

SHIRE OF COCOS (KEELING) ISLANDS

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

TABLE OF CONTENTS

Statements required by regulation

Statement of Financial Activity	2
Statement of Financial Position	3
Note 1 Basis of Preparation	4
Note 2 Statement of Financial Activity Information	5
Note 3 Explanation of Material Variances	6

SHIRE OF COCOS (KEELING) ISLANDS
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2024

		Adopted Budget	Current Budget	YTD Current Budget	YTD Actual	Variance* \$	Variance* %	Var.
			(a)	(b)	(c)	(c) - (b)	((c) - (b))/(b)	
		\$	\$	\$	\$	\$	%	
OPERATING ACTIVITIES								
Revenue from operating activities								
General rates	7	524,569	524,569	524,569	524,569	0	0.00%	
Grants, subsidies and contributions	8	5,661,002	5,661,002	2,582,433	1,948,301	(634,132)	(24.56%)	▼
Fees and charges		1,064,788	1,064,788	490,533	439,393	(51,140)	(10.43%)	▼
Interest revenue		288,650	288,650	3,050	4,385	1,335	43.77%	
Other revenue		4,034,610	4,034,610	1,002,640	1,316,600	313,960	31.31%	▲
Profit on asset disposals	5	20,500	20,500	0	0	0	0.00%	
		11,594,119	11,594,119	4,603,225	4,233,248	(369,977)	(8.04%)	
Expenditure from operating activities								
Employee costs		(4,126,807)	(4,126,807)	(356,380)	(461,201)	(104,821)	(29.41%)	▼
Materials and contracts		(2,559,959)	(2,559,959)	(302,251)	(153,486)	148,765	49.22%	▲
Utility charges		(67,370)	(67,370)	(8,730)	(10,593)	(1,863)	(21.34%)	
Depreciation		(1,504,592)	(1,504,592)	(126,987)	0	126,987	100.00%	▲
Finance costs		(822)	(822)	(79)	(111)	(32)	(40.51%)	
Insurance		(183,004)	(183,004)	(91,502)	(88,409)	3,093	3.38%	
Other expenditure		(1,210,252)	(1,210,252)	(117,414)	(155,657)	(38,243)	(32.57%)	▼
Loss on asset disposals	5	(44,660)	(44,660)	0	0	0	0.00%	
		(9,697,466)	(9,697,466)	(1,003,343)	(869,457)	133,886	13.34%	
Non-cash amounts excluded from operating activities	Note 2(b)	1,545,952	1,545,952	126,987	0	(126,987)	(100.00%)	▼
Amount attributable to operating activities		3,442,605	3,442,605	3,726,869	3,363,791	(363,078)	(9.74%)	
INVESTING ACTIVITIES								
Inflows from investing activities								
Proceeds from capital grants, subsidies and contributions	9	257,654	257,654	60,000	0	(60,000)	(100.00%)	▼
Proceeds from disposal of assets	5	(24,160)	(24,160)	0	0	0	0.00%	
		233,494	233,494	60,000	0	(60,000)	(100.00%)	
Outflows from investing activities								
Payments for property, plant and equipment	4	(992,196)	(992,196)	(253,359)	(17,429)	235,930	93.12%	▲
Payments for construction of infrastructure	4	(281,883)	(281,883)	0	0	0	0.00%	
		(1,274,079)	(1,274,079)	(253,359)	(17,429)	235,930	93.12%	
Amount attributable to investing activities		(1,040,585)	(1,040,585)	(193,359)	(17,429)	175,930	90.99%	
FINANCING ACTIVITIES								
Inflows from financing activities								
Transfer from reserves	3	3,331,454	3,331,454	0	0	0	0.00%	
		3,331,454	3,331,454	0	0	0	0.00%	
Outflows from financing activities								
Payments for principal portion of lease liabilities		(12,908)	(12,908)	(2,133)	(2,133)	0	0.00%	
Transfer to reserves	3	(5,789,066)	(5,789,066)	(1,005,000)	0	1,005,000	100.00%	▲
		(5,801,974)	(5,801,974)	(1,007,133)	(2,133)	1,005,000	99.79%	
Amount attributable to financing activities		(2,470,520)	(2,470,520)	(1,007,133)	(2,133)	1,005,000	99.79%	
MOVEMENT IN SURPLUS OR DEFICIT								
Surplus or deficit at the start of the financial year		68,500	68,500	68,500	774,283	705,783	1030.34%	▲
Amount attributable to operating activities		3,442,605	3,442,605	3,726,869	3,363,791	(363,078)	(9.74%)	
Amount attributable to investing activities		(1,040,585)	(1,040,585)	(193,359)	(17,429)	175,930	90.99%	▲
Amount attributable to financing activities		(2,470,520)	(2,470,520)	(1,007,133)	(2,133)	1,005,000	99.79%	▲
Surplus or deficit after imposition of general rates		0	0	2,594,877	4,118,512	1,523,635	58.72%	▲

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 material variances.

