

SHIRE OF MOORA

MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the period ending 31 January 2023

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

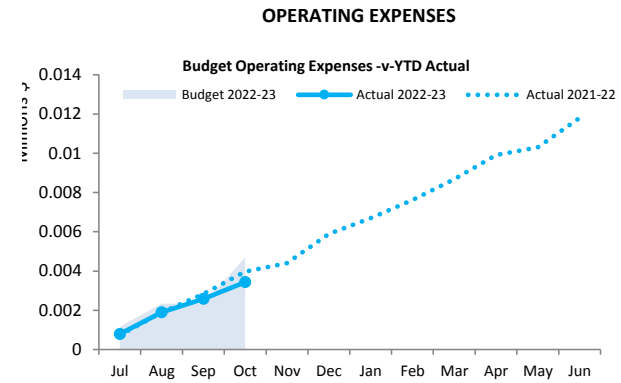
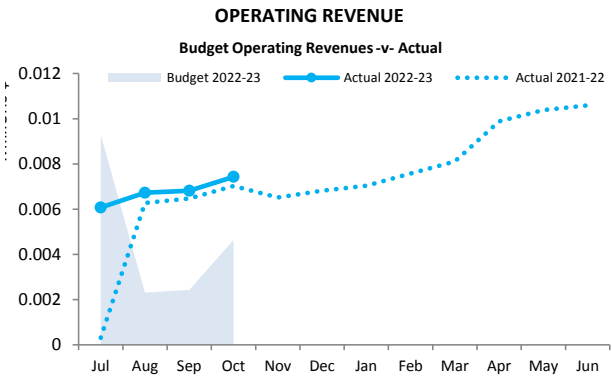
TABLE OF CONTENTS

Statement of Financial Activity by Nature or Type	6
Basis of Preparation	7
Note 1 Statement of Financial Activity Information	8
Note 2 Cash and Financial Assets	9
Note 3 Receivables	10
Note 4 Other Current Assets	11
Note 5 Payables	12
Note 6 Disposal of Assets	13
Note 7 Capital Acquisitions	14
Note 8 Borrowings	16
Note 9 Reserve Accounts	17
Note 10 Other Current Liabilities	18
Note 11 Operating grants and contributions	19
Note 12 Non operating grants and contributions	20
Note 13 Explanation of Material Variances	21

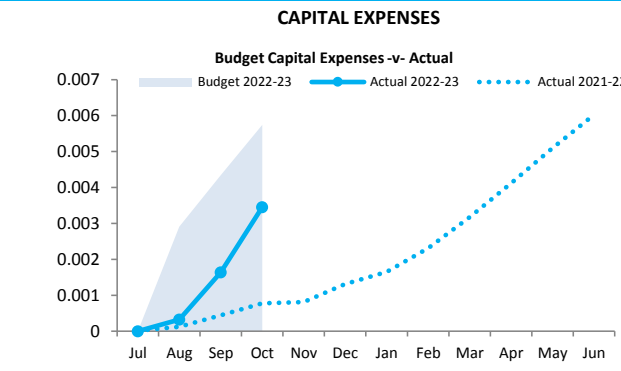
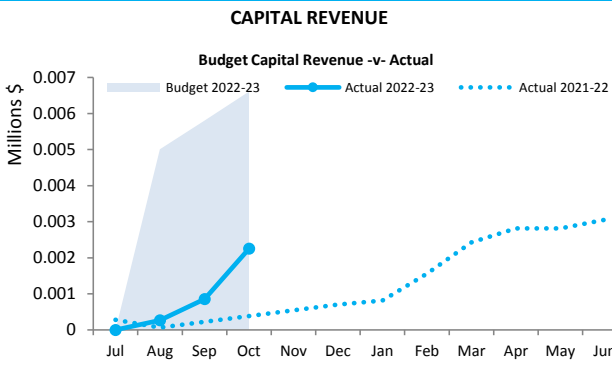
**MONTHLY FINANCIAL REPORT
FOR THE PERIOD ENDED 31 JANUARY 2023**

SUMMARY INFORMATION - GRAPHS

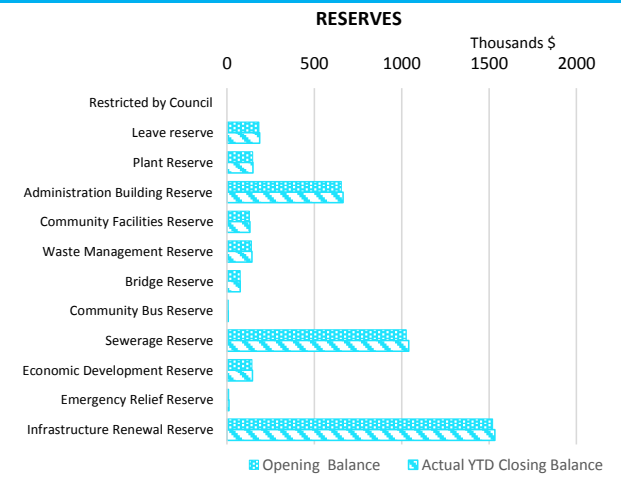
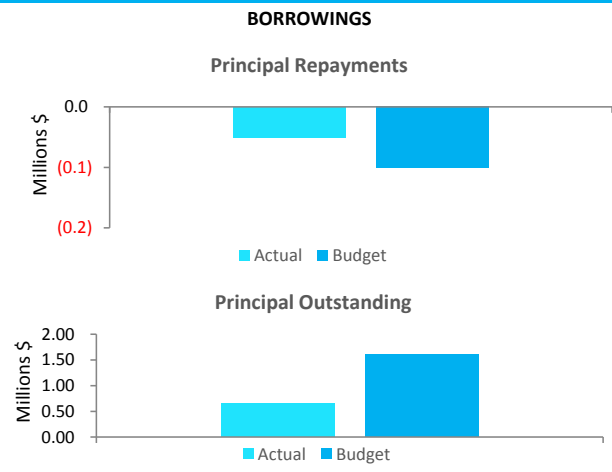
OPERATING ACTIVITIES



