

15 December 2022

Mr Jim Epis
Chief Executive Officer
Shire of Leonora
PO Box 56
LEONORA WA 6438

Dear Jim

COMPILATION REPORT TO THE SHIRE OF LEONORA

We have compiled the accompanying local government financial report of the Shire of Leonora, which comprise the statement of financial activity (by nature or type), a summary of significant accounting policies and other explanatory notes for the period ending 30 November 2022. The monthly financial report has been compiled to meet compliance with the *Local Government Act 1995* and associated regulations.

THE RESPONSIBILITY OF THE SHIRE OF LEONORA

The Shire of Leonora are solely responsible for the information contained in the financial report and are responsible for the maintenance of an appropriate accounting system in accordance with the relevant legislation.

OUR RESPONSIBILITY

On the basis of information provided by the Shire of Leonora we have compiled the accompanying financial report in accordance with the requirements of the *Local Government Act 1995*, associated regulations and APES 315 *Compilation of Financial Information*.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Shire of Leonora provided, in compiling the financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The local government financial report was compiled exclusively for the benefit of the Shire of Leonora. We do not accept responsibility to any other person for the contents of the financial report.



Russell Barnes
Director
[Moore Australia \(WA\) Pty Ltd](http://www.moore-australia.com.au)

SHIRE OF LEONORA
MONTHLY FINANCIAL REPORT
(Containing the Statement of Financial Activity)
For the period ending 30 November 2022

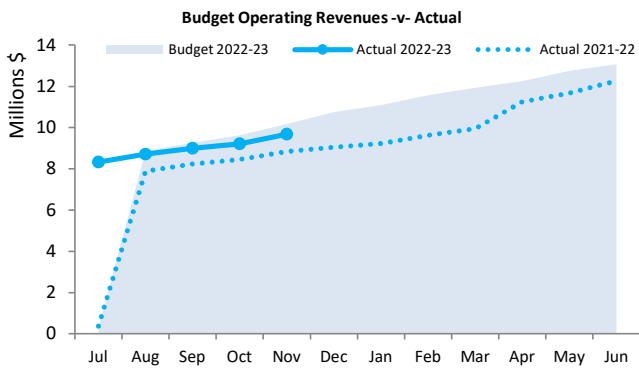
LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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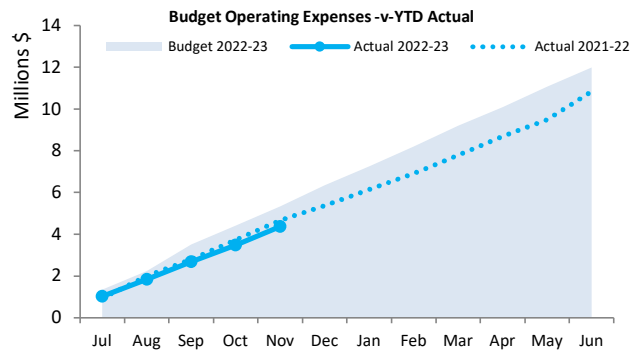
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OPERATING ACTIVITIES

