



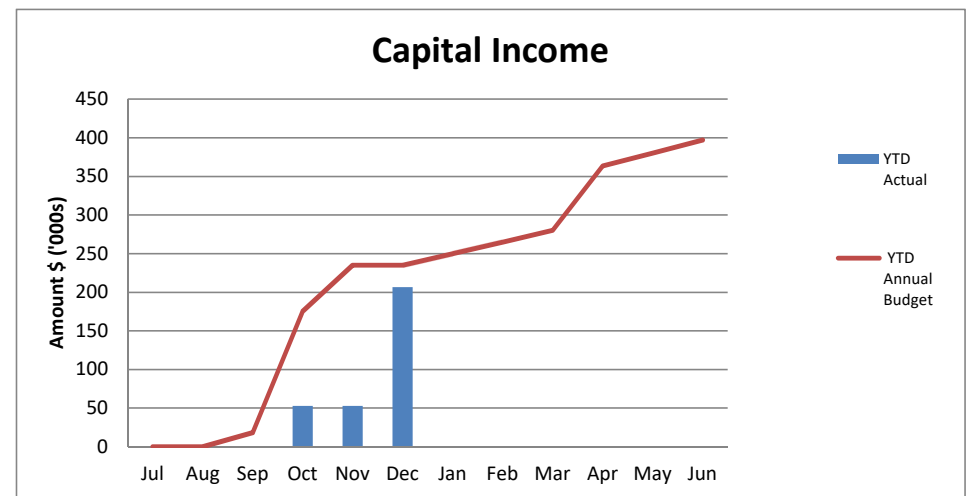
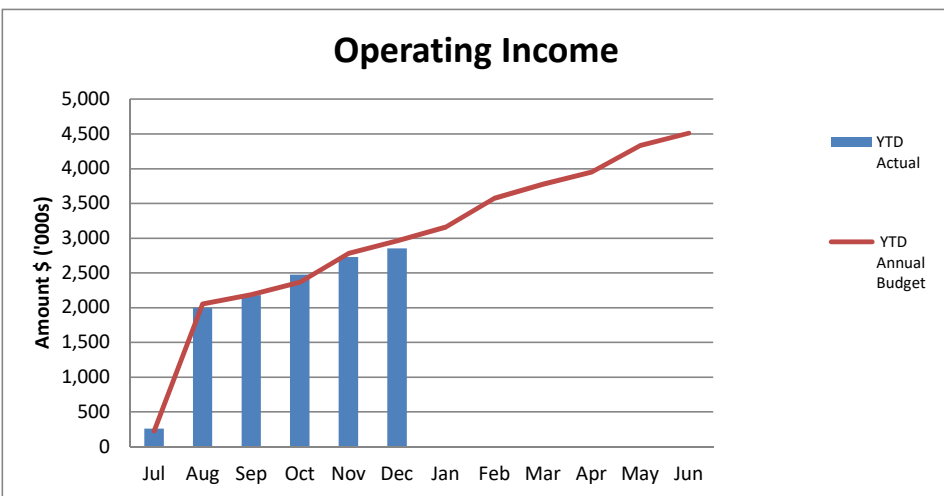
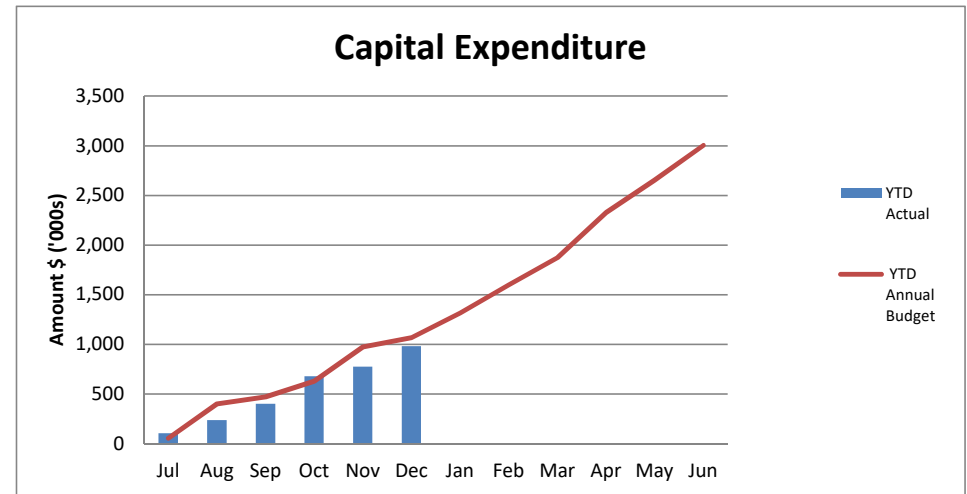
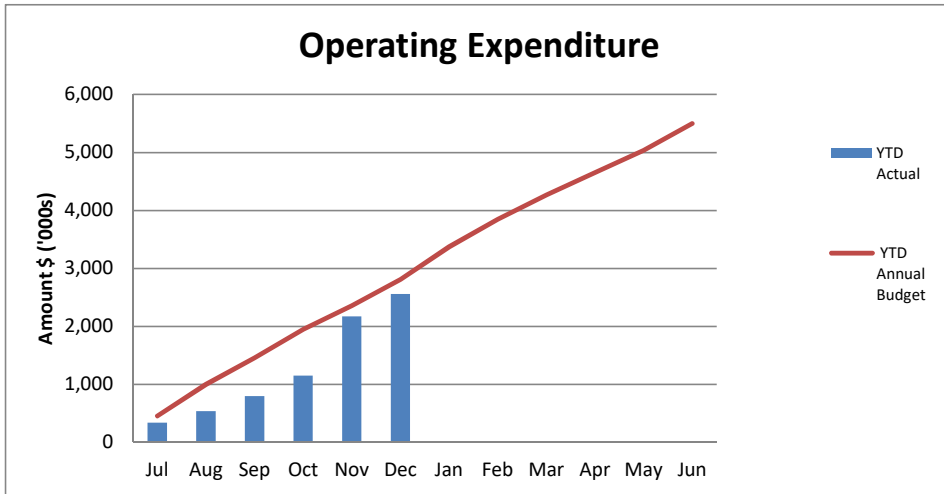
SHIRE OF MUKINBUDIN
MONTHLY STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2022

