

SHIRE OF KENT

MONTHLY FINANCIAL REPORT

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

For the period ended 31 July 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 JULY 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 July 2024		\$	\$	\$	\$	%	
OPERATING ACTIVITIES							
Revenue from operating activities							
General rates	10	2,612,637	217,718	0	(217,718)	(100.00%)	▼
Grants, subsidies and contributions	13	427,512	35,626	26,799	(8,827)	(24.78%)	▼
Fees and charges		890,693	74,209	36,042	(38,167)	(51.43%)	▼
Interest revenue		248,298	20,690	6,501	(14,189)	(68.58%)	▼
Other revenue		81,000	6,747	5,021	(1,726)	(25.58%)	▼
Profit on asset disposals	6	266,451	22,204	0	(22,204)	(100.00%)	▼
		4,526,591	377,194	74,363	(302,831)	(80.29%)	
Expenditure from operating activities							
Employee costs		(2,680,825)	(223,364)	(247,622)	(24,258)	(10.86%)	▼
Materials and contracts		(1,581,651)	(132,029)	(132,406)	(377)	(0.29%)	
Utility charges		(190,700)	(15,845)	(3,654)	12,191	76.94%	▲
Depreciation		(2,742,500)	(228,532)	0	228,532	100.00%	▲
Finance costs		(12,777)	(1,064)	0	1,064	100.00%	▲
Insurance		(210,379)	(17,496)	(150,297)	(132,801)	(759.04%)	▼
Other expenditure		(382,811)	(56,861)	(22,380)	34,481	60.64%	▲
Loss on asset disposals	6	(3,815)	(317)	0	317	100.00%	▲
		(7,805,458)	(675,508)	(556,359)	119,149	17.64%	
Non-cash amounts excluded from operating activities	Note 2(i)	2,484,863	206,645	0	(206,645)	(100.00%)	▼
Amount attributable to operating activities		(794,004)	(91,669)	(481,996)	(390,327)	(425.80%)	
INVESTING ACTIVITIES							
Inflows from investing activities							
Proceeds from capital grants, subsidies and contributions	14	2,238,494	186,539	0	(186,539)	(100.00%)	▼
Proceeds from disposal of assets	6	673,000	0	0	0	0.00%	
		2,911,494	186,539	0	(186,539)	(100.00%)	
Outflows from investing activities							
Payments for property, plant and equipment	5	(2,705,480)	(127,291)	(146,243)	(18,952)	(14.89%)	▼
Payments for construction of infrastructure	5	(3,561,904)	(287,406)	(35,821)	251,585	87.54%	▲
		(6,267,384)	(414,697)	(182,065)	232,633	56.10%	
Amount attributable to investing activities		(3,355,890)	(228,158)	(182,065)	46,094	20.20%	
FINANCING ACTIVITIES							
Inflows from financing activities							
Proceeds from new debentures	11	0	0	0	0	0.00%	
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	(1,093,287)	0	0	0	0.00%	
		(1,163,759)	0	0	0	0.00%	
Amount attributable to financing activities		(280,759)	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	4,931,437	500,784	11.30%	▲
Amount attributable to operating activities		(794,004)	(91,669)	(481,996)	(390,327)	(425.80%)	▼
Amount attributable to investing activities		(3,355,890)	(228,158)	(182,065)	46,094	20.20%	▲
Amount attributable to financing activities		(280,759)	0	0	0	0.00%	
Surplus or deficit after imposition of general rates		0	4,110,826	4,267,378	156,552	3.81%	▲