OPERATING REVENUE

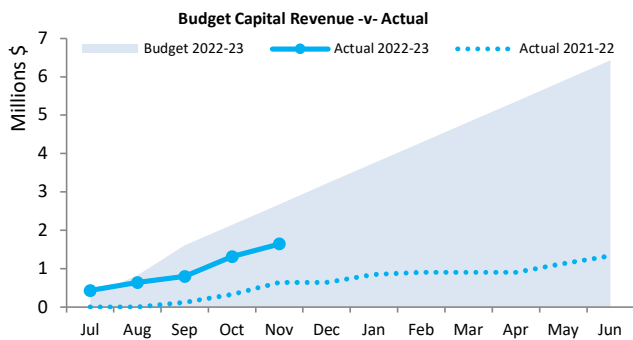


OPERATING EXPENSES

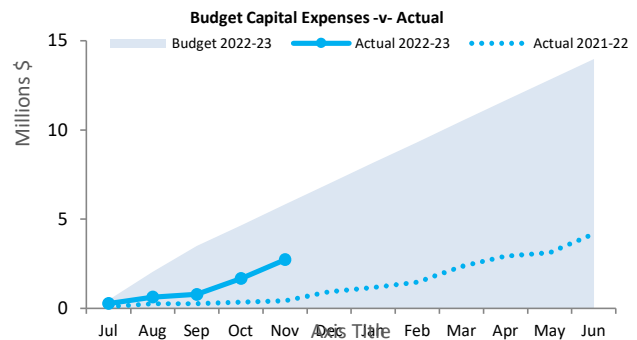


INVESTING ACTIVITIES

CAPITAL REVENUE

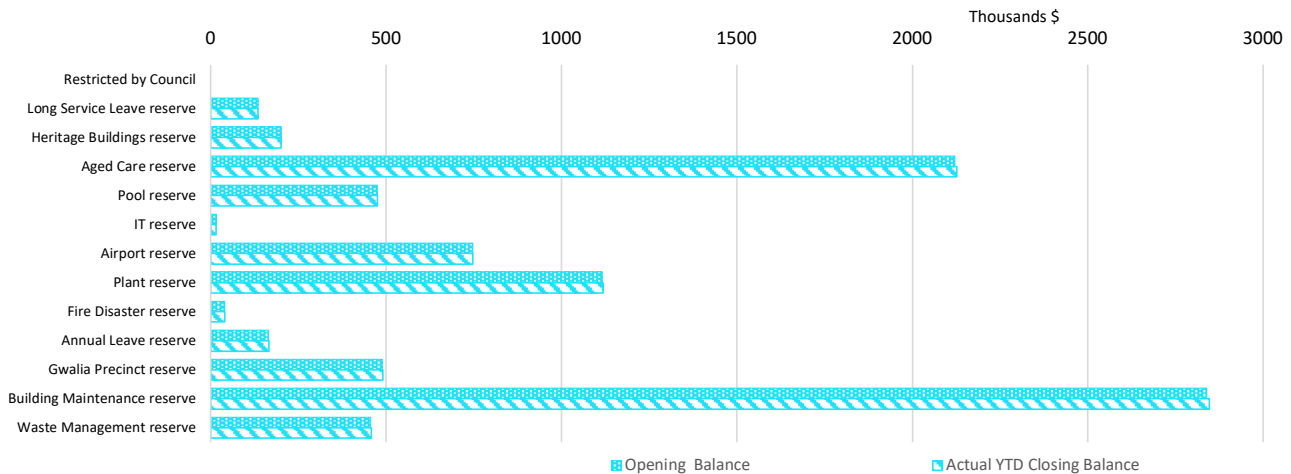


CAPITAL EXPENSES

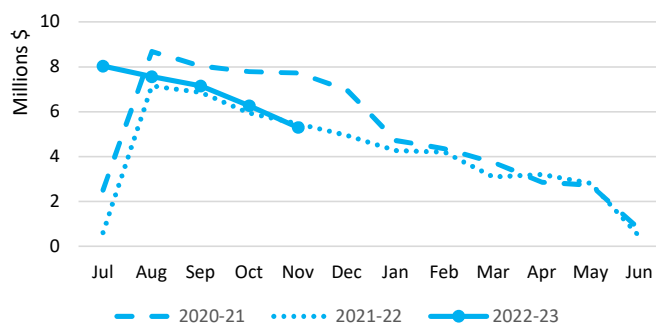


FINANCING ACTIVITIES

RESERVES



Closing funding surplus / (deficit)



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

Funding surplus / (deficit) Components

Funding surplus / (deficit)				
	Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$0.19 M	\$0.19 M	\$0.28 M	\$0.09 M
Closing	(\$0.09 M)	\$3.00 M	\$5.30 M	\$2.30 M

Refer to Statement of Financial Activity

Cash and cash equivalents		
	\$14.22 M	% of total
Unrestricted Cash	\$5.40 M	38.0%
Restricted Cash	\$8.82 M	62.0%

Refer to Note 2 - Cash and Financial Assets

Payables		
	\$0.44 M	% Outstanding
Trade Payables	\$0.00 M	
0 to 30 Days		0.0%
Over 30 Days		0.0%
Over 90 Days		0%

Refer to Note 5 - Payables

Receivables		
	\$0.35 M	% Collected
Rates Receivable	\$0.67 M	91.5%
Trade Receivable	\$0.35 M	% Outstanding
Over 30 Days		43.4%
Over 90 Days		10%

Refer to Note 3 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$2.97 M	\$5.60 M	\$6.13 M	\$0.52 M

Refer to Statement of Financial Activity

Rates Revenue		
	YTD Actual	% Variance
	\$7.72 M	
	YTD Budget	\$7.72 M (0.0%)

Refer to Statement of Financial Activity

Operating Grants and Contributions		
	YTD Actual	% Variance
	\$0.63 M	
	YTD Budget	\$1.17 M (46.3%)

Refer to Note 10 - Operating Grants and Contributions

Fees and Charges		
	YTD Actual	% Variance
	\$1.16 M	
	YTD Budget	\$1.12 M 3.0%

Refer to Statement of Financial Activity

Key Investing Activities

Amount attributable to investing activities			
Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$7.65 M)	(\$2.80 M)	(\$1.09 M)	\$1.71 M

Refer to Statement of Financial Activity

Proceeds on sale		
	YTD Actual	%
	\$0.00 M	
	Amended Budget	\$0.76 M 0.0%

Refer to Note 6 - Disposal of Assets

Asset Acquisition		
	YTD Actual	% Spent
	\$2.73 M	
	Amended Budget	\$14.08 M 19.4%

Refer to Note 7 - Capital Acquisitions

Capital Grants		
	YTD Actual	% Received
	\$1.63 M	
	Amended Budget	\$5.67 M 28.8%

Refer to Note 7 - Capital Acquisitions

Key Financing Activities

Amount attributable to financing activities			
Amended Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$4.40 M	\$0.00 M	(\$0.02 M)	(\$0.02 M)

Refer to Statement of Financial Activity

Reserves	
Reserves balance	\$8.82 M
Interest earned	\$0.02 M

Refer to Note 8 - Cash Reserves

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

KEY TERMS AND DESCRIPTIONS

FOR THE PERIOD ENDED 30 NOVEMBER 2022

NATURE OR TYPE DESCRIPTIONS

REVENUE

RATES

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

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

REVENUE FROM CONTRACTS WITH CUSTOMERS

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

FEES AND CHARGES

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

SERVICE CHARGES

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

INTEREST EARNINGS

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

OTHER REVENUE / INCOME

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

PROFIT ON ASSET DISPOSAL

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

EXPENSES

EMPLOYEE COSTS

All costs associated with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

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

LOSS ON ASSET DISPOSAL

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

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets. Excluding Land.

