

SHIRE OF KENT

MONTHLY FINANCIAL REPORT

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

For the period ended 31 August 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 AUGUST 2024

	Supplemental Information	Adopted Budget Estimates (a) \$	YTD Budget Estimates (b) \$	YTD Actual (c) \$	Variance* \$ (c) - (b)	Variance* % ((c) - (b))/(b)	Var.
OPERATING ACTIVITIES							
Revenue from operating activities							
General rates	10	2,612,637	2,575,434	2,606,534	31,100	1.21%	▲
Grants, subsidies and contributions	13	427,512	152,726	110,023	(42,703)	(27.96%)	▼
Fees and charges		890,693	258,251	214,464	(43,787)	(16.96%)	▼
Interest revenue		248,298	12,660	15,115	2,455	19.39%	▲
Other revenue		81,000	13,494	24,389	10,895	80.74%	▲
Profit on asset disposals	6	266,451	44,408	20,000	(24,408)	(54.96%)	▼
		4,526,591	3,056,973	2,990,525	(66,448)	(2.17%)	
Expenditure from operating activities							
Employee costs		(2,680,825)	(308,136)	(417,775)	(109,639)	(35.58%)	▼
Materials and contracts		(1,581,651)	(204,976)	(237,844)	(32,868)	(16.04%)	▼
Utility charges		(190,700)	(31,690)	(26,179)	5,511	17.39%	▲
Depreciation		(2,742,500)	(457,064)	0	457,064	100.00%	▲
Finance costs		(12,777)	0	0	0	0.00%	
Insurance		(210,379)	(34,992)	(150,297)	(115,305)	(329.52%)	▼
Other expenditure		(382,811)	(63,722)	(57,931)	5,791	9.09%	▲
Loss on asset disposals	6	(3,815)	(634)	0	634	100.00%	▲
		(7,805,458)	(1,101,214)	(890,026)	211,188	19.18%	
Non-cash amounts excluded from operating activities	note 2(i)	2,484,864	413,290	(20,000)	(433,290)	(104.84%)	▼
Amount attributable to operating activities		(794,003)	2,369,049	2,080,499	(288,550)	(12.18%)	
INVESTING ACTIVITIES							
Inflows from investing activities							
Proceeds from capital grants, subsidies and contributions	14	2,238,494	0	0	0	0.00%	
Proceeds from disposal of assets	6	673,000	20,000	20,000	0	0.00%	
		2,911,494	20,000	20,000	0	0.00%	
Outflows from investing activities							
Payments for property, plant and equipment	5	(2,818,480)	(211,666)	(702,920)	(491,254)	(232.09%)	▼
Payments for construction of infrastructure	5	(3,448,904)	(165,854)	(188,917)	(23,062)	(13.91%)	▼
		(6,267,384)	(377,520)	(891,836)	(514,316)	(136.24%)	
Amount attributable to investing activities		(3,355,890)	(357,520)	(871,836)	(514,316)	(143.86%)	
FINANCING ACTIVITIES							
Inflows from financing activities							
Transfer from reserves	4	883,000	0	0	0	0.00%	
		883,000	0	0	0	0.00%	
Outflows from financing activities							
Repayment of borrowings	11	(70,472)	0	0	0	0.00%	
Transfer to reserves	4	(1,093,288)	0	0	0	0.00%	
		(1,163,760)	0	0	0	0.00%	
Amount attributable to financing activities		(280,760)	0	0	0	0.00%	
MOVEMENT IN SURPLUS OR DEFICIT							
Surplus or deficit at the start of the financial year		4,430,653	4,430,653	4,477,845	47,192	1.07%	▲
Amount attributable to operating activities		(794,003)	2,369,049	2,080,499	(288,550)	(12.18%)	▼
Amount attributable to investing activities		(3,355,890)	(357,520)	(871,836)	(514,316)	(143.86%)	▼
Amount attributable to financing activities		(280,760)	0	0	0	0.00%	
Surplus or deficit after imposition of general rates		0	6,442,182	5,686,508	(755,674)	(11.73%)	▼

