



MONTHLY FINANCIAL REPORT

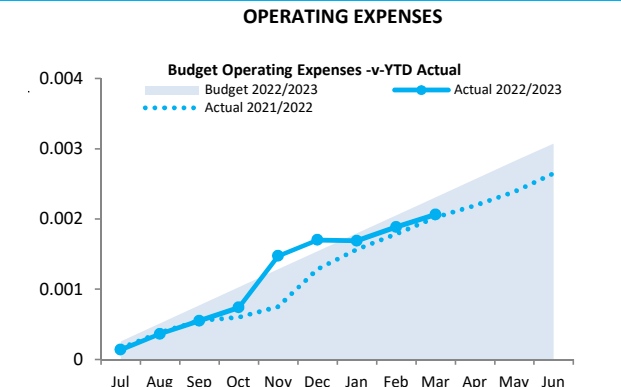
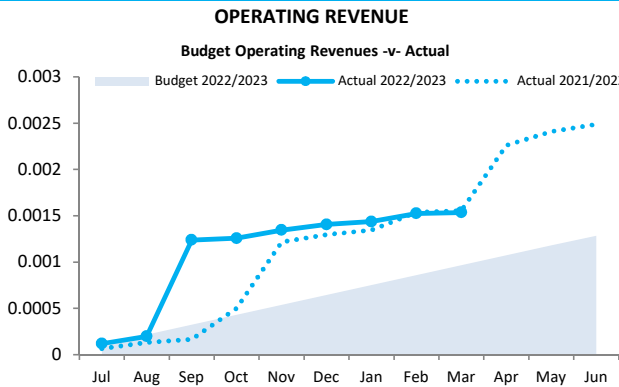
For the period ending 31 March 2023

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

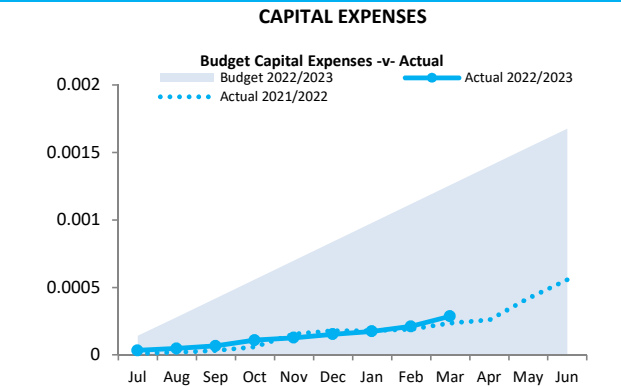
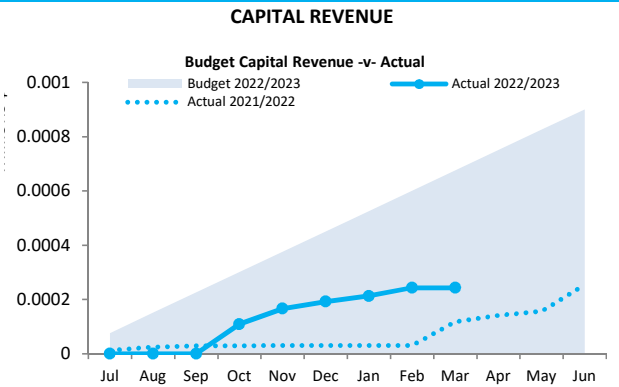
TABLE OF CONTENTS

Statement of Financial Activity by Nature or Type	5
Basis of Preparation	6
Note 1 Statement of Financial Activity Information	6
Note 2 Cash and Financial Assets	7
Note 3 Receivables	8
Note 4 Other Current Assets	9
Note 5 Payables	10
Note 6 Disposal of Assets	11
Note 7 Capital Acquisitions	12
Note 8 Reserve Accounts	14
Note 9 Other Current Liabilities	15
Note 10 Operating grants and contributions	16
Note 11 Non Operating grants and contributions	17
Note 12 Budget Amendments	18
Note 13 Explanation of Material Variances	19