INTEREST EXPENSES

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

OTHER EXPENDITURE

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

**STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

BY NATURE OR TYPE

	Ref	Amended Budget	YTD Budget	YTD Actual	Variance \$	Variance %	Var.
	Note	(a)	(b)	(c)	(c) - (b)	((c) - (b))/(b)	
		\$	\$	\$	\$	%	
Opening funding surplus / (deficit)	1(c)	191,874	191,874	279,087	87,213	45.45%	▲
Revenue from operating activities							
Rates		7,775,027	7,718,677	7,717,902	(775)	(0.01%)	
Operating grants, subsidies and contributions	10	2,616,472	1,169,133	627,697	(541,436)	(46.31%)	▼
Fees and charges		2,414,398	1,123,862	1,157,885	34,023	3.03%	
Interest earnings		8,000	3,330	32,717	29,387	882.49%	▲
Other revenue		242,805	152,827	139,453	(13,374)	(8.75%)	
Profit on disposal of assets	6	24,753	0	0	0	0.00%	
		13,081,455	10,167,829	9,675,654	(492,175)	(4.84%)	
Expenditure from operating activities							
Employee costs		(2,410,184)	(1,011,866)	(1,697,316)	(685,450)	(67.74%)	▼
Materials and contracts		(6,991,250)	(3,087,529)	(1,374,141)	1,713,388	55.49%	▲
Utility charges		(245,100)	(108,215)	(138,247)	(30,032)	(27.75%)	▼
Depreciation on non-current assets		(1,834,984)	(764,607)	(825,901)	(61,294)	(8.02%)	▼
Insurance expenses		(311,912)	(311,912)	(306,566)	5,346	1.71%	
Other expenditure		(130,878)	(43,453)	(32,350)	11,103	25.55%	
Loss on disposal of assets	6	(59,968)	0	0	0	0.00%	
		(11,984,276)	(5,327,582)	(4,374,521)	953,061	(17.89%)	
Non-cash amounts excluded from operating activities	1(a)	1,870,199	764,607	826,613	62,006	8.11%	▲
Amount attributable to operating activities		2,967,378	5,604,854	6,127,746	522,892	9.33%	
Investing activities							
Proceeds from non-operating grants, subsidies and contributions	11	5,668,103	2,422,428	1,642,099	(780,329)	(32.21%)	▼
Proceeds from disposal of assets	6	760,600	0	0	0	0.00%	
Payments for property, plant and equipment and infrastructure	7	(14,077,955)	(5,221,257)	(2,732,203)	2,489,054	47.67%	▲
Amount attributable to investing activities		(7,649,252)	(2,798,829)	(1,090,104)	1,708,725	(61.05%)	
Financing Activities							
Transfer from reserves	8	4,400,000	0	0	0	0.00%	
Transfer to reserves	8	0	0	(19,061)	(19,061)	0.00%	▼
Amount attributable to financing activities		4,400,000	0	(19,061)	(19,061)	0.00%	
Closing funding surplus / (deficit)	1(c)	(90,000)	2,997,899	5,297,668	2,299,769	(76.71%)	▲

KEY INFORMATION

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

Refer to Note 13 for an explanation of the reasons for the variance.

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

BASIS OF PREPARATION

This 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.

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

All monies held in the Trust Fund are excluded from the financial statements.

SIGNIFICANT ACCOUNTING POLICES

CRITICAL ACCOUNTING ESTIMATES

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

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

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

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

GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

ROUNDING OFF FIGURES

All figures shown in this statement are rounded to the nearest dollar.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 14 December 2022

(a) Non-cash items excluded from operating activities

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

	Notes	Amended Budget	YTD Budget (a)	YTD Actual (b)
Non-cash items excluded from operating activities				
		\$	\$	\$
Adjustments to operating activities				
Less: Profit on asset disposals	6	(24,753)	0	0
Less: Movement in liabilities associated with restricted cash		0	0	712
Add: Loss on asset disposals	6	59,968	0	0
Add: Depreciation on assets		1,834,984	764,607	825,901
Total non-cash items excluded from operating activities		1,870,199	764,607	826,613

(b) Adjustments to net current assets in the Statement of Financial Activity

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

		Adopted Budget Opening 30 June 2022	Last Year Closing 30 June 2022	Year to Date 30 November 2022
Adjustments to net current assets				
Less: Reserves - restricted cash	8	(4,397,221)	(8,797,221)	(8,816,282)
Add: Provisions employee related provisions	9	300,043	300,042	300,754
Total adjustments to net current assets		(4,097,178)	(8,497,179)	(8,515,528)

