

# SHIRE OF KENT

## MONTHLY FINANCIAL REPORT

(Containing the required statement of financial activity and statement of financial position)

For the period ended 31 March 2024

*LOCAL GOVERNMENT ACT 1995*

*LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996*

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**SHIRE OF KENT**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 31 MARCH 2024**

	Supplemental Information	Adopted Budget Estimates (a)	YTD Budget Estimates (b)	YTD Actual (c)	Variance* \$ (c) - (b)	Variance* % ((c) - (b))/(b)	Var.
For the period ended 31 March 2024		\$	\$	\$	\$	%	
<b>OPERATING ACTIVITIES</b>							
<b>Revenue from operating activities</b>							
General rates	10	2,567,065	2,542,900	<b>2,549,663</b>	6,763	0.27%	
Grants, subsidies and contributions	13	406,800	357,582	<b>323,110</b>	(34,472)	(9.64%)	▼
Fees and charges		860,978	677,452	<b>589,305</b>	(88,147)	(13.01%)	▼
Interest revenue		294,022	163,127	<b>200,195</b>	37,068	22.72%	▲
Other revenue		69,900	52,389	<b>51,396</b>	(993)	(1.90%)	
Profit on asset disposals	6	27,000	20,250	<b>82,273</b>	62,023	306.29%	▲
		<b>4,225,765</b>	<b>3,813,700</b>	<b>3,795,942</b>	(17,758)	(0.47%)	
<b>Expenditure from operating activities</b>							
Employee costs		(2,499,761)	(1,874,457)	<b>(1,783,759)</b>	90,698	4.84%	▲
Materials and contracts		(1,485,249)	(1,111,905)	<b>(696,896)</b>	415,009	37.32%	▲
Utility charges		(211,758)	(158,490)	<b>(126,664)</b>	31,826	20.08%	▲
Depreciation		(2,626,500)	(1,969,803)	<b>(762,473)</b>	1,207,330	61.29%	▲
Finance costs		(16,085)	(9,874)	<b>(9,874)</b>	0	0.00%	
Insurance		(186,673)	(186,673)	<b>(185,687)</b>	986	0.53%	
Other expenditure		(417,961)	(313,146)	<b>(266,956)</b>	46,190	14.75%	▲
Loss on asset disposals	6	(80,000)	(59,994)	<b>0</b>	59,994	100.00%	▲
		<b>(7,523,987)</b>	<b>(5,684,342)</b>	<b>(3,832,309)</b>	1,852,033	32.58%	
Non-cash amounts excluded from operating activities	Note 2(l)	2,666,180	2,009,547	<b>680,200</b>	(1,329,347)	(66.15%)	▼
<b>Amount attributable to operating activities</b>		<b>(632,042)</b>	<b>138,905</b>	<b>643,833</b>	504,928	363.51%	
<b>INVESTING ACTIVITIES</b>							
<b>Inflows from investing activities</b>							
Proceeds from capital grants, subsidies and contributions	14	2,093,001	884,837	<b>416,000</b>	(468,837)	(52.99%)	▼
Proceeds from disposal of assets	6	239,000	74,000	<b>82,273</b>	8,273	11.18%	▲
		<b>2,332,001</b>	<b>958,837</b>	<b>498,273</b>	(460,564)	(48.03%)	
<b>Outflows from investing activities</b>							
Payments for property, plant and equipment	5	(2,575,000)	(1,047,753)	<b>(937,169)</b>	110,584	10.55%	▲
Payments for construction of infrastructure	5	(3,668,395)	(2,173,923)	<b>(816,496)</b>	1,357,427	62.44%	▲
		<b>(6,243,395)</b>	<b>(3,221,676)</b>	<b>(1,753,665)</b>	1,468,011	45.57%	
<b>Amount attributable to investing activities</b>		<b>(3,911,394)</b>	<b>(2,262,839)</b>	<b>(1,255,392)</b>	1,007,447	44.52%	
<b>FINANCING ACTIVITIES</b>							
<b>Inflows from financing activities</b>							
Proceeds from new debentures	11	500,000	0	<b>0</b>	0	0.00%	
Transfer from reserves	4	940,000	0	<b>0</b>	0	0.00%	
		<b>1,440,000</b>	<b>0</b>	<b>0</b>	0	0.00%	
<b>Outflows from financing activities</b>							
Repayment of borrowings	11	(138,453)	(103,217)	<b>(103,039)</b>	178	0.17%	
Transfer to reserves	4	(371,522)	(114,761)	<b>(116,107)</b>	(1,346)	(1.17%)	
		<b>(509,975)</b>	<b>(217,978)</b>	<b>(219,146)</b>	(1,168)	(0.54%)	
<b>Amount attributable to financing activities</b>		<b>930,025</b>	<b>(217,978)</b>	<b>(219,146)</b>	(1,168)	(0.54%)	
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>							
<b>Surplus or deficit at the start of the financial year</b>		3,613,411	3,613,411	<b>3,769,528</b>	156,117	4.32%	▲
Amount attributable to operating activities		(632,042)	138,905	<b>643,833</b>	504,928	363.51%	▲
Amount attributable to investing activities		(3,911,394)	(2,262,839)	<b>(1,255,392)</b>	1,007,447	44.52%	▲
Amount attributable to financing activities		930,025	(217,978)	<b>(219,146)</b>	(1,168)	(0.54%)	
<b>Surplus or deficit after imposition of general rates</b>		<b>0</b>	<b>1,271,499</b>	<b>2,938,823</b>	1,667,324	131.13%	▲