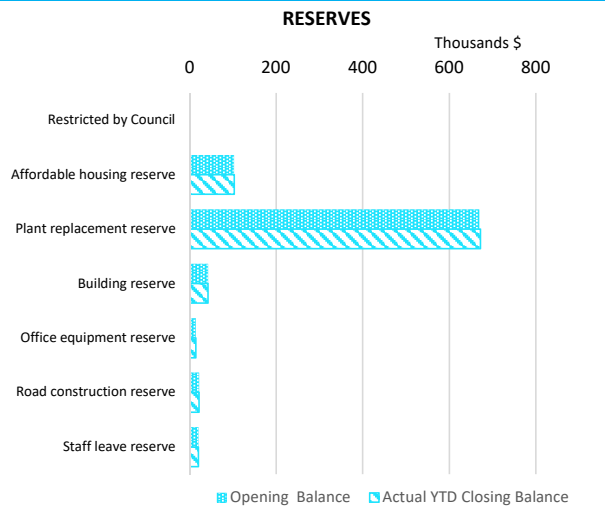
OPERATING ACTIVITIES



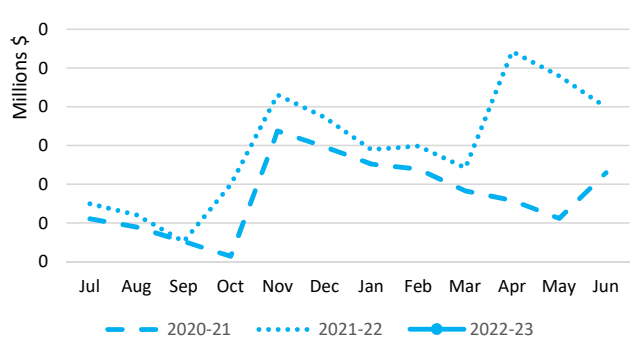
INVESTING ACTIVITIES



FINANCING ACTIVITIES



Closing funding surplus / (deficit)



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

KEY TERMS AND DESCRIPTIONS FOR THE PERIOD ENDED 31 MARCH 2023

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 MARCH 2023**

	Ref Note	Amended Budget (a)	YTD Budget (b)	YTD Actual (c)	Variance \$ (c) - (b)	Var.
Opening funding surplus / (deficit)	1(c)	\$ 790,605	\$ 790,605	\$ 761,761	\$ (28,844)	
Revenue from operating activities						
Rates		885,998	886,841	886,841	0	
Operating grants, subsidies and contributions	10	833,825	404,578	412,557	7,979	
Fees and charges		169,159	126,873	222,629	95,756	▲
Interest earnings		8,010	6,012	11,978	5,966	
Other revenue		950	711	2,617	1,906	
Profit on disposal of assets	6	143,500	107,622	0	(107,622)	▼
		2,041,442	1,532,637	1,536,622	3,985	
Expenditure from operating activities						
Employee costs		(1,062,377)	(553,375)	(713,487)	(160,112)	▼
Materials and contracts		(813,322)	(785,154)	(446,513)	338,641	▲
Utility charges		(97,264)	(73,701)	(49,787)	23,914	▲
Depreciation on non-current assets		(907,076)	(680,346)	(586,638)	93,708	▲
Interest expenses		0	0	0	0	
Insurance expenses		(111,218)	(87,643)	(109,490)	(21,847)	▼
Other expenditure		(79,799)	(59,850)	(157,564)	(97,714)	▼
Loss on disposal of assets	6	0	0	0	0	
		(3,071,056)	(2,240,069)	(2,063,479)	176,590	
Non-cash amounts excluded from operating activities	1(a)	767,876	572,724	586,630	13,906	
Amount attributable to operating activities		(261,738)	(134,708)	59,773	194,481	
Investing activities						
Proceeds from non-operating grants, subsidies and contributions	11	908,739	683,810	243,851	(439,959)	▼
Proceeds from disposal of assets	6	143,500	143,500	0	(143,500)	▼
Payments for property, plant and equipment and infrastructure	7	(1,741,245)	(1,159,839)	(287,304)	872,535	▲
		(689,006)	(332,529)	(43,453)	289,076	
Financing Activities						
Transfer from reserves	8	461,000	461,000	0	(461,000)	▼
Transfer to reserves	8	(300,860)	(300,860)	(4,169)	296,691	▲
Amount attributable to financing activities		160,140	160,140	(4,169)	(164,309)	
Closing funding surplus / (deficit)	1(c)	0	483,508	773,911	290,403	▲

KEY INFORMATION

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

Refer to Note 1 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.