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

Current assets				
Cash and cash equivalents	2	4,493,244	11,076,288	14,216,229
Rates receivables	3	107,031	107,031	667,748
Receivables	3	452,568	492,228	350,661
Other current assets	4	71,829	71,829	51,518
Less: Current liabilities				
Payables	5	(710,256)	(560,406)	(435,847)
Contract liabilities	9	0	(2,110,015)	(736,424)
Provisions	9	(317,238)	(300,689)	(300,689)
Less: Total adjustments to net current assets	1(b)	(4,097,178)	(8,497,179)	(8,515,528)
Closing funding surplus / (deficit)		0	279,087	5,297,668

CURRENT AND NON-CURRENT CLASSIFICATION

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

Description	Classification	Unrestricted \$	Restricted \$	Total Cash \$	Trust \$	Institution	Interest Rate	Maturity Date
Municipal	Cash and cash equivalents	5,398,677	0	5,398,677	0	NAB	Variable	Nil
Cash on hand	Cash and cash equivalents	1,270	0	1,270	0	Cash on hand	Nil	Nil
Reserves	Cash and cash equivalents	0	8,816,282	8,816,282	0	NAB	Variable	Nil
Total		5,399,947	8,816,282	14,216,229	0			
Comprising								
Cash and cash equivalents		5,399,947	8,816,282	14,216,229	0			
		5,399,947	8,816,282	14,216,229	0			

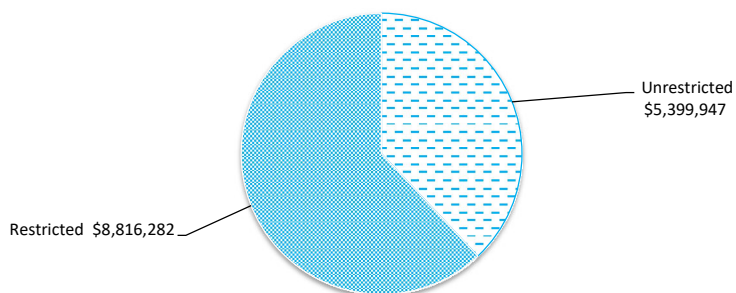
KEY INFORMATION

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

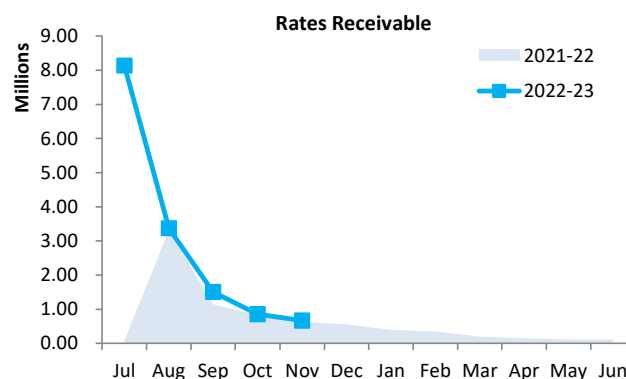
The local government classifies financial assets at amortised cost if both of the following criteria are met:

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

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



Rates receivable	30 Jun 2022	30 Nov 2022
	\$	\$
Opening rates arrears	100,035	107,031
Levied	7,005,810	7,717,902
Less - collections	(6,998,814)	(7,157,185)
Gross rates collectable	107,031	667,748
Net rates collectable	107,031	667,748
% Collected	98.5%	91.5%



Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	0	120,463	8,950	62,128	21,279	212,820
Percentage	0.0%	56.6%	4.2%	29.2%	10%	
Balance per trial balance						
Sundry receivable						212,820
GST receivable						137,841
Total receivables general outstanding						350,661

Amounts shown above include GST (where applicable)

KEY INFORMATION

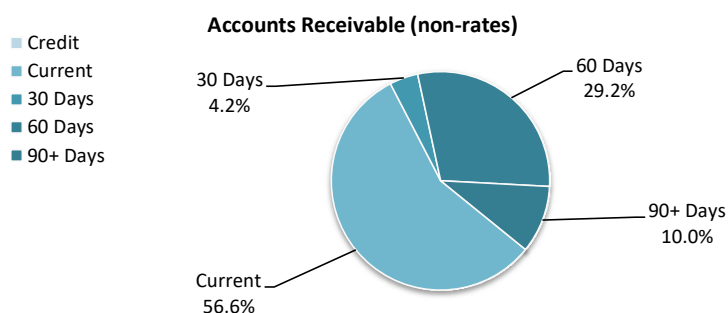
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

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

Classification and subsequent measurement

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

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



	Opening Balance 1 July 2022	Asset Increase	Asset Reduction	Closing Balance 30 November 2022
	\$	\$	\$	\$
Other current assets				
Inventory				
Fuel	71,829	151,175	(171,486)	51,518
Total other current assets	71,829	151,175	(171,486)	51,518
Amounts shown above include GST (where applicable)				

KEY INFORMATION

Inventory

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

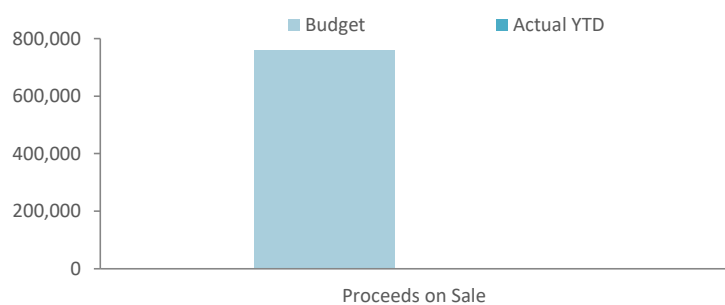
Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	0	0	0	0	0
Percentage	0%	0%	0%	0%	0%	
Balance per trial balance						
Accrued salaries and wages						41,114
ATO liabilities						35,250
Other payables						195,996
Credit card						6,851
Prepaid rates						6,636
Bonds and deposits held						150,000
Total payables general outstanding						435,847
Amounts shown above include GST (where applicable)						

