

MONTHLY FINANCIAL REPORT

2022-2023

JUNE 2023



SHIRE OF
COCOS
KEELING
ISLANDS

MAJU PULU KITA | ADVANCE OUR ISLANDS

SHIRE OF COCOS (KEELING) ISLANDS

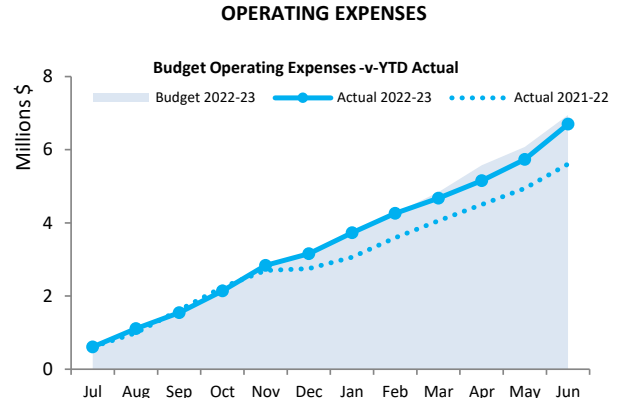
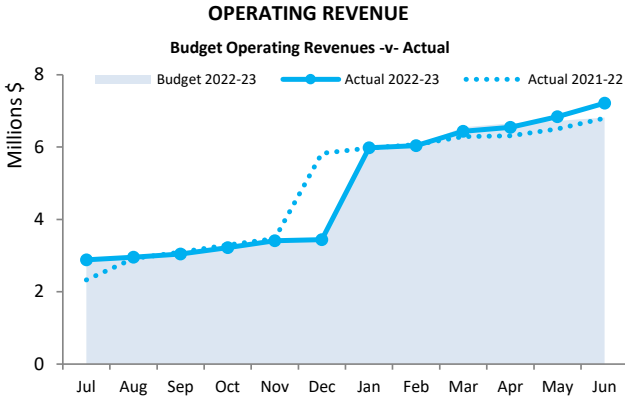
MONTHLY FINANCIAL REPORT (Containing the Statement of Financial Activity) For the Period Ended 30 June 2023

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

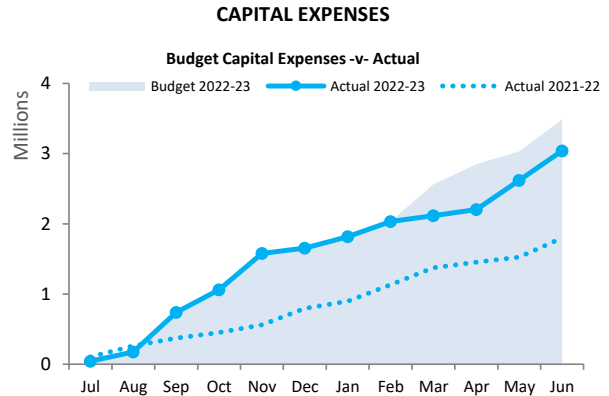
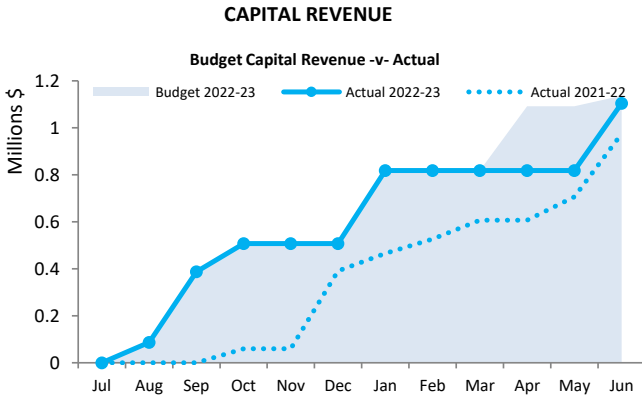
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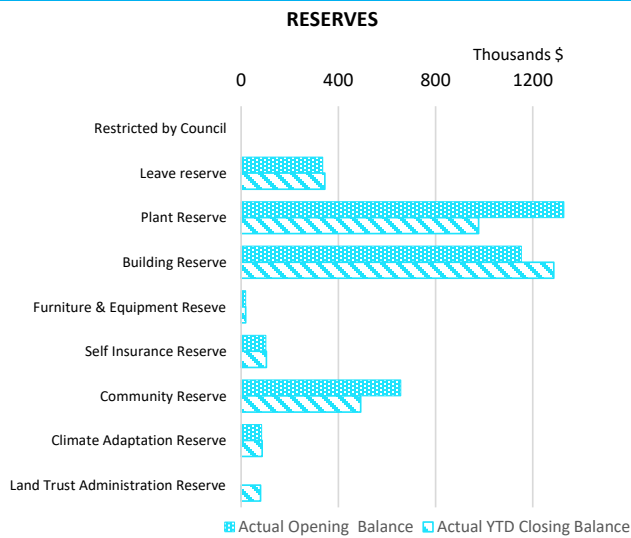
OPERATING ACTIVITIES



INVESTING ACTIVITIES



FINANCING ACTIVITIES



KEY TERMS AND DESCRIPTIONS

FOR THE PERIOD ENDED 30 JUNE 2023

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, rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

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 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, contract services, consultancy, information technology, rental & 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.