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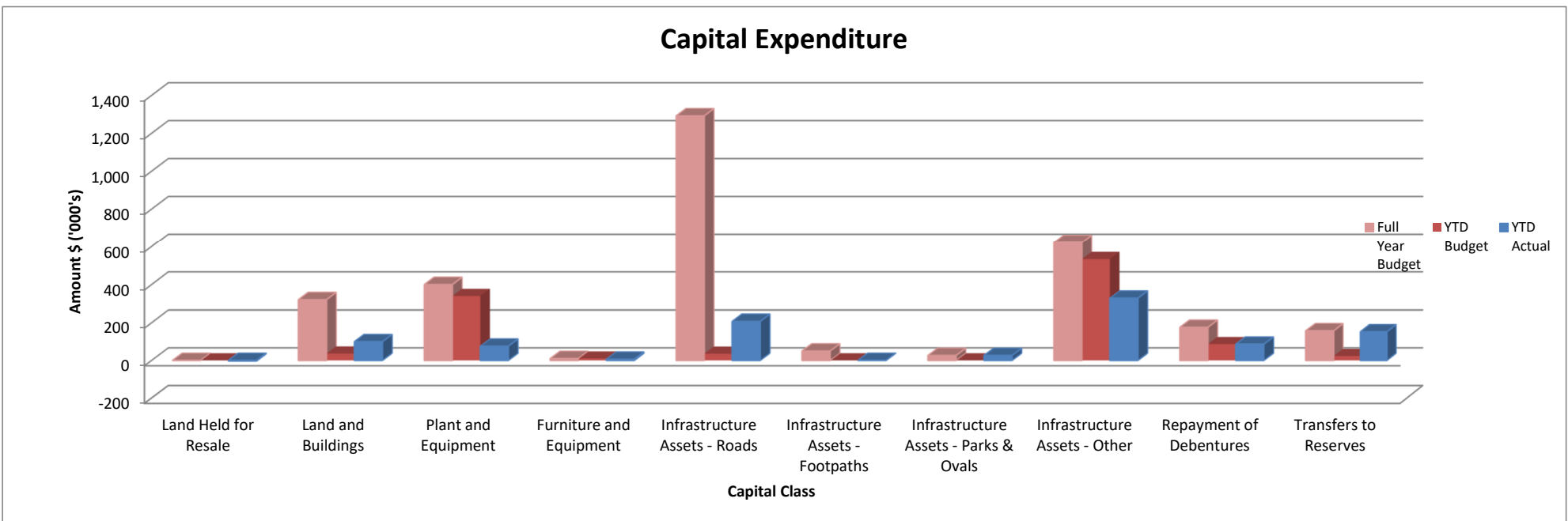
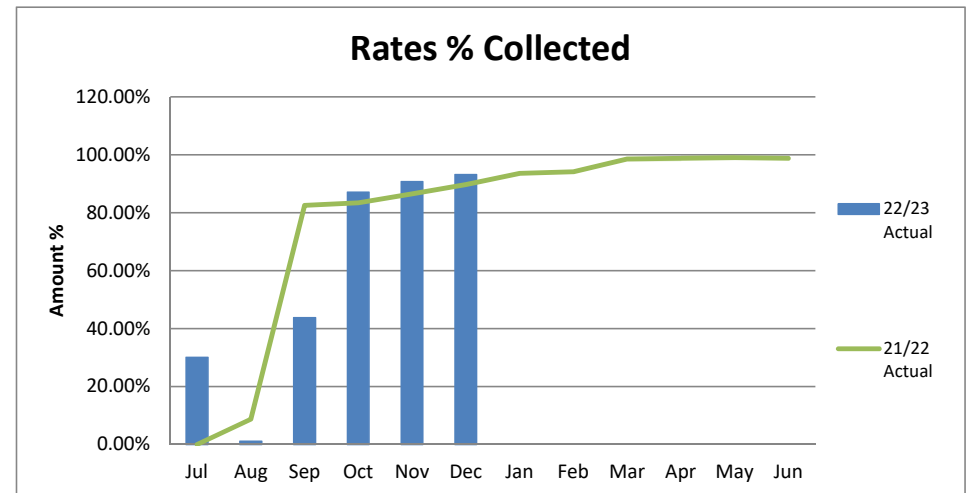
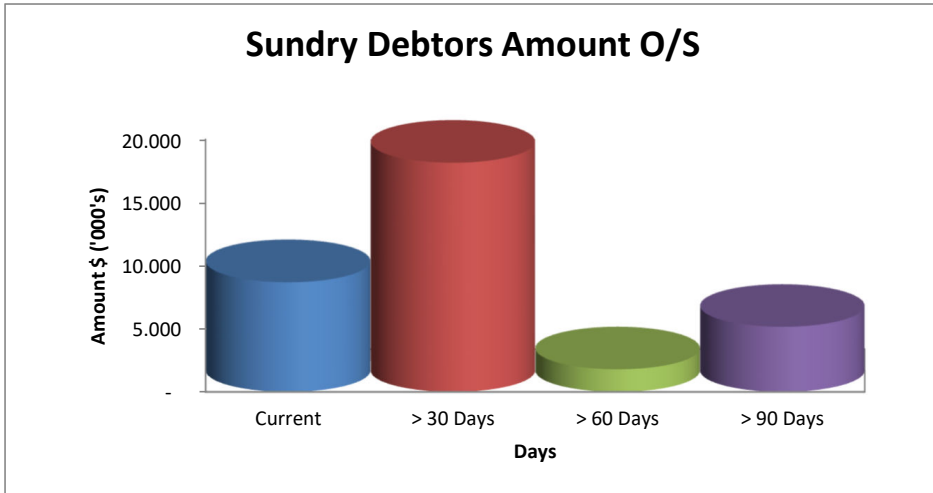
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Schedules are attached showing:
Comparatives and Comments

Income and Expenditure Graphs to 31 December 2022



Other Graphs to 31 December 2022



SHIRE OF MUKINBUDIN

STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022

	NOTE	Original Budget	2022/23 Amended Budget	December 2022 YTD Budget	December 2022 Actual	Variances Actuals to YTD Budget	Variances Actual Budget to YTD %
		\$	\$	\$	\$	\$	%
Operating							
Revenues/Sources							
Governance		0	0	0	2,969	2,969	0.0%
General Purpose Funding		557,087	557,087	287,532	287,211	(321)	(0.1%)
Law, Order, Public Safety		27,981	27,981	15,880	17,923	2,043	12.9%
Health		500	500	246	107	(139)	(56.5%)
Education and Welfare		9,140	9,140	5,068	4,412	(656)	(12.9%)
Housing		304,226	304,226	151,209	135,384	(15,825)	(10.5%)
Community Amenities		125,723	125,723	61,512	60,314	(1,198)	(1.9%)
Recreation and Culture		237,494	237,494	125,281	127,434	2,153	1.7%
Transport		1,308,123	1,308,123	553,941	408,311	(145,630)	(26.3%)
Economic Services		378,088	378,088	245,219	263,574	18,355	7.5%
Other Property and Services		92,250	92,250	46,082	77,110	31,028	67.3%
		<u>3,040,612</u>	<u>3,040,612</u>	<u>1,491,970</u>	<u>1,384,749</u>	<u>(107,221)</u>	<u>(7.2%)</u>
(Expenses)/(Applications)							
Governance		(490,091)	(490,091)	(224,845)	(186,411)	38,434	17.1%
General Purpose Funding		(115,783)	(115,783)	(56,482)	(52,853)	3,629	6.4%
Law, Order, Public Safety		(100,909)	(100,909)	(54,664)	(40,560)	14,104	25.8%
Health		(92,265)	(92,265)	(43,816)	(34,692)	9,124	20.8%
Education and Welfare		(181,164)	(181,164)	(72,127)	(72,121)	6	0.0%
Housing		(392,446)	(392,446)	(206,432)	(202,052)	4,380	2.1%
Community Amenities		(338,298)	(338,298)	(168,541)	(201,818)	(33,277)	(19.7%)
Recreation & Culture		(1,016,423)	(1,016,423)	(498,044)	(441,453)	56,591	11.4%
Transport		(2,247,687)	(2,247,687)	(1,135,029)	(1,013,737)	121,292	10.7%
Economic Services		(427,037)	(427,037)	(228,971)	(242,574)	(13,603)	(5.9%)
Other Property and Services		(96,399)	(96,399)	(121,715)	(66,987)	54,728	45.0%
		<u>(5,498,502)</u>	<u>(5,498,502)</u>	<u>(2,810,666)</u>	<u>(2,555,258)</u>	<u>255,408</u>	<u>(9.1%)</u>
Net Operating Result Excluding Rates		(2,457,890)	(2,457,890)	(1,318,696)	-1,170,509.4	148,187	(11.2%)
Adjustments for Non-Cash							
(Revenue) and Expenditure							
(Profit)/Loss on Asset Disposals	2	59,798	59,798	(47,527)	(28,081)	19,446	40.9%
Movement in Current Employee Benefits not cash backed		1,416	1,416	0	0	0	0.0%
Movement in Current Employee Benefits cash backing		0	0	0	460	460	0.0%
Depreciation on Assets		1,955,950	1,955,950	977,898	966,528	(11,370)	1.2%
Capital Revenue and (Expenditure)							
Purchase of Land and Buildings	1	(320,755)	(320,755)	(36,487)	(149,848)	(113,361)	(310.7%)
Purchase of Furniture & Equipment	1	(10,000)	(10,000)	(10,000)	(6,406)	3,594	35.9%
Purchase of Plant & Equipment	1	(400,000)	(400,000)	(340,000)	(75,872)	264,128	77.7%
Purchase of Infrastructure Assets - Roads	1	(1,291,720)	(1,291,720)	(35,494)	(206,916)	(171,422)	(483.0%)
Purchase of Infrastructure Assets - Footpaths	1	(50,000)	(50,000)	0	0	0	0.0%
Purchase of Infrastructure Assets - Parks & Ovals	1	(26,400)	(26,400)	0	(26,091)	(26,091)	0.0%
Purchase of Infrastructure Assets - Other	1	(622,036)	(622,036)	(533,526)	(328,719)	204,807	38.4%
Works In Progress Infrastructure Other	1	207,977	207,977	207,977	214,765	6,788	(3.3%)
Proceeds from Disposal of Assets	2	212,181	212,181	145,181	119,975	(25,206)	(17.4%)
Repayment of Debentures	3	(175,923)	(175,923)	(87,037)	(86,473)	564	0.6%
Proceeds from New Debentures	3	90,000	90,000	90,000	0	(90,000)	(100.0%)
Transfers to Restricted Assets (Reserves)	4	(157,783)	(157,783)	(23,346)	(152,280)	(128,934)	(552.3%)
Transfers from Restricted Asset (Reserves)	4	95,000	95,000	0	86,420	86,420	0.0%
ADD Net Current Assets July 1 B/Fwd	5	1,419,072	1,419,072	1,419,072	1,397,667	(21,405)	1.5%
LESS Net Current Assets Year to Date	5	0	0	1,877,870	2,021,695	143,825	(7.7%)
		<u>(1,471,113)</u>	<u>(1,471,113)</u>	<u>(1,469,855)</u>	<u>(1,467,075)</u>	<u>2,780</u>	<u>(0.2%)</u>