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

**SHIRE OF COCOS (KEELING) ISLANDS
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 JULY 2024**

	Supplementary Information	30 June 2024 \$	This time last year	31 July 2024 \$
CURRENT ASSETS				
Cash and cash equivalents	2	6,262,833	6,214,788	8,384,031
Trade and other receivables	6	742,677	1,400,036	1,691,611
Inventories		8,751	39,870	8,751
Other assets		145,998	68,258	145,998
TOTAL CURRENT ASSETS		7,160,259	7,722,952	10,230,391
NON-CURRENT ASSETS				
Property, plant and equipment		14,954,459	14,451,820	14,971,888
Infrastructure		9,949,826	10,009,888	9,949,826
Right-of-use assets		31,730	40,409	31,730
Intangible assets		4,000	5,000	4,000
TOTAL NON-CURRENT ASSETS		24,940,015	24,507,118	24,957,444
TOTAL ASSETS		32,100,274	32,230,069	35,187,835
CURRENT LIABILITIES				
Trade and other payables		472,797	254,130	198,698
Other liabilities		84,405	155,987	84,405
Lease liabilities		12,908	11,902	10,775
Employee related provisions		498,622	518,768	498,622
TOTAL CURRENT LIABILITIES		1,068,732	940,787	792,500
NON-CURRENT LIABILITIES				
Lease liabilities		18,763	29,897	18,763
Employee related provisions		49,814	61,037	49,814
TOTAL NON-CURRENT LIABILITIES		68,577	90,934	68,577
TOTAL LIABILITIES		1,137,309	1,031,720	861,077
NET ASSETS		30,962,965	31,198,349	34,326,758
EQUITY				
Retained surplus		15,729,839	18,241,955	19,093,628
Reserve accounts	3	5,692,735	3,416,000	5,692,735
Revaluation surplus		9,540,394	9,540,395	9,540,394
TOTAL EQUITY		30,962,968	31,198,349	34,326,757

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 10 to these financial statements.

Judgements and estimates

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

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

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

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

SIGNIFICANT ACCOUNTING POLICIES

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

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 00 January 1900

SHIRE OF COCOS (KEELING) ISLANDS
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2024

2 STATEMENT OF FINANCIAL ACTIVITY INFORMATION

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

		Budget Opening 30 June 2024	Last Year Closing 30 June 2024	Year to Date 31 July 2024
		\$	\$	\$
Current assets				
Cash and cash equivalents	2	8,098,024	6,262,833	8,384,031
Trade and other receivables		205,360	742,677	1,691,611
Inventories		10,409	8,751	8,751
Other assets		0	145,998	145,998
		<u>8,313,793</u>	<u>7,160,259</u>	<u>10,230,391</u>
Less: current liabilities				
Trade and other payables		(153,010)	(472,797)	(198,698)
Other liabilities		0	(84,405)	(84,405)
Lease liabilities		(13,185)	(12,908)	(10,775)
Employee related provisions		(518,768)	(498,622)	(498,622)
		<u>(684,963)</u>	<u>(1,068,732)</u>	<u>(792,500)</u>
Net current assets		<u>7,628,830</u>	<u>6,091,527</u>	<u>9,437,891</u>
Less: Total adjustments to net current assets	Note 2(b)	(5,171,218)	(5,317,244)	(5,319,377)
Closing funding surplus / (deficit)		<u>2,457,612</u>	<u>774,283</u>	<u>4,118,514</u>

(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*.

		Budget	YTD Budget (a)	YTD Actual (b)
		\$	\$	\$
Non-cash amounts excluded from operating activities				
Adjustments to operating activities				
Less: Profit on asset disposals	5	(20,500)	0	0
Add: Loss on asset disposals	5	44,660	0	0
Add: Depreciation		1,504,592	126,987	0
Movement in current employee provisions associated with restricted cash		17,200	0	0
Total non-cash amounts excluded from operating activities		<u>1,545,952</u>	<u>126,987</u>	<u>0</u>

(b) 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.

		Budget Opening 30 June 2024	Last Year Closing 30 June 2024	Year to Date 31 July 2024
		\$	\$	\$
Adjustments to net current assets				
Less: Reserve accounts	3	(5,564,187)	(5,692,735)	(5,692,735)
Add: Current liabilities not expected to be cleared at the end of the year:				
- Current portion of lease liabilities		13,185	12,908	10,775
- Current portion of employee benefit provisions held in reserve	3	379,784	362,583	362,583
Total adjustments to net current assets	Note 2(a)	<u>(5,171,218)</u>	<u>(5,317,244)</u>	<u>(5,319,377)</u>

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 COCOS (KEELING) ISLANDS
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 \$20,000 and 10.00% whichever is the greater.