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 JULY 2024

	Supplementary Information	30 June 2024	31 July 2024
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	4,591,952	4,053,482
Trade and other receivables		123,504	83,606
Other financial assets		4,640,130	4,640,130
Inventories	8	98,727	106,791
Contract assets	8	844,847	844,847
TOTAL CURRENT ASSETS		10,299,160	9,728,856
NON-CURRENT ASSETS			
Trade and other receivables		8,517	8,517
Other financial assets		85,265	85,264
Property, plant and equipment		13,293,925	13,440,168
Infrastructure		163,180,460	163,216,281
TOTAL NON-CURRENT ASSETS		176,568,167	176,750,230
TOTAL ASSETS		186,867,327	186,479,086
CURRENT LIABILITIES			
Trade and other payables	9	178,740	272,495
Other liabilities	12	474,527	474,527
Borrowings	11	72,267	72,267
Employee related provisions	12	218,369	218,369
TOTAL CURRENT LIABILITIES		943,903	1,037,658
NON-CURRENT LIABILITIES			
Borrowings	11	504,549	504,543
Employee related provisions		56,552	56,552
TOTAL NON-CURRENT LIABILITIES		561,101	561,095
TOTAL LIABILITIES		1,505,004	1,598,753
NET ASSETS		185,362,329	184,880,333
EQUITY			
Retained surplus		38,986,533	38,504,537
Reserve accounts	4	4,640,130	4,640,130
Revaluation surplus		141,735,666	141,735,666
TOTAL EQUITY		185,362,329	184,880,333

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

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 31 JULY 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 POLICES

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 14 August 2024

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

2 STATEMENT OF FINANCIAL ACTIVITY INFORMATION

		Adopted Budget Opening	Last Year Closing	Year to Date
	Supplementa Information	30 June 2024	30 June 2024	31 July 2024
		\$	\$	\$
(a) Net current assets used in the Statement of Financial Activity				
Current assets				
Cash and cash equivalents	3	3,240,312	4,591,952	4,053,482
Trade and other receivables		154,482	123,504	83,606
Other financial assets		4,530,195	4,640,130	4,640,130
Inventories	8	70,389	98,727	106,791
Contract assets	8	36,682	844,847	844,847
		8,032,060	10,299,160	9,728,856
Less: current liabilities				
Trade and other payables	9	(156,319)	(178,740)	(272,495)
Other liabilities	12	(506,054)	(474,527)	(474,527)
Lease liabilities		(1,293)	0	0
Borrowings	11	(138,453)	(72,267)	(72,267)
Employee related provisions	12	(190,542)	(218,369)	(218,369)
		(992,661)	(943,903)	(1,037,658)
Net current assets		7,039,399	9,355,257	8,691,198
Less: Total adjustments to net current assets	Note 2(c)	(4,392,834)	(4,423,820)	(4,423,820)
Closing funding surplus / (deficit)		2,646,565	4,931,437	4,267,378

(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)	(22,204)	0
Less: Movement in liabilities associated with restricted cash		0	0	0
Add: Loss on asset disposals	6	3,815	317	0
Add: Depreciation		2,742,500	228,532	0
Movement in current employee provisions associated with restricted cash		0	0	0
Non-cash movements in non-current assets and liabilities:				0
- Pensioner deferred rates		0	0	0
- Employee provisions		5,000	0	0
Total non-cash amounts excluded from operating activities		2,484,864	206,645	0

(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
		30 June 2024	30 June 2024	31 July 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	138,453	72,267	72,267
- Current portion of lease liabilities		1,293	0	0
- Current portion of employee benefit provisions held in reserve	4	107,550	144,043	144,043
Total adjustments to net current assets	Note 2(a)	(4,392,834)	(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 JULY 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			
Fees and charges	(38,167)	(51.43%)	▼
Timing		Timing	
Interest revenue	(14,189)	(68.58%)	▼
Timing		Timing	
Profit on asset disposals	(22,204)	(100.00%)	▼
Timing		Timing	
Expenditure from operating activities			
Employee costs	(24,258)	(10.86%)	▼
Vacant Positions		Timing	
Utility charges	12,191	76.94%	▲
Timing		Timing	
Depreciation	228,532	100.00%	▲
Depreciation still to be raised for July 2024		Timing	
Other expenditure	34,481	60.64%	▲
Timing		Timing	
Loss on asset disposals	317	100.00%	▲
Budgeted assets sold for more than expected		Timing	
Non-cash amounts excluded from operating activities	(206,645)	(100.00%)	▼
Depreciation to be allocated/timing		Timing	
Inflows from investing activities			
Proceeds from capital grants, subsidies and contributions	(186,539)	(100.00%)	▼
Timing		Timing	
Payments for property, plant and equipment	(18,952)	(14.89%)	▼
Timing		Timing	
Payments for construction of infrastructure	251,585	87.54%	▲
Timing		Timing	
Surplus or deficit at the start of the financial year	500,784	11.30%	▲
		Timing	
Surplus or deficit after imposition of general rates	156,552	3.81%	▲
Due to variances described above			