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 00 January 1900

(a) Non-cash items excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

	Notes	Amended Budget	YTD Budget (a)	YTD Actual (b)	Forecast 30 June 2023 Closing
		\$	\$	\$	
Non-cash items excluded from operating activities					
Adjustments to operating activities					
Less: Profit on asset disposals	6	(143,500)	(107,622)	0	(35,878)
Movement in inventory (non-current)		4,300	0	0	4,300
Add: Depreciation on assets		907,076	680,346	586,630	813,360
Total non-cash items excluded from operating activities		767,876	572,724	586,630	781,782

(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.

		Amended Budget Opening 30 June 2022	Last Year Closing 30 June 2022	Year to Date 31 March 2023
Adjustments to net current assets				
Less: Reserves - restricted cash	8	(869,086)	(869,086)	(873,255)
Add: Provisions employee related provisions	9	0	0	0
Total adjustments to net current assets		(869,086)	(869,086)	(873,255)

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

Current assets				
Cash and cash equivalents	2	1,865,278	1,865,194	2,020,055
Rates receivables	3	78,323	78,323	103,926
Receivables	3	17,487	4,752	1,496
Other current assets	4	28,371	28,371	28,371
Less: Current liabilities				
Payables	5	(119,702)	(111,861)	(114,204)
Contract liabilities	9	(92,837)	(79,407)	(238,716)
Provisions	9	(117,229)	(154,525)	(154,525)
Less: Total adjustments to net current assets	1(b)	(869,086)	(869,086)	(873,255)
Closing funding surplus / (deficit)		790,605	761,761	773,148

CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operational cycle.

Description	Classification	Unrestricted	Restricted	Total Cash	Trust	Institution	Interest Rate	Maturity Date
		\$	\$	\$				
Cash at bank - Municipal	Cash and cash equivalents	1,141,351		1,141,351		NAB	0.00%	NA
Petty Cash & Floats	Cash and cash equivalents	450		450		Cash	0.00%	NA
Cash at investment Reserve	Cash and cash equivalents	0	873,254	873,254		NAB	0.95%	NA
Trust bank account	Cash and cash equivalents			5,000	5,000	NAB	0.00%	NA
Total		1,141,801	873,254	2,015,056	5,000			
Comprising								
Cash and cash equivalents		1,141,801	873,254	2,015,056	5,000			
		1,141,801	873,254	2,015,056	5,000			

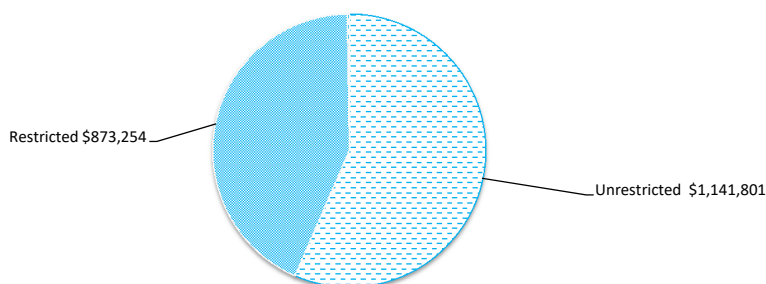
KEY INFORMATION

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of net current assets.

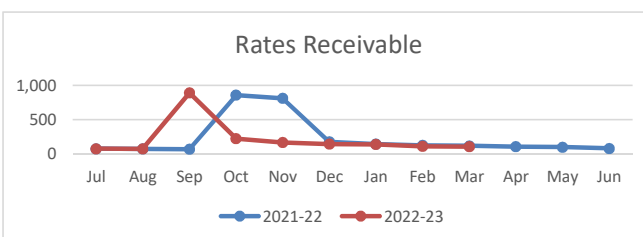
The local government classifies financial assets at amortised cost if both of the following criteria are met:

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

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 4 - Other assets.