Description	Var. \$	Var. %	Timing / Permanent	Explanation of variances
	\$	%		
Opening funding surplus / (deficit)	705,783	1030.34%	▲	
Revenue from operating activities				
Rates	0	0.00%		
Rates (excluding general rate)	0	0.00%		
Operating grants, subsidies and contributions	(634,132)	(24.56%)	▼	Refer Note 8 for details on Operating Grants.
Fees and charges	(51,140)	(10.43%)	▼	
Service charges	0	0.00%		
Interest earnings	1,335	43.77%		
Other revenue	313,960	31.31%	▲	
Profit on disposal of assets	0	0.00%		Refer Note 5 for details on Asset Disposals.
Expenditure from operating activities				
Employee costs	(104,821)	(29.41%)	▼	
Materials and contracts	148,765	49.22%	▲	
Utility charges	(1,863)	(21.34%)		
Depreciation on non-current assets	126,987	100.00%	▲	
Interest expenses	(32)	(40.51%)		
Insurance expenses	3,093	3.38%		
Other expenditure - exclude contribution to 1979 & 1984 Trusts	2,393	(32.57%)		
- Contribution to 1979 & 1984 Land Trust	(40,636)		▼	Refer Statement of Financial Activity for Land Trusts.
Loss on disposal of assets	0	0.00%		
Non-cash amounts excluded from operating activities	(126,987)	(100.00%)	▼	
Investing activities				
Proceeds from Capital grants, subsidies and contributions	(60,000)	(100.00%)	▼	Refer Note 9 for details on Capital Grants
Proceeds from disposal of assets	0	0.00%		Refer Note 5 for details on Asset Disposals.
Proceeds from financial assets at amortised cost - self supporting loans				
Payments for financial assets at amortised cost - self supporting loans				
Payments for property, plant and equipment and infrastructure	235,930	93.12%	▲	Timing Refer Note 4 for details on Capital Expenditure.
Non-cash amounts excluded from investing activities				
Financing activities				
Proceeds from new debentures				
Transfer from reserves	0	0.00%		Refer Note 3 for details on Reserve Funding.
Payments for principal portion of lease liabilities	0	0.00%		
Repayment of debentures				
Transfer to reserves	1,005,000	100.00%	▲	
Closing funding surplus / (deficit)	1,523,635	58.72%	▲	per above

SHIRE OF COCOS (KEELING) ISLANDS

SUPPLEMENTARY INFORMATION

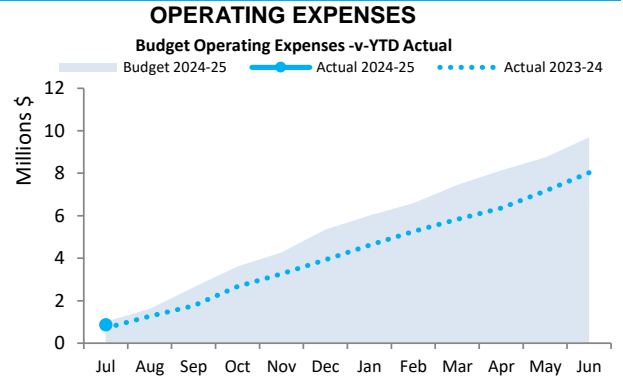
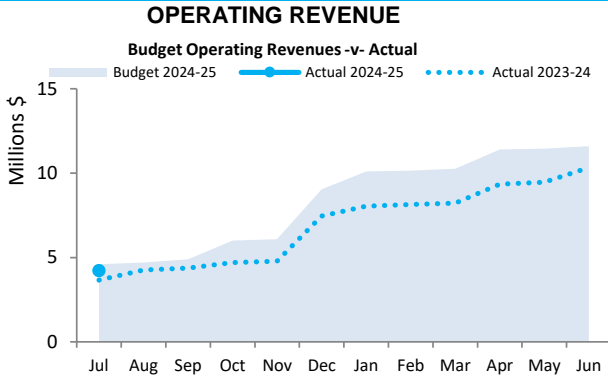
TABLE OF CONTENTS

1	Key Information - Graphical	8
2	Cash and Financial Assets	9
3	Reserve Accounts	10
4	Capital Acquisitions	11
5	Disposal of Assets	13
6	Receivables	14
7	Rates Receivables	15
8	Rate Revenue	16
9	Grants and contributions	17
10	Capital grants and contributions	18
11	Land Trust	19
12	Capital Acq - Trust	20
13	Budget Amendments	21
14	Fees & Charges	22
15	Employee Costs	23
16	Materials & Contracts	24
17	Expenditure	25
18	TB - Current Year	26
19	TB - Prior Year	32

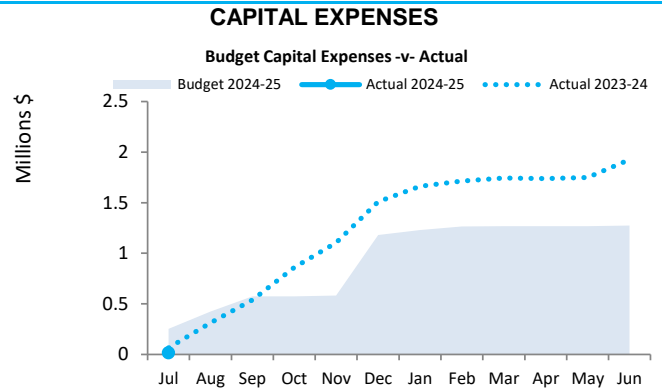
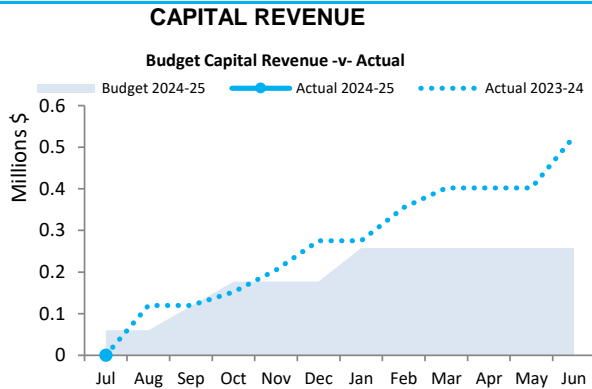
**SHIRE OF COCOS (KEELING) ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JULY 2024**