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 AUGUST 2024

	Supplementary Information	30-Jun-24	31 August 2024
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	4,591,952	3,794,601
Trade and other receivables		123,176	2,338,222
Other financial assets		4,640,130	4,640,130
Inventories	8	98,647	111,894
Other assets	8	391,651	110,250
TOTAL CURRENT ASSETS		9,845,556	10,995,097
NON-CURRENT ASSETS			
Trade and other receivables		8,845	8,845
Other financial assets		84,490	84,490
Property, plant and equipment		13,294,700	13,997,619
Infrastructure		163,213,952	163,402,868
TOTAL NON-CURRENT ASSETS		176,601,987	177,493,822
TOTAL ASSETS		186,447,543	188,488,919
CURRENT LIABILITIES			
Trade and other payables	9	178,738	119,616
Other liabilities	12	474,517	474,517
Borrowings	11	72,267	72,267
Employee related provisions	12	218,369	218,369
TOTAL CURRENT LIABILITIES		943,891	884,769
NON-CURRENT LIABILITIES			
Borrowings	11	504,543	504,543
Employee related provisions		56,552	56,552
TOTAL NON-CURRENT LIABILITIES		561,095	561,095
TOTAL LIABILITIES		1,504,986	1,445,864
NET ASSETS		184,942,557	187,043,055
EQUITY			
Retained surplus		38,601,167	40,701,666
Reserve accounts	4	4,640,130	4,640,130
Revaluation surplus		141,701,257	141,701,257
TOTAL EQUITY		184,942,557	187,043,055

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

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 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 2024-25 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 06 September 2024

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

2 STATEMENT OF FINANCIAL ACTIVITY INFORMATION

		Adopted Budget Opening 30 June 2024	Last Year Closing 30 June 2024	Year to Date 31 August 2024
(a) Net current assets used in the Statement of Financial Activity				
Current assets		\$	\$	\$
Cash and cash equivalents	3	4,591,952	4,591,952	3,794,601
Trade and other receivables		143,971	123,176	2,338,222
Other financial assets		4,640,130	4,640,130	4,640,130
Inventories	8	139,542	98,647	111,894
Other assets	8	391,651	391,651	110,250
		9,907,246	9,845,556	10,995,097
Less: current liabilities				
Trade and other payables	9	(150,221)	(178,738)	(119,616)
Other liabilities	12	(474,517)	(474,517)	(474,517)
Borrowings	11	(70,472)	(72,267)	(72,267)
Employee related provisions	12	(211,725)	(218,369)	(218,369)
		(906,935)	(943,891)	(884,769)
Net current assets		9,000,311	8,901,665	10,110,328
Less: Total adjustments to net current assets	note 2(i)	(4,569,658)	(4,423,820)	(4,423,820)
Closing funding surplus / (deficit)		4,430,653	4,477,845	5,686,508

(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)
Non-cash amounts excluded from operating activities				
		\$	\$	\$
Adjustments to operating activities				
Less: Profit on asset disposals	6	(266,451)	(44,408)	(20,000)
Add: Loss on asset disposals	6	3,815	634	0
Add: Depreciation		2,742,500	457,064	0
- Employee provisions		5,000	0	0
Total non-cash amounts excluded from operating activities		2,484,864	413,290	(20,000)

(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 30 June 2024	Last Year Closing 30 June 2024	Year to Date 31 August 2024
		\$	\$	\$
Adjustments to net current assets				
Less: Reserve accounts	4	(4,640,130)	(4,640,130)	(4,640,130)
Add: Current liabilities not expected to be cleared at the end of the year:				
- Current portion of borrowings	11	70,472	72,267	72,267
- Current portion of employee benefit provisions held in reserve	4	0	144,043	144,043
Total adjustments to net current assets	note 2(i)	(4,569,658)	(4,423,820)	(4,423,820)

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 AUGUST 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 2024-25 year is \$10,000 or 5.00% whichever is the greater.

Description	Var. \$	Var. %	
	\$	%	
Revenue from operating activities			
Grants, subsidies and contributions	(42,703)	(27.96%)	▼
Federal assistance grant	Timing		
Fees and charges	(43,787)	(16.96%)	▼
Department of Transport licensing revenue	Timing		
Interest revenue	2,455	19.39%	▲
High interest rate	Permanent		
Other revenue	10,895	80.74%	▲
Department of Transport licensing commissions	Timing		
Profit on asset disposals	(24,408)	(54.96%)	▼
Minimal assests disposed	Timing		
Expenditure from operating activities			
Employee costs	(109,639)	(35.58%)	▼
Not fully staffed; housing allocation costs	Timing		
Materials and contracts	(32,868)	(16.04%)	▼
Commencement of budget, materials and contracts low	Timing		
Utility charges	5,511	17.39%	▲
Cycle of electricity and water accounts	Timing		
Depreciation	457,064	100.00%	▲
Depreciation not raised until after 30 June 2024 Audit.	Timing		
Insurance	(115,305)	(329.52%)	▼
To be journaled across accounts once second payment is made	Timing		
Loss on asset disposals	634	100.00%	▲
Minimal assests disposed	Timing		
Non-cash amounts excluded from operating activities	(433,290)	(104.84%)	▼
Depreciation and sale of assets	Timing		
Outflows from investing activities			
Payments for property, plant and equipment	(491,254)	(232.09%)	▼
Commencement capital works program	Timing		
Payments for construction of infrastructure	(23,062)	(13.91%)	▼
Commencement capital works program	Timing		
Surplus or deficit after imposition of general rates	(755,674)	(11.73%)	▼
Due to variances described above			