Rates receivable	30 June 2022	31 Mar 2023
	\$	\$
Opening arrears previous years	66,228	78,323
Levied this year	885,998	886,841
Less - collections to date	(873,903)	(861,238)
Gross rates collectable	78,323	103,926
Net rates collectable	78,323	103,926
% Collected	91.8%	89.2%



Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(150)	1,191	101	0	295	1,438
Percentage	(10.4%)	82.9%	7%	0%	20.5%	
Balance per trial balance						
GST receivable						59
Total receivables general outstanding						1,496

Amounts shown above include GST (where applicable)

KEY INFORMATION

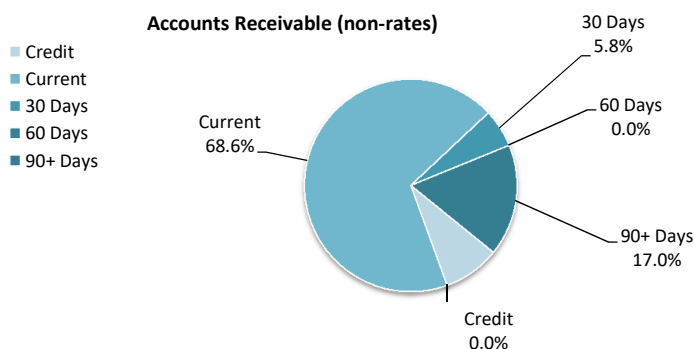
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

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

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore the Shire measures them subsequently at amortised cost using the effective interest rate method.



Other current assets	Opening Balance 1 July 2022	Asset Increase	Asset Reduction	Closing Balance 31 March 2023
	\$	\$	\$	\$
Inventory				
Fuel and Materials	28,371	0	0	28,371
Total other current assets	28,371	0	0	28,371
Amounts shown above include GST (where applicable)				

KEY INFORMATION

Inventory

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

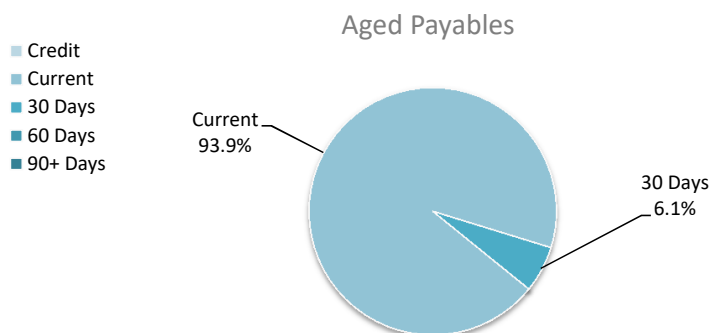
Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	30,589	1,980	0	0	32,569
Percentage	0%	93.9%	6.1%	0%	0%	
Balance per trial balance						
Accrued salaries and wages						3,890
GST payable						59
Payroll creditors						22,601
Accrued expenses						15,662
Bond liability - ex Trust						39,423
Total payables general outstanding						114,204

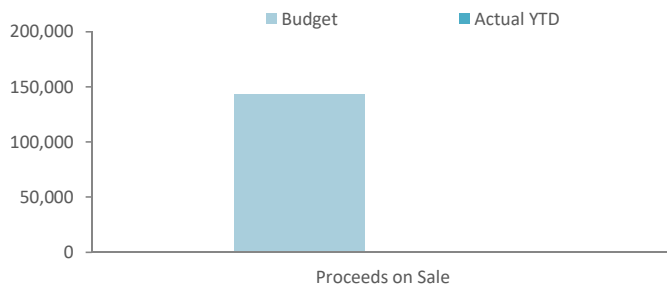
Amounts shown above include GST (where applicable)

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)
		\$	\$	\$	\$	\$	\$	\$	\$
	Plant and equipment								
	Governance								
	CEO vehicle		28,500	28,500	0	0	0	0	0
	Transport								
	Grader and Roller		115,000	115,000	0	0	0	0	0
		0	143,500	143,500	0	0	0	0	0