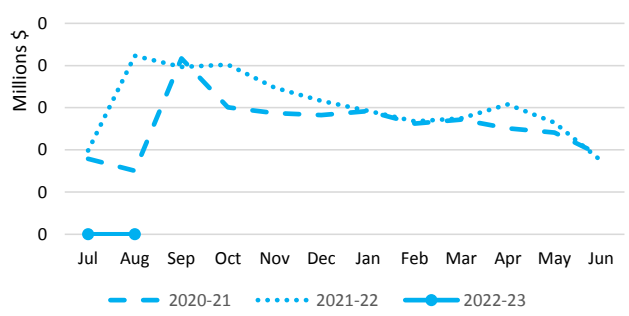
INVESTING ACTIVITIES



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 JANUARY 2023**

EXECUTIVE SUMMARY

Funding surplus / (deficit) Components

Funding surplus / (deficit)				
For the period ending 30 October 2022	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$3.37 M	\$3.37 M	\$3.06 M	(\$0.31 M)
Closing	\$0.00 M	\$2.92 M	\$6.93 M	\$4.01 M

Refer to Statement of Financial Activity

Cash and cash equivalents			Payables			Receivables		
	\$9.57 M	% of total		\$0.88 M	% Outstanding		\$2.76 M	% Collected
Unrestricted Cash	\$5.38 M	56.2%	Trade Payables	\$0.33 M		Rates Receivable	\$0.88 M	82.2%
Restricted Cash	\$4.19 M	43.8%	0 to 30 Days		99.8%	Trade Receivable	\$2.76 M	% Outstanding
			Over 30 Days		0.2%	Over 30 Days		64.1%
			Over 90 Days		0%	Over 90 Days		5.3%

Refer to Note 2 - Cash and Financial Assets

Refer to Note 5 - Payables

Refer to Note 3 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$0.67 M	\$0.44 M	\$2.69 M	\$2.26 M

Refer to Statement of Financial Activity

Rates Revenue			Operating Grants and Contributions			Fees and Charges		
YTD Actual	\$4.59 M	% Variance	YTD Actual	\$0.67 M	% Variance	YTD Actual	\$2.39 M	% Variance
YTD Budget	\$2.68 M	71.6%	YTD Budget	\$0.91 M	(25.4%)	YTD Budget	\$1.73 M	38.4%

Refer to Statement of Financial Activity

Refer to Note 11 - Operating Grants and Contributions

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)
(\$6.88 M)	(\$3.83 M)	\$1.27 M	\$5.10 M

Refer to Statement of Financial Activity

Proceeds on sale			Asset Acquisition			Capital Grants		
YTD Actual	\$0.04 M	%	YTD Actual	\$8.88 M	% Spent	YTD Actual	\$10.10 M	% Received
Adopted Budget	\$0.34 M	(87.2%)	Adopted Budget	\$16.81 M	(47.2%)	Adopted Budget	\$9.58 M	5.4%

Refer to Note 6 - Disposal of Assets

Refer to Note 7 - Capital Acquisitions

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	(\$0.10 M)	(\$3.03 M)

Refer to Statement of Financial Activity

Borrowings			Reserves		
Principal repayments	\$0.05 M		Reserves balance	\$4.09 M	
Interest expense	\$0.01 M		Interest earned	\$0.05 M	
Principal due	\$0.65 M				

Refer to Note 8 - Borrowings

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 JANUARY 2023

REVENUE

RATES

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

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

REVENUE FROM CONTRACTS WITH CUSTOMERS

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

FEES AND CHARGES

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

SERVICE CHARGES

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

INTEREST EARNINGS

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

OTHER REVENUE / INCOME

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

PROFIT ON ASSET DISPOSAL

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

NATURE OR TYPE DESCRIP

EXPENSES

EMPLOYEE COSTS

For the period ending 30 October 2022 salaries, wages, allowances, benefits such as superannuation, employment expenses, relocation expenses, worker's compensation costs, conferences, safety expenses, medic fringe benefit tax, etc.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and classified under other headings. These include materials, legal expenses, maintenance communication expenses, advertising expenditure, periodicals, publications, hire expenses, freight etc. Local governments may wish to detail such as contract services, consultancy technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER)

Expenditures made to the respective agency of power, gas or water. Exclude expenditure on reinstatement of roadwork on behalf of the

INSURANCE

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

LOSS ON ASSET DISPOSAL

Shortfall between the value of assets received and 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 finance for loan debentures, overdraft and refinancing expenses.