Amount Raised from Rates

(1,471,113)

(1,471,113)

(1,469,855)

(1,467,075)

2,780

(0.2%)

(Excluding Ex Gratia Rates)

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

Material Variances Symbol

Above Budget Expectations

Below Budget Expectations

Greater than 10% and \$10,000

Less than 10% and \$10,000

▲

▼

SHIRE OF MUKINBUDIN

RATE SETTING STATEMENT BY NATURE AND TYPE

FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022

NOTE	Original Budget	2022/23 Amended Budget	December 2022 YTD Budget	December 2022 Actual	Variances Actuals to YTD Budget	Variances Actual Budget to YTD %
	\$	\$	\$	\$	\$	%
OPERATING ACTIVITIES						
<u>Net current assets at start of financial year - surplus/(deficit)</u>	1,419,072	1,419,072	1,419,072	1,397,667	(21,405)	(1.5%)
Specified area and ex gratia rates	17,996	17,996	17,996	17,979	(17)	(0.1%)
Operating grants, subsidies and contributions	843,999	843,999	563,302	556,662	(6,641)	(1.2%)
Fees and charges	717,012	717,012	365,935	425,320	59,385	16.2% ▲
Interest earnings	19,496	19,496	8,811	10,366	1,555	17.7%
Other revenue	78,350	78,350	40,870	57,529	16,659	40.8% ▲
Profit on asset disposals	52,527	52,527	47,527	28,581	(18,946)	(39.9%) ▼
	1,729,380	1,729,380	1,044,441	1,096,437	30,591	5.0%
<u>Expenditure from operating activities</u>						
Employee costs	(1,543,943)	(1,543,943)	(792,049)	(738,704)	53,345	(6.7%)
Materials and contracts	(1,357,952)	(1,357,952)	(723,539)	(542,975)	180,564	
Utility charges	(218,144)	(218,144)	(108,719)	(103,295)	5,424	5.0%
Depreciation on non-current assets	(1,955,950)	(1,955,950)	(977,898)	(966,528)	11,370	1.2%
Interest expenses	(38,861)	(38,861)	(18,307)	(23,167)	(4,860)	(26.5%)
Insurance expenses	(144,962)	(144,962)	(144,352)	(138,455)	5,897	4.1%
Other expenditure	(126,365)	(126,365)	(45,892)	(41,633)	4,259	9.3%
Loss on asset disposals	(112,325)	(112,325)	0	(500)	(500)	0.0%
	(5,498,502)	(5,498,502)	(2,810,756)	(2,555,259)	255,497	9.1%
Non-cash amounts and adjustments excluded from operating activities	2,017,164	2,017,164	930,371	938,911	8,540	(0.9%)
<u>Amount attributable to operating activities</u>	(332,886)	(332,886)	583,128	877,756	325,219	50.5%
INVESTING ACTIVITIES						
Non-operating grants, subsidies & contributions	1,311,232	1,311,232	447,529	288,312		
Payments for property, plant and equipment	(730,755)	(730,755)	(386,487)	(232,126)	154,361	39.9% ▼
Payments for construction of infrastructure	(1,782,179)	(1,782,179)	(360,968)	(346,965)	14,003	3.9%
Proceeds from disposal of assets	212,181	212,181	145,181	119,975	(25,206)	17.4% ▼
<u>Amount attributable to investing activities</u>	(989,521)	(989,521)	(154,745)	(170,804)	(16,059)	(10.4%) ▲
	0	0	0	0	0	0.0%
FINANCING ACTIVITIES						
Repayment of borrowings	(175,923)	(175,923)	(87,037)	(86,473)	564	0.6%
Proceeds from new borrowings	90,000	90,000	90,000	0	(90,000)	100.0% ▼
Transfers to cash backed reserves (restricted)	(157,783)	(157,783)	(23,346)	(152,280)	(128,934)	552.3% ▲
Transfers from cash backed reserves (restricted)	95,000	95,000	0	86,420	86,420	0.0%
<u>Amount attributable to financing activities</u>	(148,706)	(148,706)	(20,383)	(152,333)	(131,950)	647.4% ▲
<u>Budgeted deficiency before general rates</u>	(1,471,113)	(1,471,113)	408,000	554,620	146,620	35.9% ▲
<u>Estimated amount to be raised from general rates</u>	1,471,113	1,471,113	1,469,855	1,467,075	(2,780)	0.2%
Net current assets - surplus/(deficit)	0	0	1,877,855	2,021,695	143,840	(7.7%)

SHIRE OF MUKINBUDIN
FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022
Report on Significant variances Greater than 10% and \$10,000

Purpose

The purpose of the Monthly Variance Report is to highlight circumstances where there is a major variance from the YTD Monthly Budget and YTD Actual figures. These variances can occur because of a change in timing of the activity, circumstances change (e.g. a grants were budgeted for but was not received) or changes to the original budget projections. The Report is designed to highlight these issues and explain the reason for the variance.

The Materiality variances adopted by Council are:

Actual Variance to YTD Budget up to 10%:

Actual Variance exceeding 10% of YTD Budget

Actual Variance exceeding 10% of YTD Budget and a value greater than \$10,000:

Where a variance is identified as caused being "Timing" it means that the rate of expenditure, or income, is different that what was estimated in the budget but the variation is expected to minimal by the end of the financial year. Should this "Timing" be a cause for concern this will be identified.