**KEY INFORMATION**

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

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

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

**SHIRE OF KENT**  
**STATEMENT OF FINANCIAL POSITION**  
**FOR THE PERIOD ENDED 31 MARCH 2024**

	Supplementary Information	30 June 2023	31 March 2024
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	3,240,318	2,581,264
Trade and other receivables		147,398	74,517
Other financial assets		4,530,196	4,646,302
Inventories	8	70,389	101,250
Contract assets	8	650,904	439,822
<b>TOTAL CURRENT ASSETS</b>		<b>8,639,205</b>	<b>7,843,155</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables		8,517	8,517
Other financial assets		85,265	84,490
Property, plant and equipment		13,516,165	13,832,294
Infrastructure		123,143,900	123,818,963
<b>TOTAL NON-CURRENT ASSETS</b>		<b>136,755,152</b>	<b>137,745,569</b>
<b>TOTAL ASSETS</b>		<b>145,394,357</b>	<b>145,588,724</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	156,324	74,872
Other liabilities	12	100,166	100,166
Borrowings	11	138,453	35,415
Employee related provisions	12	190,542	190,542
<b>TOTAL CURRENT LIABILITIES</b>		<b>585,485</b>	<b>400,995</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	11	576,453	576,453
Employee related provisions		48,646	48,646
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>625,099</b>	<b>625,099</b>
<b>TOTAL LIABILITIES</b>		<b>1,210,584</b>	<b>1,026,094</b>
<b>NET ASSETS</b>		<b>144,183,779</b>	<b>144,562,630</b>
<b>EQUITY</b>			
Retained surplus		38,750,433	39,013,441
Reserve accounts	4	4,530,195	4,646,303
Revaluation surplus		100,903,145	100,903,145
<b>TOTAL EQUITY</b>		<b>144,183,773</b>	<b>144,562,630</b>

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

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

### 1 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

#### BASIS OF PREPARATION

This prescribed financial report has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

##### **Local Government Act 1995 requirements**

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996*, prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

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

*Local Government (Financial Management) Regulations 1996*, regulation 34 prescribes contents of the financial report. Supporting information does not form part of the financial report.

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

#### THE LOCAL GOVERNMENT REPORTING ENTITY

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 15 to these financial statements.

#### Judgements and estimates

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

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

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

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

#### SIGNIFICANT ACCOUNTING POLICIES

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

#### PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 09 February 2024

**SHIRE OF KENT**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 31 MARCH 2024**

**2 STATEMENT OF FINANCIAL ACTIVITY INFORMATION**

		Adopted Budget Opening	Last Year Closing	Year to Date 31 March 2024
	Supplemental Information	30 June 2023	30 June 2023	31 March 2024
<b>(a) Net current assets used in the Statement of Financial Activity</b>				
<b>Current assets</b>				
Cash and cash equivalents	3	\$ 3,240,312	\$ 3,240,318	\$ 2,581,264
Trade and other receivables		154,482	147,398	74,517
Other financial assets		4,530,195	4,530,196	4,646,302
Inventories	8	70,389	70,389	101,250
Contract assets	8	36,682	650,904	439,822
		8,032,060	8,639,205	7,843,155
<b>Less: current liabilities</b>				
Trade and other payables	9	(156,319)	(156,324)	(74,872)
Other liabilities	12	(506,054)	(100,166)	(100,166)
Lease liabilities		(1,293)	0	0
Borrowings	11	(138,453)	(138,453)	(35,415)
Employee related provisions	12	(190,542)	(190,542)	(190,542)
		(992,661)	(585,485)	(400,995)
<b>Net current assets</b>		<b>7,039,399</b>	<b>8,053,720</b>	<b>7,442,160</b>
<b>Less: Total adjustments to net current assets</b>	Note 2(c)	(4,282,899)	(4,284,192)	(4,503,337)
<b>Closing funding surplus / (deficit)</b>		<b>2,756,500</b>	<b>3,769,528</b>	<b>2,938,823</b>

**(b) Non-cash amounts excluded from operating activities**

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

		Adopted Budget	YTD Budget (a)	YTD Actual (b)
		\$	\$	\$
<b>Non-cash amounts excluded from operating activities</b>				
<b>Adjustments to operating activities</b>				
Less: Profit on asset disposals	6	(27,000)	(20,250)	(82,273)
Less: Movement in liabilities associated with restricted cash		(8,000)	0	0
Add: Loss on asset disposals	6	80,000	59,994	0
Add: Depreciation		2,626,500	1,969,803	762,473
Movement in current employee provisions associated with restricted cash		(12,320)	0	0
Non-cash movements in non-current assets and liabilities:				
- Pensioner deferred rates		4,000	0	0
- Employee provisions		3,000	0	0
<b>Total non-cash amounts excluded from operating activities</b>		<b>2,666,180</b>	<b>2,009,547</b>	<b>680,200</b>

**(c) Current assets and liabilities excluded from budgeted deficiency**

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

		Adopted Budget Opening	Last Year Closing	Year to Date 31 March 2024
		30 June 2023	30 June 2023	31 March 2024
		\$	\$	\$
<b>Adjustments to net current assets</b>				
Less: Reserve accounts	4	(4,530,195)	(4,530,195)	(4,646,302)
Add: Current liabilities not expected to be cleared at the end of the year:				
- Current portion of borrowings	11	138,453	138,453	35,415
- Current portion of lease liabilities		1,293	0	0
- Current portion of employee benefit provisions held in reserve	4	107,550	107,550	107,550
<b>Total adjustments to net current assets</b>	Note 2(a)	<b>(4,282,899)</b>	<b>(4,284,192)</b>	<b>(4,503,337)</b>

**CURRENT AND NON-CURRENT CLASSIFICATION**

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

**SHIRE OF KENT**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 31 MARCH 2024**

**3 EXPLANATION OF MATERIAL VARIANCES**

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

The material variance adopted by Council for the 2023-24 year is \$10,000 or 5.00% whichever is the greater.