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

1 KEY INFORMATION

Funding Surplus or Deficit Components

Funding surplus / (deficit)				
	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$4.43 M	\$4.43 M	\$4.48 M	\$0.05 M
Closing	\$0.00 M	\$6.44 M	\$5.69 M	(\$0.76 M)

Refer to Statement of Financial Activity

Cash and cash equivalents		
	\$3.79 M	% of total
Unrestricted Cash	(\$0.85 M)	(22.3%)
Restricted Cash	\$4.64 M	122.3%

Refer to 3 - Cash and Financial Assets

Payables	
	\$0.12 M
Trade Payables	\$0.06 M
0 to 30 Days	45.3%
Over 30 Days	54.7%
Over 90 Days	0.0%

Refer to 9 - Payables

Receivables		
	\$0.11 M	% Collected
Rates Receivable	\$2.23 M	15.0%
Trade Receivable	\$0.11 M	% Outstanding
Over 30 Days		22.3%
Over 90 Days		15.8%

Refer to 7 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.79 M)	\$2.37 M	\$2.08 M	(\$0.29 M)

Refer to Statement of Financial Activity

Rates Revenue		
YTD Actual	\$2.61 M	% Variance
YTD Budget	\$2.58 M	1.2%

Refer to 10 - Rate Revenue

Grants and Contributions		
YTD Actual	\$0.10 M	% Variance
YTD Budget	\$0.15 M	(32.8%)

Refer to 13 - Grants and Contributions

Fees and Charges		
YTD Actual	\$0.21 M	% Variance
YTD Budget	\$0.26 M	(17.0%)

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)
(\$3.36 M)	(\$0.36 M)	(\$0.87 M)	(\$0.51 M)

Refer to Statement of Financial Activity

Proceeds on sale		
YTD Actual	\$0.02 M	%
Adopted Budget	\$0.67 M	(97.0%)

Refer to 6 - Disposal of Assets

Asset Acquisition		
YTD Actual	\$0.19 M	% Spent
Adopted Budget	\$3.45 M	(94.5%)

Refer to 5 - Capital Acquisitions

Capital Grants		
YTD Actual	\$0.00 M	% Received
Adopted Budget	\$2.24 M	(100.0%)

Refer to 5 - Capital Acquisitions

Key Financing Activities

Amount attributable to financing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.28 M)	\$0.00 M	\$0.00 M	\$0.00 M

Refer to Statement of Financial Activity

Borrowings	
Principal repayments	\$0.00 M
Interest expense	\$0.00 M
Principal due	\$0.58 M

Refer to 11 - Borrowings

Reserves	
Reserves balance	\$4.64 M
Interest earned	\$0.00 M

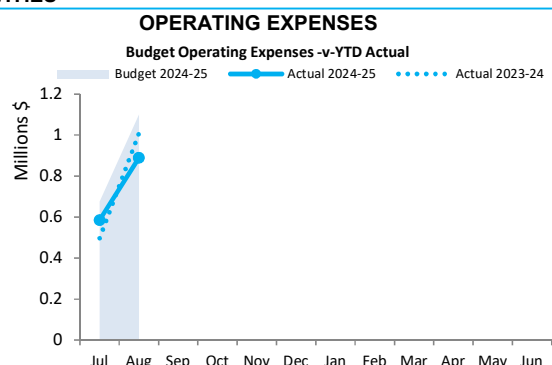
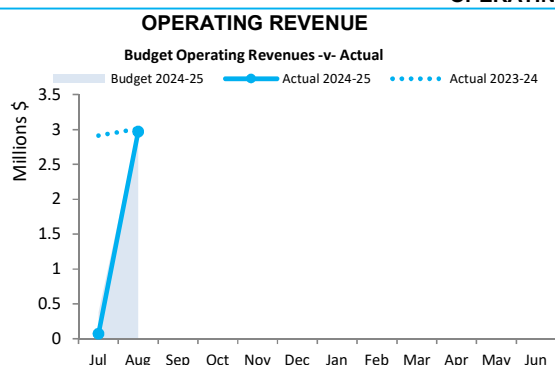
Refer to 4 - Cash Reserves