OTHER EXPENDITURE

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

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023**

BY NATURE OR TYPE

	Ref Note	Adopted Budget (a)	YTD Budget (b)	YTD Actual (c)	Variance \$ (c) - (b)	Variance % ((c) - (b))/(b)	Var.
Opening funding surplus / (deficit)	1(c)	\$ 3,374,123	\$ 3,374,123	\$ 3,062,828	\$ (311,295)	% (9.23%)	▼
Revenue from operating activities							
Rates		4,588,892	2,676,856	4,594,800	1,917,944	71.65%	▲
Operating grants, subsidies and contributions	11	1,551,753	905,142	674,871	(230,271)	(25.44%)	▼
Fees and charges		2,959,841	1,726,333	2,389,737	663,404	38.43%	▲
Interest earnings		60,486	35,273	104,200	68,927	195.41%	▲
Other revenue		118,300	68,999	124,990	55,991	81.15%	▲
Profit on disposal of assets	6	15,000	8,750	0	(8,750)	(100.00%)	▼
		9,294,272	5,421,353	7,888,598	2,467,245	45.51%	
Expenditure from operating activities							
Employee costs		(4,524,115)	(2,319,205)	(2,841,709)	(522,504)	(22.53%)	▼
Materials and contracts		(2,967,827)	(2,048,991)	(1,687,643)	361,348	17.64%	▲
Utility charges		(425,960)	(248,318)	(242,717)	5,601	2.26%	
Depreciation on non-current assets		(4,603,079)	(2,685,074)	0	2,685,074	100.00%	▲
Interest expenses		(20,994)	(12,229)	(5,232)	6,997	57.22%	▲
Insurance expenses		(219,636)	(128,072)	(220,178)	(92,106)	(71.92%)	▼
Other expenditure		(376,848)	(219,716)	(204,110)	15,606	7.10%	▲
Loss on disposal of assets	6	(35,000)	(20,412)	0	20,412	100.00%	▲
		(13,173,459)	(7,682,017)	(5,201,589)	2,480,428	(32.29%)	
Non-cash amounts excluded from operating activities	1(a)	4,548,525	2,696,736	4,121	(2,692,615)	(99.85%)	▼
Amount attributable to operating activities		669,338	436,072	2,691,130	2,255,058	517.13%	
Investing activities							
Proceeds from non-operating grants, subsidies and contributions	12	9,584,329	5,590,760	10,098,956	4,508,196	80.64%	▲
Proceeds from disposal of assets	6	335,000	335,000	42,909	(292,091)	(87.19%)	▼
Proceeds from financial assets at amortised cost - self supporting loans	8	8,488	4,210	4,210	0	0.00%	
Proceeds from financial assets at amortised cost - community loans	8	6,172	0	3,076	3,076	0.00%	
Payments for property, plant and equipment and infrastructure	7	(16,811,450)	(9,759,764)	(8,876,280)	883,484	9.05%	▲
Amount attributable to investing activities		(6,877,461)	(3,829,794)	1,272,871	5,102,665	(133.24%)	
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	(50,138)	(50,138)	0.00%	▼
Transfer to reserves	9	(140,000)	(140,000)	(49,738)	90,262	64.47%	▲
Amount attributable to financing activities		2,834,000	2,935,000	(99,876)	(3,034,876)	(103.40%)	
Closing funding surplus / (deficit)	1(c)	0	2,915,401	6,926,953	4,011,552	(137.60%)	▲

KEY INFORMATION

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

Refer to Note 13 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 JANUARY 2023

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.

SIGNIFICANT ACCOUNTING POLICIES

CRITICAL ACCOUNTING ESTIMATES

For the period ending 30 October 2022 Accounting Standards requires management estimates and assumptions that effect the and reported amounts of assets and liabilities.

The estimates and associated assumptions are based on management's experience and various other factors believed to be applicable under the circumstances; the results of which may differ from those making the judgements about carrying value of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosures related to the critical accounting estimates are as follows:

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

GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of GST, except where the amount of GST included in the financial statements is from the Australian Taxation Office (ATO). If GST is not recoverable from the ATO, it is included in the amount of GST receivable or payable. If GST is recoverable from, or payable to, the ATO, it is included in the amount of GST receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The gross cash flows arising from investing or financing activities are recoverable from, or payable to, the ATO and 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 January 2023.