KEY INFORMATION

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

Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
	Buildings								
249	35 Hoover Street Leonora	144,000	150,000	6,000	0	0	0	0	0
	Plant and equipment								
	Health								
PE43	EHO vehicle	36,370	30,000	0	(6,370)	0	0	0	0
PE44	Doctor's vehicle	29,462	30,000	538	0	0	0	0	0
	Transport								
287	2016 Grader John Deere 670G	147,000	155,000	8,000	0	0	0	0	0
	Prime Mover (Water Cart) Iveco	96,822	70,000	0	(26,822)	0	0	0	0
656	2018 Ford Ranger Grader Utility	26,600	22,800	0	(3,800)	0	0	0	0
660	Holden Colorado space	28,700	30,000	1,300	0	0	0	0	0
PE41	Toyota Hilux cab tray top 4WD	32,804	30,000	0	(2,804)	0	0	0	0
657	Ford Ranger works crew	25,900	22,800	0	(3,100)	0	0	0	0
PE45	Toyota Hilux cab tray top 4WD	33,569	30,000	0	(3,569)	0	0	0	0
PE42	Reporting Officer's vehicle	36,033	30,000	0	(6,033)	0	0	0	0
PE46	Water Cart 3 Tonne Tipper	31,290	30,000	0	(1,290)	0	0	0	0
	Economic services								
PE46	Toyota Hilux dual cab 4WD	25,185	30,000	4,815	0	0	0	0	0
	Other property and services								
658	MWS vehicle	25,900	30,000	4,100	0	0	0	0	0
PE53	DCEO vehicle	45,954	40,000	0	(5,954)	0	0	0	0
PE47	Admin Kluger	30,226	30,000	0	(226)	0	0	0	0
		795,815	760,600	24,753	(59,968)	0	0	0	0



**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

**INVESTING ACTIVITIES
NOTE 7
CAPITAL ACQUISITIONS**

Capital acquisitions	Amended		YTD Actual	YTD Actual Variance
	Budget	YTD Budget		
	\$	\$	\$	\$
Land and Buildings	6,692,000	2,788,333	1,505,103	(1,283,230)
Plant and equipment	1,762,939	90,000	107,500	17,500
Infrastructure - roads	3,295,603	1,373,168	730,141	(643,027)
Infrastructure - improvements & infrastructure	2,327,413	969,755	389,459	(580,296)
Payments for Capital Acquisitions	14,077,955	5,221,257	2,732,203	(2,489,054)
Capital Acquisitions Funded By:				
	\$	\$	\$	\$
Capital grants and contributions	5,668,103	2,422,428	1,631,745	(790,683)
Other (disposals & C/Fwd)	760,600	0	0	0
Cash backed reserves				
Aged Care reserve	(2,000,000)	0	0	0
Pool reserve	(300,000)	0	0	0
Plant reserve	(900,000)	0	0	0
Building Maintenance reserve	(1,200,000)	0	0	0
Contribution - operations	12,049,252	2,798,829	1,100,458	(1,698,371)
Capital funding total	14,077,955	5,221,257	2,732,203	(2,489,054)

SIGNIFICANT ACCOUNTING POLICIES

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

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

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

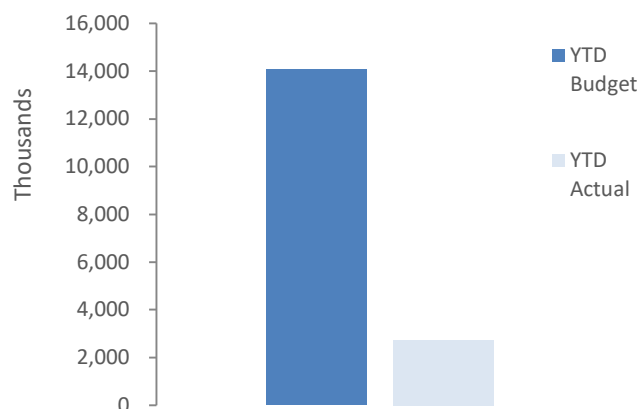
Initial recognition and measurement for assets held at cost

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

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

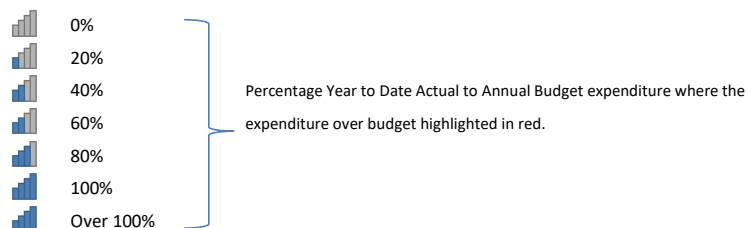
In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The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

Payments for Capital Acquisitions



Capital expenditure total

Level of completion indicators

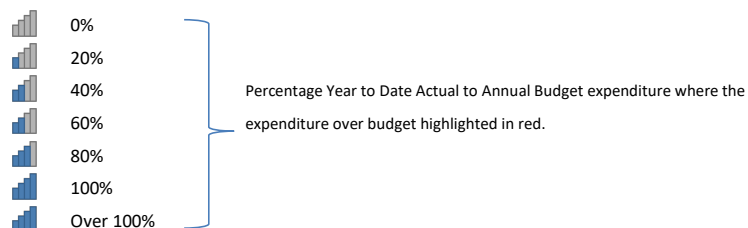


Level of completion indicator, please see table at the end of this note for further detail.