Capital acquisitions	Amended		YTD Actual	Forecast 30 June Closing	YTD Actual Variance
	Budget	YTD Budget			
	\$	\$	\$		\$
Land and buildings	117,650	73,236	17,948	62,362	(55,288)
Furniture and equipment	17,400	9,050	0	8,350	(9,050)
Plant and equipment	598,500	448,875	0	149,625	(448,875)
Infrastructure - roads	755,159	566,370	257,526	446,315	(308,844)
Infrastructure - other	252,536	62,308	11,830	202,058	(50,478)
Payments for Capital Acquisitions	1,741,245	1,159,839	287,304	868,710	(872,535)
Capital Acquisitions Funded By:					
	\$	\$	\$		\$
Capital grants and contributions	908,739	683,810	243,851	468,780	(439,959)
Borrowings	0	0	0	0	0
Other (disposals & C/Fwd)	143,500	143,500	0	0	(143,500)
Cash backed reserves					
Affordable housing reserve	(6,000)	0	0	(6,000)	0
Plant replacement reserve	(455,000)	0	0	(455,000)	0
Building reserve	0	0	0	0	0
Office equipment reserve	0	0	0	0	0
Road construction reserve	0	0	0	0	0
Staff leave reserve	0	0	0	0	0
Reserves cash backed - [describe]	0	0	0	0	0
Contribution - operations	1,150,006	332,529	43,453	860,930	(289,076)
Capital funding total	1,741,245	1,159,839	287,304	868,710	(872,535)

SIGNIFICANT ACCOUNTING POLICIES

Each class of fixed assets within either plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

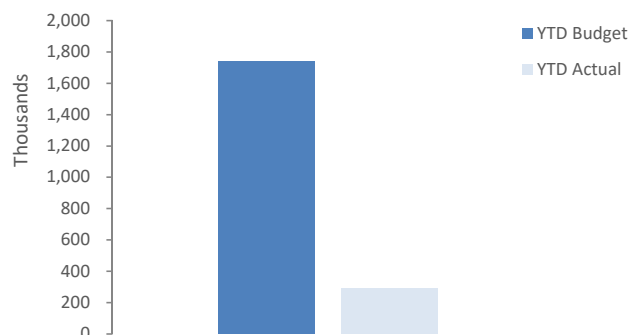
Initial recognition and measurement for assets held at cost

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost the asset is initially recognise at fair value. Assets held at cost are depreciated and assessed for impairment annually.

Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

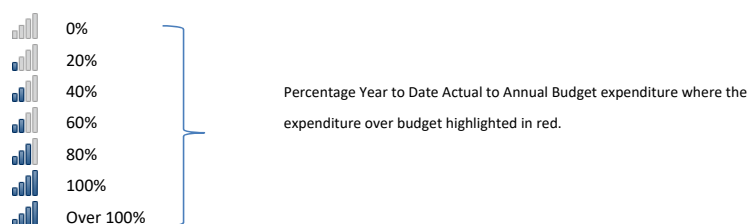
In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Payments for Capital Acquisitions



Capital expenditure total

Level of completion indicators



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

Job	Job Description	Amended		YTD Actual	Variance (Under)/Over
		Budget	YTD Budget		
		\$	\$	\$	\$
Land and Buildings					
84410	Wattleville - Stage 2 Well Aged Housing	6,000	4,500	3,063	(1,437)
LRC11	Railway Station Precinct Upgrades	45,000	18,750	0	(18,750)
91300	Improvements - 3347 Robinson Road	10,000	7,497	0	(7,497)
111310	Improvements - Toilet Block and Lake Signage	16,000	11,997	0	(11,997)
110300	Improvements - Kenmare Hall and Mens Shed Roof	40,650	30,492	14,885	(15,607)
Furniture and Equipment					
41300	Chamber Chairs & Airconditioner	5,400	4,050	0	(4,050)
053300	CCTV and Street Lightings	12,000	5,000	0	(5,000)
Plant and Equipment					
42300	CEO Vehicle	58,500	43,875	0	(43,875)
123300	New Grader & Roller	540,000	405,000	0	(405,000)
Infrastructure Other					
121370	Footpaths	50,000	37,503	0	(37,503)
102300	Drainage	143,000	0	11,830	11,830
LRC320	Walking Trails LRCI	25,536	10,640	0	(10,640)
LRC12	Heritage Trails LCRI	9,000	3,750	0	(3,750)
LRC322	Basketball 1/2 Court	25,000	10,415	0	(10,415)
Roads					
121310	RRG Project Construction	220,000	164,997	0	(164,997)
121320	R2R Construction	196,687	147,519	56,885	(90,634)
121340	LRCIP Roads	338,472	253,854	200,641	(53,213)
		1,741,245	1,159,839	287,304	(872,535)