SHIRE OF KENT
SUPPLEMENTARY INFORMATION
For the period ended 31 July 2024

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SHIRE OF KENT
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JULY 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	\$4.43 M	\$4.43 M	\$4.93 M	\$0.50 M
Closing	\$0.00 M	\$4.11 M	\$4.27 M	\$0.16 M

Refer to Statement of Financial Activity

Cash and cash equivalents

	\$8.69 M	% of total
Unrestricted Cash	\$4.05 M	46.6%
Restricted Cash	\$4.64 M	53.4%

Refer to 3 - Cash and Financial Assets

Payables

	\$0.27 M	% Outstanding
Trade Payables	\$0.21 M	
0 to 30 Days		98.1%
Over 30 Days		1.8%
Over 90 Days		(2.1%)

Refer to 9 - Payables

Receivables

	\$0.06 M	% Collected
Rates Receivable	\$0.04 M	26.8%
Trade Receivable	\$0.06 M	% Outstanding
Over 30 Days		105.1%
Over 90 Days		40.9%

Refer to 7 - Receivables

Key Operating Activities

Amount attributable to operating activities

Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.79 M)	(\$0.09 M)	(\$0.48 M)	(\$0.39 M)

Refer to Statement of Financial Activity

Rates Revenue

YTD Actual	\$0.00 M	% Variance
YTD Budget	\$0.22 M	(100.0%)

Refer to 10 - Rate Revenue

Grants and Contributions

YTD Actual	\$0.03 M	% Variance
YTD Budget	\$0.04 M	(25.2%)

Refer to 13 - Grants and Contributions

Fees and Charges

YTD Actual	\$0.04 M	% Variance
YTD Budget	\$0.07 M	(51.4%)

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)	(\$0.23 M)	(\$0.18 M)	\$0.05 M

Refer to Statement of Financial Activity

Proceeds on sale

YTD Actual	\$0.00 M	%
Adopted Budget	\$0.67 M	(100.0%)

Refer to 6 - Disposal of Assets

Asset Acquisition

YTD Actual	\$0.04 M	% Spent
Adopted Budget	\$3.56 M	(99.0%)

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	\$0.00 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 JULY 2024**

2 KEY INFORMATION - GRAPHICAL

OPERATING ACTIVITIES

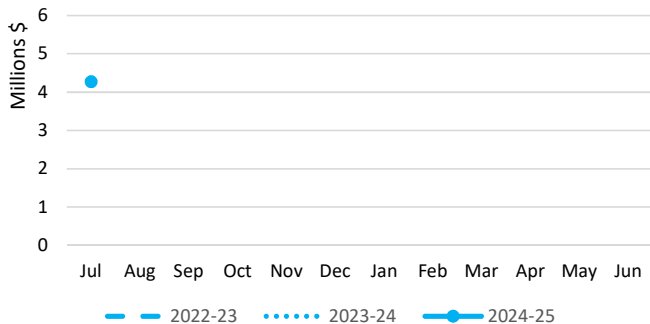
OPERATING REVENUE



OPERATING EXPENSES

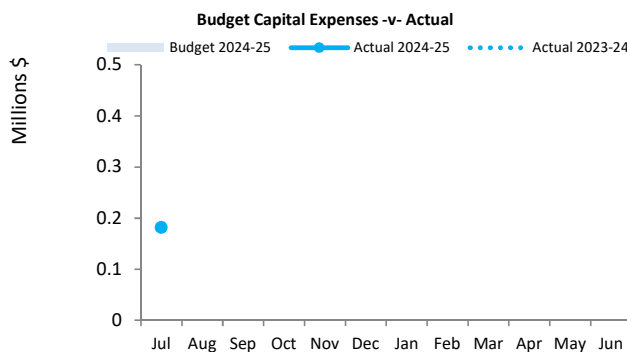


Closing funding surplus / (deficit)