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 - SHIRE
FOR THE PERIOD ENDED 30 JUNE 2023

BY NATURE OR TYPE

SHIRE	Ref	Adopted Budget	Current Budget	YTD Budget	YTD Actual	YTD Variance	Var.
	Note	(a)		(b)	(c)	(c) - (b)	
		\$		\$	\$	\$	
Opening funding surplus / (deficit)	1(c)	467,014	564,176	564,176	564,176	0	
Revenue from operating activities							
Rates		442,694	483,888	483,888	433,655	(50,233)	▼
Operating grants, subsidies and contributions	8	4,909,182	5,090,005	5,090,005	5,047,049	(42,956)	
Fees and charges		480,731	1,018,604	1,018,604	1,455,653	437,049	▲
Interest earnings		11,288	116,957	116,957	126,553	9,596	
Other revenue		60,400	94,261	94,261	142,931	48,670	▲
Profit on disposal of assets	5	21,225	13,081	13,081	8,683	(4,398)	
		5,925,521	6,816,796	6,816,796	7,214,524	397,728	
Expenditure from operating activities							
Employee costs		(3,439,581)	(3,585,049)	(3,585,049)	(3,562,125)	22,924	
Materials and contracts		(1,459,710)	(1,557,837)	(1,557,837)	(1,302,948)	254,889	▲
Utility charges		(48,540)	(48,540)	(48,540)	(54,163)	(5,623)	
Depreciation on non-current assets		(1,168,037)	(1,357,489)	(1,357,489)	(1,368,268)	(10,779)	
Interest expenses		0	(1,200)	(1,200)	(1,086)	114	
Insurance expenses		(171,410)	(166,759)	(166,759)	(170,029)	(3,270)	
Other expenditure - includes transfer to 1979 & 1984 Trusts		(235,722)	(355,274)	(355,274)	(346,458)	8,816	
Loss on disposal of assets	5	(13,928)	(23,358)	(23,358)	(14,430)	8,928	
		(6,536,928)	(7,095,506)	(7,095,506)	(6,819,507)	275,999	
Non-cash amounts excluded from operating activities	1(a)	1,160,740	1,367,766	1,367,766	1,319,261	(48,505)	
Amount attributable to operating activities		549,333	1,089,056	1,089,056	1,714,278	625,222	
Investing activities							
Proceeds from non-operating grants, subsidies and contributions	9	2,132,684	1,136,630	1,136,630	1,104,399	(32,231)	
Proceeds from disposal of assets	5	27,591	16,591	16,591	10,500	(6,091)	
Payments for property, plant and equipment and infrastructure	6	(3,992,038)	(3,339,907)	(3,339,907)	(2,919,642)	420,265	▲
		(1,831,763)	(2,186,686)	(2,186,686)	(1,804,743)	381,943	
Non-cash amounts excluded from investing activities	1(b)	0	0	0	0	0	
Amount attributable to investing activities		(1,831,763)	(2,186,686)	(2,186,686)	(1,804,743)	381,943	
Financing Activities							
Transfer from reserves	7	823,204	949,818	949,818	707,513	(242,305)	▼
Payments for principal portion of lease liabilities	6	0	0	0	(11,336)	(11,336)	
Transfer to reserves	7	(7,788)	(416,364)	(416,364)	(419,067)	(2,703)	
Amount attributable to financing activities		815,416	533,454	533,454	277,110	(256,344)	
Closing funding surplus / (deficit)	1(c)	0	0	0	750,821	750,821	▲

KEY INFORMATION

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

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

STATEMENT OF FINANCIAL ACTIVITY - LAND TRUSTS
FOR THE PERIOD ENDED 30 JUNE 2023

BY NATURE OR TYPE

1979 TRUST	Ref Note	Adopted Budget (a)	Current Budget	YTD Budget (b)	YTD Actual (c)	YTD Variance (c) - (b)	Var.	Explanation of Variance
Opening funding surplus / (deficit)		\$ 0	0	\$ 0	\$ 0	\$ 0		
Revenue from operating activities								
Fees and charges		488,779	494,974	494,974	470,338	(24,636)		
Other revenue		110,000	102,456	102,456	102,456	0		Kampong insurance contributions.
		598,779	597,430	597,430	572,794	(24,636)		
Expenditure from operating activities								
Employee costs		(84,012)	(33,726)	(33,726)	(45,384)	(11,658)		
Materials and contracts		(7,200)	(333,164)	(333,164)	(216,936)	116,228	▲	Timing - Legal fees & maintenance materials lower than Budget Review
Utility charges		(49,800)	(47,617)	(47,617)	(49,926)	(2,309)		
Depreciation on non-current assets		(349,963)	(1,683,523)	(1,683,523)	(1,684,089)	(566)		
Insurance expenses		(295,070)	(298,057)	(298,057)	(298,057)	0		
		(786,045)	(2,396,086)	(2,396,086)	(2,294,392)	101,695		
Non-cash amounts excluded from operating activities		349,963	1,683,523	1,683,523	1,684,089	566		
Amount attributable to operating activities		162,697	(115,133)	(115,133)	(37,508)	77,625		
Investing activities								
Payments for property, plant and equipment and infrastructure	6	(300,822)	(137,788)	(137,788)	(111,672)	26,116	▲	Refer NOTE 6 for breakdown of capital expenditure.
		(300,822)	(137,788)	(137,788)	(111,672)	26,116		
Closing funding surplus / (deficit)		(138,125)	(252,921)	(252,921)	(149,180)	103,741		
Interfund Transfer		138,125	252,921	252,921	149,180	(103,741)	▼	
Net Closing funding surplus / (deficit)		-	-	-	-			