Description	Var. \$	Var. %	
	\$	%	
<b>Revenue from operating activities</b>			
<b>Fees and charges</b>	<b>(88,147)</b>	<b>(13.01%)</b>	▼
Reduced standpipe income to date		Timing	
Reduced DoT income to date		Timing	
Minimal private works to date		Timing	
<b>Interest revenue</b>	<b>37,068</b>	<b>22.72%</b>	▲
Interest rate increased		Timing	
<b>Profit on asset disposals</b>	<b>62,023</b>	<b>306.29%</b>	▲
Nil disposal of assets		Timing	
<b>Expenditure from operating activities</b>			
<b>Employee costs</b>	<b>90,698</b>	<b>4.84%</b>	▲
Wages		Timing	
<b>Materials and contracts</b>	<b>415,009</b>	<b>37.32%</b>	▲
Plant depreciation to be allocated/timing		Timing	
<b>Utility charges</b>	<b>31,826</b>	<b>20.08%</b>	▲
Timing of water & electricity accounts; Reduced standpipe expenditure to date		Timing	
Timing of water and electricity accounts			
<b>Depreciation</b>	<b>1,207,330</b>	<b>61.29%</b>	▲
Depreciation to be allocated		Timing	
<b>Other expenditure</b>	<b>46,190</b>	<b>14.75%</b>	▲
ESL Timing		Timing	
<b>Loss on asset disposals</b>	<b>59,994</b>	<b>100.00%</b>	▲
Minimal disposal of assets		Timing	
<b>Non-cash amounts excluded from operating activities</b>	<b>(1,329,347)</b>	<b>(66.15%)</b>	▼
Depreciation to be allocated/timing		Timing	
<b>Inflows from investing activities</b>			
<b>Proceeds from capital grants, subsidies and contributions</b>	<b>(468,837)</b>	<b>(52.99%)</b>	▼
Minimal capital grant received to date		Timing	
<b>Proceeds from disposal of assets</b>	<b>8,273</b>	<b>11.18%</b>	▲
Minimal disposal of assets to date			
<b>Payments for property, plant and equipment</b>	<b>110,584</b>	<b>10.55%</b>	▲
Minimal plant purchases to date		Timing	
<b>Payments for construction of infrastructure</b>	<b>1,357,427</b>	<b>62.44%</b>	▲
Minimal spend on road construction to date		Timing	
<b>Surplus or deficit at the start of the financial year</b>	<b>156,117</b>	<b>4.32%</b>	▲
Year end 30 June 2023 not yet finalised		Timing	
<b>Surplus or deficit after imposition of general rates</b>	<b>1,667,324</b>	<b>131.13%</b>	▲
Due to variances described above			

# SHIRE OF KENT

## SUPPLEMENTARY INFORMATION

### For the period ended 31 March 2024

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SHIRE OF KENT  
SUPPLEMENTARY INFORMATION  
FOR THE PERIOD ENDED 31 MARCH 2024

1 KEY INFORMATION

Funding Surplus or Deficit Components

For the period ended 31 December 2023

Funding surplus / (deficit)

	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$3.61 M	\$3.61 M	\$3.77 M	\$0.16 M
Closing	\$0.00 M	\$1.27 M	\$2.94 M	\$1.67 M

Refer to Statement of Financial Activity

Cash and cash equivalents

	\$7.23 M	% of total
Unrestricted Cash	\$2.58 M	35.7%
Restricted Cash	\$4.65 M	64.3%

Refer to 3 - Cash and Financial Assets

Payables

	\$0.07 M	% Outstanding
Trade Payables	\$0.03 M	
0 to 30 Days		98.1%
Over 30 Days		1.8%
Over 90 Days		(2.1%)

Refer to 9 - Payables

Receivables

	\$0.05 M	% Collected
Rates Receivable	\$0.06 M	97.7%
Trade Receivable	\$0.05 M	% Outstanding
Over 30 Days		98.0%
Over 90 Days		87.9%

Refer to 7 - Receivables

Key Operating Activities

Amount attributable to operating activities

Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.63 M)	\$0.14 M	\$0.64 M	\$0.50 M

Refer to Statement of Financial Activity

Rates Revenue

YTD Actual	\$2.55 M	% Variance
YTD Budget	\$2.54 M	0.3%

Refer to 10 - Rate Revenue

Grants and Contributions

YTD Actual	\$0.31 M	% Variance
YTD Budget	\$0.36 M	(14.6%)

Refer to 13 - Grants and Contributions

Fees and Charges

YTD Actual	\$0.59 M	% Variance
YTD Budget	\$0.68 M	(13.0%)

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)
(\$3.91 M)	(\$2.26 M)	(\$1.26 M)	\$1.01 M

Refer to Statement of Financial Activity

Proceeds on sale

YTD Actual	\$0.08 M	%
Adopted Budget	\$0.24 M	(65.6%)

Refer to 6 - Disposal of Assets

Asset Acquisition

YTD Actual	\$0.82 M	% Spent
Adopted Budget	\$3.67 M	(77.7%)

Refer to 5 - Capital Acquisitions

Capital Grants

YTD Actual	\$0.42 M	% Received
Adopted Budget	\$2.09 M	(80.1%)

Refer to 5 - Capital Acquisitions

Key Financing Activities

Amount attributable to financing activities

Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$0.93 M	(\$0.22 M)	(\$0.22 M)	(\$0.00 M)

Refer to Statement of Financial Activity

Borrowings

Principal repayments	(\$0.10 M)
Interest expense	(\$0.01 M)
Principal due	\$0.61 M

Refer to 11 - Borrowings

Reserves

Reserves balance	\$4.65 M
Interest earned	\$0.12 M

Refer to 4 - Cash Reserves

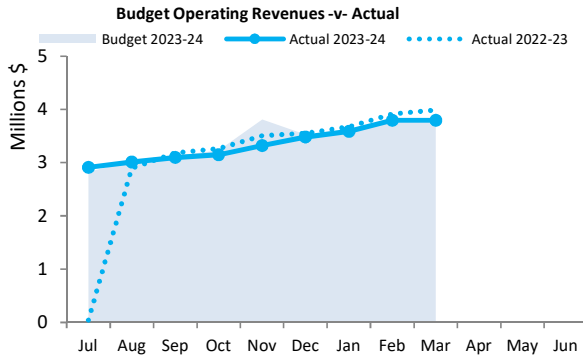
This information is to be read in conjunction with the accompanying Financial Statements and notes.