\$
**Variances
Actuals to
YTD Budget**

REPORTABLE OPERATING REVENUE VARIATIONS

Housing - Variance below budget expectations.

Generally income from housing is less than expected, in part due to timing and in part due to vacancies.

-\$15,825 ▼

Transport - Variance below budget expectations

The main components are:

Less LRCI Program and Roads to Recovery grant income has been recognised than expected at this time.

The expected Profit on sale of P369 Truck 2008 DAF Tipper MBL250 has not been recognised and is unlikely to be recognised in 2022-2023.

-\$145,630 ▼

Economic Services - Variance above budget expectations.

Less LRCI funding than expected has been recognised and the final payment from Department Of Water And Environmental Regulation CWSP for the Recovering Barbarlin Rock Catchment & Dam - Community Water Supply Project has not been recieved as soon as expected.

\$18,355

Other Property and Services - Variance above budget expectations.

Components of the increase are:

- Income from private works activities has exceeded the budget.

\$31,028 ▲

- Administration Insurance Claim Income has exceeded the budget.

REPORTABLE OPERATING EXPENSE VARIATIONS

Governance - Variance below budget expectations.

No consultant expenses are yet incurred.

\$38,434 ▼

Law Order and Public Safety - Variance below budget expectations.

Depreciation of the Bonnie Rock Fire truck stopped as it had reached its minimum written down value.

\$14,104 ▼

Community Amenities - Variance above budget expectations.

Components of the increase are:

-The 100 Year Celebrations expenses total cost is greater than expected.

-\$33,277 ▲

-Cemetery Operational & Maintenance expenses have exceeded the budget.

Recreation and Culture - Variance below budget expectations.

The main components are:

-Building Maintenance expenses are less than the YTD Budget as significant expenses for the demolition of the old bowling club have yet to be incurred..

\$56,591 ▼

-Very little Community/Public Artwork Expenses have yet been incurred.

-Several swimming pool activities have cost less than expected at this time.

Transport - Variance below budget expectations.

Expenditure on;

Rural Road Maintenance and depreciation is less than expected

\$121,292 ▼

Economic Services - Variance above budget expectations.

Caravan Park general operational expenditure is greater than the YTD budget.

-\$13,603

SHIRE OF MUKINBUDIN
FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022
Report on Significant variances Greater than 10% and \$10,000

	\$ Variances Actuals to YTD Budget
REPORTABLE OPERATING EXPENSE VARIATIONS - Continued	
Other Property and Services - Variance below budget expectations.	
There are reductions reported expenditure because:	
- Plant several plant operational costs are is less than the YTD expenditure budget resulting in an over recovery of costs at this time.	\$54,728 ▼
Some plant charge out rates have been reduced accordingly.	
- The Administration YTD recovery budget is less than the YTD expenditure budget.	
REPORTABLE NON-CASH VARIATIONS	
(Profit)/Loss on Asset Disposals - Variance below budget expectations.	
The main component is that:	
The expected Profit on sale of P369 Truck 2008 DAF Tipper MBL250 has not been recognised and is unlikely to be recognised in 2022-2023.	\$19,446 ▼
Depreciation on Assets - Variance below budget expectations.	
There are reductions, compared to the budget, in depreciation with respect to the Bonnie Rock Fire Truck and Road infrastructure.	-\$11,370
REPORTABLE CAPITAL EXPENSE VARIATIONS	
Purchase of Land & Buildings - Variance above budget expectations.	
The main building related capital expenditure projects exceeding the YTD budget are:	
Jv Singles Unit 4 - Capital	
Jv Family - 6 Lansdell St - Capital	-\$113,361 ▲
Memorial Hall Building Capital	
Mukinbudin Sports Complex Building Capital	
Purchase of Plant & Equipment - Variance below budget expectations.	
The main components are reduced expenditure on a replacement CEO vehicle (\$11K) and expenditure on a replacement truck for the DAF (\$250K)	\$264,128 ▼
Purchase of Infrastructure Assets Roads - Variance above budget expectations.	
Timing - Expenditure on Scotsman Road, Bonnie Rock - Lake Brown Road Renewal & Barbalin South Road Renewal has commenced sooner than expected. Works on Barbalin South Road have cost more than expected.	-\$171,422 ▲
Purchases of Parks & Ovals - Variance above budget expectations.	
Expenditure on the LRCI P3 funded project for Hockey Field lights has proceeded sooner than expected.	-\$26,091
Purchase of Infrastructure Assets Other - Variance below budget expectations.	
The main component is that expenditure on the Townscape Other Infrastructure (Main St) project is less than expected at this time.	\$204,807 ▼
Transfers to Restricted Assets (Reserves) - Variance above budget expectations.	
Transfers to To Community Hub and Plant Reserves have been made sooner than expected.	-\$128,934 ▲
REPORTABLE CAPITAL INCOME VARIATIONS	
Proceeds from Disposal of Assets - Variance below budget expectations.	
Additional proceeds on the sale of Lot 219 (2) Mallee drive have been recieved (\$29K). However this is more than offset by the lack of proceeds on the sale of the CEO vehicle (\$67K) and the DAF Truck (\$55K)	-\$25,206 ▼
Proceeds from New Debentures - Variance below budget expectations.	
Loan 128 Income for the Truck DAF Replacement (P36922) has not been taken out and will probably not be in 2022-2023.	-\$90,000 ▼
Transfers from Restricted Asset (Reserves) - Variance above budget expectations.	
The main components are that the transfers from the Building & Residential Land Reserve for building renewal works and the from the Swimming Pool Reserve for the Swimming Pool Bowl renewal have been completed sooner than expected..	\$86,420
REPORTABLE NET CURRENT ASSETS VARIATIONS	
Net Current Assets 1 July 2022 B/Fwd below budget expectations.	
Numeous accruals and adjustments have resulted in this change. At the time of writing end of year accounting adjustments are complete and the end of year audit hast been signed off.	-\$21,405

SHIRE OF MUKINBUDIN
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022

1. ACQUISITION OF ASSETS	2022/23 Original Budget \$	2022/23 Amended Budget \$	2022/23 YTD Budget \$	December 2022 Actual \$
The following assets have been acquired during the period under review:				
By Program				
Governance				
<u>Members of Council</u>				
Furniture & Equipment (Capital) - Members	10,000	10,000	10,000	0.00
Housing				
<u>Housing - Shire (Staff and Rentals)</u>				
5 Cruickshank Rd Building Capital	25,000	25,000	25,000	21,719.78
<u>Housing - Other (Including Joint Venture)</u>				
Jv Singles Unit 4 - Capital	10,000	10,000	0	8,483.00
Jv Family - 6 Lansdell St - Capital	15,000	15,000	0	19,482.00
Community Amenities				
<u>Other Community Amenities</u>				
Cemetery Capital	35,000	35,000	0	1,000.00
Recreation and Culture				
<u>Public Halls & Civic Centre</u>				
Memorial Hall Building Capital	27,000	27,000	0	28,518.19
<u>Swimming Pools</u>				
Swimming Pool Building Capital	10,000	10,000	4,992	0.00
Swimming Pool Infrastructure Capital	45,000	45,000	0	39,700.00
<u>Other Recreation & Sport</u>				
Plant & Equipment (Capital) - Other	30,000	30,000	30,000	26,910.00
Sports Complex - Infrastructure Parks &	26,400	26,400	0	26,091.25
Mukinbudin Sports Complex Building	174,755	174,755	0	67,036.86
Mukinbudin Lions Park Building Capital	40,000	40,000	0	0.00
Mukinbudin Lions Park - Other	4,000	4,000	4,000	2,976.03
Transport				
<u>Roads, Streets, Bridges & Depots</u>				
Townscape Infrastructure Other (Main	236,483	236,483	236,466	16,311.56
Bonnie Rock - Lake Brown Road - Cap	40,185	40,185	0	93,527.08
Bonnie Rock-Lake Brown Rd Seal	109,600	109,600	0	0.00
Beringbooding Rd Renewal - Cap Exp -	30,000	30,000	0	4,852.00
Barbalin South Road Renewal - Capital	36,000	36,000	0	79,765.86
Karomin Road - Capital Exp	35,500	35,500	35,494	2,997.11
Scotsman Road Renewal - Cap Exp	66,000	66,000	0	25,772.00
Lansdell Street (Widen & Reseal 2022-	87,000	87,000	0	0.00
White Street Renewal - Capital Exp	80,000	80,000	0	0.00
Ferguson Street Renewal - Capital Exp	80,000	80,000	0	0.00
Memorial Avenue Renewal - Cap Exp	30,000	30,000	0	0.00
Kununoppin-Mukinbudin Road Renewal	578,335	578,335	0	0.00
Unallocated Road Capital Expense -	119,100	119,100	0	0.00
Lansdell St Footpath Construction -	50,000	50,000	0	0.00
<u>Road Plant Purchases</u>				
Plant & Equipment (Capital) - Road Plant	250,000	250,000	250,000	0.00