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2023

OPERATING ACTIVITIES
NOTE 8
RESERVE ACCOUNTS

Reserve accounts

Reserve name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by Council									
Affordable housing reserve	102,311	102	491	0		(6,000)		96,413	102,802
Plant replacement reserve	669,024	660	3,209	250,000		(455,000)		464,684	672,233
Building reserve	42,092	42	202	25,000		0		67,134	42,294
Office equipment reserve	14,031	14	67	0		0		14,045	14,098
Road construction reserve	21,628	22	104	0		0		21,650	21,732
Staff leave reserve	20,000	20	96	25,000		0		45,020	20,096
	869,086	860	4,169	300,000	0	(461,000)	0	708,946	873,255

	Note	Opening Balance 1 July 2022	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 31 March 2023
		\$		\$	\$	\$
Other current liabilities						
Other liabilities						
- Contract liabilities		79,407	0	350,256	(190,947)	238,716
Total other liabilities		79,407	0	350,256	(190,947)	238,716
Employee Related Provisions						
Annual leave		88,192	0	0	0	88,192
Long service leave		66,333	0	0	0	66,333
Total Employee Related Provisions		154,525	0	0	0	154,525
Total other current assets		233,932	0	350,256	(190,947)	393,241
Amounts shown above include GST (where applicable)						

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 10

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 (As revenue)	Liability	Current Liability	Amended Budget Revenue	YTD Budget	Annual Budget	YTD Revenue Actual	Forecast 30 June Closing
	1 July 2022			31 Mar 2023	31 Mar 2023					
	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Operating grants and subsidies										
General purpose funding										
Financial assistance grant - general	0	0	0	0	0	400,000	151,374	400,000	151,373	399,999
Financial assistance grant - roads	0	0	0	0	0	200,000	55,974	200,000	55,976	200,002
Law, order, public safety										
MAF Projects				0	0	8,500	59,022	78,699	32,850	(17,673)
ESL Grant				0	0	27,891	24,233	32,310	28,538	32,196
Transport										
RRG Direct Funding Grant	0			0	0	87,416	87,416	87,416	89,297	89,297
	0	0	0	0	0	723,807	378,019	798,425	358,034	703,822
Operating contributions										
General purpose funding										
Ex-Gratia Rates Received						1,916	1,440	1,916	0	476
Legal costs recoverable	0	0	0	0	0	200	153	200	0	47
Education and welfare										
Income related to Well Aged Housing				0	0	10,000	5,680	10,000	43,101	47,421
Seniors Week grants				0	0	0	0	0	600	600
Housing										
Staff housing reimbursements	0	0	0	0	0	1,700	840	1,700	627	1,487
Income 13 Cardigan Street	0	0	0	0	0	0	0	0	820	820
Other property and services										
Workers Comp Reimbursements	0	0	0	0	0	5,000	3,753	5,000	0	1,247
Diesel fuel rebates	0	0	0	0	0	18,500	13,878	18,500	9,283	13,905
	0	0	0	0	0	37,316	25,744	37,316	54,432	66,004
TOTALS	0	0	0	0	0	761,123	403,763	835,741	412,465	769,826

Provider	Capital grant/contribution liabilities				Non operating grants, subsidies and contributions revenue				
	Liability 1 July 2022	Increase in Liability	Decrease in Liability (As revenue)	Liability 31 Mar 2023	Amended Budget Revenue	YTD Budget	Annual Budget	YTD Revenue Actual	Forecast 30 June Closing
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Non-operating grants and subsidies									
General purpose funding									
LRCIP	20,739	350,256	(113,436)	257,559	515,008	386,253	515,008	100,402	229,157
Law, order, public safety									
Fire prevention Grants	0	0	0	0	0	9,044	9,044	9,044	(0)
Community amenities									
DWER Grants	0	0	0	0	100,000	74,997	100,000	9,998	35,001
Transport									
Grant - RRG Specific	58,667	0	0	58,667	88,000	65,997	88,000	16,883	38,886
Grant - R2R		0	0	0	196,687	147,519	196,687	62,980	112,148
Grant - LRCIP		0	0	0	0	0	0	44,545	44,545
	79,406	350,256	(113,436)	316,226	899,695	683,810	908,739	243,851	459,736
TOTALS	79,406	350,256	(113,436)	316,226	899,695	683,810	908,739	243,851	459,736