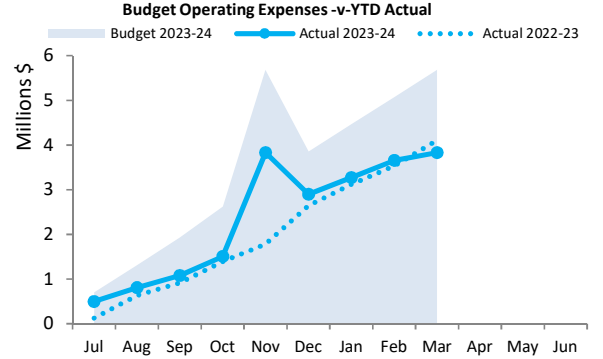
2 KEY INFORMATION - GRAPHICAL

OPERATING ACTIVITIES

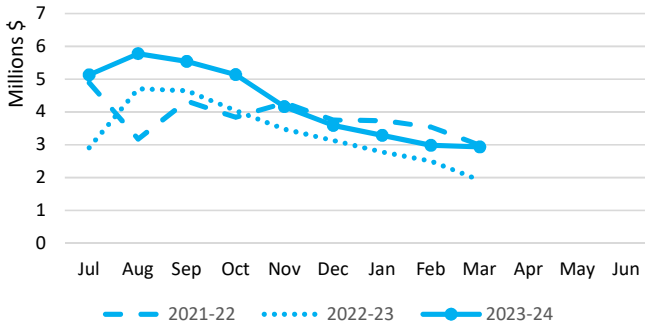
OPERATING REVENUE



OPERATING EXPENSES

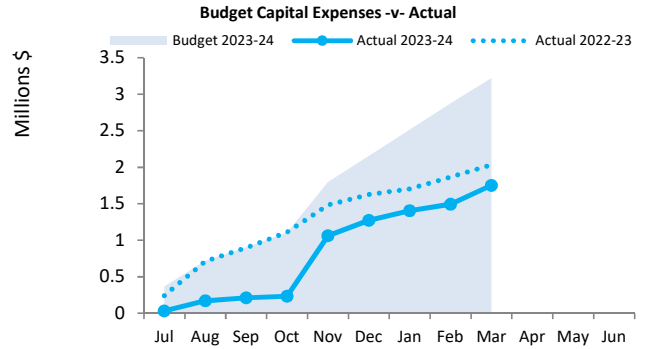


Closing funding surplus / (deficit)



INVESTING ACTIVITIES

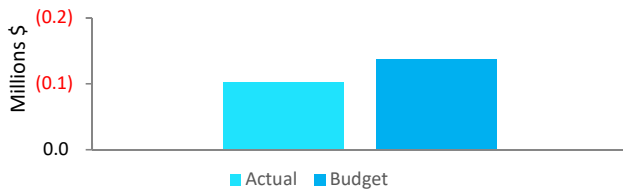
CAPITAL EXPENSES



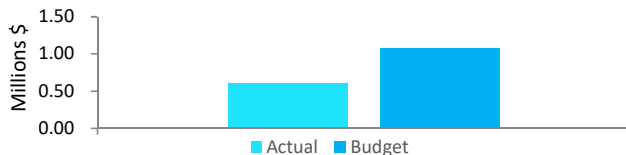
FINANCING ACTIVITIES

BORROWINGS

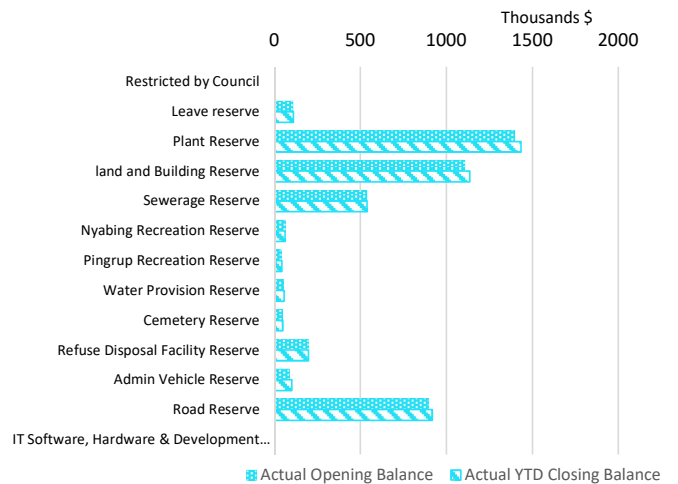
Principal Repayments



Principal Outstanding



RESERVES



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

**SHIRE OF KENT  
SUPPLEMENTARY INFORMATION  
FOR THE PERIOD ENDED 31 MARCH 2024**

**3 CASH AND FINANCIAL ASSETS**

Description	Classification	Unrestricted \$	Restricted \$	Total Cash \$	Trust \$	Institution	Interest Rate	Maturity Date
<b>Cash on hand</b>								
Municipal Account	Cash and cash equivalents	1,746,491		1,746,491	0	CBA	3.50%	N/A
Business Online Saver	Cash and cash equivalents	834,773		834,773	0	CBA	4.35%	N/A
Term Deposit	Financial assets at amortised cost	0	4,646,302	4,646,302	0	CBA	5.14%	28/06/2024
Trust	Cash and cash equivalents	0		0	3,576	CBA	2.75%	N/A
<b>Total</b>		<b>2,581,264</b>	<b>4,646,302</b>	<b>7,227,566</b>	<b>3,576</b>			
<b>Comprising</b>								
Cash and cash equivalents		2,581,264	0	2,581,264	3,576			
Financial assets at amortised cost		0	4,646,302	4,646,302	0			
		<b>2,581,264</b>	<b>4,646,302</b>	<b>7,227,566</b>	<b>3,576</b>			