1984 TRUST	Ref Note	Adopted Budget (a)	Current Budget	YTD Budget (b)	YTD Actual (c)	YTD Variance (c) - (b)	Var.	Explanation of Variance
Opening funding surplus / (deficit)		\$ 0	0	\$ 0	\$ 0	\$ 0		
Revenue from operating activities								
Fees and charges		141,764	145,967	145,967	118,163	(27,804)	▼	Timing of lease fees.
		141,764	145,967	145,967	118,163	(27,804)		
Expenditure from operating activities								
Employee costs		(38,859)	(9,208)	(9,208)	(9,241)	(33)		
Materials and contracts		(23,000)	(79,339)	(79,339)	(174,314)	(94,975)	▼	Tokoh Building design costs expensed as Capital works cancelled
Utility charges		(6,200)	(4,081)	(4,081)	(5,429)	(1,348)		
Depreciation on non-current assets		(56,484)	(258,044)	(258,044)	(258,081)	(38)		
Insurance expenses		(47,303)	(44,318)	(44,318)	(44,318)	0		
		(171,846)	(394,988)	(394,988)	(491,382)	(96,394)		
Non-cash amounts excluded from operating activities		56,484	258,044	258,044	258,081	38		
Amount attributable to operating activities		26,402	9,023	9,023	(115,138)	(124,161)		
Investing activities								
Payments for property, plant and equipment and infrastructure	6	(15,000)	(8,778)	(8,778)	(8,778)	0		Refer NOTE 6 for breakdown of capital expenditure.
		(15,000)	(8,778)	(8,778)	(8,778)	0		
Closing funding surplus / (deficit)		11,402	244	244	(123,916)	(124,161)	▼	
Interfund Transfer		(11,403)	(244)	(244)	123,916	124,161		
Net Closing funding surplus / (deficit)		-	-	-	-			

KEY INFORMATION

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

EXPLANATION OF MATERIAL VARIANCES

FOR THE PERIOD ENDED 30 JUNE 2023

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 \$20,000 or 10.00% whichever is the greater.

Nature or type	Var. \$	Var. %	Timing / Permanent	Explanation of variances
	\$	%		
Opening funding surplus / (deficit)	0	0.00%		
Revenue from operating activities				
Rates	(50,233)	(10.38%)	▼ Timing	Land Trust Rental Properties to be backrated in 2023/24.
Operating grants, subsidies and contributions	(42,956)	(0.84%)		Refer NOTE 8 for details on operating grants.
Fees and charges	437,049	42.91%	▲ Permanent	Private works income higher than budgeted.
Interest earnings	9,596	8.20%		
Other revenue	48,670	51.63%	▲ Permanent	Higher than budgeted Apprenticeship Incentive payments
Profit on disposal of assets	(4,398)	(33.62%)		Refer NOTE 5 for details on asset disposals.
Expenditure from operating activities				
Employee costs	22,924	0.64%		
Materials and contracts	254,889	16.36%	▲ Timing	Fisheries expenditure \$96k below budget (carry forward funding and expenditure to 2023/24) Plant operating costs \$60k below budget. Off-Island Disposal \$35k below budget (legacy/Shire waste). Integrated Planning \$24k below budget (LTFP being developed internally) Legal Advice (Shire) \$13k below budget Governance Consultants \$10k below budget (Carry forward CEO Performance Review and Records Mgmt to Oct/Nov 2023) Animal Control \$13.4k under budget - no vet visit organised in 2022/23.
Utility charges	(5,623)	(11.58%)		
Depreciation on non-current assets	(10,779)	(0.79%)		
Interest expenses	114	9.50%		
Insurance expenses	(3,270)	(1.96%)		
Other expenditure - includes transfer to 1979 & 1984 Trusts	8,816	2.48%		Refer Statement of Financial Activity for Land Trusts.
Loss on disposal of assets	8,928	38.22%		
Investing activities				
Proceeds from non-operating grants, subsidies and contributions	(32,231)	(2.84%)		Refer NOTE 9 for details on non-operating grants.
Proceeds from disposal of assets	(6,091)	(36.71%)	Timing	Refer NOTE 5 for details on asset disposals.
Payments for property, plant and equipment and infrastructure	420,265	12.58%	▲ Timing	Refer NOTE 6 for breakdown of capital expenditure.
Financing activities				
Transfer from reserves	(242,305)	(25.51%)	▼ Timing	Carry forward 2x light vehicles funded from Plant & Equipment Reserve. Delivery delayed to 2023/24. Bungalow re-sheeting below budget transfer from Building Reserve. Carry forward completion of HI Retail Precinct from Community Reserve. (All offset by lower than budgeted capital expenditure)
Transfer to reserves	(2,703)	(0.65%)		
Closing funding surplus / (deficit)	750,821	0.00%	▲ Timing	per above

BASIS OF PREPARATION

The financial report has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying Regulations.

The *Local Government Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

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.