1 KEY INFORMATION - GRAPHICAL

OPERATING ACTIVITIES

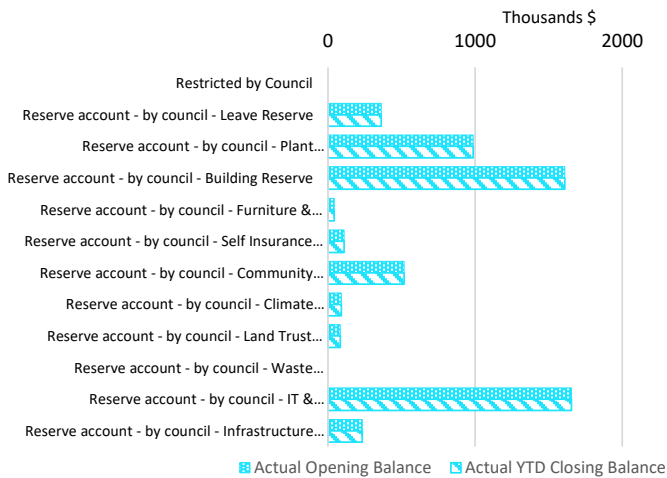


INVESTING ACTIVITIES

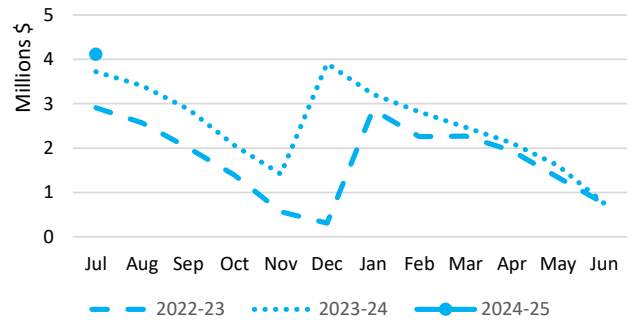


FINANCING ACTIVITIES

RESERVES



Closing funding surplus / (deficit)



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

**SHIRE OF COCOS (KEELING) ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JULY 2024**

2 CASH AND FINANCIAL ASSETS

Description	Classification	Unrestricted \$	Restricted \$	Total Cash \$	Trust \$	Institution	Interest Rate	Maturity Date
Cash on hand								
Municipal Fund - 7340 & 5474	Cash and cash equivalents	2,690,896	132,735	2,823,631	11,354	CBA	Variable	N/A
Cash on hand - Float	Cash and cash equivalents	400	0	400		N/A	N/A	N/A
Term Deposit - Municipal Funds	Cash and cash equivalents	0	0	0		N/A	N/A	N/A
Term Deposit - Reserve Funds	Cash and cash equivalents	0	5,560,000	5,560,000		CBA	4.39%	Aug-24
		0						
Total		2,691,296.32	5,692,735.00	8,384,031	11,354			
Comprising								
Cash and cash equivalents		2,691,296	5,692,735	8,384,031	11,354			
Financial assets at amortised cost		0	0	0	0			
		2,691,296	5,692,735	8,384,031	11,354			

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.

**SHIRE OF COCOS (KEELING) ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JULY 2024**

3 RESERVE ACCOUNTS

Reserve name	Budget	Budget	Budget	Budget	Budget	Actual	Actual	Actual	Actual	Actual
	Opening Balance	Interest Earned	Transfers In (+)	Transfers Out (-)	Closing Balance	Opening Balance	Interest Earned	Transfers In (+)	Transfers Out (-)	YTD Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by Council										
Reserve account - by council - Leave Reserve	362,584	17,200	0	0	379,784	362,583	0	0	0	362,583
Reserve account - by council - Plant Replacement Reserve	986,465	40,000	505,558	(520,000)	1,012,023	986,464	0	0	0	986,464
Reserve account - by council - Building Reserve	1,610,354	60,000	270,632	(280,421)	1,660,565	1,610,354	0	0	0	1,610,354
Reserve account - by council - Furniture & Equipment Reserve	41,961	800	18,596	(17,957)	43,400	41,961	0	0	0	41,961
Reserve account - by council - Self Insurance Reserve	109,838	4,000	0	0	113,838	109,838	0	0	0	109,838
Reserve account - by council - Community Reserve	517,796	24,000	0	0	541,796	517,796	0	0	0	517,796
Reserve account - by council - Climate Adaptation Reserve	91,101	3,200	0	0	94,301	91,102	0	0	0	91,102
Reserve account - by council - Land Trust Administration Reserve	84,083	800	100,000	0	184,883	84,083	0	0	0	84,083
Reserve account - by council - Waste Management Reserve	0	0	491,080	(491,080)	0	0	0	0	0	0
Reserve account - by council - IT & Communications Reserve	1,526,505	70,000	4,060,000	(2,021,996)	3,634,509	1,655,054	0	0	0	1,655,054
Reserve account - by council - Infrastructure Reserve	233,500	3,200	120,000	0	356,700	233,500	0	0	0	233,500
	5,564,187	223,200	5,565,866	(3,331,454)	8,021,799	5,692,735	0	0	0	5,692,735