INVESTING ACTIVITIES

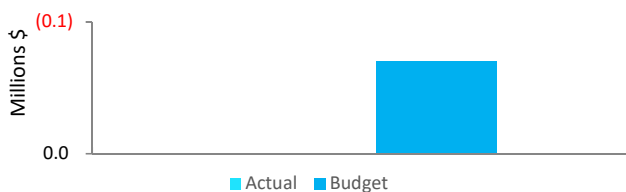
CAPITAL EXPENSES



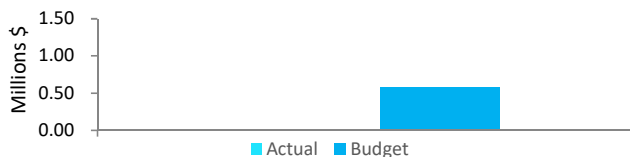
FINANCING ACTIVITIES

BORROWINGS

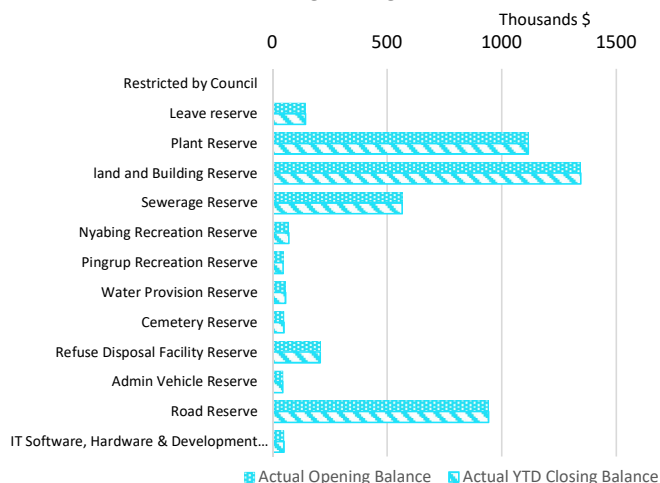
Principal Repayments



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 JULY 2024**

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	206,506		206,506	0	CBA	3.50%	N/A
Municipal Account - T/Deposit	Cash and cash equivalents	1,000,000		1,000,000	0	CBA	4.78%	3/10/2024
Municipal Account - T/Deposit	Cash and cash equivalents	1,000,000		1,000,000	0	CBA	4.96%	3/01/2025
Business Online Saver	Cash and cash equivalents	1,846,977		1,846,977	0	CBA	4.35%	N/A
Term Deposit	Financial assets at amortised cost	0	4,640,130	4,640,130	0	CBA	4.95%	28/06/2024
Trust	Cash and cash equivalents	0		0	3,576	CBA	2.75%	N/A
Total		4,053,482	4,640,130	8,693,612	3,576			
Comprising								
Cash and cash equivalents		4,053,482	0	4,053,482	3,576			
Financial assets at amortised cost		0	4,640,130	4,640,130	0			
		4,053,482	4,640,130	8,693,612	3,576			