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

ROUNDING OFF FIGURES

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

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2023**

**NOTE 1
STATEMENT OF FINANCIAL ACTIVITY INFORMATION**

(a) Non-cash items excluded from operating activities

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

	Notes	Adopted Budget	YTD Budget (a)	YTD Actual (b)
Non-cash items excluded from operating activities				
		\$	\$	\$
Adjustments to operating activities				
Less: Profit on asset disposals	5	(21,225)	(13,081)	(8,683)
Less: Movement in liabilities associated with restricted cash		0	0	(68,525)
Movement in employee benefit provisions (non-current)		0	0	13,771
Add: Loss on asset disposals	5	13,928	0	14,430
Add: Loss on revaluation of non current assets		0	0	0
Add: Depreciation on assets		1,168,037	1,357,489	1,368,268
Total non-cash items excluded from operating activities		1,160,740	1,344,408	1,319,261

(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 June 2023
Adjustments to net current assets			
Less: Reserves - restricted cash	7	(3,679,057)	(3,390,611)
Add: Provisions employee related provisions held in Reserve		397,904	344,622
Add: Lease liabilities	0	0	11,902
Total adjustments to net current assets		(3,281,153)	(3,034,087)

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

Current assets

Cash and cash equivalents	2	4,392,866	4,874,043	4,531,332
Rates receivables (incl. pensioner rebates claimable)	3	12,636	8,849	21,423
Receivables	3	345,777	415,198	269,775
Other current assets		35,351	59,748	110,345
Less: Current liabilities				
Payables		(109,559)	(378,496)	(424,668)
Contract liabilities & Unspent grants	9	(531,000)	(736,109)	(192,631)
Lease liabilities		0	(10,914)	(11,902)
Provisions		(397,904)	(413,148)	(518,767)
Less: Total adjustments to net current assets	1(b)	(3,281,153)	(3,254,995)	(3,034,087)
Closing funding surplus / (deficit)		467,014	564,176	750,821

CURRENT AND NON-CURRENT CLASSIFICATION

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

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2023**

**OPERATING ACTIVITIES
NOTE 2
CASH AND FINANCIAL ASSETS**

Description	Classification	Unrestricted	Restricted	Total Cash	Institution	Interest Rate	Maturity Date
		\$	\$	\$			
Municipal Fund - 7340 & 5474	Cash and cash equivalents	972,412	0	972,412	CBA	Variable	
Cash on hand - Float	Cash and cash equivalents	400	0	400	N/A	N/A	
Term Deposit - Reserve Funds	Cash and cash equivalents	167,909	3,390,611	3,558,520	CBA	4.20%	Jul-23
Total		1,140,721	3,390,611	4,531,332			
Comprising							
Cash and cash equivalents		1,140,721	3,390,611	4,531,332			
		1,140,721	3,390,611	4,531,332			

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.

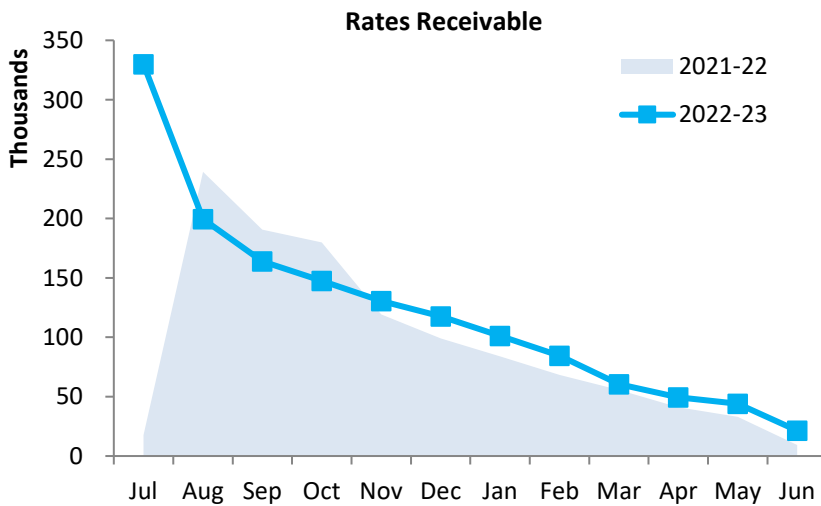
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2023

OPERATING ACTIVITIES
NOTE 3
RECEIVABLES

Rates receivable	Prior Year Close 30 June 2022	This time Last year	30 Jun 2023
	\$	\$	\$
Opening arrears previous years	26,616	26,616	8,849
Levied this year	430,999	431,078	433,655
Less - collections to date	(448,291)	(448,369)	(421,081)
Pensioner rebates claimable	(475)	(475)	2,900
Net rates collectable	8,849	8,849	24,323
% Collected	98%	98%	95.2%

2022/23 Rates due 31/08/2022
Instalment Due Dates

31/08/2022
30/11/2022
31/01/2023
31/03/2023



NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2023

OPERATING ACTIVITIES
NOTE 4
RECEIVABLES

Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - Sundry	(5,464)	173,318	18,701	21,701	67,918	276,174
Percentage	(2.0%)	62.8%	6.8%	7.9%	24.6%	
Balance per trial balance						
Rubbish & Swimming Pool Fees - Charged on Rates Notices						1,508
GST Receivable						8,943
Receivables - General Suspense						0
Allowance for impairment of receivables from contracts with customers						(16,850)
Total receivables general outstanding						269,775