SHIRE OF MUKINBUDIN

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022

<u>By Program (Continued)</u>	2022/23 Original Budget \$	2022/23 Amended Budget \$	2022/23 YTD Budget \$	December 2022 Actual \$
1. ACQUISITION OF ASSETS (Continued)				
Economic Services				
<i>Tourism & Area Promotion</i>				
Ww - Beringbooding Capital	25,000	25,000	25,000	886.25
Caravan Park Infrastructure Capital Exp	4,553	4,553	3,060	506.80
<i>Other Economic Services</i>				
Land Purchase Exps (Community Water	12,500	12,500	0	0.00
Infra Other (Barbalin Pipeline 2020-2023) -	265,000	265,000	265,000	267,338.60
Infra Other Works In Progress (Barbalin	-207,977	-207,977	-207,977	(214,764.89)
Community Water Supply Infrastructure	7,000	7,000	0	0.00
Muka Cafe Building Capital Expenditure	6,500	6,500	6,495	4,607.98
Other Property & Services				
<i>Administration Overheads</i>				
Furniture & Equipment (Capital) -	0	0	0	6,406.00
Plant & Equipment (Capital) -	120,000	120,000	60,000	48,961.55
	<u>2,512,934.00</u>	<u>2,512,934.00</u>	<u>747,530.00</u>	<u>579,085.01</u>

The following assets have been acquired during the period under review:

<u>By Class</u>				
Land	12,500	12,500	0	0.00
Buildings	308,255	308,255	36,487	149,847.81
Furniture & Equipment	10,000	10,000	10,000	6,406.00
Plant & Equipment	400,000	400,000	340,000	75,871.55
Infrastructure - Roads	1,291,720	1,291,720	35,494	206,914.05
Infrastructure - Footpaths	50,000	50,000	0	0.00
Infrastructure - Parks & Ovals	26,400	26,400	0	26,091.25
Infrastructure - Other	622,036	622,036	533,526	328,719.24
Infrastructure - Other WIP	(207,977)	(207,977)	(207,977)	(214,764.89)
	<u>2,512,934</u>	<u>2,512,934</u>	<u>747,530</u>	<u>579,085.01</u>

SHIRE OF MUKINBUDIN
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022

2. DISPOSALS OF ASSETS

The following assets have been disposed of during the period under review:

<u>By Program</u>	Asset	Written Down Value		Sale Proceeds		Profit(Loss)	
		2022/23 Original Budget \$	December 2022 Actual \$	2022/23 Original Budget \$	December 2022 Actual \$	2022/23 Original Budget \$	December 2022 Actual \$
Education & Welfare						0	0.00
Demolition of Building - Lot 29 (14) Maddock Street - Pre School Centre- Boodie Rats	39	40,263		0		(40,263)	0.00
						0	0.00
Recreation & Culture						0	0.00
Sale of P377 the Toro Reelmaster Mower.	377	1,000	1,000.00	5,000	5,429.55	4,000	4,429.55
Demolition of Building - Lot 102 (46) (Reserve 25406) Calder Street - Former Bowling Club House (Old District Club)	98	72,062		0		(72,062)	0.00
Ultramax Smart Cleaner	387		500.00		0.00	0	(500.00)
						0	0.00
Transport						0	0.00
P369 Truck 2008 DAF Tipper MBL250	369	32,000		55,000		23,000	0.00
						0	0.00
Economic Services						0	0.00
Sale to AIM - Part of Lot 204 Koorda Bullfinch Rd (A373), Debtor 30 invoice raised 23.01.2018.	373	2,654	3,063.06	18,181	18,181.82	15,527	15,118.76
						0	0.00
						0	0.00
Other Property and Services						0	0.00
Replacement CEO Vehicle x 2		124,000		134,000		10,000	0.00
Car 2021 Toyota Prado DSL Wagon A/T VX (CEO) MBL1	43322		62,331.36		67,272.73	0	4,941.37
Land - Lot 216 (2) Mallee Drive - CEACA Aged Housing	374		25,000.00		29,090.91		4,090.91
						0	0.00
		271,979	91,894.42	212,181	119,975.01	(59,798)	28,080.59

SHIRE OF MUKINBUDIN
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022

DISPOSALS OF ASSETS Continued

By Class of Asset

	Asset	Written Down Value		Sale Proceeds		Profit(Loss)	
		2022/23 Original Budget \$	December 2022 Actual \$	2022/23 Original Budget \$	December 2022 Actual \$	2022/23 Original Budget \$	December 2022 Actual \$
Land & Buildings							
Demolition of Building - Lot 29 (14) Maddock Street - Pre School Centre- Boodie Rats	39	40,263	0	0	0.00	(40,263)	0.00
Demolition of Building - Lot 102 (46) (Reserve 25406) Calder Street - Former Bowling Club House (Old District Club)	98	72,062	0	0	0.00	(72,062)	0.00
Sale to AIM - Part of Lot 204 Koorda Bullfinch Rd (A373), Debtor 30 invoice raised 23.01.2018.	373	2,654	3,063	18,181	18,181.82	15,527	15,118.76
Land - Lot 216 (2) Mallee Drive - CEACA Aged Housing	374	0	25,000	0	29,090.91	0	4,090.91
Subtotal	39	114,979	28,063	18,181	47,272.73	(96,798)	19,209.67
Plant & Equipment							
P369 Truck 2008 DAF Tipper MBL250	369	32,000	0	55,000	0.00	23,000.00	0.00
Sale of P377 the Toro Reelmaster Mower.	377	1,000	1,000	5,000	5,429.55	4,000.00	4,429.55
Replacement CEO Vehicle x 2		124,000		134,000		10,000.00	0.00
Car 2021 Toyota Prado DSL Wagon A/T VX (CEO) MBL1	43322	0	62,331.36	0	67,272.73	0.00	4,941.37
Ultramax Smart Cleaner	387	0	500.00	0	0.00	0.00	(500.00)
Subtotal Plant & Equipment		157,000	63,831.36	194,000	72,702.28	37,000.00	8,870.92
Infrastructure Other							
		0		0		0.00	
		271,979	91,894.42	212,181	119,975.01	-59,798.00	28,080.59

Summary

Profit on Asset Disposals
Loss on Asset Disposals

	2022/23 Original Budget \$	December 2022 Actual \$
Profit on Asset Disposals	52,527	28,580.59
Loss on Asset Disposals	(112,325)	(500.00)
	<u>(59,798)</u>	<u>28,080.59</u>

Note:

1. Transactions relating to the sale of the subdivided part of asset 373, Lot 204 at the corner Bent and Shadbolt Streets initiated in 2017-2018 are still pending and are subject to the subdivision and the transfer of the title.