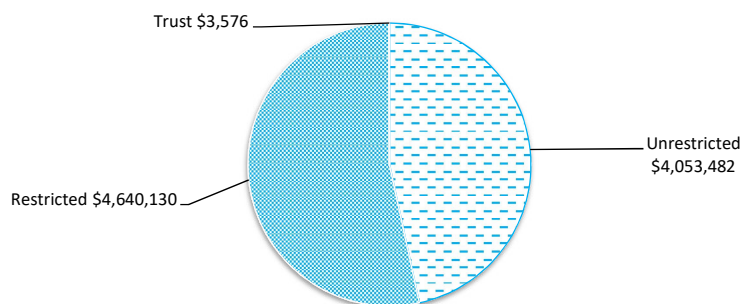
KEY INFORMATION

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 assets



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

4 RESERVE ACCOUNTS

Reserve name	Budget	Budget	Budget	Budget	Budget	Actual	Actual	Actual	Actual	Actual
	Opening	Interest	Transfers	Transfers	Closing	Opening	Interest	Transfers	Transfer	YTD
	Balance	Earned	In (+)	Out (-)	Balance	Balance	Earned	In (+)	s Out (-)	Closing
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by Council										
Leave reserve	144,043	6,351	30,000	0	180,394	144,043	0	0	0	144,043
Plant Reserve	1,116,242	48,567	50,000	(350,000)	864,809	1,116,243	0	0	0	1,116,243
land and Building Reserve	1,344,219	42,014	560,000	(500,000)	1,446,233	1,344,218	0	0	0	1,344,218
Sewerage Reserve	566,082	24,826	30,000	0	620,908	566,082	0	0	0	566,082
Nyabing Recreation Reserve	71,229	3,131	6,000	0	80,360	71,229	0	0	0	71,229
Pingrup Recreation Reserve	46,768	2,058	6,000	0	54,826	46,768	0	0	0	46,768
Water Provision Reserve	56,700	2,487	50,000	0	109,187	56,701	0	0	0	56,701
Cemetery Reserve	49,725	2,181	0	0	51,906	49,724	0	0	0	49,724
Refuse Disposal Facility Reserve	207,834	9,115	30,000	0	246,949	207,834	0	0	0	207,834
Admin Vehicle Reserve	45,060	1,926	45,000	(33,000)	58,986	45,061	0	0	0	45,061
Road Reserve	942,228	41,323	50,000	0	1,033,551	942,227	0	0	0	942,227
IT Software, Hardware & Development Reserve	50,000	2,309	50,000	0	102,309	50,000	0	0	0	50,000
	4,640,130	186,288	907,000	(883,000)	4,850,418	4,640,130	0	0	0	4,640,130

5 CAPITAL ACQUISITIONS

Capital acquisitions	Adopted		YTD Actual	YTD Actual Variance
	Budget	YTD Budget		
	\$	\$	\$	\$
Land - freehold land	0	9,417	0	(9,417)
Buildings - non-specialised	1,281,000	7,500	146,243	138,743
Buildings - specialised	100,000	0	0	0
Furniture and equipment	50,000	4,167	0	(4,167)
Plant and equipment	1,274,480	106,207	0	(106,207)
Acquisition of property, plant and equipment	2,705,480	127,291	146,243	18,952
Infrastructure - roads	3,298,904	274,906	35,860	(239,046)
Infrastructure - other	263,000	12,500	(39)	(12,539)
Acquisition of infrastructure	3,561,904	287,406	35,821	(213,680)
Total capital acquisitions	6,267,384	414,697	182,065	(194,728)
Capital Acquisitions Funded By:				
Capital grants and contributions	2,238,494	186,539	0	(186,539)
Borrowings	0	0	0	0
Other (disposals & C/Fwd)	673,000	0	0	0
Reserve accounts				
Plant Reserve	350,000	0	0	0
land and Building Reserve	500,000	0	0	0
Admin Vehicle Reserve	33,000	0	0	0
Contribution - operations	2,472,890	228,158	182,065	(46,094)
Capital funding total	6,267,384	414,697	182,065	(232,633)

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.

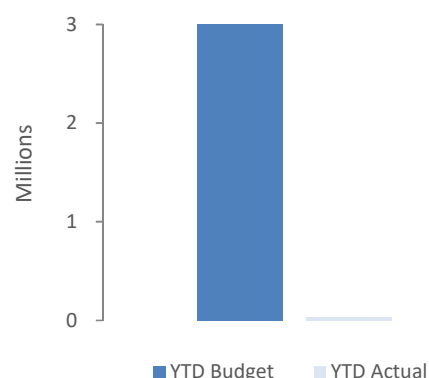
Initial recognition and measurement for assets held at cost

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

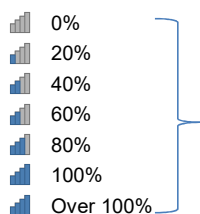
In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The 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



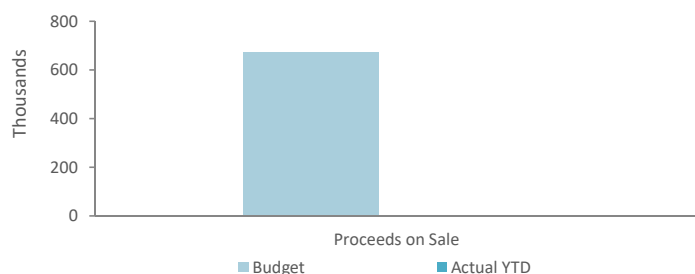
Percentage Year to Date Actual to Annual Budget expenditure where the expenditure over budget highlighted in red.