Account Description	Amended		YTD Actual	Variance (Under)/Over
	Budget	YTD Budget		
	\$	\$	\$	\$
Land and Buildings				
CP2306 1 QV Bathrms/wet areas, int paint & flooring	30,000	12,500	0	(12,500)
CP2308 Leonora Early Learning Centre Toilets	50,000	20,833	0	(20,833)
CP2309 CEO's House	750,000	312,500	0	(312,500)
CP2310 13 FitzGerald Street Enclose Outdoor Area	60,000	25,000	0	(25,000)
CP2311 11A Walton Street Front Fence & Shed	25,000	10,417	0	(10,417)
CP2312 11B Walton Street Front Fence & Shed	25,000	10,417	0	(10,417)
CP2315 40A Hoover Street Kitchen, Bathroom & Shed	35,000	14,583	0	(14,583)
CP2316 40B Hoover Street Kitchen, Bathroom & Shed	35,000	14,583	0	(14,583)
CP2317 11 Queen Vic - back verandah/patio enclose	20,000	8,333	230	(8,103)
CP2318 26 Queen Vic - Carport	25,000	10,417	0	(10,417)
CP2319 51 Gwalia - Carport	25,000	10,417	287	(10,130)
CP2320 Cohen - Retaining Wall, fence & Shed	40,000	16,667	0	(16,667)
CP2313 Transportable Accommodation 3brd x 3 bthrm	190,000	79,167	62,601	(16,566)
CP2321 Aged Care Village	5,362,000	2,234,167	1,441,985	(792,182)
CP2368 Archival Room, Gwalia Compactus	20,000	8,333	0	(8,333)
Total Land and Buildings	6,692,000	2,788,333	1,505,103	(1,283,230)
Plant and Equipment				
CP2303 CCTV Trailer	22,000	0	0	0
CP2305 Toyota Hilux Dual Cab (Health Officer)	52,000	0	0	0
CP2307 Doctor Vehicle Kluger 2WD Petrol Wagon	54,255	0	0	0
CP2326 10 x Skip Bins	35,000	0	17,500	17,500
CP2336 Grader John Deere 670G	495,000	0	0	0
CP2337 Prime Mover - water cart truck	300,000	0	0	0
CP2339 Grader Driver's Vehicle (Ranger)	62,000	0	0	0
CP2340 Toyota Hilux dual Cab 4WD (WS)	52,000	0	0	0
CP2341 Toyota Hilux dual Cab 4WD (P & G)	52,000	0	0	0
CP2342 Ranger 4WD Dual Cab Tradein \$'s reqd	62,000	0	0	0
CP2343 Town Water Cart	72,000	0	0	0
CP2345 Small Tipper 3 Tonne - Townsite	20,000	0	0	0
CP2346 Trailer (Tipping) - Town Crew	14,000	0	0	0
CP2347 Trailer Sub Pump, hydraulic	18,000	0	0	0
CP2362 Reporting Officer's Vehicle	69,205	0	0	0
CP2364 RADS Grant - Airport Framework	50,000	0	0	0
CP2369 Toyota Hilux dual Cab 4WD (M)	65,254	0	0	0
CP2370 MWS's Vehicle	73,000	0	0	0
CP2372 DCEO Vehicle	75,225	0	0	0
CP2373 Admin Spare Kluger	30,000	0	0	0
CP2376 Toyota Landcruiser Ute/side drill rig/Tamden Trailer with compressor	90,000	90,000	90,000	0
Total Plant and Equipment	1,762,939	90,000	107,500	17,500