SHIRE OF MUKINBUDIN
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022

3. INFORMATION ON BORROWINGS

(a) Debenture Repayments

Lender	Particulars	Loan Finishes	Principal 1-Jul-22	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
				2022/23 Original Budget \$	2022/23 Actual \$	2022/23 Original Budget \$	2022/23 Actual \$	2022/23 Original Budget \$	2022/23 Actual \$	2022/23 Original Budget \$	2022/23 Actual \$
	Education & Welfare										
WATC	Loan 125 Boodie Rats New Building		170,594	0	0	12,170	6,055	158,424	164,539	4,454	2,884
	Housing										
WATC	Loan 124 - 8 Gimlett Way	30/09/2028	177,717			25,139	12,475	152,578	165,242	6,327	3,919
WATC	Loan 126 - 2 Houses, 8 Gimlett Way & 4 Earl Drive		648,258	0	0	46,245	23,010	602,013	625,248	16,928	10,960
	Economic Services										
WATC	Loan 119 - Mukinbudin Cafe	13/04/2027	54,782	0	0	9,863	4,868	44,919	49,914	3,094	1,827
WATC	Loan 127 -Caravan Park House, 22 B	30/09/2035	109,207	0	0	7,335	3,653	101,872	105,554	2,394	1,605
	Other Property & Services										
WATC	Loan 128 For DAF Truck Replacement	14/09/2030		90,000	0	4,595	0	85,405	0	2,243	0
WATC	Loan 120 - Skid Steer MBL 1724	15/01/2024	15,924	0	0	7,782	3,847	8,142	12,077	740	487
WATC	Loan 121 - Grader MBL 95	27/02/2023	38,886	0	0	38,886	19,309	0	19,577	2,070	905
WATC	Loan 122 - Roller MBL 811	27/02/2023	21,158	0	0	21,158	10,506	0	10,652	549	493
WATC	Loan 123 - Tractor MBL 244	2/12/2022	2,750	0	0	2,750	2,750	(0)	(0)	62	87
			1,239,277	90,000	0	175,923	86,473	1,153,354	1,152,804	38,861	23,167

All loan repayments were financed by general purpose revenue.

Note: The Western Australian Treasury Corporation Loan Guarantee Fee has been included in Interest as recommended in the Local Government Accounting Manual.

(b) New Debentures - 2022/2023

As per the adopted budget.

Particulars/Purpose	Amount Borrowed		Institution	Loan Type	Term (Years)	Total Interest & Charges \$	Interest Rate %	Amount Used		Balance Unspent \$
	Adopted Budget \$	Actual \$						Budget \$	Actual \$	
Loan 128 - Truck DAF Replacement	90,000	0	WATC	Debeture	8	21,315	5.27	90,000	0	0

Notes:

- Total Interest & Charges is estimated and includes the WATC Loan Guarantee Fee.
- The Interest rate is estimated and includes the 0.7% WATC Loan Guarantee Fee.

SHIRE OF MUKINBUDIN

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022

	2022/23 Original Budget \$	December 2022 Actual \$
4. RESERVES		
Cash Backed Reserves		
Leave Reserve		
Opening Balance	143,734	143,734
Amount Set Aside / Transfer to Reserve	1,416	460
Amount Used / Transfer from Reserve	0	0
	145,150	144,194
Plant Reserve		
Opening Balance	127,500	127,500
Amount Set Aside / Transfer to Reserve	31,280	30,409
Amount Used / Transfer from Reserve	0	0
	158,780	157,909
Building & Residential Land Reserve		
Opening Balance	212,262	212,262
Amount Set Aside / Transfer to Reserve	2,130	682
Amount Used / Transfer from Reserve	(50,000)	(46,720)
	164,392	166,224
Senior Housing Reserve		
Opening Balance	33,204	33,204
Amount Set Aside / Transfer to Reserve	360	106
Amount Used / Transfer from Reserve	0	0
	33,564	33,310
White St & Lansdell St JV Reserve		
Opening Balance	2,685	2,685
Amount Set Aside / Transfer to Reserve	667	8
Amount Used / Transfer from Reserve	0	0
	3,352	2,693
Roadworks Reserve		
Opening Balance	32,236	32,236
Amount Set Aside / Transfer to Reserve	360	103
Amount Used / Transfer from Reserve	0	0
	32,596	32,339
Swimming Pool Reserve		
Opening Balance	160,002	160,002
Amount Set Aside / Transfer to Reserve	21,570	20,512
Amount Used / Transfer from Reserve	(45,000)	(39,700)
	136,572	140,814
Record not found		
Opening Balance	0	0
Amount Set Aside / Transfer to Reserve	100,000	100,000
Amount Used / Transfer from Reserve	0	0
	100,000	100,000
Total Cash Backed Reserves	774,406	777,483

All of the above reserve accounts are to be supported by money held in financial institutions.

SHIRE OF MUKINBUDIN

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022

	Original Budget Adopted Budget \$	December 2022 Actual \$
4. RESERVES (Continued)		
Cash Backed Reserves (Continued)		
 Summary of Transfers		
 Transfers to Reserves		
Leave Reserve	1,416	460
Plant Reserve	31,280	30,409
Building & Residential Land Reserve	2,130	682
Seniors Housing Reserve	360	106
White St & Lansdell St JV Reserve	667	8
Roadworks Reserve	360	103
Swimming Pool Reserve	21,570	20,512
Record not found	100,000	100,000
	<u>157,783</u>	<u>152,280</u>
 Transfers from Reserves		
Building & Residential Land Reserve	(50,000)	(46,720)
Swimming Pool Reserve	(45,000)	(39,700)
	<u>(95,000)</u>	<u>(86,420)</u>
 Total Transfer to/(from) Reserves	<u>62,783</u>	<u>65,860</u>

SHIRE OF MUKINBUDIN

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022

4. RESERVES (Continued)

Cash Backed Reserves (Continued)

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

Leave Reserve

- To be used to fund annual and long service leave requirements.

Plant Reserve

- To be used for the renewal, upgrade or purchase of new or used mobile plant and vehicles.

Building & Residential Land Reserve

- To be used for the renewal, upgrade, replacement and new construction of new buildings and associated infrastructure, to assist finance of building loans, future expansion and land development, and proceeds from the sale of subdivision blocks.

Seniors Aged Housing Reserve

- To be used for the renewal, upgrade, replacement and new construction of additional Aged Units and their maintenance. The surplus/deficit after rent and maintenance has been carried out for the financial year is to be transferred into/from (if required) the reserve.

White St & Lansdell St JV Reserve

- To cover anticipated costs of periodic repairs and maintenance to the land and units.

Roadworks Reserve

- To be used for the renewal, upgrade, replacement and new construction of streets, roads, bridges, footpaths and storm water drainage.

Swimming Pool Reserve

- To be used for the renewal, upgrade, replacement and new construction for the Swimming Pool and associated infrastructure. \$20,00 per year plus interest is to be transferred to this reserve.

Royalties for Regions

- To be used for any unspent Royalties for Regions monies.

Community Hub Reserve

- To fund the construction of facilities to establish and then operate a Community Hub".