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

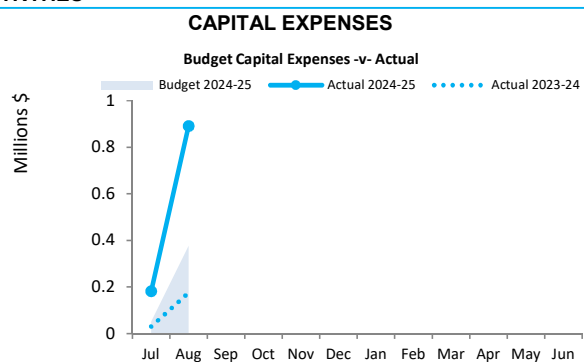
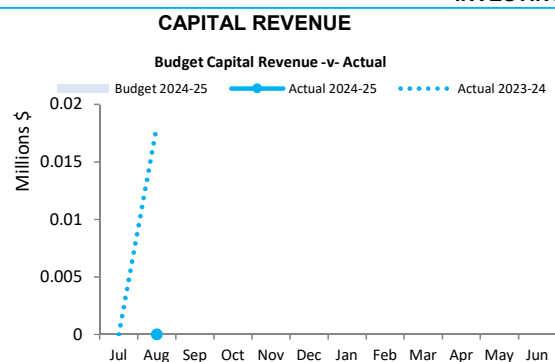
SHIRE OF KENT
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 AUGUST 2024

2 KEY INFORMATION - GRAPHICAL

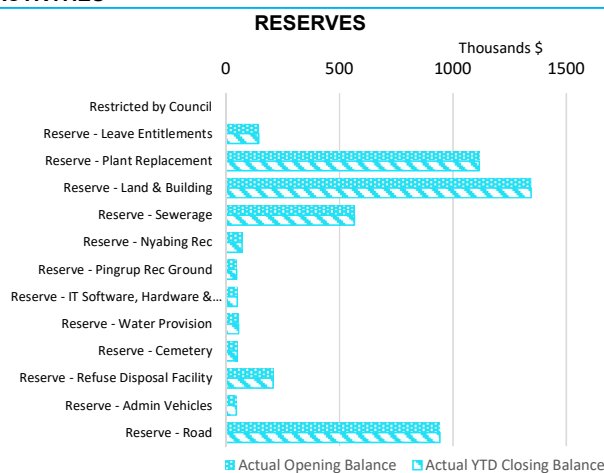
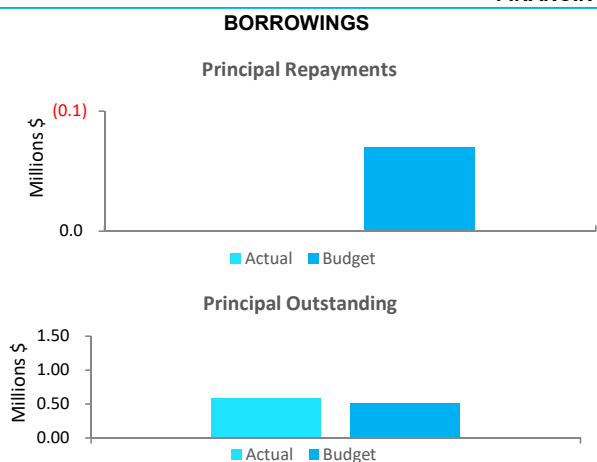
OPERATING ACTIVITIES



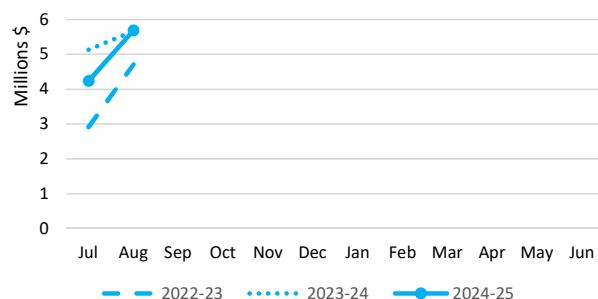
INVESTING ACTIVITIES



FINANCING ACTIVITIES



Closing funding surplus / (deficit)



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

3 CASH AND FINANCIAL ASSETS

Description	Classification	Unrestricted \$	Restricted \$	Total Cash \$	Trust \$	Institution	Interest Rate	Maturity Date
Cash on hand								
Municipal Account	Cash and cash equivalents	141,039		141,039		CBA	3.10%	N/A
Municipal Account - T/Deposit	Cash and cash equivalents	1,000,000		1,000,000		CBA	4.78%	3/10/2024
Municipal Account - T/Deposit	Cash and cash equivalents	1,000,000		1,000,000		CBA	4.96%	3/01/2025
Business Online Saver	Cash and cash equivalents	1,653,562		1,653,562		CBA	4.35%	N/A
Term Deposit	Financial assets at amortised cost	(4,640,130)	4,640,130	0		CBA	4.95%	31/12/2024
Trust	Cash and cash equivalents	0		0	3,576	CBA	3.00%	N/A
Total		(845,529)	4,640,130	3,794,601	3,576			
Comprising								
Cash and cash equivalents		3,794,601	0	3,794,601	3,576			
Financial assets at amortised cost		(4,640,130)	4,640,130	0	0			
		(845,529)	4,640,130	3,794,601	3,576			