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	113,000	9,417	0	9417
	04983 Capital Admin Building Upgrades	90,000	7,500	0	7500
	09987 CAPITAL HOUSING UPGRADES	91,000	7,583	0	7583
	9983 23B Aspendale Street Nyabing (Capital)	0	0	1,540	-1540
	9982 23A Aspendale Street Nyabing (Capital)	0	0	1,540	-1540
	9978 Construction of 3 x 2 at 23B Aspendale Street, Nyabing	550,000	45,833	71,582	-25748.51
	9979 Construction of 3 x 2 at 23A Aspendale Street, Nyabing	550,000	45,833	71,582	-25748.51
	04984 Server and Comms Upgrades	50,000	4,167	0	4167
	13977 Replacement Water Tank - Chesterpass Standpipe	20,000	1,667	0	1667
	13978 Capital Townscape Projects	100,000	8,333	0	8333
	13988 Upgrade Pingrup Caravan Park	30,000	2,500	0	2500
	12990 Small Plant - Other	50,000	4,167	0	4167
	12951 Purchase of Plant and Vehicles	1,224,480	102,040	0	102040
	12800 Own Source Construction	790,919	65,910	35,860	30050
	12801 Roads To Recovery	833,662	69,471	0	69471
	12802 Regional Road Group	883,472	73,621	0	73621
	12805 Local Road & Community Infrastructure Program	790,851	65,904	0	65904
		6,167,384	513,946	182,065	331,882

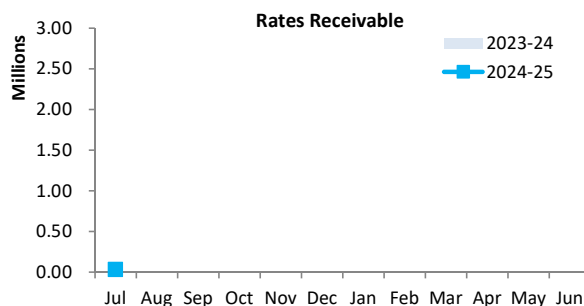
6 DISPOSAL OF ASSETS

Asset Ref.		Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
	Housing								
490	5 George Street, Nyabing	\$ 31,667	\$ 110,000	\$ 78,333	\$	\$ 0	\$ 0	\$ 0	\$ 0
610	8 Reid Street, Pingrup	95,782	75,000	0		0	0	0	0
635	10 Reid Street, Pingrup	63,000	75,000	12,000		0	0	0	0
2279	9 Geroge Street, Nyabing	9,500	20,000	10,500		0	0	0	0
	Plant and equipment								
2,251	Isuzu 4 x Truck (KT008)	13,000	20,000	7,000	0	0	0	0	0
2,169	John Deere Loader (KT035)	80,000	130,000	50,000	0	0	0	0	0
2,233	Hino Crew Cab (KT007)	0	25,000	25,000	0	0	0	0	0
2,378	Toyota Prado GLX (0KT)	44,913	65,000	20,087	0	0	0	0	0
2,390	Toyota Klugger Hybrid GX (40KT)	50,460	50,000	0	(460)	0	0	0	0
2,359	Mitsubishi 4x4 D/Cab (KT019)	16,410	26,000	9,590	0	0	0	0	0
2,296	Mitsubishi 4x4 S/Cab (KT003)	11,000	16,000	5,000	0	0	0	0	0
2,312	Mitsubishi 4x4 S/Cab (KT026)	12,000	16,000	4,000	0	0	0	0	0
2,379	Mitsubishi GSR Dual 4x4 (50KT)	43,672	45,000	1,328	0	0	0	0	0
		471,406	673,000	222,837	(460)	0	0	0	0