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

**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 c For the period ending 30 October 2022 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)	(8,750)	0
Less: Movement in liabilities associated with restricted cash		(74,554)		4,121
Add: Loss on asset disposals	6	35,000	20,412	0
Add: Depreciation on assets		4,603,079	2,685,074	0
Total non-cash items excluded from operating activities		4,548,525	2,696,736	4,121

(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 January 2023
Adjustments to net current assets				
Less: Reserves - restricted cash	9	(4,039,292)	(4,040,604)	(4,090,342)
Less: - Financial assets at amortised cost - self supporting loans	4	(12,566)	0	4,210
Less: - Financial assets at amortised cost - community loans		(6,173)	(6,173)	(3,097)
- Other liabilities		(1,141)		
Add: Borrowings	8	105,078	193,789	143,651
- Current portion of employee benefit provisions held in reserve	10	182,456	183,768	187,889
Total adjustments to net current assets		(3,771,638)	(3,669,220)	(3,757,689)

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

Current assets

Cash and cash equivalents	2	10,028,713	10,039,984	11,129,794
Financial assets at amortised cost	2	18,740	6,173	(1,113)
Rates receivables	3	383,239	372,810	884,066
Receivables	3	759,561	395,420	2,759,517
Other current assets	4	97,837	119,199	104,501
Less: Current liabilities				
Payables	5	(680,309)	(834,833)	(875,566)
Borrowings	8	(105,078)	(193,789)	(143,651)
Contract liabilities	10	(2,521,707)	(2,320,206)	(2,320,196)
Provisions	10	(835,235)	(852,710)	(852,710)
Less: Total adjustments to net current assets	1(b)	(3,771,638)	(3,669,220)	(3,757,689)
Closing funding surplus / (deficit)		3,374,123	3,062,828	6,926,953

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 JANUARY 2023

OPERATING ACTIVITIES
NOTE 2
CASH AND FINANCIAL ASSETS

Description	Classification	Unrestricted	Restricted	Total Cash	Trust	Institution	Interest Rate	Maturity Date
		\$	\$	\$				
Municipal Bank Account 1510110		1,542,494	0	1,542,494		Westpac		
Petty Cash & Floats		1,189	0	1,189				
Reserve Bank Account 1510210			671,728	671,728		Westpac		
Trust Bank Account 1990110		2,688	0	2,688		Westpac		
Westpac Muni Notice Saver 1510160		3,832,176	0	3,832,176		Westpac		
Westpac Reserve Fund Notice Saver 1510270			3,516,000	3,516,000		Westpac		
Total		5,378,547	4,187,728	9,566,275	0			
Comprising								
Cash and cash equivalents		5,378,547	4,187,728	9,566,275	0			
		5,378,547	4,187,728	9,566,275	0			

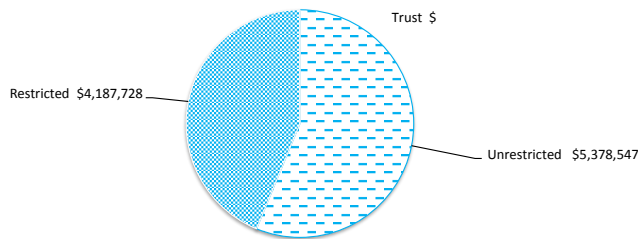
KEY INFORMATION

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

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

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

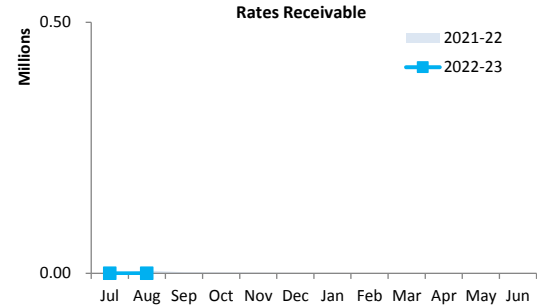
Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 4 - Other assets.



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

OPERATING ACTIVITIES
NOTE 3
RECEIVABLES

Rates receivable	30 June 2022	31 Jan 2023
	\$	\$
Opening arrears previous years	364,733	372,810
Levied this year	4,532,222	4,594,800
Less - collections to date	(4,524,145)	(4,083,544)
Gross rates collectable	372,810	884,066
Net rates collectable	372,810	884,066
% Collected	92.4%	82.2%



Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(71)	1,057,980	1,711,062	16,908	156,375	2,942,254
Percentage	0.0%	36%	58.2%	0.6%	5.3%	
Balance per trial balance						
Sundry receivable						2,942,254
GST receivable						(140,248)
Allowance for impairment of receivables from contracts with customers						(42,489)
Total receivables general outstanding						2,759,517

Amounts shown above include GST (where applicable)

KEY INFORMATION

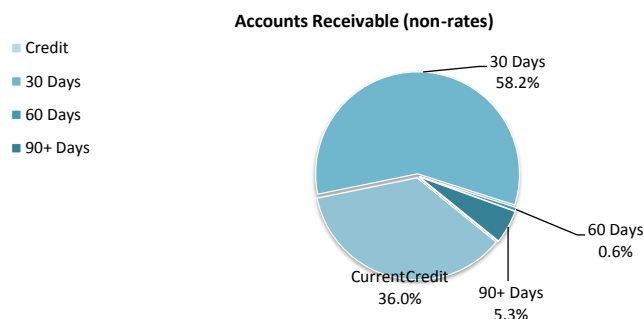
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