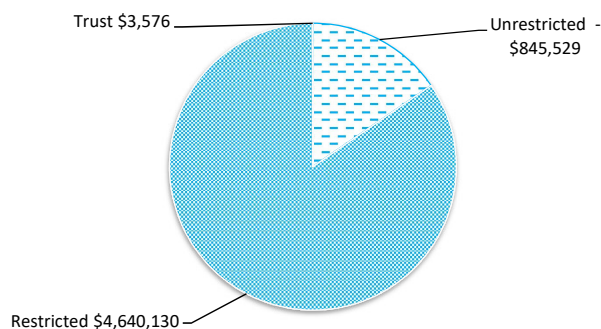
KEY INFORMATION

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 AUGUST 2024

4 RESERVE ACCOUNTS

Reserve name	Budget Opening Balance	Budget Interest Earned	Budget Transfer s In (+)	Budget Transfer s Out (-)	Budget Closing Balance	Actual Opening Balance	Actual Interest Earned	Actual Transfer s In (+)	Actual Transfer s Out (-)	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by Council										
Reserve - Leave Entitlements	144,043	6,351	30,000	0	180,394	144,043	0	0	0	144,043
Reserve - Plant Replacement	1,116,243	48,567	50,000	(350,000)	864,810	1,116,243	0	0	0	1,116,243
Reserve - Land & Building	1,344,218	42,014	560,000	(500,000)	1,446,232	1,344,218	0	0	0	1,344,218
Reserve - Sewerage	566,082	24,826	30,000	0	620,908	566,082	0	0	0	566,082
Reserve - Nyabing Rec	71,229	3,131	6,000	0	80,360	71,229	0	0	0	71,229
Reserve - Pingrup Rec Ground	46,768	2,058	6,000	0	54,826	46,768	0	0	0	46,768
Reserve - IT Software, Hardware & Development	50,000	2,309	50,000	0	102,309	50,000	0	0	0	50,000
Reserve - Water Provision	56,701	2,487	50,000	0	109,188	56,701	0	0	0	56,701
Reserve - Cemetery	49,724	2,181	0	0	51,905	49,724	0	0	0	49,724
Reserve - Refuse Disposal Facility	207,834	9,115	30,000	0	246,949	207,834	0	0	0	207,834
Reserve - Admin Vehicles	45,061	1,926	45,000	(33,000)	58,987	45,061	0	0	0	45,061
Reserve - Road	942,227	39,323	52,000	0	1,033,550	942,227	0	0	0	942,227
	4,640,130	184,288	909,000	(883,000)	4,850,418	4,640,130	0	0	0	4,640,130

5 CAPITAL ACQUISITIONS

	Adopted			
Capital acquisitions	Budget	YTD Budget	YTD Actual	YTD Actual Variance
	\$	\$	\$	\$
Land - freehold land	113,000	18,834	3,269	(15,565)
Buildings - non-specialised	1,191,000	161,166	669,339	508,173
Buildings - specialised	190,000	31,666	0	(31,666)
Furniture and equipment	50,000	0	30,312	30,312
Plant and equipment	1,274,480	0	0	0
Acquisition of property, plant and equipment	2,818,480	211,666	702,920	491,254
Infrastructure - roads	3,298,904	140,854	188,917	48,062
Infrastructure - Other	150,000	25,000	0	(25,000)
Acquisition of infrastructure	3,448,904	165,854	188,917	1,005,570
Total capital acquisitions	6,267,384	377,520	891,836	1,496,824
Capital Acquisitions Funded By:				
Capital grants and contributions	2,238,494	0	0	0
Other (disposals & C/Fwd)	673,000	20,000	20,000	0
Reserve accounts				
Reserve - Leave Entitlements	0	0	0	0
Reserve - Plant Replacement	350,000	0	0	0
Reserve - Land & Building	500,000	0	0	0
Reserve - Sewerage	0	0	0	0
Reserve - Nyabing Rec	0	0	0	0
Reserve - Pingrup Rec Ground	0	0	0	0
Reserve - IT Software, Hardware & Development	0	0	0	0
Reserve - Water Provision	0	0	0	0
Reserve - Cemetery	0	0	0	0
Reserve - Refuse Disposal Facility	0	0	0	0
Reserve - Admin Vehicles	33,000	0	0	0
Reserve - Road	0	0	0	0
Contribution - operations	2,472,890	357,520	871,836	514,316
Capital funding total	6,267,384	377,520	891,836	514,316

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.