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
IT & Communications Reserve	Ongoing	- to be used to restrict .cc income to fund Shire ICT costs and other Island wide communication/connectivity improvement initiatives.
Waste Management Reserve	Ongoing	- to be used to restrict bin collection and transfer station gate fees to funding waste management operating and capital costs
Infrastructure Reserve	Ongoing	- to be used to restrict funds for use towards future Shire infrastructure projects

4 CAPITAL ACQUISITIONS

Capital acquisitions	Adopted Budget	Current Budget	Current Budget - YTD	Actual YTD	YTD Variance
	\$	\$	\$	\$	\$
Buildings - non-specialised	193,755	193,755	30,975	0	(30,975)
Furniture and equipment	114,457	114,457	10,000	0	(10,000)
Plant and equipment	683,984	683,984	212,384	17,429	(194,955)
Acquisition of property, plant and equipment	992,196	992,196	253,359	17,429	(235,930)
Infrastructure - roads	281,883	281,883	0	0	0
Infrastructure - Other	0	0	0	0	0
Acquisition of infrastructure	281,883	281,883	0	0	(471,860)
Total capital acquisitions	1,274,079	1,274,079	253,359	17,429	(707,790)
Capital Acquisitions Funded By:					
Capital grants and contributions	257,654	257,654	60,000	0	(60,000)
Other (disposals & C/Fwd)	500	500	0	0	0
Reserve accounts					
Reserve account - by council - Plant Replacement Reserve	520,000	520,000	0	0	0
Reserve account - by council - Building Reserve	107,072	107,072	0	0	0
Reserve account - by council - Furniture & Equipment Reser	17,957	17,957	0	0	0
Reserve account - by council - ICT Reserve	91,500	91,500	0	0	0
Municipal Contribution - operations	279,396	279,396	193,359	17,429	(175,930)
Capital funding total	1,274,079	1,274,079	253,359	17,429	(235,930)

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.

4 CAPITAL ACQUISITIONS - DETAILED

Level of completion indicator, please see table at the end of this note		Adopted	Current	Current		Variance		
Account Description		Budget	Budget	YTD Budget	YTD Actual	(Under)/Over	Status	Comments
		\$	\$	\$	\$	\$		
Buildings								
C267	Studio Unit Lot 198 HI	41,535	41,535	-	-	-		
C030	Beach Shelters - Direction Island	30,975	30,975	30,975	-	30,975		
C138	LIA Sheds - Replace Purlins	14,173	14,173	-	-	-		
C367	Shed - HI Depot	51,442	51,442	-	-	-		
C368	Azmie Zaitu Re-roof	55,630	55,630	-	-	-		
Plant, Furniture and Equipment								
IT & Communications Equipment								
C279	HI Photocopier Replacement	-	20,000	-	-	-	Planning	
C277	Telephone System renewal	10,000	10,000	-	-	-		
C054	Server Upgrades	6,500	6,500	-	-	-		
C278	WI to HI Point 2 Point	55,000	55,000	-	-	-		
Furniture & Equipment								
C154	Depot HI - Shelving/fitout	17,957	17,957	10,000	-	10,000	Planning	
C056	Marquee	5,000	5,000	-	-	-		
Plant and Equipment								
C271	Minor Plant Purchases (<\$5,000)	10,000	10,000	-	-	-		Annual provision for minor plant items.
C241	Plant Replacement - Kubota Tractor - Home Island (C1262)	85,000	85,000	85,000	13,720	71,280	Ordered	cfwd from 23/24 - awaiting shipping
C272	Crusher Bucket	85,000	85,000	85,000	3,709	81,291	Ordered	cfwd from 23/24 - awaiting shipping
C216	Plant Replacement - Loader Home Island	290,000	290,000	-	-	-		
C222	Plant Replacement -Excavator	100,000	100,000	-	-	-		
C015	Water Tank	36,600	36,600	-	-	-		
Motor Vehicles								
C552	Plant replacement - PE1404 - Electric Ezi-Go	35,000	35,000	-	-	-		
C257	New Buggy Purchase - Fisheries	42,384	42,384	42,384	-	42,384	Ordered	
TOTAL PROPERTY, PLANT AND EQUIPMENT		972,196	992,196	253,359	17,429	235,930		
Roads								
C551	Jalan Masjid 320m2	123,383	123,383	-	-	-	Planning	Supplementary Roads funding
C532	Jalan Kembang Molok 480m2	158,500	158,500	-	-	-	Planning	Supplementary Roads funding
Infrastructure - Other								
TOTAL INFRASTRUCTURE		281,883	281,883	-	-	-		
		1,254,079	1,274,079	253,359	17,429	235,930		