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 JANUARY 2023**

**OPERATING ACTIVITIES
NOTE 4
OTHER CURRENT ASSETS**

For the period ending 30 October 2022	Opening Balance 1 July 2022	Asset Increase	Asset Reduction	Closing Balance 31 January 2023
	\$	\$	\$	\$
Other financial assets at amortised cost				
Financial assets at amortised cost - self supporting loans	0		(4,210)	(4,210)
Financial assets at amortised cost - community loans	6,173		(3,076)	3,097
Inventory				
Fuel	97,837		(14,698)	83,139
Other Assets				
Prepayments	19,704		0	19,704
Accrued income	1,658			1,658
Total other current assets	125,372	0	(21,984)	103,388
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 JANUARY 2023**

OPERATING ACTIVITIES

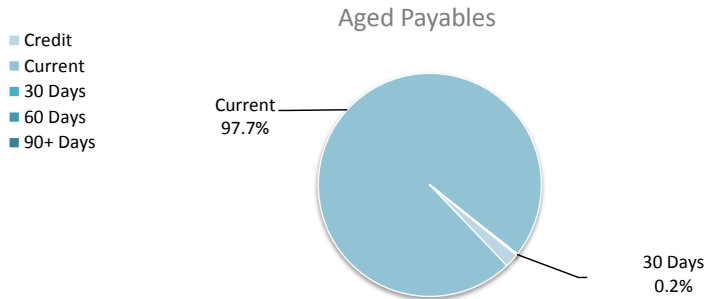
**NOTE 5
PAYABLES**

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
For the period ending 31 December 2022	(6,184)	294,533	599	33	0	288,981
Percentage	-2.1%	101.9%	0.2%	0%	0%	
Balance per trial balance						
Sundry creditors						327,781
ATO liabilities						414,205
Bonds and deposits						42,578
Prepaid Rates						91,002
Total payables general outstanding						875,566

Amounts shown above include GST (where applicable)

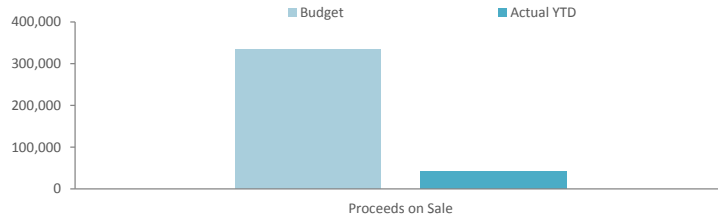
KEY INFORMATION

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 JANUARY 2023

Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
For the period ending 30 October 2022		\$	\$	\$	\$	\$	\$	\$	\$
	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	42,909	0	0
	Transport General	115,000	130,000	15,000	0	0	0	0	0
		355,000	335,000	15,000	(35,000)	0	42,909	0	0



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

INVESTING ACTIVITIES
NOTE 7
CAPITAL ACQUISITIONS

Capital acquisitions	Adopted		YTD Actual	YTD Actual Variance
	Budget	YTD Budget		
	\$	\$	\$	\$
Buildings	4,800,000	2,799,993	2,400	(2,797,593)
Buildings - specialised	660,000	384,972	77,053	(307,919)
Furniture and equipment	30,000	17,500	630	(16,870)
Plant and equipment	1,678,000	978,775	761,667	(217,108)
Infrastructure - roads	6,375,450	3,718,904	7,742,424	4,023,520
Infrastructure - footpaths	100,000	58,331	0	(58,331)
Infrastructure - street furniture & lighting	1,149,000	670,236	331	(669,905)
Infrastructure - parks & ovals	1,230,000	717,486	1,200	(716,286)
Infrastructure - sewerage	789,000	413,567	290,575	(122,992)
Payments for Capital Acquisitions	16,811,450	9,759,764	8,876,280	(883,484)
Capital Acquisitions Funded By:				
	\$	\$	\$	\$
Capital grants and contributions	9,584,329	5,590,760	10,098,956	4,508,196
Borrowings	1,000,000	1,000,000	0	(1,000,000)
Other (disposals & C/Fwd)	335,000	335,000	42,909	(292,091)
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	7,967,121	2,834,004	(1,265,585)	(4,099,589)
Capital funding total	16,811,450	9,759,764	8,876,280	(883,484)

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

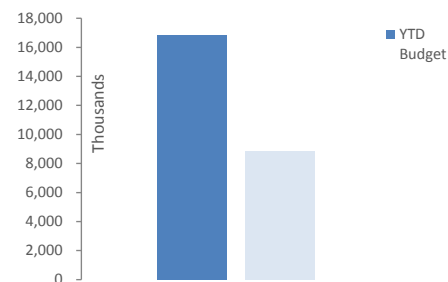
Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost the asset is initially recognise at fair value. Assets held at cost are depreciated and assessed for impairment annually.