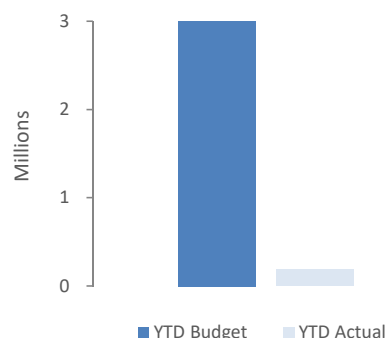
Initial recognition and measurement for assets held at cost

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.

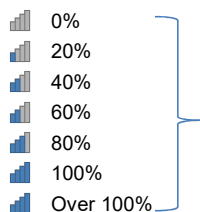
Payments for Capital Acquisitions



5 CAPITAL ACQUISITIONS - DETAILED

Capital expenditure total

Level of completion indicators



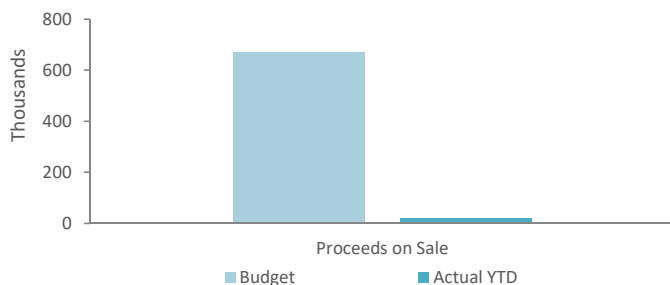
Percentage Year to Date Actual to Annual Budget expenditure where the expenditure over budget highlighted in red.

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

			Adopted		Variance (Under)/Over
Account Description			Budget	YTD Budget	
			\$	\$	\$
04983	Capital Admin Building Upgrades		90,000	15,000	0
04984	Server and Comms Upgrades		50,000	0	30,312
09978	Construction of 3 x 2 at 23B Aspendale Street, Nyabing		550,000	73,000	334,669
09979	Construction of 3 x 2 at 23A Aspendale Street, Nyabing		550,000	73,000	334,669
09987	CAPITAL HOUSING UPGRADES		91,000	15,166	0
11986	Nyabing Pavilion - Capital Upgrades		100,000	16,666	0
12800	Own Source Construction		790,919	19,634	100,090
12801	Roads To Recovery		833,662	87,886	83,760
12802	Regional Road Group		883,472	33,334	0
12805	Local Road & Community Infrastructure Program		786,541	0	4,772
12811	Pingrup - footpath upgrade		0	0	294
12951	Purchase of Plant and Vehicles		1,224,480	0	0
12990	Small Plant - Other		50,000	0	0
13977	Replacement Water Tank - Chesterpass Standpipe		20,000	3,334	0
13978	Capital Townscape Projects		100,000	16,666	0
13988	Upgrade Pingrup Caravan Park		30,000	5,000	0
13990	Urban Regeneration		113,000	18,834	3,269
			6,263,074	377,520	891,836
					(514,316)

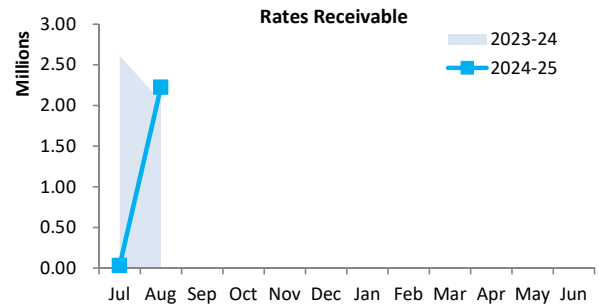
6 DISPOSAL OF ASSETS

		Budget				YTD Actual			
Asset Ref.	Asset description	Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
Buildings									
610 / 635	490 5 George Street, Nyabing	22,968	110,000	87,032	0	0	0	0	0
	8-10 Reid Street, Nyabing	112,352	150,000	37,648	0	0	0	0	0
	2279 9 George Street, Nyabing (Vacant Land)	9,500	20,000	10,500	0	0	20,000	20,000	0
Plant and equipment									
2251	Isuzu 4 x 2 Truck	13,000	20,000	7,000	0	0	0	0	0
2169	John Deere Loader	80,000	130,000	50,000	0	0	0	0	0
2233	Hino Crew Cab	0	25,000	25,000	0	0	0	0	0
2378	Toyota Prado GXL	50,527	65,000	14,473	0	0	0	0	0
2390	Toyota Kluger Hybrid GX	32,000	50,000	18,000	0	0	0	0	0
2359	Mitsub 4 x 4 dual cab (construction team l	18,202	26,000	7,798	0	0	0	0	0
2296	Mitsub 4 x 4 single cab	11,000	16,000	5,000	0	0	0	0	0
2312	Mitsub 4 x 4 single cab (east grader)	12,000	16,000	4,000	0	0	0	0	0
2379	Mitsub GSR Dual Cab 4 x 4 with canopy	48,815	45,000	0	(3,815)	0	0	0	0
		410,364	673,000	266,451	(3,815)	0	20,000	20,000	0