Sundry Debtors Outstanding Over 90 Days

Description	Status / Action	\$
Kampong Lease - insurance contribution	Payments fortnightly	412
Kampong Lease - insurance contribution	Payment plan offered May2023. No response. \$200 paid in June. Leasing Officer to follow up	4,488
Commercial Property - Leases & Private Works	Final Demand letter emailed May2023.	3,713
Lease Fee	Paid in July.	13,690
Lease and Private works	Paid in July.	2,130
Reimbursent of MVR expenses	Paid in July.	221
Private Works - Verandah repairs Nov22	Final Demand letter issued May2023. \$200 paid in May. Debtors officer to follow up	485
Kampong Lease - insurance contribution	Paid in July.	38
Workers Compensation Reimbursement	Paid in July.	6,289
Private Works - Vehicle Disposal	Monthly payment \$100. Debtors Officer to follow up	600
Kampong Lease - insurance contribution	Paying \$50/fortnight encourage to increase.	1,132
Kampong Lease - insurance contribution	Small pmts being made monthly, but not enough to cover debt in a timely manner. Debtor is a pensioner.	2,661
Private Works	Debtors officer to follow up	86
Kampong rental and private works.	Pensioner household - apply discounted rents 2023/24.	897
Kampong Lease - insurance contribution	Paid in July.	273
Kampong Lease - insurance contribution	Monthly payments, continue to followup balance	705
Kampong Lease - insurance contribution	Monthly payments, continue to followup balance	2,543
Kampong Lease - insurance contribution & Private works	Monthly payments, continue to followup balance.	1,220
Kampong Rental	Debtors officer to follow up	713
Kampong Lease - insurance contribution	Monthly Payments being made - need to increase. Debtors Officer to follow up.	1,400
Kampong Lease - insurance contribution	Paid in July.	1,067
Utility Reimbursement - rental	Debtors Officer to follow up	44
Private Works	Paid in July.	7,776
Kampong Lease - insurance contribution	Paid in July.	712
Private Works	Short paid invoice in May - debtors officer to follow up	30
Kampong Lease - insurance contribution	\$50 pmts being made - need to increase. Debtors officer to follow up.	1,320
Commercial Lease - LIA Shed	Debt collection agency engaged.	6,938
Kampong Lease - insurance contribution	Monthly payments, continue to followup balance.	612
Kampong Lease - insurance contribution	Monthly payments, continue to followup balance	162
Commercial Lease	Debtors Officer to follow up	381
Kampong Lease - insurance contribution	Monthly payments, continue to followup balance. No payment since May?	512
Kampong Lease - insurance contribution & Private works	Payments fortnightly	668
Kampong Rent & Private Works - Tree Lopping	Debtors Officer to follow up	916
Kampong Lease - insurance contribution	90 day letter issued May2023. Paid half in May. Debtors Officer to follow up	312
Private Works	Paid in July.	975
Cat registration, desexing & microchipping	Monthly payments. No pmt since March? Debtors officer to follow up.	169
Kampong Lease - Insurance Contribution	Paid in July.	1,383
Kampong Lease - insurance contribution	Approved Payment Plan.	250
		67,918

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2023

OPERATING ACTIVITIES
NOTE 5
DISPOSAL OF ASSETS

Asset Ref.	Asset description	Budget					YTD Actual				Comments
		Net Book Value	Proceeds	Cost to remove from island	Profit	(Loss)	Net Book Value	Proceeds (net cost to remove)	Profit	(Loss)	
		\$	\$	\$	\$	\$	\$	\$	\$		
	Plant and equipment										
	Transport										
PE429	Plant Replacement - Holden Crew Cab Ute	0	5,000		5,000	0	0	0	0	To be disposed once new plant arrives.	
PE422	Plant Replacement - Mitsubishi Triton Crew Cab	0	5,000		5,000	0	0	0	0	To be disposed once new plant arrives.	
PE1404	EziGo Electric Car (HI)	3,194	5,000		1,806	0	0	0	0	cfwd to 2023/24.	
PE709 / PE741	Boat - Quintrex KI907 & Yamaha 60HP Motor	0	0	0	0	0	1,817	10,500	8,683	0	Public tender August 2022. Cfwd from 2021/22.
PE734	Plant Replacement - Bobcat Skid Steer	7,428	13,500	(15,000)	0	(8,928)	0	0	0	0	Awaiting shipment off island.
PE724	Plant Replacement - Rubbish Truck	0	29,091	(25,000)	4,091	0	0	0	0	0	Shipped off island July 2023. Cfwd to 2023/24.
PE727	Plant Replacement - Side Tipper	0	30,000	(25,000)	5,000	0	0	0	0	0	To be disposed once new plant arrives.
PE728	Plant Replacement - R35Z-9 6t with Flail Mower	0	5,000	(10,000)	0	(5,000)	0	0	0	0	nolonger replacing
PE747	Tandem Plant trailer with ramps (WI)	9,673	10,000	0	327	0	0	0	0	0	repurpose trailer
PE735	Tipper Truck	0	0	0	0	0	14,430	0	0	(14,430)	Truck written off in accident.
		20,295	102,591	(75,000)	21,225	(13,928)	16,247	10,500	8,683	(14,430)	(5,747)