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

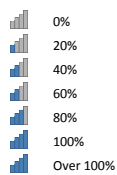


NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2023

INVESTING ACTIVITIES
NOTE 7
CAPITAL ACQUISITIONS (CONTINUED)

Capital expenditure total

Level of completion indicators



For the period ending 30 October 2022

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

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

		Adopted			Variance
Account Description		Budget	YTD Budget	YTD Actual	(Under)/Over
		\$	\$	\$	\$
30410	Administration & Cultural Centre	150,000	87,500	0	(87,500)
30415	Hydrotherapy Pool	40,000	23,331	0	(23,331)
31708	Childcare Centre - Renewal	0	0	8,900	8,900
31710	Early Childhood Development Centre	3,800,000	2,216,662	2,400	(2,214,262)
32301	Housing Revitalisation - Acquire properties	1,000,000	583,331	0	(583,331)
33004	Cemetery Extensions	130,000	75,824	0	(75,824)
33005	Apex Park Toilet Upgrade	200,000	116,662	0	(116,662)
34030	Other Building Renewals	0	0	68,558	68,558
33318	Miling Pavilion	0	0	(405)	(405)
33340	Watheroo Pavilion Upgrade	80,000	46,662	0	(46,662)
34612	Caravan Park Buildings	20,000	11,662	0	(11,662)
33361	Moora Recreation Centre Renewal	40,000	23,331	0	(23,331)
30402	Purchase Computing Equipment	30,000	17,500	0	(17,500)
33122	MPAC - Performance Equipment	0	0	630	630
30401	Admin vehicles	155,000	90,405	44,935	(45,470)
30605	Workshop Hoist	25,000	14,581	11,182	(3,399)
30606	Scissor Lift - Hydrotherapy Pool	20,000	11,662	0	(11,662)
31304	Noise Level Monitor	17,000	9,912	13,680	3,768
33302	Ride on Mower	90,000	52,500	80,530	28,030
34004	4x4 Utilities	50,000	29,162	0	(29,162)
34010	6x4 Tip Truck	80,000	46,662	0	(46,662)
34018	Loader - Refuse Site	275,000	160,412	0	(160,412)
34020	Mechanic's Truck	250,000	145,831	0	(145,831)
34054	Minor Plant	35,000	20,412	0	(20,412)
34061	Replacement Grader	421,000	245,581	521,500	275,919
34066	Cleaners Ute 2014/15	0	0	328	328
34067	Work Ute	50,000	29,162	0	(29,162)
34080	Elevated Work Platform	100,000	58,331	0	(58,331)
52441	Plant and Equipment	0	0	89,512	89,512
39520	Replacement Sewerage Pumps and Equipment	10,000	5,831	0	(5,831)
33313	EV Charging Station	100,000	58,331	0	(58,331)
33910	Contribution to RRG Moora Sub-group	0	0	0	0
33930 WSF21	Carot Well Road - Survey, Design, Drainage & Signage	2,120,784	1,237,110	373,170	(863,940)
WSF21A	Wheatbelt Secondary Freight Route - Carot Well Road	182,156	106,253	86,655	(19,598)
WSF21B	Wheatbelt Secondary Freight Route - Carot Well Road	0	0	111,412	111,412
WSF05	Wheatbelt Secondary Freight Route - Watheroo West F	1,005,700	586,649	161,365	(425,284)
WSF5A	Wheatbelt Secondary Freight Route - Watheroo West F	106,785	62,286	107,398	45,112
WSF5B	Wheatbelt Secondary Freight Route - Watheroo West F	67,800	39,550	2,040	(37,510)
RRG196	Regional Road Group - Bindi Bindin Toodyay Road	1,051,612	613,424	68,874	(544,550)
RRG06	Miling North Road (Regional Road Group)	0	0	1,414	1,414
RTR03	Roads To Recovery - Old Geraldton Road	110,000	64,169	136,646	72,477
RTR1012	Roads To Recovery - Koojan West Road	330,040	192,514	2,010	(190,504)
RTR1192	Roads To Recovery - Koojan West Road	31,000	18,081	34,550	16,469
RTR38	Airstrip Road (Roads To Recovery)	0	0	46	46
33913	Road Construction - Roads To Recovery			26,070	
S1012	Koojan West Road - State Funded Project	476,000	277,662	6,597,390	6,319,728
SP192	Dandaragan Street Parking	120,000	70,000	650	(69,350)
REG01	Prices Road Regravel Various Sections	50,000	29,162	11,916	(17,246)
REG06	Old Geraldton Road Regravel (Various Sections)	140,000	81,655	0	(81,655)
REG08	Namban West Road - Regravel Sections	50,000	29,155	11,079	(18,076)
CRF06	Commodity Route Funding - Dalwallinu West Road	533,573	311,234	9,739	(301,495)
33721	Information Bay - Chamber of Commerce Project	20,000	11,662	0	(11,662)
33901	Moora Airstrip	900,000	525,000	331	(524,669)
34604	Entry Statements	100,000	58,324	0	(58,324)
35950	Depot Infrastructure	25,000	14,581	0	(14,581)
52551	Street Furniture & Lighting - Solar Lighting	104,000	60,669	0	(60,669)
32316	Moora Swimming Pool Improvements	400,000	233,331	0	(233,331)
32318	Moora Recreation Centre Lighting	190,000	110,831	0	(110,831)
32802	Reserve Rehabilitation Project	150,000	87,500	0	(87,500)
33308	Renewal of Park Infrastructure	0	0	1,200	1,200
33329	Moora Netball Courts Upgrade	300,000	175,000	0	(175,000)
33330	Miling Park	100,000	58,331	0	(58,331)
33331	Moora Nature Playground	50,000	29,162	0	(29,162)
34681	Caravan Park Infrastructure	40,000	23,331	0	(23,331)
MF000	Footpath Construction - Various	100,000	58,331	0	(58,331)
SEW01	Cswp - Pipeline	180,000	105,000	125,951	20,951
SEW02	Cswp - Big Dam	143,000	83,412	0	(83,412)
SEW03	Cswp - Gas 2 Salt	143,000	83,412	78,500	(4,912)
SEW04	Cswp - Rock Dam	143,000	83,412	31,986	(51,426)
SEW05	Cswp - Recycled Retic	100,000	58,331	54,138	(4,193)
PUM07	Pump Station 7 - Replace cast iron frames	80,000	0	0	0
PUM08	Pump Station 8 - Replace cast iron frames	0	0	0	0
		16,811,450	9,759,764	8,876,280	(909,554)