7 RECEIVABLES

Rates receivable	30 Jun 2024	31 Aug 2024
	\$	\$
Opening arrears previous years	48,668	47,029
Levied this year	2,548,863	2,572,489
Less - collections to date	(2,550,502)	(391,897)
Gross rates collectable	47,029	2,227,621
Net rates collectable	47,029	2,227,621
% Collected	98.2%	15.0%



Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(2,149)	34,155	1,210	1,474	6,506	41,195
Percentage	(5.2%)	82.9%	2.9%	3.6%	15.8%	
Balance per trial balance						
Trade receivables						41,195
Rates Debtors - ESL						36,098
GST receivable						28,169
Receivables for employee related provisions						6,645
Allowance for credit losses of trade receivables						(7,842)
Pensioner Rebates Suspense						6,134
Accrued Interest Receivable						202
Total receivables general outstanding						110,601

Amounts shown above include GST (where applicable)

KEY INFORMATION

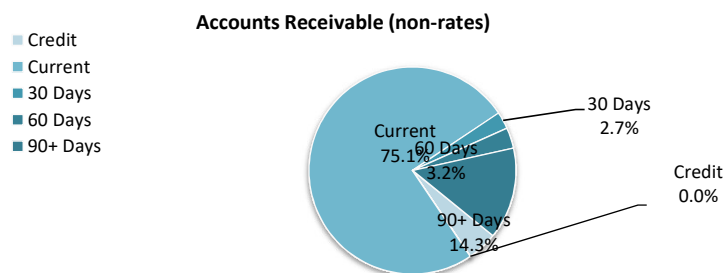
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods and services performed in the ordinary course of business.

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 2024	Asset Increase	Asset Reduction	Closing Balance 31 August 2024
Other current assets	\$	\$	\$	\$
Inventory				
Inventories - fuels & materials	98,647	42,990	(29,743)	111,894
Other assets				
Contract assets	391,651	0	(281,401)	110,250
Total other current assets	490,298	42,990	(311,144)	222,144

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

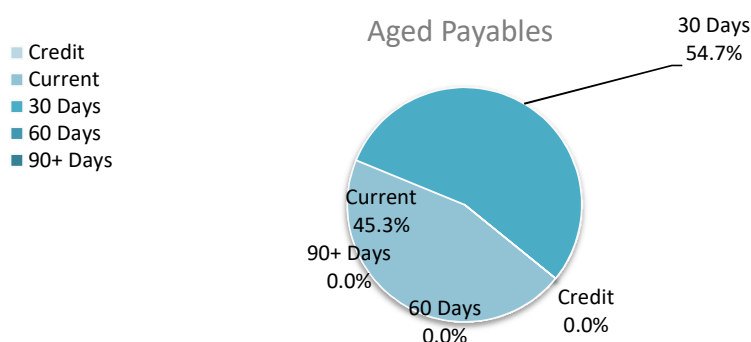
A contract asset is the right to consideration in exchange for goods or services the entity has transferred to a customer when that right is conditioned on something other than the passage of time.

9 PAYABLES

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	27,667	33,343	0	0	61,010
Percentage	0.0%	45.3%	54.7%	0.0%	0.0%	
Balance per trial balance						
Sundry creditors						61,010
ATO liabilities						45,717
GST Payable						5,767
GST Suspense						982
Excess Rates Receipts						3,060
Time In lieu - accrued						(2,133)
Accrued Interest - loans						5,213
Total payables general outstanding						119,616
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.



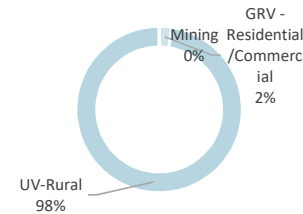
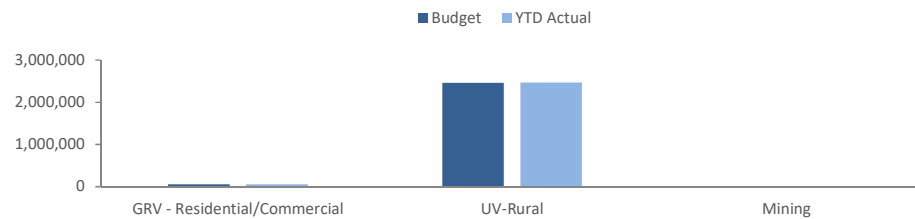
10 RATE REVENUE