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2023

INVESTING ACTIVITIES
NOTE 6
CAPITAL ACQUISITIONS

	Adopted Budget	Current Budget	Current YTD Budget	YTD Actual	YTD Actual Variance
Capital acquisitions	\$		\$	\$	\$
Intangible Assets	0	5,000	5,000	5,000	0
Buildings	2,264,392	1,269,747	1,269,747	986,171	(283,576)
Furniture and equipment	10,000	22,496	22,496	46,898	24,402
Plant and equipment	1,447,371	1,569,754	1,569,754	1,364,763	(204,991)
Infrastructure - roads	270,276	412,228	412,228	455,177	42,949
Infrastructure - Other	0	60,681	60,681	61,634	953
Payments for Capital Acquisitions	3,992,038	3,339,907	3,339,907	2,919,643	(420,264)
Capital Acquisitions Funded By:	\$		\$	\$	\$
Capital grants and contributions	2,132,684	1,136,630	1,136,630	1,104,399	(32,231)
Other (disposals & C/Fwd)	19,091	16,591	16,591	0	(16,591)
Cash backed reserves					
Plant Reserve	568,965	568,965	568,965	442,996	(125,969)
Building Reserve	120,138	120,138	120,138	80,717	(39,421)
Community Reserve	260,715	260,715	260,715	183,800	(76,915)
Contribution - Municipal operations	890,445	1,236,868	1,236,868	1,107,731	(129,137)
Capital funding total	3,992,038	3,339,907	3,339,907	2,919,643	(420,264)

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.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2023

INVESTING ACTIVITIES
NOTE 6
CAPITAL ACQUISITIONS (CONTINUED)

Account Description	Adopted	Current	YTD Budget	YTD Actual	Variance (Under)/Over	Status	Comments
	Budget	Budget					
	\$	\$	\$	\$	\$		
Buildings							
C267 Studio Unit Lot 198 HI	32,500	38,343	38,343	13,593	(24,750)	Planning	Footings have been installed - awaiting transport of unit from WI to HI.
C233 Resheeting of Bungalows	235,424	120,138	120,138	80,717	(39,421)	In Progress	Works have commenced.
C143 HI Retail Precinct - Stage 2 & 3	829,376	765,193	765,193	688,278	(76,915)	In Progress	Works have commenced on the extension.
C254 New Houses - Home Island	65,426	168,885	168,885	168,479	(406)	Complete	Project complete.
C268 Tokoh Building Refurbishment	1,101,666	100,000	100,000	0	(100,000)	Complete	BBRF no longer available to fund project. Re-assess scope for 2023/24.
C248 Shelter - The Spot	0	35,103	35,103	35,103	(0)	Complete	Project complete.
C030 Emden Memorial Restoration - Direction Island	0	42,085	42,085	0	(42,085)	Planning	Grant approved May 2023. Cfdw to 2023/24.
Buildings Total	2,264,392	1,269,747	1,269,747	986,171	(283,576)		
Intangible Assets							
C901 Payment Hubb Implementation	0	5,000	5,000	5,000	0	In progress	Implementation commenced - to take effect 2023/24.
Intangible Assets	0	5,000	5,000	5,000	0		
Plant, Furniture and Equipment							
Furniture and Equipment							
C056 Marquee - West Island	10,000	7,496	7,496	7,495	(1)	Complete	Complete.
C018 Shelving - Home Island Depot	0	50,000	50,000	39,403	(10,597)	Ordered	Materials ordered
Plant Replacement							
C271 Minor Plant Purchases (<\$5,000)	0	15,000	15,000	5,866	(9,134)	Complete	\$5k Compressor delivered.
C068 Plant Replacement - C194 Cat Roller	180,000	175,889	175,889	175,889	(0)	Complete	Delivered.
C237 Plant Replacement - C1081 Rubbish Truck	234,180	230,475	230,475	230,475	0	Complete	Delivered.
C238 Plant Replacement - Bobcat (Skid Steer)	136,780	122,780	122,780	97,270	(25,510)	Complete	Delivered.
C222 Plant Replacement - Excavator	366,411	355,120	355,120	355,120	0	Complete	Delivered.
C215 Plant Replacement - Side Tipper	250,000	264,000	264,000	263,926	(74)	Ordered	Delivered.
C239 Plant Replacement - 6t with Flail Mower	100,000	0	0	0	0	Cancelled	Flail mower repaired - not being replaced.
C223 Plant Replacement - 5t Tipper Truck - Home Island	0	68,490	68,490	68,490	0	Complete	Delivered.
C270 Plant Replacement - Loader Bucket Replacement	0	23,000	23,000	23,696	696	Complete	Delivered.
Motor Vehicles							
C552 Plant replacement - 5x Light Vehicles (Works)	180,000	280,000	280,000	144,031	(135,969)	Ordered	1x car delivered Feb23. 2x utes due to Perth June 23. 2x vehicles to be ordered (HI)
Plant, Furniture and Equipment Total	1,457,371	1,592,249	1,592,249	1,411,661	(180,588)		
Roads							
C553 Jalan Bunga Mawar - Roads to Recovery Funding 720m2	270,276	232,228	232,228	232,229	1	Complete	Works complete.
C525 Jalan Raya (from Bunga Mawar to Jalan Kangkong)	0	180,000	180,000	222,948	42,948	Delivered	Materials ordered for 2023/24 works.
Roads Total	270,276	412,228	412,228	455,177	42,949		
Infrastructure Other							
C262 Birdhide - Freshwater Lagoon	0	53,231	53,231	54,184	953	Complete	Works complete.
C194 Steps - Trannies Beach	0	7,450	7,450	7,450	(0)	Complete	Works complete.
Infrastructure Other Total	0	60,681	60,681	61,634	953		
Shire Total	3,992,038	3,339,907	3,339,907	2,919,643	(420,264)		
Capital Expenditure - LAND TRUST ASSETS							
Buildings - 1979 Trust							
C263 Kampong Bathroom Renewals - 1979 Trust	104,269	107,788	107,788	111,672	3,884	Complete	Works Complete.
C269 Kampong Kitchen & Window Renewals - 1979 Trust	196,553	30,000	30,000	0	(30,000)	Not started	Awaiting property inspections to ascertain priority works. Carryfwd to 23/24
Buildings 1979 Trust Total	300,822	137,788	137,788	111,672	(26,116)		
Buildings - 1984 Trust							
C332 HI Admin Office Building Upgrades	15,000	8,778	8,778	8,778	0	Not started	\$8.8k cfdw of FY22 cladding. Reception Area roof to be replaced due to leaks. Cfdw to 23/24.
Buildings 1984 Trust Total	15,000	8,778	8,778	8,778	0		
Total Capital Expenditure	4,307,861	3,486,473	3,486,473	3,040,093	(446,380)		