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MARCH 2023**

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

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Original Budget	Budget Amendment	Increase in Available Cash
				\$			\$
	Budget adoption						
	Audited Annual Report		Opening Surplus(Deficit)				
031220	Penalty Interest Raised on Rates		Operating Revenue		3,000	7,000	4,000
041130	Integrated Planning & Other Consultants		Operating Expenses		2,000	23,582	
042115	Valuation Expenses Other than Rates		Operating Expenses		30,000	42,000	
042121	Audit Fees		Operating Expenses		40,000	63,500	
042140	Fringe Benefits Tax		Operating Expenses		120,000	50,000	70,000
051000	Expenses Relating to Fire Prevention		Operating Expenses		30,000	12,000	18,000
051050	Expenses Related to LGGS BFB		Operating Expenses		14,925	32,310	
051210	LGGS - Bushfire Grant Income		Operating Revenue		27,891	32,310	4,419
051030	Expenses in relation to MAF	OCM111/10/2022	Operating Expenses		27,825	98,024	
051200	Income Relating to MAF Projects	OCM111/10/2022	Operating Revenue		8,500	78,699	70,199
051230	Fire Prevention Grants - CAPITAL		Capital Revenue		0	9,044	9,044
074000	Expenses Relating to Preventative Services		Operating Expenses		49,684	32,000	17,684
042000	Expenses Relating to Administration	SCM13/11/2022	Operating Expenses		636,875	664,875	
074000	Expenses Relating to Preventative Services	SCM13/11/2022	Operating Expenses		57,684	49,684	8,000
122000	Expenses Relating to Streets, Roads, Bridges & Dep	SCM13/11/2022	Operating Expenses		1,102,365	1,082,365	20,000
091200	Income 3340 Robinson Road		Operating Revenue		13,000	3,000	
100200	Income Relating to Tip - Refuse & Recycling		Operating Revenue		25,000	35,000	10,000
105200	Income Relating to Cemetery		Operating Revenue		1,000	6,165	5,165
122030	Maintenance - Muni Fund Roads		Operating Expenses		315,003	365,003	
133000	Expenses Relating to Building Control		Operating Expenses		110,163	70,163	40,000
141010	Private Works / Plant Hire		Operating Revenue		20,000	5,000	
135010	Expenses Relating to Standpipes	OCM112/10/2022	Operating Expenses		44,000	51,500	
144030	Parts & Repairs	OCM112/10/2022	Operating Expenses		100,000	92,500	7,500

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 31 MARCH 2023

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

The material variance adopted by Council for the 2022-23 year is \$10,000 or 10.00% whichever is the greater.

Nature or type	Var. \$	Var. %	Explanation of variances	
			Timing	Permanent
	\$	%		
Opening funding surplus / (deficit)	(28,844)	(3.65%)	▼	Based on audited EOFY Annuals
Revenue from operating activities				
Fees and charges	95,756	75.47%	▲	Revenue current higher than YTD budget
Profit on disposal of assets	(107,622)	(100.00%)	▼	No asset disposals as at 31 March 2023
Expenditure from operating activities				
Employee costs	(160,112)	(28.93%)	▼	Costs higher than YTD budget due to staff termination payments & additional short term contract staff; offset by reduction in consultant costs
Materials and contracts	338,641	43.13%	▲	Reduction in consultant costs; major projects still underway or due to commence
Utility charges	23,914	32.45%	▲	Utility costs higher than budget
Depreciation on non-current assets	93,708	13.77%	▲	Asset depreciation rates to be reviewed
Insurance expenses	(21,847)	(24.93%)	▼	Insurance costs higher than budget
Other expenditure	(97,714)	(163.26%)	▼	Increase in other expenditure to be reviewed; may require reallocation
Investing activities				
Proceeds from non-operating grants, subsidies and contributions	(439,959)	(64.34%)	▼	Capital Works program in planning phase
Proceeds from disposal of assets	(143,500)	(100.00%)	▼	No Asset transactions as yet
Payments for property, plant and equipment and infrastructure	872,535	75.23%	▲	Capital Works program in planning phase
Financing activities				
Transfer from reserves	(461,000)	(100.00%)	▼	Transfers done at end of financial year or for asset transactions
Transfer to reserves	296,691	98.61%	▲	Transfers done at end of financial year or for asset transactions
Closing funding surplus / (deficit)	290,403	(60.06%)	▲	Based on current YTD; timing