SHIRE OF MUKINBUDIN
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022

	2021/22 B/Fwd Per Original Budget \$	2021/22 B/Fwd Actual \$	December 2022 Actual \$
5. NET CURRENT ASSETS			
Note			
Composition of Estimated Net Current Asset Position			
CURRENT ASSETS			
Cash - Unrestricted	1,773,483	1,773,483	2,342,489
Cash - Restricted Muni Funds	19,918	19,918	15,298
Cash - Restricted Reserves	711,622	711,622	777,482
Rates Outstanding	32,397	32,397	123,570
Sundry Debtors	12,496	12,496	56,091
Provision for Doubtful Debts	(1,557)	(1,138)	(1,138)
GST Receivable	24,841	24,841	8,052
Accrued Income	8,389	1,243	903
Payments In Advance	22,195	14,517	12,117
Inventories	6,171	549	256
	2,609,955	2,589,928	3,335,120
LESS: CURRENT LIABILITIES			
Sundry Creditors	(60,029)	(60,136)	(54,571)
Accrued Interest On Loans	(5,388)	(8,707)	(8,707)
Accrued Salaries & Wages	(22,536)	(29,921)	(29,921)
Income In Advance - Grants and Contract Liabilities.	(307,849)	(280,715)	(338,552)
GST Payable	(3,274)	(3,274)	(13,648)
Prepaid Rates (Excess Rates)	(16,556)	(16,556)	(11,859)
Accrued Expenses	(6,400)	(10,382)	(10,382)
PAYG Liability	(20,417)	(20,417)	(22,862)
FBT Payable	(5,192)	(7,750)	(7,750)
Other Payables	(19,928)	(19,928)	(15,298)
Bonds and Deposits Held	(1)	(1)	(1)
Current Employee Benefits Provision	(155,425)	(166,586)	(166,586)
Current Loan Liability	(409)	(171,328)	(84,854)
Current Lease Liability	(1,622)	0	0
	(625,026)	(795,701)	(764,991)
NET CURRENT ASSET POSITION	1,984,929	1,794,227	2,570,129
Less: Cash - Reserves - Restricted	(711,622)	(711,622)	(777,482)
Add Back : Component of Leave Liability not Required to be Funded	143,734	143,734	144,194
Add Back : Current Loan Liability	409	171,328	84,854
Add Back : Current Lease Liability	1,622	0	0
ESTIMATED SURPLUS/(DEFICIENCY) C/FWD	1,419,072	1,397,667	2,021,695

Notes applicable to the Surplus/(Deficit) Carried Forward from June 2022.

- The Surplus/(Deficit) includes \$1,297,671 from the advance payment of 2022/2023 Financial Assistance Grants. \$795,252 as General Purpose Funding and \$502,419 for Roads.
Without the \$1,297,671 advance payment the Carried Forward amount at 1 July 2022 would be a surplus of of \$99,996.
- The Surplus/(Deficit) carried forward at 30 June 2022 is final.

Notes applicable to the Surplus/(Deficit) at 31 December 2022.

1. The following unspent grant or contract liabilities have not been acquitted in 2022-2023:	
Unspent RRG grant.	166,801
Unspent RTR grant.	18,003
Unspent NRM Environmental Grant	18,517
FESA-ESL Unspent Operational Grant	1,209
Domestic Refuse Collection Charges In Advance	14,083
Commercial Refuse Collection Charges In Advance	5,157
Domestic Recycling Collection Charges In Advance	12,323
Commercial Recycling Collection Charges In Advance	4,426
Community Development - Unspent Grants-Current Liability	15,897
LRCIP Phase 3 - Unspent Grant - Current Liability	64,017
Other Prepayments received	18,119
<u>Total grants not acquitted at December 2022</u>	<u>338,552</u>

SHIRE OF MUKINBUDIN
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022

6. RATING INFORMATION

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	2022/23 Rate Revenue \$	2022/23 Interim Rates \$	2022/23 Back Rates \$	2022/23 Total Revenue \$	2022/23 Original Budget \$
General Rate								
GRV - Residential	0.184236	154	1,149,728	214,769	(1,540)	2	213,231	214,321
GRV - Vacant	0.184236	1	16,000	0	0	0	0	2,948
UV - Rural	0.022313	214	54,537,000	1,216,884	0	0	1,216,884	1,216,884
UV - Mining	0.022313	0	0	0			0	0
Non Rateable		108					0	
Sub-Totals		477	55,702,728	1,431,653	(1,540)	2	1,430,115	1,434,153
Minimum Rates	Minimum \$							
GRV - Residential	440	18	13,624	11,000	0	0	11,000	7,920
GRV - Vacant	440	7	2,273	0	0	0	0	3,080
UV - Rural	590	31	297,100	18,290	0	0	18,290	18,290
UV - Mining	590	13	87,896	7,670	0	0	7,670	7,670
Sub-Totals		69	400,893	36,960	0	0	36,960	36,960
		546	56,103,621	1,468,613	(1,540)	2	1,467,075	1,471,113
Discounts							0	0
Rates Adjustments							0	0
Total Amount of General Rates							1,467,075	1,471,113
Specified Area Rates							0	0
Ex Gratia Rates							17,979	17,996
Total Rates							1,485,054	1,489,109

All land except exempt land in the Shire of Mukinbudin is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Shire.

The general rates detailed above for the 2022/23 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also bearing considering the extent of any increase in rating over the level adopted in the previous years.

The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of the Local Government services/facilities.

SHIRE OF MUKINBUDIN

**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022**

7. RESTRICTED MUNICIPAL AND TRUST FUNDS

Restricted Municipal Funds

These Funds held at the date of this report are those that will need be repaid subject to prescribed conditions.

Detail	Balance 01-Jul-22 \$	Amounts Received \$	Amounts Paid (\$)	31/12/2022 Balance \$
Department of Transport Licensing	4,586	183,202	(187,819)	(31)
Mukinbudin Indoor Cricket Club	0	0	0	0
Other Restricted Funds	5	0	0	5
Sports Complex Key Bonds	0	0	0	0
Council Nomination Deposit	0	0	0	0
Housing Tenancy Bonds	0	3,260	(3,260)	0
Hall Hire Bonds & Deposits	0	0	0	0
Gym Bonds	1,980	0	0	1,980
Soil Conservation	13,166	0	0	13,166
Builders Levy (BCITF)	0	0	0	0
Building Service Levy	191	667	(681)	177
Standpipe Key Bonds	0	0	0	0
Mukinbudin Football Club Rams Plates	0	0	0	0
	<u>19,928</u>	<u>187,129</u>	<u>(191,760)</u>	<u>15,297</u>

Trust Funds

Funds held at the date of this report over which the Municipality has no control and which are not included in this statement are as follows:

Detail	Balance 01-Jul-22 \$	Amounts Received \$	Amounts Paid (\$)	31/12/2022 Balance \$
Wilgoyne Tennis Club	0	0	0	0
Other Trust Funds	1	0	0	1
LGMA Wheatbelt	0	0	0	0
Karlonning Pipeline Scheme	0	0	0	0
Drive in Donation	0	0	0	0
	<u>1</u>	<u>0</u>	<u>0</u>	<u>1</u>

Note: \$1 has been transferred from The Municipal Bank Account to the Trust Bank account to keep the account open in order to comply with legislation.