7 RECEIVABLES

Rates receivable	30 June 2024	31 Jul 2024
	\$	\$
Opening arrears previous years	47,985	47,985
Levied this year	2,455,294	0
Less - collections to date	(2,455,294)	(12,877)
Gross rates collectable	47,985	35,108
Net rates collectable	47,985	35,108
% Collected	98.1%	26.8%



Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(2,149)	1,358	6,256	3,732	6,373	15,569
Percentage	(13.8%)	8.7%	40.2%	24.0%	40.9%	
Balance per trial balance						
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						32,593
Receivables for employee related provisions						6,645
Allowance for credit losses of trade receivables						(7,842)
Total receivables general outstanding						62,220

Amounts shown above include GST (where applicable)

KEY INFORMATION

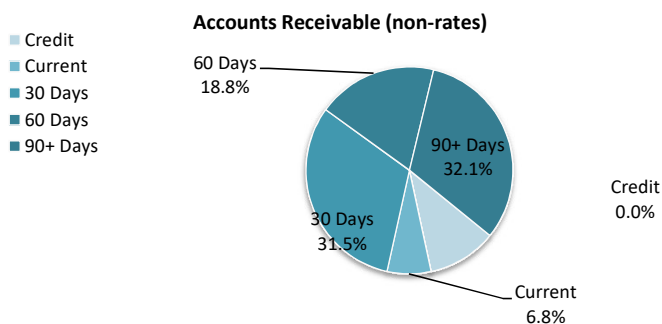
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods and services performed in the ordinary course of business.

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 July 2024
	\$	\$	\$	\$
Other current assets				
Other financial assets at amortised cost				
Financial assets at fair value through other comprehensive income	4,530,195	0	0	4,530,195
Inventory				
Other inventories - fuel and materials	98,727	51,377	0	106,791
Contract assets				
Contract assets	844,847	0	(154,800)	844,847
Total other current assets	5,473,769	51,377	(154,800)	5,481,833

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.

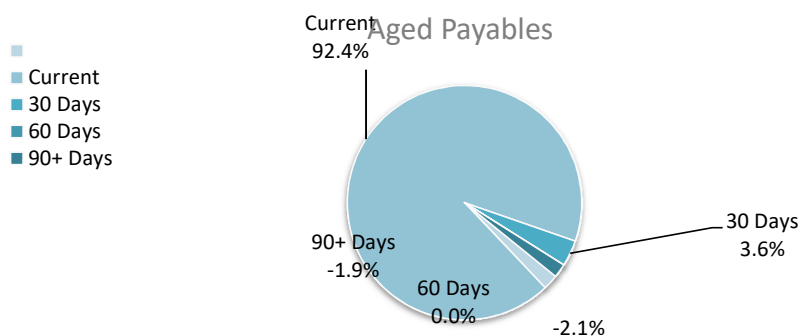
9 PAYABLES

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%	
Balance per trial balance						
Sundry creditors	0	26,748	3,759	0	0	207,759
Accrued salaries and wages						(2,133)
ATO liabilities						45,969
Receipts in advance						15,077
Other payables - GST						610
Accrued expenses						0
Accrued interest on debentures						5,213
Total payables general outstanding						272,495

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.