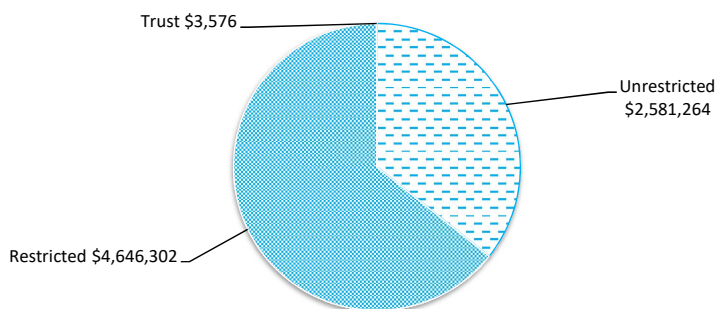
**KEY INFORMATION**

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

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

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

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



**SHIRE OF KENT  
SUPPLEMENTARY INFORMATION  
FOR THE PERIOD ENDED 31 MARCH 2024**

**4 RESERVE ACCOUNTS**

Reserve name	Budget	Budget	Budget	Budget	Budget	Actual	Actual	Actual	Actual	Actual YTD
	Opening Balance	Interest Earned	Transfers In (+)	Transfers Out (-)	Closing Balance	Opening Balance	Interest Earned	Transfers In (+)	Transfers Out (-)	Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restricted by Council</b>										
Leave reserve	107,550	5,378	30,000	0	142,928	107,550	2,756	0	0	110,306
Plant Reserve	1,396,866	69,846	50,000	(395,000)	1,121,712	1,396,866	35,801	0	0	1,432,667
land and Building Reserve	1,107,532	55,380	0	(500,000)	662,912	1,107,532	28,386	0	0	1,135,918
Sewerage Reserve	537,694	26,886	0	0	564,580	537,694	1,584	0	0	539,278
Nyabing Recreation Reserve	61,803	3,090	6,000	0	70,893	61,803	989	0	0	62,792
Pingrup Recreation Reserve	38,569	1,929	6,000	0	46,498	38,569	5,060	0	0	43,629
Water Provision Reserve	53,857	2,693	0	0	56,550	53,857	2,222	0	0	56,079
Cemetery Reserve	47,231	2,362	0	0	49,593	47,231	1,211	0	0	48,442
Refuse Disposal Facility Reserve	197,412	9,871	0	0	207,283	197,412	1,380	0	0	198,792
Admin Vehicle Reserve	86,705	4,336	0	(45,000)	46,041	86,705	13,781	0	0	100,486
Road Reserve	894,976	44,752	0	0	939,728	894,976	22,938	0	0	917,914
IT Software, Hardware & Development Reserve	0	3,000	50,000	0	53,000	0	0	0	0	0
	<b>4,530,195</b>	<b>229,523</b>	<b>142,000</b>	<b>(940,000)</b>	<b>3,961,718</b>	<b>4,530,195</b>	<b>116,107</b>	<b>0</b>	<b>0</b>	<b>4,646,302</b>

## 5 CAPITAL ACQUISITIONS

Capital acquisitions	Adopted		YTD Actual	YTD Actual Variance
	Budget	YTD Budget		
	\$	\$	\$	\$
Land - freehold land	0	7,497	7,400	(97)
Buildings - non-specialised	1,178,000	63,747	42,338	(21,409)
Buildings - specialised	196,000	75,753	69,863	(5,890)
Furniture and equipment	50,000	37,503	0	(37,503)
Plant and equipment	1,151,000	863,253	817,568	(45,685)
<b>Acquisition of property, plant and equipment</b>	<b>2,575,000</b>	<b>1,047,753</b>	<b>937,169</b>	<b>(110,584)</b>
Infrastructure - roads	3,172,795	1,765,197	672,142	(1,093,055)
Infrastructure - other	495,600	408,726	144,354	(264,372)
<b>Acquisition of infrastructure</b>	<b>3,668,395</b>	<b>2,173,923</b>	<b>816,496</b>	<b>(1,578,595)</b>
<b>Total capital acquisitions</b>	<b>6,243,395</b>	<b>3,221,676</b>	<b>1,753,665</b>	<b>(1,689,179)</b>
<b>Capital Acquisitions Funded By:</b>				
Capital grants and contributions	2,093,001	884,837	416,000	(468,837)
Borrowings	500,000	0	0	0
Other (disposals & C/Fwd)	239,000	74,000	82,273	8,273
Reserve accounts				
Plant Reserve	395,000	0	0	0
land and Building Reserve	500,000	0	0	0
Admin Vehicle Reserve	45,000	0	0	0
Contribution - operations	2,471,394	2,262,839	1,255,392	(1,007,447)
<b>Capital funding total</b>	<b>6,243,395</b>	<b>3,221,676</b>	<b>1,753,665</b>	<b>(1,468,011)</b>

### SIGNIFICANT ACCOUNTING POLICIES

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

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

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

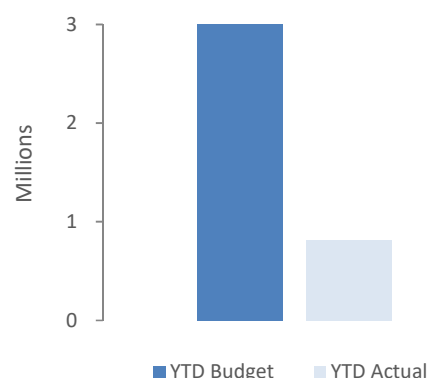
#### Initial recognition and measurement for assets held at cost

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

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

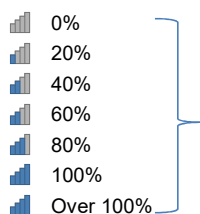
In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The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

Payments for Capital Acquisitions



5 CAPITAL ACQUISITIONS - DETAILED

Level of completion indicators



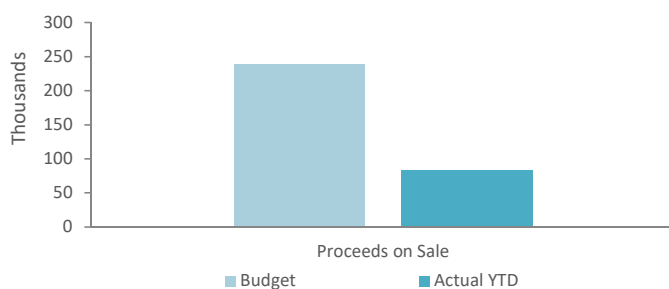
Percentage Year to Date Actual to Annual Budget expenditure where the expenditure over budget highlighted in red.