5 DISPOSAL OF ASSETS

Asset Ref.	Asset description	Budget				YTD Actual				
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)	
		\$	\$	\$	\$	\$	\$	\$	\$	
	Buildings									
	Other Infrastructure									
IO041	DI RIP Lookout Deck	0	0	0	0	0	0	0	0	Reallocation of renewal funding in Budget Review. Feb OCM.
	Plant and equipment									
PE428	Plant Replacement - Utility - PC1253	0	(8,665)	0	(8,665)	0	0	0	0	Shipped to Pickles 23/24 - Auction 24/25
PE422	Plant Replacement -Utility - PC1151	0	(8,665)	0	(8,665)	0	0	0	0	Shipped to Pickles 23/24 - Auction 24/25
PE430	Plant Replacement Utility - PC1252	0	(8,665)	0	(8,665)	0	0	0	0	Shipped to Pickles 23/24 - Auction 24/25
PE416	Plant Replacement Utility - PC929	0	(8,665)	0	(8,665)	0	0	0	0	Shipped to Pickles 23/24 - Auction 24/25
PE727	Isuzu Giga Side Tipper (2014)	0	(10,000)	0	(10,000)	0	0	0	0	sale only - plant replaced prior years
PE730	Loader HI - Hyundai HL740-9 (2014)	0	20,000	20,000	0	0	0	0	0	sale only - plant replaced prior years
PE224	Plant Replacement - Eneco Work Punt Motor only	0	500	500	0	0	0	0	0	auction on-island - new motor is installed in 2023/24.
		0	(24,160)	20,500	(44,660)	0	0	0	0	

6 RECEIVABLES

Sundry Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - sundry	(7,848)	97,051	35,830	22,143	93,139	240,314
Percentage	(3.3%)	40.4%	14.9%	9.2%	38.8%	
Balance per trial balance						
Rates						639,209
Rubbish Collection & Swimming Pool Fees						793,173
Other receivables						(20,230)
GST receivable (remitted Qtly)						14,949
Allowance for credit losses of trade receivables						(16,850)
Total trade and other receivables general outstanding						1,650,565

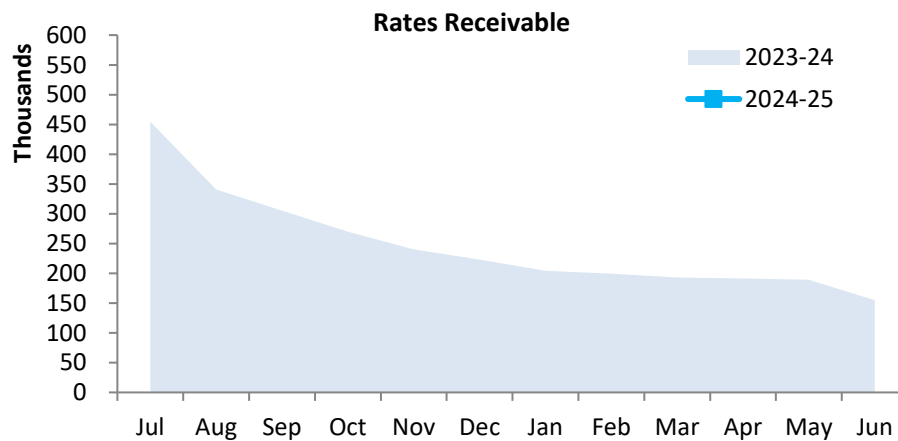
Sundry Debtors Outstanding - Over 90 days

Description	Status / Action	\$
Kampong Lease - insurance contribution	Fortnightly payments	237
Reimbursement - Election expenses	MFCS to follow up again.	4,500
Kampong Lease - insurance contribution	90 day letter issued	712
Kampong Lease - insurance contribution	90 day letter issued	356
Kampong Lease - insurance contribution	Payment plan offered May2023. No response. \$200 paid in March. Leasing Officer to follow up - arrange meeting with MFCS & CEO	5,801
Commercial Lease fees	Debtors Officer to follow up	1,675
Commercial Lease fees	Withholding new lease until overdues are paid. Leasing officer to follow up	17,011
Kampong Lease - insurance contribution	90 day letter issued	82
House Rent - Doctors House	Forwarded to relevant department for payment	4,391
Cyclone Shelter Inspections	paid June.	164
Lease Payment	MFCS followed up 4/3/2024. Leasing officer to follow up	4,491
Kampong Rent	90 day letter to be issued	720
Workers Comp Insurance claims	Payroll officer to follow up	10,089
Kampong Lease - insurance contribution	90 day letter issued	202
Private Works & Insurance Contribution	Debtors Officer to follow up	892
Kampong Lease - insurance contribution	Paying \$50/fortnight encourage to increase.	574
Private Works	Debtors Officer to follow up	558
Kampong Lease - insurance contribution	pmts being made monthly, but not enough to cover debt in a timely manner. Debtor is a pensioner.	1,884
Kampong Lease - insurance contribution	Fortnightly payments	212
Kampong Rental	Final notice letter to be issued	1,530
Kampong Lease - insurance contribution	Final notice letter to be issued	3,066
Kampong Lease - insurance contribution	Fortnightly payments, continue to follow up balance	343
Kampong Lease - insurance contribution	Payroll deductions - \$50/fortnight.	377
Kampong Rental	Payment Plan Agreement signed Nov23. \$370/fortnight being paid.	1,949
Kampong Lease - insurance contribution	Monthly Payments - need to increase. Debtors Officer to follow up.	1,923
Kampong Lease - insurance contribution	Pmt plan in place - Debtors and rates to be paid by June	1,323
Kampong Lease - insurance contribution	90 day letter issued	112
Kampong Lease - insurance contribution	90 day letter issued	712
Kampong Rental	Monthly pmts being made	44
Kampong Lease - insurance contribution	\$50 to \$100 pmts being made - need to increase. Debtors officer to follow up.	1,113
Commercial Lease - LIA Shed	Currently met with debtor and hopefully they will sign up to a debit debit arranger	6,938
Kampong Lease - insurance contribution	90 day letter issued	512
Kampong Lease - insurance contribution	Debtors Officer to follow up	1,885
Lease Payment	Leasing Officer to follow up	1,943
Commercial Waste Disposal Fee	Debtors Officer to follow up	158
Kampong Lease - insurance contribution	Fortnightly payments being made	412
Kampong Lease - insurance contribution	90 day letter issued	435
Lease Payments & Private Works	Paid 5/6/2024	12,242
Kampong Lease - insurance contribution	90 day letter issued	712
Kampong Lease - insurance contribution	90 day letter issued	400
Private Works	Instalments being paid	467
Total Debtors >90 Days		\$ 93,139