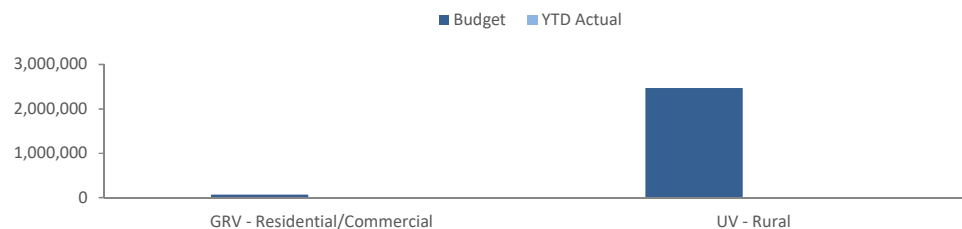
10 RATE REVENUE

General rate revenue

RATE TYPE	Rate in \$ (cents)	Number of Properties	Rateable Value	Rate Revenue \$	Budget		YTD Actual		Total Revenue \$
					Reassessed Rate Revenue \$	Total Revenue \$	Rate Revenue \$	Reassessed Rate Revenue \$	
Gross rental value									
GRV - Residential/Commercial	0.0990	75	700,558	72,335	0	72,335			
Unimproved value									
UV - Rural	0.0487	328	505,826,000	2,472,365	0	2,472,365			
Sub-Total		403	506,526,558	2,544,700	0	2,544,700	0	0	0
Minimum payment	Minimum Payment \$								
Gross rental value									
GRV - Residential/Commercial	565	17	24,288	9,605	0	9,605			
Unimproved value									
UV - Rural	565	12	349,389	6,780	0	6,780			
Mining	565	41	162,817	23,165	0	23,165			
Sub-total		70	536,494	39,550	0	39,550	0	0	0
Amount from general rates						2,567,996			0
Ex-gratia rates						44,141			0
Total						2,612,137			0

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 2024	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
			Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Particulars		\$	\$	\$	\$	\$	\$	\$	\$	
Teacher Housing	94	646,926	0	0	0	(70,472)	0	576,454	0	(12,777)
Total		646,926	0	0	0	(70,472)	0	576,454	0	(12,777)
Current borrowings		70,472					72,267			
Non-current borrowings		576,454					-72,267			
		646,926					0			

All debenture repayments were financed by general purpose revenue.

New borrowings 2024-25

Particulars	Amount Borrowed	Amount Borrowed	Institution	Loan Type	Term Years	Total Interest & Charges	Interest Rate	Amount (Used)	Balance Unspent
	Actual	Budget				\$	%	Actual	Budget
	\$	\$				\$		\$	\$
	0	0				0		0	0

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 2024	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 31 July 2024
	\$	\$	\$	\$	\$
Other current liabilities					
Other liabilities					
Capital grant/contributions liabilities	474,527	0	0	0	474,527
Total other liabilities	474,527	0	0	0	474,527
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	692,896	0	0	0	692,896

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
	\$	\$	\$	\$	\$	\$
Grants and subsidies						
Grants - General Purpose	50,412	4,202	50,412	0	50,412	0
Grants - Untied Roads	40,000	3,334	40,000	0	40,000	0
LGGS Operational Grant	73,600	6,133	73,600	0	73,600	18,400
Other Grant Funding	0	0	0	0	0	0
Direct Grant	250,000	20,833	250,000	0	250,000	0
	414,012	34,502	414,012	0	414,012	18,400
Contributions						
Other Recreation & Sport	6,000	500	6,000	0	6,000	0
Administration General	1,500	125	1,500	0	1,500	8,265
Revenue - Other Housing	1,000	83	1,000	0	1,000	0
Protection of the Environment	0	0	0	0	0	0
Caravan Park Pingrup - CBH	0	0	0	0	0	0
Public Works Overhead	5,000	416	5,000	0	5,000	0
	13,500	1,124	13,500	0	13,500	8,265
TOTALS	427,512	35,626	427,512	0	427,512	26,665

14 CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Capital grant/contribution liabilities					Capital grants, subsidies and contributions revenue					
	Liability	Increase in	Decrease in	Liability	Current	Adopted	YTD	Annual	Budget	Expected	YTD
	1 July 2024	Liability	Liability	31 Jul 2024	Liability	Budget	Budget	Budget	Variations	Expected	Revenue
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Capital grants and subsidies											
Grants - Federal	506,054	0	0	506,054	506,054	0	0	0	0	0	0
Grants R 2 R	0	0	0	0	0	833,662	69,471	833,662	0	833,662	0
Grants Regional Road Group	0	0	0	0	0	588,981	49,081	588,981	0	588,981	0
Local Road & Community Infrastructure Program	0	0	0	0	0	790,851	65,904	790,851	0	790,851	0
	506,054	0	0	506,054	506,054	2,213,494	184,456	2,213,494	0	2,213,494	0

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

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 \$
Budget adoption						0
				0	0	0