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2023**

**OPERATING ACTIVITIES
NOTE 7
RESERVE ACCOUNTS**

Reserve accounts

Reserve name	Actual Opening Balance	Actual Interest Earned	Actual Transfers In (+)	Actual Transfers Out (-)	Actual YTD Closing Balance	Budget Opening Balance	Budget Interest Earned	Budget Transfers In (+)	Budget Transfers Out (-)	Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by Council										
Leave reserve	335,348	9,274	0	0	344,622	335,348	8,752	0	0	344,100
Plant Reserve	1,328,323	34,503	57,500	(442,996)	977,330	1,328,323	35,535	57,500	(568,965)	852,393
Building Reserve	1,153,686	31,906	181,553	(80,717)	1,286,428	1,153,686	30,073	181,552	(120,138)	1,245,173
Furniture & Equipment Reserve	18,286	506	0	0	18,792	18,286	477	0	0	18,763
Self Insurance Reserve	101,591	2,330	0	0	103,921	101,591	2,196	0	0	103,787
Community Reserve	657,568	18,185	0	(183,800)	491,953	657,568	17,140	0	(260,715)	413,993
Climate Adaptation Reserve	84,255	2,810	0	0	87,065	84,255	2,648	0	0	86,903
Land Trust Administration Reserve	0	0	80,500	0	80,500	0	0	80,500	0	80,500
	3,679,057	99,514	319,553	(707,513)	3,390,611	3,679,057	96,821	319,552	(949,818)	3,145,612

KEY INFORMATION

In accordance with Council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Reserve name	Anticipated date of use	Purpose of the reserve
Leave Reserve	Ongoing	- to be used to fund annual and long service leave requirements.
Plant Reserve	Ongoing	- to be used for the purchase of major plant.
Building Reserve	Ongoing	- to be used for the construction of Council buildings.
Climate Adaption Reserve	Ongoing	- to be used for the purpose of providing for the needs of climate adaptation in the future.
Community Reserve	Ongoing	- to be used for the development of Home Island facilities and infrastructure.
Furniture and Equipment Reserve	Ongoing	- to be used for the purchase of furniture and office equipment.
Self Insurance Reserve	Ongoing	- to be used to ensure that Council has sufficient cover on all insurance policies
Land Trust Administration Reserve	Ongoing	- to be used to provide funds for the future administration and winding up of the 1979 and 1984 Land Trusts.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 8
OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Unspent operating grant, subsidies and contributions liability				Operating grants, subsidies and contributions revenue					Comments
	Liability 1 July 2022	Increase in Liability	Decrease in Liability (As revenue)	Liability 30 Jun 2023	Adopted Budget Revenue	Current Annual Budget	YTD Revenue Budget	YTD Revenue Actual	YTD Variance	
	\$	\$	\$	\$	\$	\$	\$	\$		
Operating grants and subsidies										
General purpose funding										
Local Government General Purpose Grant	0	0	0	0	4,571,000	4,587,360	4,587,360	4,587,360	0	
Local Government General Purpose Grant - Roads	0			0	187,000	179,699	179,699	179,699	0	Final instalment paid.
Recreation and culture										
Parks Australia - Oral History Blue Holes				0	0	10,000	10,000	12,000	2,000	First instalment - \$10k total.
FFFR - Strengthening Rural Community Program				0	0	10,000	10,000	0	(10,000)	Community Revegetation Program - awaiting grant approval
Other property and services										
1,000 Jobs Grant				0	0	0	0	88,798	88,798	
	0	0	0	0	4,758,000	4,787,059	4,787,059	4,867,857	80,798	
Operating contributions										
Governance										
WALGA - Councillor Training Contribution				0	0	5,000	5,000	5,000	0	
Law, order, public safety										
Fisheries Services in the Cocos (Keeling) Islands	0	154,083	(30,327)	123,756	0	154,083	154,083	30,327	(123,756)	Carry forward unspent funding to 2023/24.
Health										
Dept Primary Industries - Declared Pest Program	0			0	86,832	79,513	79,513	79,515	2	Wasp Program - 2022/23 renewal signed Sept 2022.
Transport										
Dept. Transport - Provision of Licencing Services	0			0	64,350	64,350	64,350	64,350	0	Per service agreement 2020/21 to 2023/24.
	0	154,083	(30,327)	123,756	151,182	302,946	302,946	179,192	(123,754)	
TOTALS	0	154,083	(30,327)	123,756	4,909,182	5,090,005	5,090,005	5,047,049	(42,956)	