6 RECEIVABLES (RATES)

Rates receivable	Prior Year Close 30 Jun 2024	This Time Last Year	31 Jul 2024
	\$		\$
Opening arrears previous years	8,849	8,849	154,559
Levied this year	434,405	503,822	523,759
Less - collections to date	(288,595)	(58,258)	(40,709)
Gross rates collectable	154,659	454,413	637,609
Pensioner/Senior Rebate Claimable	(100)	100	1,600
Net rates collectable	154,559	454,513	639,209
% Collected	65.1%	11.4%	6.0%

2024/25 Rates Due	26/08/2024
Instalment 2	4/11/2024
Instalment 3	20/01/2025
Instalment 4	24/03/2025



7 RATE REVENUE

General rate revenue

RATE TYPE	YTD Actual					Budget			
	Rate in \$ (cents)	Number of Properties	Rateable Value	Rate Revenue \$	Reassessed Rate Revenue \$	Total Revenue \$	Rate Revenue \$	Reassessed Rate Revenue \$	Total Revenue \$
Gross rental value									
General Developed	0.1244	159	2,720,380	338,415	0	338,415	375,277	0	375,277
Vacant	0.2483	10	44,400	11,025	0	11,025	10,652	0	10,652
Business	0.1312	43	1,151,975	151,139	0	151,139	144,026	0	144,026
Sub-Total		212	3,916,755	500,579	0	500,579	529,955	0	529,955
Minimum payment									
Gross rental value									
General Developed	810	4	3,540	3,240	0	3,240	3,120	0	3,120
Vacant	910	5	16,120	4,550	0	4,550	4,400	0	4,400
Business	810	19	72,604	15,390	0	15,390	16,380	0	16,380
Sub-total		28	92,264	23,180	0	23,180	23,900	0	23,900
Gross Total		240	4,009,019	523,759	0	523,759			553,855
Concession / Waiver						0			0
Total general rates				523,759	0	523,759	553,855	0	553,855

8 GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Unspent grant, subsidies and contributions liability					Grants, subsidies and contributions revenue					Comments
	Liability	Increase in	Decrease in	Liability	Current	Amended	Current	YTD	YTD	YTD	
	1 July 2024	Liability	Liability	31 Jul 2024	Liability	Budget	Budget	Budget	Revenue	Variance	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Grants and subsidies											
Local Government General Purpose Grant					0	4,932,868	4,932,868	2,383,028	1,747,913	635,116	A portion was prepaid in June 23/24
Local Government General Purpose Grant - Roads					0	210,019	210,019	101,459	101,459	0	
1,000 Jobs Grant / Apprenticeship Incentives	0	0	0	0	0	60,984	60,984	0	9,343	(9,343)	IT Officer and proposed Community Dev. Officer
Department of Disability WA	0	0	0	0	0	0	0	0	0	0	
National Museum - Jukong Restoration	0	0	0	0	0	0	0	0	0	0	
	0	0	0	0	0	5,203,871	5,203,871	2,484,487	1,858,715	625,772	
Operating Contributions											
WALGA - Councillor Training Contribution	0	0	0	0	0	5,000	5,000	0	0	0	
Fisheries Services in the Cocos (Keeling) Islands	84,405	0	0	84,405	0	257,225	257,225	0	0	0	Timing of revenue recognition against expenditure
Dept Primary Industries - Declared Pest Program	0	0	0	0	0	100,320	100,320	8,360	0	8,360	Assistant Ranger funding
Dept. Transport - Provision of Licencing Services	0	89,586	(89,586)	0	0	89,586	89,586	89,586	89,586	0	Per Service Agreement plus additional hours on WI.
Library - LisWA Book Exchange	0	0	0	0	0	5,000	5,000	0	0	0	
	84,405	89,586	(89,586)	84,405	0	457,131	457,131	97,946	89,586	8,360	
TOTALS	84,405	89,586	(89,586)	84,405	0	5,661,002	5,661,002	2,582,433	1,948,301	634,132	