Capital expenditure total

Level of completion indicators



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

Account Description	Amended		YTD Actual	Variance (Under)/Over
	Budget	YTD Budget		
	\$	\$	\$	\$
Infrastructure Other				
IO30003 Standpipe - Electric Monitor	0	0	8,817	8,817
CP2301 Upgrade of CCTV System (Asset No I43)	45,871	19,113	0	(19,113)
CP2302 Upgrade of CCTV System Shire Depot	30,000	12,500	3,315	(9,185)
CP2325 Town Planning Development	500,000	208,333	0	(208,333)
CP2327 Masonic Hall Perimetre Fence	10,000	4,167	0	(4,167)
CP2328 Barnes Federal Theatre Perimetre Fence	10,000	4,167	0	(4,167)
CP2329 Swimming Pool Retiling	1,048,100	436,708	0	(436,708)
CP2330 Multi-Purpose) Court Upgrade plus LED Lights	124,415	51,840	0	(51,840)
CP2331 Oval Lights LED	5,000	2,083	0	(2,083)
CP2332 Small Childrens Swing Set Yungakapi Park	5,000	2,083	0	(2,083)
CP2353 Fencing - Shire Common	25,000	10,417	0	(10,417)
CP2354 Footpaths (Concrete)	110,000	45,833	74,535	28,702
CP2355 Electric Security Gates Depot (Airport Style)	25,000	10,417	0	(10,417)
CP2357 Carport Depot	34,000	14,167	0	(14,167)
CP2358 Re-line Shed Depot	34,000	14,167	0	(14,167)
CP2359 Fuel Storage Unit - Self Bunded Depot	67,000	27,917	0	(27,917)
CP2363 Airport Fencing - RADS	248,027	103,345	302,792	199,447
CP2374 Antennae Internet	6,000	2,500	0	(2,500)
Total Infrastructure Other	2,327,413	969,755	389,459	(580,296)
Infrastructure Roads				
IR30004 Glenorn Yundamindra Road	0	0	16,675	16,675
CP2349 Old Agnew SLK 21.00 to SLK 41.00 Check	900,000	375,000	713,466	338,466
CP2350 Town RAV Network R2R	1,755,603	731,501	0	(731,501)
CP2351 Agnew Lake Miranda	640,000	266,667	0	(266,667)
Total Infrastructure Roads	3,295,603	1,373,168	730,141	(643,027)
				0
Grand Total	14,077,955	5,221,257	2,732,203	(2,489,054)

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 NOVEMBER 2022

OPERATING ACTIVITIES
NOTE 8
RESERVE ACCOUNTS

Reserve accounts

Reserve name	Opening Balance	Budget Interest Earned	Actual Interest Earned	Budget Transfers In (+)	Actual Transfers In (+)	Budget Transfers Out (-)	Actual Transfers Out (-)	Budget Closing Balance	Actual YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by Council									
Long Service Leave reserve	134,623	0	319	0	0	0	0	134,623	134,942
Heritage Buildings reserve	200,041	0	475	0	0	0	0	200,041	200,516
Aged Care reserve	2,121,478	0	5,032	0	0	(2,000,000)	0	121,478	2,126,510
Pool reserve	474,036	0	1,124	0	0	(300,000)	0	174,036	475,160
IT reserve	15,000	0	0	0	0	0	0	15,000	15,000
Airport reserve	746,453	0	0	0	0	0	0	746,453	746,453
Plant reserve	1,115,615	0	2,646	0	0	(900,000)	0	215,615	1,118,261
Fire Disaster reserve	39,940	0	95	0	0	0	0	39,940	40,035
Annual Leave reserve	165,420	0	392	0	0	0	0	165,420	165,812
Gwalia Precinct reserve	488,875	0	1,160	0	0	0	0	488,875	490,035
Building Maintenance reserve	2,839,603	0	6,736	0	0	(1,200,000)	0	1,639,603	2,846,339
Waste Management reserve	456,137	0	1,082	0	0	0	0	456,137	457,219
	8,797,221	0	19,061	0	0	(4,400,000)	0	4,397,221	8,816,282

	Note	Opening Balance 1 July 2022	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 30 November 2022
		\$		\$	\$	\$
Other current liabilities						
Other liabilities						
- Contract liabilities		348,746	0	164,667	(202,904)	310,509
- Capital grant/contribution liabilities		1,761,269	0	0	(1,335,354)	425,915
Total other liabilities		2,110,015	0	164,667	(1,538,258)	736,424
Employee Related Provisions						
Annual leave		172,113	0	0	0	172,113
Long service leave		128,576	0	0	0	128,576
Total Employee Related Provisions		300,689	0	0	0	300,689
Total other current liabilities		2,410,704	0	164,667	(1,538,258)	1,037,113
Amounts shown above include GST (where applicable)						

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 10 and 11

KEY INFORMATION

Provisions

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Employee Related Provisions

Short-term employee benefits

Provision is made for the Shire's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the calculation of net current assets.

Other long-term employee benefits

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as employee related provisions in the statement of financial position.

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur. The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Contract liabilities

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.

Capital grant/contribution liabilities

Grants to acquire or construct recognisable non-financial assets to identified specifications be constructed to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