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

FINANCING ACTIVITIES

NOTE 8

BORROWINGS

Repayments - borrowings

Information on borrowings		New Loans		Principal Repayments		Principal Outstanding		Interest Repayments		
Particulars	Loan No.	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	
		\$	\$	\$	\$	\$	\$	\$	\$	
Education and welfare										
Hydrotherapy Pool (327)	405,032	0	0	(14,513)	(29,276)	390,519	375,756	(2,853)	(13,645)	
Housing										
92 Roberts Street	86,245	0	0	(10,301)	(20,733)	75,944	65,512	(769)	(2,108)	
Housing Revitalisation			1,000,000	0	0	0	1,000,000	0	0	
Economic services										
Industrial Lots - Roberts Street	325	176,801		(21,114)	(42,503)	155,687	134,298	(1,576)	(4,322)	
		668,078	0	1,000,000	(45,928)	(92,512)	622,150	1,575,566	(5,198)	(20,075)
Self supporting loans										
Recreation and culture										
Moora Bowling Club SSL (324)		35,000	0	0	(4,210)	(8,488)	30,790	26,512	(165)	0
		35,000	0	0	(4,210)	(8,488)	30,790	26,512	(165)	0
Total		703,078	0	1,000,000	(50,138)	(101,000)	652,940	1,602,078	(5,363)	(20,075)
Current borrowings		101,000				147,862				
Non-current borrowings		602,078				505,078				
		703,078				652,940				

All debenture repayments were financed by general purpose revenue.

Self supporting loans are financed by repayments from third parties.

The Shire has no unspent debenture funds as at 30th June 2022, nor is it expected to have unspent funds as at 30th June 2023.

KEY INFORMATION

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Non-current borrowings fair values are based on discounted cash flows using a current borrowing rate.

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

OPERATING ACTIVITIES
NOTE 9
RESERVE ACCOUNTS

Reserve accounts

Reserve name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by Council									
Leave reserve	183,768	446	4,121	125,000		(200,000)		109,214	187,889
Plant Reserve	147,134	360	2,015	0		(100,000)		47,494	149,149
Administration Building Reserve	655,325	1,604	9,110	0		(150,000)		506,929	664,435
Community Facilities Reserve	129,552	317	1,792	0		0		129,869	131,344
Waste Management Reserve	140,706	344	1,950	0		0		141,050	142,656
Bridge Reserve	75,388	185	1,045	0		0		75,573	76,433
Community Bus Reserve	7,390	18	102	0		0		7,408	7,492
Sewerage Reserve	1,026,565	2,512	14,225	0		(300,000)		729,077	1,040,790
Economic Development Reserve	143,473	351	1,988	0		0		143,824	145,461
Emergency Relief Reserve	10,980	27	152	0		0		11,007	11,132
Infrastructure Renewal Reserve	1,520,323	8,836	13,238	0		(1,325,000)		204,159	1,533,561
	4,040,604	15,000	49,738	125,000	0	(2,075,000)	0	2,105,604	4,090,342

	Note	Opening Balance 1 July 2022	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 31 January 2023
		\$		\$	\$	\$
Other current liabilities						
Other liabilities						
- Contract liabilities		222,820	0		(10)	222,810
- Capital grant/contribution liabilities		2,097,386	0	0	0	2,097,386
Total other liabilities		2,320,206	0	0	(10)	2,320,196
Employee Related Provisions						
Annual leave		478,796	0			478,796
Long service leave		373,914	0	0		373,914
Total Employee Related Provisions		852,710	0	0	0	852,710
Total other current assets		3,172,916	0	0	(10)	3,172,906
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 JANUARY 2023