9 CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Capital grant/contribution liabilities				Capital grants, subsidies and contributions revenue			YTD Variance	Comments
	Liability 1 July 2024	Increase in Liability	Decrease in Liability (As revenue)	Liability 31 Jul 2024	Current Liability 31 Jul 2024	Amended Budget Revenue	Current Budget		
	\$	\$	\$	\$	\$	\$	\$	\$	
Capital grants and subsidies									
LRCI Phase 4 - Beach Shelters - Direction Island	0	0	0	0	0	15,270	15,270	0	0
Roads to Recovery Funding	0	0	0	0	0	0	0	0	0 Cfwd 5yr funding for future WI Roads Proj
Supplementary Roads Funding	0	0	0	0	0	200,000	200,000	0	60,000
Fisheries -Buggy purchase	0	0	0	0	0	42,384	42,384	0	0
	0	0	0	0	0	257,654	257,654	0	60,000

SHIRE OF COCOS (KEELING) ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JULY 2024

10 LAND TRUSTS

1979 LAND TRUST



	Adopted Budget	Current Budget	YTD Current Budget	YTD Actual	Variance* \$	Variance* %	Var.	Comments
	\$	\$	\$	\$	\$	%		
Opening funding surplus / (deficit)	0	0	0	0	0	0%		
Revenue from operating activities								
Fees and charges	486,668	486,668	97,943	63,279	(34,664)	(35%)	▼	Rental and lease fees
Other revenue	106,040	106,040	53,020	51,228	(1,792)	(3%)		Kampong insurance contribution
	592,708	592,708	150,963	114,507	(36,456)	(24%)		
Expenditure from operating activities								
Employee costs	(263,218)	(263,218)	(14,970)	(11,085)	3,885	26%		Property Maintenance
Materials and contracts	(717,170)	(717,170)	(89,311)	(25,618)	63,693	71%		Property Maintenance
Utility charges	(55,720)	(55,720)	(640)	(38,841)	(38,201)	(5969%)	▼	
Depreciation on non-current assets	(1,690,415)	(1,690,415)	(143,569)	0	143,569	100%		
Insurance expenses	(321,353)	(321,353)	(160,677)	(156,289)	4,388	3%		
	(3,047,876)	(3,047,876)	(409,167)	(231,833)	177,333	43%		
Non-cash amounts excluded from operating activities	1,690,415	1,690,415	143,569	0	(143,569)	(100%)	▼	
Amount attributable to operating activities	(764,753)	(764,753)	(114,635)	(117,326)	(2,692)	(2%)		
Investing activities								
Payments for property, plant and equipment and infrastructure	(144,920)	(144,920)	(1,048)	0	1,048	100%		
Closing funding surplus / (deficit)	(909,673)	(909,673)	(115,683)	(117,326)	(1,644)	(1%)	▼	
Interfund Transfer	909,673	909,673	115,683	117,326	1,644	1%		
Net Closing funding surplus / (deficit)	0	0	0	0	0	0%		

1984 LAND TRUST

	Adopted Budget	Current Budget	YTD Current Budget	YTD Actual	Variance* \$	Variance* %	Var.	Comments
	\$	\$	\$	\$	\$	%		
Opening funding surplus / (deficit)	0	0	0	0	0	0%		
Revenue from operating activities								
Fees and charges	152,542	152,542	33,840	11,354	(22,486)	(66%)	▼	Lease fees
	152,542	152,542	33,840	11,354	(22,486)	(66%)		
Expenditure from operating activities								
Employee costs	(64,230)	(64,230)	(5,408)	(18,117)	(12,709)	(235%)		
Materials and contracts	(51,095)	(51,095)	(280)	(893)	(613)	(219%)		
Utility charges	(9,120)	(9,120)	(1,260)	(1,044)	216	17%		
Depreciation on non-current assets	(267,213)	(267,213)	(22,694)	0	22,694	100%		
Insurance expenses	(39,747)	(39,747)	(19,874)	(23,274)	(3,400)	(17%)		
	(431,405)	(431,405)	(49,516)	(43,327)	6,188	12%		
Non-cash amounts excluded from operating activities	267,213	267,213	22,694	0	(22,694)	(100%)	▼	
Amount attributable to operating activities	(11,650)	(11,650)	7,019	(31,974)	(38,992)	(556%)		
Investing activities								
Payments for property, plant and equipment and infrastructure	(28,429)	(28,429)	0	0	0	0%		
Closing funding surplus / (deficit)	(40,079)	(40,079)	7,019	(31,974)	(38,992)	(556%)	▼	
Interfund Transfer	40,079	40,079	(7,019)	31,974	38,992	556%		
Net Closing funding surplus / (deficit)	0	0	0	0	0	0%		

11 CAPITAL ACQUISITIONS - DETAILED

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

Account Description		Adopted	Current	Current	YTD Actual	Variance	Status	Comments
		Budget	Budget	YTD Budget		(Under)/Over		
		\$	\$	\$	\$	\$		
Buildings								
	C269	1979 Land Trust - Kampong House Renewals	144,920	144,920	1,048	-		1,048
	C332	1984 Trust - HI Admin Building renewal	28,429	28,429	-	-		-
			-	-	-	-		-
			173,349	173,349	1,048	0		1,048

**SHIRE OF COCOS (KEELING) ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JULY 2024**

11 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	OCM 26/06/2024					0
						0
						0
						0
						0