General rate revenue

RATE TYPE	Rate in	Number of	Rateable	Rate	Budget	Total	Rate	YTD Actual	Total
	\$ (cents)	Properties	Value	Revenue	Reassessed	Revenue	Revenue	Reassessed	Revenue
				\$	\$	\$	\$	\$	\$
Gross rental value									
GRV - Residential/Commercial	0.0990	75	700,558	63,050	0	63,050	63,050	(130)	62,920
Unimproved value									
UV-Rural	0.0487	328	505,826,000	2,465,396	(500)	2,464,896	2,465,396	6,565	2,471,961
Mining	0.048700	0	0	0	0	0	0	0	0
Sub-Total		403	506,526,558	2,528,446	(500)	2,527,946	2,528,446	6,435	2,534,881
Minimum payment									
Minimum Payment \$									
Gross rental value									
GRV - Residential/Commercial	565	17	24,288	9,605	0	9,605	9,605	0	9,605
Unimproved value									
UV-Rural	565	12	349,389	6,780	0	6,780	6,780	0	6,780
Mining	565	41	162,817	23,165	0	23,165	23,165	(1,942)	21,223
Sub-total		70	536,494	39,550	0	39,550	39,550	(1,942)	37,608
Amount from general rates						2,567,496			2,572,489
Ex-gratia rates						45,141			0
Total general rates						2,612,637			2,572,489
Total						2,612,637			2,572,489

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 2024 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		New Loans			Principal Repayments		Principal Outstanding		Interest Repayments	
Particulars	Loan No.	1 July 2024	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Housing							0	0		
Teacher Housing	94	576,809	0	0	0	(70,472)	576,809	506,337	0	(12,777)
Total		576,809	0	0	0	(70,472)	576,809	506,337	0	(12,777)
Current borrowings		70,472					0			
Non-current borrowings		506,337					576,809			
		576,809					576,809			

All debenture repayments were financed by general purpose revenue.

Unspent borrowings

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

KEY INFORMATION

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

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

12 OTHER CURRENT LIABILITIES

	Note	Opening Balance 1 July 2024	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 31 August 2024
		\$	\$	\$	\$	\$
Other current liabilities						
Other liabilities						
Contract liabilities		474,517	0	0	0	474,517
Total other liabilities		474,517	0	0	0	474,517
Employee Related Provisions						
Provision for annual leave		140,220	0	0	0	140,220
Provision for long service leave		78,149	0	0	0	78,149
Total Provisions		218,369	0	0	0	218,369
Total other current liabilities		692,886	0	0	0	692,886

Amounts shown above include GST (where applicable)

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 13

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

Provider	Grants, subsidies and contributions revenue					YTD Revenue Actual
	Adopted Budget Revenue	YTD Budget	Annual Budget	Budget Variations	Expected	
	\$	\$	\$	\$	\$	\$
Grants and subsidies						
Grants - General Purpose	50,412	50,412	50,412	0	50,412	74,775
Grants - Untied Roads	40,000	40,000	40,000	0	40,000	0
LGGS Operational Grant	73,600	18,400	73,600	0	73,600	18,400
Direct Grant	250,000	41,666	250,000	0	250,000	0
	414,012	150,478	414,012	0	414,012	93,175
Contributions						
Other Recreation & Sport	6,000	1,000	6,000	0	6,000	0
Administration General	1,500	250	1,500	0	1,500	9,481
Revenue - Other Housing	1,000	166	1,000	0	1,000	0
Public Works Overhead	5,000	832	5,000	0	5,000	0
	13,500	2,248	13,500	0	13,500	9,481
TOTALS	427,512	152,726	427,512	0	427,512	102,657

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 2024		(As revenue)	31 Aug 2024	31 Aug 2024	Revenue	Budget	Budget	Variations	Expected	Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Capital grants and subsidies											
Grants R 2 R				0	0	833,662	0	833,662	0	833,662	0
Grants Regional Road Group				0	0	588,981	0	588,981	0	588,981	0
Local Road & Community Infrastructure Program	474,517	0	0	474,517	474,517	790,851	0	790,851	0	790,851	0
TOTALS	474,517	0	0	474,517	474,517	2,213,494	0	2,213,494	0	2,213,494	0

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

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:

Description	Opening Balance 1 July 2024	Amount Received	Amount Paid	Closing Balance 31 Aug 2024
	\$	\$	\$	\$
Housing bonds	160	0	0	160
Trust other	3,416	0	0	3,416
	3,576	0	0	3,576

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

16 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
			\$	\$	\$	\$
Budget adoption						0
						0
				0	0	0