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

	Account Description	Adopted			Variance (Under)/Over
		Budget	YTD Budget	YTD Actual	
		\$	\$	\$	\$
	13990 Urban Regeneration	10,000	7,497	7,400	97
	04983 Capital Admin Building Upgrades	85,000	63,747	41,136	22611.06
	09987 CAPITAL HOUSING UPGRADES	178,000	133,497	9,059	124438.43
	11975 Capital Pingrup Hall BuildingUpgrades	30,000	22,500	20,126	2373.95
	11976 Pingrup Potters - Ceiling Replacement	18,000	13,500	0	13500
	11983 Pingrup Pavilion - Capital Upgrades	53,000	39,753	40,678	-924.9
	04984 Server and Comms Upgrades	50,000	37,503	0	37503
	10991 Capital Upgrades - Pingrup Cemetery	35,000	26,253	14,425	11827.7
	11974 Capital Upgrades - Pingrup Race Club	10,000	7,497	0	7497
	11984 Nyabing Pavilion Playground - Infrastructure Projects	30,000	22,500	0	22500
	11990 Memorial Park Upgrade	7,800	5,850	6,800	-950
	11991 Burston Park Upgrade - Pingrup	7,800	5,850	7,300	-1450
	12810 Nyabing - Footpath Upgrade	28,000	20,997	0	20997
	13977 Replacement Water Tank - Chesterpass Standpipe	20,000	15,003	0	15003
	13978 Capital Townscape Projects	88,000	65,997	8,110	57887
	13981 Pingrup Silo Walk Trail	36,000	43,029	64,355	-21326.04
	13988 Upgrade Pingrup Caravan Park	11,000	8,253	43,135	-34882
	13989 Upgrade Nyabing Caravan Park (Grounds)	250,000	187,497	228	187268.68
	12990 Small Plant - Other	47,000	35,253	29,538	5714.87
	12704 Remote Fuel Access System (Ny & Pg Depots)	8,000	6,003	5,465	538
	12705 Pingrup Depot Diesel Fuel Tank 20,000L	55,000	41,247	49,754	-8507.01
	12951 Purchase of Plant and Vehicles	1,041,000	780,750	732,811	47938.97
	12800 Own Source Construction	1,042,855	782,154	339,067	443087.23
	12801 Roads To Recovery	464,735	348,552	29,415	319136.71
	12802 Regional Road Group	656,000	491,994	290,830	201164.31
	12803 Black Spot	0	0	0	0
	12805 Local Road & Community Infrastructure Program	150,000	112,500	10,503	101997.36
	12811 Pingrup - footpath upgrade	40,000	29,997	2,327	27669.52
		<b>4,452,190</b>	<b>3,355,173</b>	<b>1,752,462</b>	<b>1,602,711</b>

6 DISPOSAL OF ASSETS

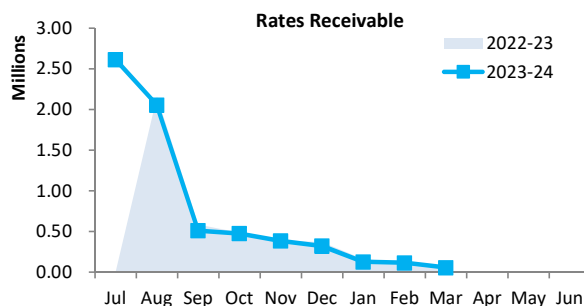
Asset Ref.	Budget				YTD Actual			
	Net Book		Profit	(Loss)	Net Book		Profit	(Loss)
	Value	Proceeds			Value	Proceeds		
	\$	\$	\$	\$	\$	\$	\$	
<b>Plant and equipment</b>								
2084 2013 Komatsu Grader - (KT027)	150,000	85,000	0	(65,000)	0	0	0	0
2295 2018 Mitsub Utility - (KT002)	12,000	22,000	10,000	0	0	20,000	20,000	0
2283 2018 Mitsub Utility - (KT014)	11,000	22,000	11,000	0	0	21,364	21,364	0
2355 2021 Ford Everest - CEO (0KT)	35,000	40,000	5,000	0	0	0	0	0
2366 2021 Mitsub Triton - MI (50KT)	45,000	30,000	0	(15,000)	0	40,909	40,909	0
2357 2021 Mazda CX-30 (40KT)	29,000	30,000	1,000	0	0	0	0	0
2234 Grillo 4WD Collector (KT4058)	5,000	5,000	0	0	0	0	0	0
2257 Grillo 4WD Collector (KT4013)	5,000	5,000	0	0	0	0	0	0
	<b>292,000</b>	<b>239,000</b>	<b>27,000</b>	<b>(80,000)</b>	<b>0</b>	<b>82,273</b>	<b>82,273</b>	<b>0</b>



7 RECEIVABLES

Rates receivable

	30 June 2023	31 Mar 2024
Opening arrears previous years	\$ 27,241	\$ 25,331
Levied this year	2,455,294	2,504,803
Less - collections to date	(2,457,204)	(2,472,954)
Gross rates collectable	<b>25,331</b>	<b>57,180</b>
<b>Net rates collectable</b>	<b>25,331</b>	<b>57,180</b>
% Collected	99.0%	97.7%



Receivables - general

	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(1,631)	2,009	1,863	0	16,206	18,447
Percentage	(8.8%)	10.9%	10.1%	0.0%	87.9%	
<b>Balance per trial balance</b>						
Trade receivables	(1,013)	1,192	2,245	6,226	13,230	21,880
Debtors - ESL	0	8,742	0	0	0	8,742
Interest accrued						202
GST receivable						18,966
Receivables for employee related provisions						9,261
Allowance for credit losses of trade receivables						(8,076)
<b>Total receivables general outstanding</b>						<b>50,975</b>

Amounts shown above include GST (where applicable)

KEY INFORMATION

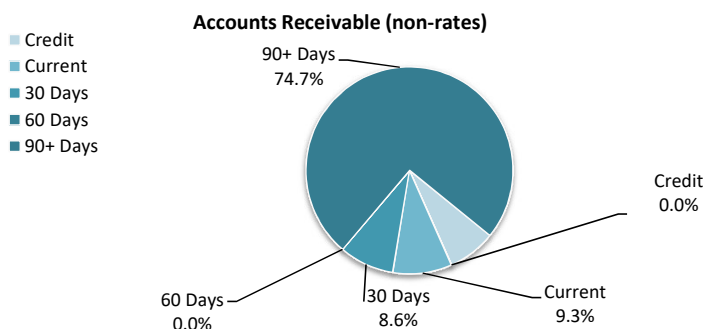
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods and services performed in the ordinary course of business.