Provider	Unspent operating grant, subsidies and contributions liability					Operating grants, subsidies and contributions revenue		
	Liability	Increase in Liability	Decrease in Liability	Liability	Current Liability	Amended Budget Revenue	YTD Budget	YTD Revenue
	1 July 2022		(As revenue)	30 Nov 2022	30 Nov 2022	Revenue	Budget	Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Operating grants and subsidies								
General purpose funding								
Grant - Equalisation	0	0	0	0	0	338,132	169,066	86,487
Grant - Roads (Untied)	0	0	0	0	0	230,160	115,080	85,811
Law, order, public safety								
Operational Grant - Bush Fire	0	0	0	0	0	2,682	2,682	699
Education and welfare								
Grant- Sustainability Child Care	0	0	0	0	0	68,107	34,053	34,054
Childcare Grants (Misc)	0	0	0	0	0	15,500	6,463	0
Youth Support DCP Grant	0	37,697	(31,022)	6,675	6,675	75,001	31,251	31,676
Youth Program Grants	0	0	0	0	0	5,500	2,294	0
LGA Suicide Prevent Grant	35,000	0	0	35,000	35,000	35,000	14,588	0
Recreation and culture								
National Australia Day Grant	0	0	0	0	0	20,000	0	0
Other grants - Various	0	0	0	0	0	115,000	47,919	0
CDC Services Grant	313,746	0	(70,700)	243,046	243,046	623,395	259,752	70,700
Indue Agreement	0	68,119	(53,810)	14,309	14,309	129,137	53,810	53,810
Other Grant Funding	0	0	0	0	0	3,000	1,250	0
Nyunnga-Ku Womens Group	0	0	0	0	0	0	0	5,000
Grant CRC Services	0	58,851	(47,372)	11,479	11,479	113,690	47,372	47,372
Transport								
Contrib. - Street Lights	0	0	0	0	0	3,699	3,699	8,786
Grants - MRWA Direct	0	0	0	0	0	179,442	179,442	183,302
RADS Grant - Airport Framework	0	0	0	0	0	50,000	50,000	0
RADS Grant - Security Fencing	0	0	0	0	0	248,027	0	0
Economic services								
Cactus Eradication	0	0	0	0	0	50,000	20,831	0
Gwalia Historical Precinct other grant	0	0	0	0	0	120,000	50,000	0
Leonora Golden Gift Sponsorship	0	0	0	0	0	125,000	52,081	0
Leonora Golden Gift Grant	0	0	0	0	0	66,000	27,500	20,000
	348,746	164,667	(202,904)	310,509	310,509	2,616,472	1,169,133	627,697

Provider	Capital grant/contribution liabilities					Non operating grants, subsidies and contributions revenue		
	Liability	Increase in Liability	Decrease in Liability	Liability	Current Liability	Amended Budget	YTD	YTD
	1 July 2022		(As revenue)	30 Nov 2022	30 Nov 2022	Revenue	Budget	Revenue
	\$	\$	\$	\$	\$	\$	\$	\$
Non-operating grants and subsidies								
General purpose funding								
Grant-Infra(COVID) Yingkapayi Playground	0	0	0	0	0	100,117	100,117	66,745
Grant-Infra(COVID) Yingkapayi Playground	0	0	0	0	0	25,042	25,042	0
Grant-Infra(COVID) Public Toilets Townsite	0	0	0	0	0	15,000	15,000	0
Grant-Infra(COVID) Malcolm Dam Facility Upgrade	0	0	0	0	0	4,000	4,000	0
Housing								
Ageing in Place	1,335,354	0	(1,335,354)	0	0	3,500,000	1,458,338	1,335,354
Recreation and culture								
ACA Grant - Indoor Cricket Net	0	0	0	0	0	1,000	1,000	0
Swimming Pool - LRCI Phase 3 Grant	325,915	0	0	325,915	325,915	880,830	440,415	0
Multi-Purpose Courts Tower Street	100,000	0	0	100,000	100,000	138,516	138,516	0
Transport								
Grant - Roads to Recovery	0	0	0	0	0	403,598	0	0
RRG Funding-Grant	0	0	0	0	0	600,000	240,000	240,000
	1,761,269	0	(1,335,354)	425,915	425,915	5,668,103	2,422,428	1,642,099

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

**NOTE 12
BUDGET AMENDMENTS**

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

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
CP2376	Toyota Landcruiser Ute/side drill rig/Tamden Trailer with compressor	10.2.(A) NOV 22	Capital Expenses	0	0	(90,000)	(90,000)
				0	0	(90,000)	(90,000)

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

**NOTE 13
EXPLANATION OF MATERIAL VARIANCES**

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

The material variance adopted by Council for the 2022-23 year is \$15,000 or 8.00% whichever is the greater.

Nature or type	Var. \$	Var. %	Explanation of positive variances		Explanation of negative variances	
			Timing	Permanent	Timing	Permanent
Opening funding surplus / (deficit)	\$ 87,213	45.45%	▲			
Revenue from operating activities						
Operating grants, subsidies and contributions	(541,436)	(46.31%)	▼			LRCI Grant 10% Phase 1 & Phase 2 yet to be received. CDC Hub Grant funds milestone payment due 31st October 2022
Interest earnings	29,387	882.49%	▲	Interest rate increases		
Expenditure from operating activities						
Employee costs	(685,450)	(67.74%)	▼			Allocations
Materials and contracts	1,713,388	55.49%	▲	Timing of works to be carried out		
Utility charges	(30,032)	(27.75%)	▼			Timing
Depreciation on non-current assets	(61,294)	(8.02%)	▼			Applied Depreciation
Non-cash amounts excluded from operating activities	62,006	8.11%	▲	Profit/Loss on disposal of assets - disposals yet to take place		
Investing activities						
Proceeds from non-operating grants, subsidies and contributions	(780,329)	(32.21%)	▼			Various grant funding timing over 12 months
Payments for property, plant and equipment and infrastructure	2,489,054	47.67%	▲	Tenders in progress or yet to be undertaken		
Financing activities						
Transfer to reserves	(19,061)	0.00%	▼	Interest received		
Closing funding surplus / (deficit)	2,299,769	(76.71%)	▲	Due to variances as described		