic's Truck	250,000	41,666	0	-41666
34054	Minor Plant	35,000	5,832	0	-5832
34061	Replacement Grader	421,000	70,166	0	-70166
34066	Cleaners Ute 2014/15	0	0	328	327.5
34067	Work Ute	50,000	8,332	0	-8332
34080	Elevated Work Platform	100,000	16,666	0	-16666
39520	Replacement Sewerage Pumps and Equipment	10,000	1,666	0	-1666
33313	EV Charging Station	100,000	16,666	0	-16666
33930 WSF21	Carot Well Road - Survey, Design, Drainage & Signage	182,156	30,358	7,105	-23253.17
WSF05,05A, 5B	Watheroo West - Wheatbelt Secondary Freight Route	1,005,700	167,614	39,187	-128426.88
WSF21A	Wheatbelt Secondary Freight Route - Carot Well Road	2,120,784	353,460	65,094	-288365.73
WSF05,05A, 5B	Wheatbelt Secondary Freight Route - Watheroo West Road Project 2	106,785	17,796	0	-17796
WSF05,05A, 5B	Wheatbelt Secondary Freight Route - Watheroo West Road Project 2 - C	67,800	11,300	0	-11300
RRG196	Regional Road Group - Bindi Bindin Toodyay Road	1,051,612	175,264	0	-175264
RRG06	Miling North Road (Regional Road Group)	0	0	304	304
RTR1012	Roads To Recovery - Koojan West Road	471,000	78,504	0	-78504
RTR38	Airstrip Road (Roads To Recovery)	0	0	46	46
S1012	Koojan West Road - State Funded Project	476,000	79,332	10,341	-68991
SP192	Dandaragan Street Parking	120,000	20,000	0	-20000
REG01	Prices Road Regravel Various Sections	50,000	8,332	11,916	3584
REG06	Old Geraldton Road Regravel (Various Sections)	140,000	23,330	0	-23330
REG08	Namban West Road - Regravel Sections	50,000	8,330	11,079	2749
CRF06	Commodity Route Funding - Dalwallinu West Road	533,573	88,924	0	-88924
33721	Information Bay - Chamber of Commerce Project	20,000	3,332	0	-3332
33901	Moora Airstrip	900,000	150,000	48	-149952.47
34604	Entry Statements	100,000	16,664	0	-16664
35950	Depot Infrastructure	25,000	4,166	0	-4166
52551	Street Furniture & Lighting	104,000	17,330	0	-17330
32316	Moora Swimming Pool Improvements	400,000	66,666	0	-66666
32318	Moora Recreation Centre Lighting	190,000	31,666	0	-31666
32802	Reserve Rehabilitation Project	150,000	25,000	0	-25000
33329	Moora Netball Courts Upgrade	300,000	50,000	0	-50000
33330	Miling Park	100,000	16,666	0	-16666
33331	Moora Nature Playground	50,000	8,332	0	-8332
34681	Caravan Park Infrastructure	40,000	6,666	0	-6666
MF000	Footpath Construction - Various	100,000	16,666	0	-16666
SEW01	Cswp - Pipeline	180,000	30,000	93,458	63457.53
SEW02	Cswp - Big Dam	143,000	23,832	0	-23832
SEW03	Cswp - Gas 2 Salt	143,000	23,832	0	-23832
SEW04	Cswp - Rock Dam	143,000	23,832	(58,014)	-81846.01
SEW05	Cswp - Recycled Retic	100,000	16,666	20,158	3492
		16,601,410	2,766,836	243,949	(2,522,887)

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2022

Repayments - borrowings

Information on borrowings Particulars	Loan No.	1 July 2022	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
			Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	
Education and welfare										
Hydrotherapy Pool (327)		405,032	0	0	0	(29,276)	405,032	375,756	0	(13,645)
Housing										
92 Roberts Street		96,245	0	0	0	(20,733)	96,245	75,512	0	(2,108)
Housing Revitalisation				1,000,000	0	0	0	1,000,000	0	0
Economic services										
Industrial Lots - Roberts Street	325	176,801			0	(42,503)	176,801	134,298	0	(4,322)
		678,078	0	1,000,000	0	(92,512)	678,078	1,585,566	0	(20,075)
Self supporting loans										
Recreation and culture										
Moora Bowling Club SSL (324)		42,967	0	0	0	(8,488)	42,967	34,479	0	0
		42,967	0	0	0	(8,488)	42,967	34,479	0	0
Total		721,045	0	1,000,000	0	(101,000)	721,045	1,620,045	0	(20,075)
Current borrowings		101,000					92,513			
Non-current borrowings		620,045					628,532			
		721,045					721,045			

All debenture repayments were financed by general purpose revenue.