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

Classification and subsequent measurement

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

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



8 OTHER CURRENT ASSETS

	Opening Balance 1 July 2023	Asset Increase	Asset Reduction	Closing Balance 31 March 2024
	\$	\$	\$	\$
<b>Other current assets</b>				
<b>Other financial assets at amortised cost</b>				
Financial assets at fair value through other comprehensive income	4,530,195	0	0	4,530,195
<b>Inventory</b>				
Other inventories - fuel and materials	70,389	30,861	0	101,250
<b>Contract assets</b>				
Contract assets	650,904	0	(154,800)	439,822
<b>Total other current assets</b>	<b>5,251,488</b>	<b>30,861</b>	<b>(154,800)</b>	<b>5,071,267</b>

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.

**Contract assets**

A contract asset is the right to consideration in exchange for goods or services the entity has transferred to a customer when that right is conditioned on something other than the passage of time.



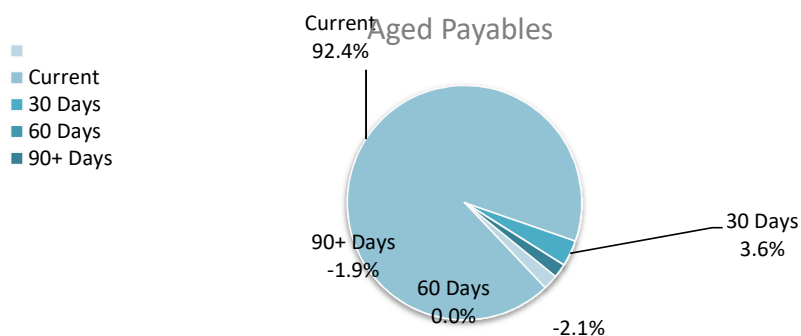
9 PAYABLES

Payables - general		Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	(1,234)	54,611	2,129	0	(1,126)	54,380
Percentage	-2.3%	100.4%	3.9%	0.0%	-2.1%	
<b>Balance per trial balance</b>						
Sundry creditors	0	26,748	3,759	0	0	28,095
Accrued salaries and wages						(2,133)
ATO liabilities						31,498
Receipts in advance						7,388
Other payables - GST						5,983
Accrued expenses						431
Accrued interest on debentures						3,610
<b>Total payables general outstanding</b>						<b>74,872</b>

Amounts shown above include GST (where applicable)

KEY INFORMATION

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



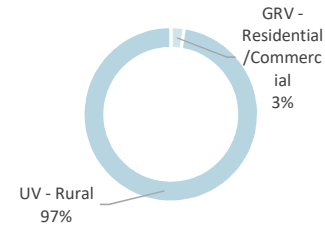
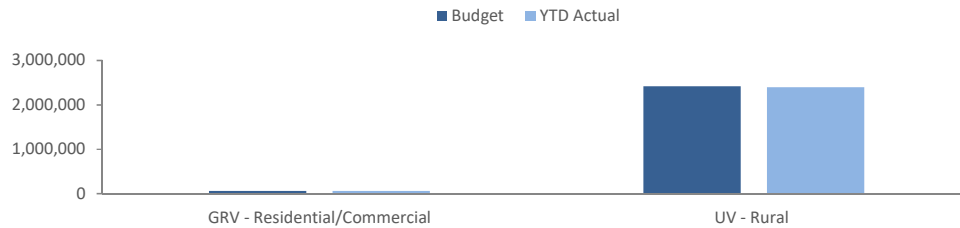
10 RATE REVENUE

General rate revenue

RATE TYPE	Rate in \$ (cents)	Number of Properties	Rateable Value	Budget			YTD Actual		
				Rate Revenue	Reassessed Rate Revenue	Total Revenue	Rate Revenue	Reassessed Rate Revenue	Total Revenue
				\$	\$	\$	\$	\$	\$
<b>Gross rental value</b>									
GRV - Residential/Commercial	0.0952	74	648,700	61,756	0	61,756	61,776		61,776
<b>Unimproved value</b>									
UV - Rural	0.0062	337	390,509,000	2,421,156	500	2,421,656	2,402,802	(475)	2,402,327
<b>Sub-Total</b>		<b>411</b>	<b>391,157,700</b>	<b>2,482,912</b>	<b>500</b>	<b>2,483,412</b>	<b>2,464,578</b>	<b>(475)</b>	<b>2,464,103</b>
<b>Minimum payment</b>			<b>Minimum Payment \$</b>						
<b>Gross rental value</b>									
GRV - Residential/Commercial	550	16	28,973	8,800	0	8,800	8,800		8,800
<b>Unimproved value</b>									
UV - Rural	550	12	729,000	6,600	0	6,600	6,600		6,600
Mining	550	46	422,799	25,300	0	25,300	25,300	0	25,300
<b>Sub-total</b>		<b>74</b>	<b>1,180,772</b>	<b>40,700</b>	<b>0</b>	<b>40,700</b>	<b>40,700</b>	<b>0</b>	<b>40,700</b>
<b>Amount from general rates</b>						<b>2,524,112</b>			<b>2,504,803</b>
Ex-gratia rates						42,953			0
<b>Total</b>						<b>2,567,065</b>			<b>2,504,803</b>

KEY INFORMATION

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Rates received in advance give rise to a financial liability. On 1 July the prepaid rates were recognised as a financial asset and a related amount was recognised as a financial liability and no income was recognised. When the taxable event occurs the financial liability is extinguished and income recognised for the prepaid rates that have not been refunded.