NOTE 11
OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Unspent operating grant, subsidies and contributions liability					Operating grants, subsidies and contributions revenue		
	Liability	Increase in	Decrease in	Liability	Current Liability	Adopted	YTD	YTD Revenue
	1 July 2022	Liability	Liability	31 Jan 2023	31 Jan 2023	Budget	Budget	Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Operating grants and subsidies								
Governance								
Grants Commission - General Purpose Grant	0			0		590,464	344,435	0
Grants Commissions - Road	0			0		477,388	278,474	241,752
Law, order, public safety								
DFES - ESL Grant - Fire Brigades	0			0		73,570	42,910	50,117
DFES - ESL Grant - SES	0			0		14,998	8,743	5,370
DFES - Bushfire Risk Planning Coordinator	0			0		176,083	102,711	149,719
Education and welfare								
Child Care Grants - DEEWR	0			0	0	0	0	7,175
Child Care Grants	0			0	0	0	0	364
Recreation and culture								
Community Contributions	0			0		1,500	875	0
Event Sponsorship	0			0		3,500	2,037	0
Small Community Grants	0			0		1,500	875	0
Transport								
Main Roads Direct Grant	0			0		200,000	116,662	209,513
Main Roads Street Lighting	0			0		6,000	3,500	0
Other property and services								
Employment Incentive Subsidies	0			0		0	0	6,861
	0	0	0	0	0	1,545,003	901,222	670,871
Operating contributions								
Law, order, public safety								
DFES - ESL Administration Fee	0			0		4,000	2,331	4,000
Health								
Podiatry Service Subsidy				0		250	140	0
Recreation and culture								
DrumMuster	0			0		2,000	1,162	0
Transport								
Crossovers	0			0		500	287	0
	0	0	0	0	0	6,750	3,920	4,000
TOTALS	0	0	0	0	0	1,551,753	905,142	674,871

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

NOTE 12
NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

	Capital grant/contribution liabilities					Non operating grants, subsidies and contributions revenue		
	Liability	Increase in	Decrease in	Liability	Current Liability	Adopted	YTD	YTD Revenue
	1 July 2022	Liability	Liability	31 Jan 2023	31 Jan 2023	Budget Revenue	Budget	Actual
	\$	\$	(As revenue)	\$	\$	\$	\$	\$
Non-operating grants and subsidies								
Governance								
201,501	201,501			201,501				0
General purpose funding								
Local Roads & Community Infrastructure				0		507,857	296,247	0
Education and welfare								
Child Care Grant				0		2,016,202	1,176,105	0
Community amenities								
Sewerage Grant				0		470,000	274,155	220,326
Recreation and culture								
Sports and Recreation Facility Grant				0		100,000	58,331	0
Swimming Pool Grant				0		507,857	296,240	0
Transport								
Main Roads - Regional Road Group Grants				0		701,075	408,954	904,430
Roads to Recovery - Various Roads				0		471,040	274,771	0
Dept Communities & Infrastructure - Airstrip				0		705,488	411,530	0
Main Roads - Wheatbelt Secondary Freight Network				0		3,251,010	1,896,405	2,754,424
Economic services								
Tourism Grant Funding				0		100,000	58,331	0
	201,501	0	0	201,501	0	8,830,529	5,151,069	3,879,180
Non-operating contributions								
Recreation and culture								
Community Contribution - Mens Shed				0		2,800	1,624	0
Community Contribution - Sports and Recreation Facilities				0		100,000	58,324	0
Transport								
Road Construction Contributions				0		651,000	379,743	6,219,776
	0	0	0	0	0	753,800	439,691	6,219,776
TOTALS	201,501	0	0	201,501	0	9,584,329	5,590,760	10,098,956

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

**NOTE 13
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
	\$	%				
Opening funding surplus / (deficit)	(311,295)	(9.23%)	▼	Timing In Applications		
Revenue from operating activities						
Rates	1,917,944	71.65%	▲	Annual Rate Raised and pro rata over 12 months		
Operating grants, subsidies and contributions	(230,271)	(25.44%)	▼	Project Schedule		
Fees and charges	663,404	38.43%	▲	Annual Rate Raised and pro rata over 12 months		
Interest earnings	68,927	195.41%	▲	Surplus Held In Trust		
Other revenue	55,991	81.15%	▲	Increase In Visitors		
Profit on disposal of assets	(8,750)	(100.00%)	▼			
Expenditure from operating activities						
Employee costs	(522,504)	(22.53%)	▼	Timing of Pay Periods		
Materials and contracts	361,348	17.64%	▲	Cost of Materials Increase		
Depreciation on non-current assets	2,685,074	100.00%	▲			
Interest expenses	6,997	57.22%	▲			
Insurance expenses	(92,106)	(71.92%)	▼	Schedule of Payment Quarterly		
Other expenditure	15,606	7.10%	▲	Staff Training		
Loss on disposal of assets	20,412	100.00%	▲	Replacement of plant		
Non-cash amounts excluded from operating activities	(2,692,615)	(99.85%)	▼	Depreciation Posted after Annual Financial Report		
Investing activities						
Proceeds from non-operating grants, subsidies and contributions	4,508,196	80.64%	▲	Koojan West Road		
Proceeds from disposal of assets	(292,091)	(87.19%)	▼	Asset Register is being reconciled and updated with the current building valuations for the Annual Financial Report		
Payments for property, plant and equipment and infrastructure	883,484	9.05%	▲	Increase In Cost of Material		
Financing activities						
Proceeds from new debentures	(1,000,000)	(100.00%)	▼	Application Schedule		
Transfer from reserves	(2,075,000)	(100.00%)	▼	Project Schedule		
Repayment of debentures	(50,138)	0.00%	▼	Schedule of Payments		
Transfer to reserves	90,262	64.47%	▲	Interest Transfers to Reserves		
Closing funding surplus / (deficit)	4,011,552	(137.60%)	▲	Schedule of Operations/Projects		