Self supporting loans are financed by repayments from third parties.

The Shire has no unspent debenture funds as at 30th June 2021, nor is it expected to have unspent funds as at 30th June 2022.

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 AUGUST 2022

Reserve accounts

Reserve name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by Council									
Leave reserve	182,456	446		125,000		(200,000)		107,902	182,456
Plant Reserve	147,134	360		0		(100,000)		47,494	147,134
Administration Building Reserve	655,325	1,604		0		(150,000)		506,929	655,325
Community Facilities Reserve	129,552	317		0		0		129,869	129,552
Waste Management Reserve	140,706	344		0		0		141,050	140,706
Bridge Reserve	75,388	185		0		0		75,573	75,388
Community Bus Reserve	7,390	18		0		0		7,408	7,390
Sewerage Reserve	1,026,565	2,512		0		(300,000)		729,077	1,026,565
Economic Development Reserve	143,473	351		0		0		143,824	143,473
Emergency Relief Reserve	10,980	27		0		0		11,007	10,980
Infrastructure Renewal Reserve	1,520,323	8,836		0		(1,325,000)		204,159	1,520,323
	4,039,292	15,000	0	125,000	0	(2,075,000)	0	2,104,292	4,039,292

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2022

OPERATING ACTIVITIES
NOTE 10
OTHER CURRENT LIABILITIES

	Note	Opening Balance 1 July 2022	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 31 August 2022
		\$		\$	\$	\$
Other current liabilities						
Other liabilities						
- Contract liabilities		2,097,386	0			2,097,386
- Capital grant/contribution liabilities		201,501	0	0	(139,845)	61,656
- Bonds and deposits		40,909	0	1,794		42,703
- Interest bearing liabilities		222,820	0			222,820
Total other liabilities		2,562,616	0	1,794	(139,845)	2,424,565
Employee Related Provisions						
Annual leave		421,333	0			421,333
Long service leave		413,902	0			413,902
Total Employee Related Provisions		835,235	0	0	0	835,235
Total other current assets		3,397,851	0	1,794	(139,845)	3,259,800
Amounts shown above include GST (where applicable)						

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 11 and 12

KEY INFORMATION

Provisions

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

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

Employee Related Provisions

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

Contract liabilities

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

Capital grant/contribution liabilities

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

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2022

NOTE 11
OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Unspent operating grant, subsidies and contributions liability					Operating grants, subsidies and contributions revenue		
	Liability	Increase in Liability	Decrease in Liability	Liability	Current Liability	Adopted Budget Revenue	YTD Budget	YTD Revenue
	1 July 2022		(As revenue)	31 Aug 2022	31 Aug 2022			Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Operating grants and subsidies								
Governance								
Grants Commission - General Purpose Grant	0			0		590,464	98,410	
Grants Commissions - Road	0			0		477,388	79,564	120,877
Law, order, public safety								
DFES - ESL Grant - Fire Brigades	0			0		73,570	12,260	16,403
DFES - ESL Grant - SES	0			0		14,998	2,498	9,464
DFES - Bushfire Risk Planning Coordinator	0			0		176,083	29,346	
Education and welfare								
Child Care Grants	0			0	0			2,822
Recreation and culture								
Community Contributions	0			0		1,500	250	
Event Sponsorship	0			0		3,500	582	
Small Community Grants	0			0		1,500	250	
Transport								
Main Roads Direct Grant	0			0		200,000	33,332	209,513
Main Roads Street Lighting	0			0		6,000	1,000	
	0	0	0	0	0	1,545,003	257,492	359,079
Operating contributions								
Law, order, public safety								
DFES - ESL Administration Fee	0			0		4,000	666	
Health								
Podiatry Service Subsidy				0		250	40	
Recreation and culture								
DrumMuster	0			0		2,000	332	
Transport								
Employment Subsidies	0			0		500	82	6,861
	0	0	0	0	0	6,750	1,120	6,861
TOTALS	0	0	0	0	0	1,551,753	258,612	365,940