## 11 BORROWINGS

### Repayments - borrowings

Information on borrowings	Loan No.	1 July 2023	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
			Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Particulars		\$	\$	\$	\$	\$	\$	\$	\$	\$
Various duplexes	91	63,924	0	0	(63,924)	(63,924)	0	0	(2,014)	(3,036)
Teacher Housing	94	646,926	0	0	(35,058)	(70,472)	611,868	576,454	(6,557)	(12,777)
Nyabing Effluent	54	4,057	0	0	(4,057)	(4,057)	0	0	(271)	(271)
New Housing		0	0	500,000	0	0	0	500,000	0	0
<b>Total</b>		<b>714,907</b>	<b>0</b>	<b>500,000</b>	<b>(103,039)</b>	<b>(138,453)</b>	<b>611,869</b>	<b>1,076,454</b>	<b>(8,842)</b>	<b>(16,084)</b>
Current borrowings		138,453					35,415			
Non-current borrowings		576,454					576,453			
		<b>714,907</b>					<b>611,868</b>			

All debenture repayments were financed by general purpose revenue.

### New borrowings 2023-24

Particulars	Amount Borrowed		Institution	Loan Type	Term Years	Total Interest & Charges	Interest Rate	Amount (Used)		Balance Unspent
	Actual	Budget						Actual	Budget	
	\$	\$				\$	%	\$	\$	\$
New Housing 2023-24	0	500,000	WATC		10	0		0	0	0
	<b>0</b>	<b>500,000</b>				<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>

### KEY INFORMATION

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

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

## 12 OTHER CURRENT LIABILITIES

	Opening Balance 1 July 2023	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 31 March 2024
	\$	\$	\$	\$	\$
<b>Other current liabilities</b>					
<b>Other liabilities</b>					
Capital grant/contributions liabilities	100,166	0	0	0	100,166
<b>Total other liabilities</b>	100,166	0	0	0	100,166
<b>Employee Related Provisions</b>					
Provision for annual leave	100,900	0	0	0	100,900
Provision for long service leave	89,642	0	0	0	89,642
<b>Total Provisions</b>	190,542	0	0	0	190,542
<b>Total other current liabilities</b>	<b>290,708</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>290,708</b>

Amounts shown above include GST (where applicable)

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

### 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.

13 GRANTS, SUBSIDIES AND CONTRIBUTIONS

	Grants, subsidies and contributions revenue					YTD
	Adopted Budget Revenue	YTD Budget	Annual Budget	Budget Variations	Expected	Revenue Actual
	\$	\$	\$	\$	\$	\$
<b>Grants and subsidies</b>						
Grants - General Purpose	60,000	45,000	60,000	0	60,000	42,497
Grants - Untied Roads	60,000	45,000	60,000	0	60,000	11,470
LGGS Operational Grant	59,300	44,469	59,300	0	59,300	17,223
Other Grant Funding	0	0	0	0	0	4,995
Direct Grant	210,000	210,000	210,000	0	210,000	224,032
	<b>389,300</b>	<b>344,469</b>	<b>389,300</b>	<b>0</b>	<b>389,300</b>	<b>300,216</b>
<b>Contributions</b>						
Other Recreation & Sport	6,000	4,500	6,000	0	6,000	0
Administration General	1,500	1,125	1,500	0	1,500	2,535
Revenue - Other Housing	5,000	3,744	5,000	0	5,000	868
Protection of the Environment	0	0	0	0	0	1,105
Caravan Park Pingrup - CBH	0	0	0	0	0	700
Public Works Overhead	5,000	3,744	5,000	0	5,000	0
	<b>17,500</b>	<b>13,113</b>	<b>17,500</b>	<b>0</b>	<b>17,500</b>	<b>5,207</b>
<b>TOTALS</b>	<b>406,800</b>	<b>357,582</b>	<b>406,800</b>	<b>0</b>	<b>406,800</b>	<b>305,423</b>

14 CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Capital grant/contribution liabilities					Capital grants, subsidies and contributions revenue					
	Liability	Increase in Liability	Decrease in Liability	Liability	Current Liability	Adopted Budget	YTD	Annual	Budget	YTD Revenue	
	1 July 2023		(As revenue)	31 Mar 2024	31 Mar 2024	Revenue	Budget	Budget	Variations	Expected	Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Capital grants and subsidies</b>											
Grants - Federal	506,054	0	0	506,054	506,054	400,080	400,080	400,080	0	400,080	0
Grants R 2 R	0	0	0	0	0	464,737	309,824	464,737	0	464,737	300,000
Grants Regional Road Group	0	0	0	0	0	437,333	174,933	437,333	0	437,333	116,000
Local Road & Community Infrastructure Program	0	0	0	0	0	790,851	0	790,851	0	790,851	0
	<b>506,054</b>	<b>0</b>	<b>0</b>	<b>506,054</b>	<b>506,054</b>	<b>2,093,001</b>	<b>884,837</b>	<b>2,093,001</b>	<b>0</b>	<b>2,093,001</b>	<b>416,000</b>

**SHIRE OF KENT  
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**15 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:

<b>Description</b>	<b>Opening Balance 1 July 2023</b>	<b>Amount Received</b>	<b>Amount Paid</b>	<b>Closing Balance 31 Mar 2024</b>
	\$	\$	\$	\$
Housing bonds	160	0	0	160
Trust other	3,416	0	0	3,416
	<b>3,576</b>	<b>0</b>	<b>0</b>	<b>3,576</b>

**SHIRE OF KENT  
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**15 BUDGET AMENDMENTS**

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

Description	Council Resolution	Classification	Non Cash Adjustment \$	Increase in Available Cash \$	Decrease in Available Cash \$	Amended Budget Running Balance \$
<b>Budget adoption</b>						0
13981 - Pingrup Silo Walk Trail	OCM2324/039	Capital expenses			(21,370)	(21,370)
13990 - Nyabing Church	OCM2324/084	Capital expenses			(10,000)	(31,370)
14480- Asset Fair Value	OCM2324/102	Operating expenses			(25,000)	(56,370)
				<b>0</b>	<b>(56,370)</b>	<b>(56,370)</b>