SHIRE OF MUKINBUDIN

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022

8. OPERATING STATEMENT

<u>By Nature & Type</u>	December	2022/23	
	2022	Original	2021/22
	Actual	Budget	Actual
OPERATING REVENUES	\$	\$	\$
Rates	1,485,054	1,489,109	1,325,243
Operating grants, subsidies and contributions	556,662	843,999	2,329,641
Fees and charges	425,320	717,012	697,703
Service Charges	0	0	0
Interest earnings	10,366	19,496	14,295
Other revenue	57,529	78,350	153,155
Non-operating grants, subsidies and contributions	288,312	1,311,232	1,282,313
Profit on asset disposals	28,581	52,527	6,373
Fair value adjustments to financial assets at fair value through profit or loss	0	0	2,998
TOTAL OPERATING REVENUE	<u>2,851,824</u>	<u>4,511,725</u>	<u>5,811,720</u>
OPERATING EXPENSES			
Employee costs	738,704	1,543,943	1,377,415
Materials and contracts	542,975	1,357,952	1,238,622
Utility charges	103,295	218,144	219,125
Depreciation on non-current assets	966,528	1,955,950	1,775,162
Interest expenses	23,167	38,861	40,435
Insurance expenses	138,455	144,962	128,861
Other expenditure	41,633	126,365	160,304
Loss on asset disposals	500	112,325	11,122
TOTAL OPERATING EXPENSE	<u>2,555,259</u>	<u>5,498,502</u>	<u>4,951,046</u>
CHANGE IN NET ASSETS RESULTING FROM OPERATIONS	<u>296,566</u>	<u>(986,777)</u>	<u>860,674</u>

SHIRE OF MUKINBUDIN

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022

8. OPERATING STATEMENT

<u>By Program</u>	December	2022/23	
	2022	Original	2021/22
	Actual	Budget	Actual
OPERATING REVENUES	\$	\$	\$
Governance	2,969	0	0
General Purpose Funding	1,754,286	2,028,200	3,438,463
Law, Order, Public Safety	17,923	27,981	22,150
Health	107	500	322
Education and Welfare	4,412	9,140	34,925
Housing	135,384	304,226	286,797
Community Amenities	60,314	125,723	85,109
Recreation and Culture	127,434	237,494	415,329
Transport	408,311	1,308,123	899,413
Economic Services	263,574	378,088	514,534
Other Property and Services	77,110	92,250	114,678
TOTAL OPERATING REVENUE	<u>2,851,824</u>	<u>4,511,725</u>	<u>5,811,720</u>
 OPERATING EXPENSES			
Governance	186,411	490,091	398,622
General Purpose Funding	52,853	115,783	98,073
Law, Order, Public Safety	40,560	100,909	83,214
Health	34,692	92,265	78,280
Education and Welfare	72,121	181,164	120,252
Housing	202,052	392,446	328,972
Community Amenities	201,818	338,298	267,759
Recreation & Culture	441,453	1,016,423	887,738
Transport	1,013,737	2,247,687	2,106,085
Economic Services	242,574	427,037	437,892
Other Property and Services	66,987	96,399	144,159
TOTAL OPERATING EXPENSE	<u>2,555,258</u>	<u>5,498,502</u>	<u>4,951,046</u>
 CHANGE IN NET ASSETS			
RESULTING FROM OPERATIONS	<u>296,566</u>	<u>(986,777)</u>	<u>860,674</u>

SHIRE OF MUKINBUDIN

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022

9. STATEMENT OF FINANCIAL POSITION

	December 2022 Actual \$	2021/22 Actual \$
CURRENT ASSETS		
Cash and Cash Equivalents	3,135,269	2,505,023
Trade and Other Receivables	199,595	84,357
Inventories	256	549
TOTAL CURRENT ASSETS	3,335,120	2,589,929
NON-CURRENT ASSETS		
Other Receivables	713	713
Inventories	270,937	274,000
Investments	58,353	58,353
Property, Plant and Equipment	15,575,207	15,620,886
Infrastructure	54,504,982	54,935,577
TOTAL NON-CURRENT ASSETS	70,410,192	70,889,529
TOTAL ASSETS	73,745,312	73,479,458
CURRENT LIABILITIES		
Trade and Other Payables	513,550	457,786
Long Term Borrowings	84,854	171,328
Provisions	166,586	166,586
TOTAL CURRENT LIABILITIES	764,990	795,700
NON-CURRENT LIABILITIES		
Long Term Borrowings	1,067,949	1,067,949
Provisions	51,109	51,109
TOTAL NON-CURRENT LIABILITIES	1,119,058	1,119,058
TOTAL LIABILITIES	1,884,048	1,914,758
NET ASSETS	71,861,264	71,564,700
EQUITY		
Retained Surplus	46,251,777	46,021,073
Reserves - Cash Backed	777,482	711,622
Revaluation Surplus	24,832,005	24,832,005
TOTAL EQUITY	71,861,264	71,564,700

SHIRE OF MUKINBUDIN

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022

10. FINANCIAL RATIOS

	2022/23 YTD	2021/22	2020/21	2019/20
Current Ratio	4.12	3.97	1.86	1.82
Operating Surplus Ratio	0.00	(0.15)	0.00	(0.32)

The above ratios are calculated as follows:

Current Ratio
$$\frac{\text{Current assets minus restricted current assets}}{\text{Current liabilities minus liabilities associated with restricted assets}}$$

INTERPRETATION:

This ratio is a measure of short term (unrestricted) liquidity. That is, the ability of the Council to meet its liabilities (obligations) as and when they fall due.

RISK INDICATORS:

Low – 1 or greater

A ratio of greater than one (1) indicates Council has more current assets than current liabilities and meets The minimum specified by the Department of Local Government, Sport and Cultural Industries

High – Less than 1

If less than one (1), current liabilities are greater than current assets and Council has a short term funding issue. Fails to meet minimum specified by the Department of Local Government, Sport and Cultural Industries

COMMENT:

Provided restricted assets are excluded correctly, it is a very useful indicator of the “true” financial position of Council, particularly in the short term.

As a general rule, when the current ratio of a Council is calculated at less than one (100%) it indicates a short term funding issue. However, it also needs to be considered in context of the overall financial position. If monitored correctly during the course of the year, it is a good indicator for when follow up action is necessary.

Operating Surplus Ratio

$$\frac{\text{Operating revenue minus operating expense}}{\text{Own source operating revenue}}$$

INTERPRETATION:

Effectively highlights the scale/extent of any operating surplus or deficit in relation to the overall size of the local government.

RISK INDICATORS:

Low – 0.15 or greater

The local government is providing a strong operating surplus which will give flexibility in the future in relation to operational service levels and asset base.

High – Lower than 0

The local government is experiencing an operating deficit.

COMMENT:

A sustained period of deficits will erode the local government’s ability to maintain both its operational service level and asset base.

SHIRE OF MUKINBUDIN

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2022 TO 31 DECEMBER 2022

11. BANK BALANCES & INVESTMENT INFORMATION

Council Funds

At Call Bank Accounts

	Interest Rate	31 December 2022 Amount
Municipal Transaction Account - Bendigo Bank	1.10%	\$2,346,045.06
Reserves Cash at Call Account - Bendigo Bank	1.85%	\$10,000.00
		\$2,356,045.06

Note: The interest rate on the Municipal Transaction Account was set when the account was established.

<u>Investment Register</u>	Term	Interest Rate	Amount	Maturity
<i>Municipal Investments</i>				
			\$0.00	
Total Municipal Investments			\$0.00	

Investment Register

<i>Reserve Investment</i>	4 Months	2.35%	\$767,481.64	2/04/2023
Total Reserve Investment			\$767,481.64	

Council Funds Summary

Municipal Funds	\$2,346,045.06
Reserve Funds	\$777,481.64
	\$3,123,526.70

Restricted Municipal and Trust Funds

Restricted Muni Transaction Acct- Bendigo Bank	0.00%	\$17,460.96
Trust Transaction Acct - Bendigo Bank	0.00%	\$1.00

Note: The amounts shown here are the account balances at the Bendigo Bank. These balances may be different from the ledger balances due to timing.