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2022

NOTE 12
NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Capital grant/contribution liabilities					Non operating grants, subsidies and contributions revenue		
	Liability	Increase in	Decrease in	Liability	Current	Adopted	YTD	YTD
	1 July 2022	Liability	Liability	31 Aug 2022	Liability	Budget	Budget	Revenue
	\$	\$	(As revenue)	\$	\$	\$	\$	\$
Non-operating grants and subsidies								
Governance								
General purpose funding	201,501		(139,845)	61,656				
Local Roads & Community Infrastructure				0		507,857	84,642	
Education and welfare								
Child Care Grant				0		2,016,202	336,030	
Community amenities								
Sewerage Grant				0		470,000	78,330	
Recreation and culture								
Sports and Recreation Facility Grant				0		100,000	16,666	
Swimming Pool Grant				0		507,857	84,640	
Transport								
Main Roads - Regional Road Group Grants				0		701,075	116,844	268,168
Roads to Recovery - Various Roads				0		471,040	78,506	
Dept Communities & Infrastructure - Airstrip				0		705,488	117,580	
Main Roads - Wheatbelt Secondary Freight Network				0		3,251,010	541,830	
Economic services								
Tourism Grant Funding				0		100,000	16,666	
	201,501	0	(139,845)	61,656	0	8,830,529	1,471,734	268,168
Non-operating contributions								
Recreation and culture								
Community Contribution - Mens Shed				0		0	464	
Community Contribution - Sports and Recreation Facilities				0		0	16,664	
Transport								
Road Construction Contributions				0		651,000	108,498	0
	0	0	0	0	0	651,000	125,626	0
TOTALS	201,501	0	(139,845)	61,656	0	9,481,529	1,597,360	268,168

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2022**

**NOTE 13
TRUST FUND**

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

Description	Opening Balance	Amount	Amount	Closing Balance
	1 July 2022	Received	Paid	31 Aug 2022
	\$	\$	\$	\$
Construction Industry Fund (BCITF)	(8)	248	(247)	(7)
Building Services Levy (BRB)	3,761	513	(243)	4,032
Community Group Funds	2,206	0	0	2,206
	5,959	761	(490)	6,231

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2022**

**NOTE 14
EXPLANATION OF MATERIAL VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date Actual materially.

The material variance adopted by Council for the 2022-23 year is \$5,000 or 5.00% whichever is the greater.

Nature or type	Var. \$	Var. %	Explanation of positive variances		Explanation of negative variances	
			Timing	Permanent	Timing	Permanent
	\$	%				
Revenue from operating activities						
Rates	3,809,579	498.10%	▲			
Operating grants, subsidies and contributions	107,328	41.50%	▲			
Fees and charges	1,128,082	233.04%	▲			
Other revenue	143,036	643.90%	▲			
Expenditure from operating activities						
Employee costs	(392,381)	(48.31%)	▼			
Materials and contracts	131,061	22.39%	▲			
Depreciation on non-current assets	767,164	100.00%	▲			
Insurance expenses	(73,833)	(201.77%)	▼			
Non-cash amounts excluded from operating activities	(767,164)	(100.00%)	▼			
Investing activities						
Proceeds from non-operating grants, subsidies and contributions	(1,329,192)	(83.21%)	▼			
Proceeds from disposal of assets	(335,000)	(100.00%)	▼			
Payments for property, plant and equipment and infrastructure	2,445,023	88.37%	▲			
Financing activities						
Proceeds from new debentures	(1,000,000)	(100.00%)	▼			
Transfer from reserves	(2,075,000)	(100.00%)	▼			
Transfer to reserves	140,000	100.00%	▲			
Closing funding surplus / (deficit)	2,710,376	(49.79%)	▲			