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2023

NOTE 9

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Capital grant/contribution liabilities					Non operating grants, subsidies and contributions revenue					Comments
	Unspent Grant Liability	Increase in Liability	Decrease in Liability	Unspent Grant Liability	Accrued Revenue	Adopted Budget	Current Annual	YTD	YTD Revenue	YTD Variance	
	1 July 2022		(As revenue)	30 Jun 2023	30 Jun 2023	Revenue	Budget	Budget	Actual	Actual	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Non-operating grants and subsidies											
Recreation and culture											
Saluting Their Service Commemorative Grant	0	32,231	0	32,231	0	0	32,231	32,231	0	(32,231)	Refurbish Emden Memorial - works to commence 23/24.
Transport											
Roads to Recovery Funding	0	99,921	(99,921)	0	12,708	99,921	99,921	99,921	99,921	0	C553 Jalan Bunga Mawar capital works.
Roads - Supplementary Funding	0	200,000	(200,000)	0	0	0	200,000	200,000	200,000	0	C553 Jalan Bunga Mawar capital works.
Stimulus Funding FY22 - Excavator Purchase	300,000	0	(300,000)	0	0	300,000	300,000	300,000	300,000	0	Excavator invoice paid Sept 2022.
Economic services											
BBRF - Tokoh Redevelopment	0	0	0	0	0	1,091,546	0	0	0	0	Tokoh BBRF funding cancelled.
Economic Stimulus - HI Retail Precinct Stage 2	231,000	0	(231,000)	0	0	231,000	231,000	231,000	231,000	0	Works commenced October 2022.
LRCI Phase 3 - HI Retail Precinct Stage 2	205,109	41,021	(273,478)	0	27,348	273,478	273,478	273,478	273,478	0	Works commenced October 2022.
LRCI Phase 3 Extension	0	0	0	0	0	136,739	0	0	0	0	Re-named Phase 4 and postponed to FY24.
TOTAL	736,109	373,173	(1,104,399)	32,231	40,056	2,132,684	1,136,630	1,136,630	1,104,399	(32,231)	

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2023**

**NOTE 10
BUDGET AMENDMENTS**

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

GL Code	Description	Council Resolution	Classification	Increase in			Amended Budget Running Balance
				Non Cash Adjustment	Available Cash	Decrease in Available Cash	
				\$	\$	\$	\$
	Budget adoption	OCM 22 June 2022					0
	Opening Surplus - Capital projects cfwd to FY23.	OCM 24 August 2022	Opening Surplus(Deficit)		68,614		68,614
C262	Birdhide West Island	OCM 24 August 2022	Capital Expenses			(53,614)	15,000
C248	Shelter - The Spot	OCM 24 August 2022	Capital Expenses			(15,000)	0
	Opening Surplus - Operating projects cfwd to FY23.	OCM 24 August 2022	Opening Surplus(Deficit)		11,736		11,736
10412240.020	Integrated Planning - Community Strategic Plan	OCM 24 August 2022	Operating Expenses			(11,736)	0
C215	Purchase of Side Tipper - per tender results	OCM 24 August 2022	Capital Expenses			(14,000)	(14,000)
C238	Purchase of Bobcat replacement - savings	OCM 24 August 2022	Capital Expenses		14,000		0
C332	Admin Building Cladding - Cfwd from 2021/22	OCM 28 September 2022	Capital Expenses			(8,788)	(8,788)
	Opening Surplus - Capital projects cfwd to FY23.	OCM 28 September 2022	Opening Surplus(Deficit)		8,788		0
C223	Tipper Truck - Insurance Replacement	OCM 28 September 2022	Capital Expenses			(100,000)	(100,000)
19051020.00	Plant & Equipment Reserve	OCM 28 September 2022	Reserve Transfer		100,000		0
11433150.202	Insurance Proceeds	OCM 28 September 2022	Operating Revenue		55,000		55,000
19051020.00	Plant & Equipment Reserve	OCM 28 September 2022	Reserve Transfer			(55,000)	0
C270	Loader Bucket Replacement	Urgent BV - 30 Sep 2022	Capital Expenses			(23,000)	(23,000)
C239	6t Flail Mower replacement	Urgent BV - 30 Sep 2022	Capital Expenses		23,000		0
C271	Minor Plant >\$5,000	OCM 23 November 2022	Capital Expenses			(5,000)	(5,000)
C239	6t Flail Mower replacement	OCM 23 November 2022	Capital Expenses		5,000		0
C018	HI Depot Shelving	OCM 23 November 2022	Capital Expenses			(50,000)	(50,000)
C239	6t Flail Mower replacement	OCM 23 November 2022	Capital Expenses		50,000		0
C901	Payment Hubb Implementation	OCM 23 November 2022	Capital Expenses			(5,000)	(5,000)
144201	Consultants - Finance	OCM 23 November 2022	Operating Expenses		5,000		0
	Opening Surplus - 'Actuals' Adjustment	OCM 29 March 2023	Opening Surplus(Deficit)		8,024		8,024
	Various Variations per Budget Review	OCM 29 March 2023			72,476		80,500
19051050.00	Land Trust Administration Reserve	OCM 29 March 2023	Reserve Transfer			(80,500)	0
C552	Purchase 2x Light Vehicles (Home Island)	OCM 29 March 2023	Capital Expenses			(100,000)	(100,000)
19051020.00	Plant & Equipment Reserve	OCM 29 March 2023	Reserve Transfer		100,000		0
				0	521,638	(521,638)	0