SHIRE OF PINGELLY

ANNUAL BUDGET

FOR THE YEAR ENDED 30 JUNE 2026

LOCAL GOVERNMENT ACT 1995

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The Shire of Pingelly a Class 4 local government conducts the operations of a local government with the following community vision:

Pingelly, a sustainable community, where a natural beauty and economic diversity provides opportunities for all.

SHIRE OF PINGELLY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2025/26 Budget	2024/25 Actual	2024/25 Budget
Revenue		$	$	$
Rates	2(a)	2,617,583	2,514,615	2,522,431
Grants, subsidies and contributions		1,403,690	1,573,060	932,546
Fees and charges	14	438,360	446,858	447,951
Interest revenue	10(a)	107,839	106,720	81,226
Other revenue		89,750	201,380	88,381
		4,657,222	4,842,633	4,072,535
Expenses				
Employee costs		(2,301,955)	(2,227,751)	(2,310,252)
Materials and contracts		(1,672,581)	(1,660,371)	(2,164,405)
Utility charges		(236,575)	(212,841)	(193,870)
Depreciation	6	(3,303,900)	(3,298,036)	(3,286,121)
Finance costs	10(c)	(87,746)	(90,075)	(101,719)
Insurance		(241,847)	(231,417)	(224,601)
Other expenditure		(78,981)	(67,111)	(88,311)
		(7,923,585)	(7,787,602)	(8,369,279)
		(3,266,363)	(2,944,969)	(4,296,744)
Capital grants, subsidies and contributions		1,478,828	2,189,322	2,857,823
Profit on asset disposals	5	18,000	3,110	22,849
Loss on asset disposals	5	(18,522)	(73,502)	(53,220)
Fair value adjustments to financial assets at fair value through profit or loss		0	(2,664)	0
		1,478,306	2,116,266	2,827,452
Net result for the period		**(1,788,057)**	**(828,703)**	**(1,469,292)**
Total other comprehensive income for the period		**0**	**0**	**0**
Total comprehensive income for the period		**(1,788,057)**	**(828,703)**	**(1,469,292)**

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

SHIRE OF PINGELLY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2025/26 Budget	2024/25 Actual	2024/25 Budget
CASH FLOWS FROM OPERATING ACTIVITIES		$	$	$
Receipts				
Rates		2,617,583	2,509,031	2,522,431
Grants, subsidies and contributions		2,005,690	340,047	932,546
Fees and charges		438,360	446,858	447,951
Interest revenue		107,839	106,720	81,226
Goods and services tax received		0	(2,223)	337,002
Other revenue		89,750	201,380	88,381
		5,259,222	3,601,813	4,409,537
Payments				
Employee costs		(2,301,955)	(2,343,004)	(2,310,252)
Materials and contracts		(1,653,618)	(2,000,383)	(2,164,404)
Utility charges		(236,575)	(212,841)	(193,870)
Finance costs		(87,746)	(128,412)	(101,719)
Insurance paid		(241,847)	(231,417)	(224,601)
Goods and services tax paid		0	0	(337,002)
Other expenditure		(78,981)	(67,111)	(88,311)
		(4,600,722)	(4,983,168)	(5,420,159)
Net cash provided by (used in) operating activities	4	658,500	(1,381,355)	(1,010,622)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5(a)	(1,288,350)	(1,536,013)	(2,264,194)
Payments for construction of infrastructure	5(b)	(2,314,782)	(1,247,985)	(2,029,228)
Capital grants, subsidies and contributions		1,478,828	2,307,049	2,857,823
Proceeds from sale of property, plant and equipment	5(a)	60,500	160,115	232,750
Proceeds on financial assets at amortised cost - self supporting loans		25,699	33,410	33,410
Proceeds on disposal of financial assets at fair value through profit and loss		0	(2,664)	
Net cash (used in) investing activities		(2,038,105)	(286,087)	(1,169,439)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7(a)	(241,805)	(255,169)	(300,821)
Payments for principal portion of lease liabilities	8	(78,289)	(101,307)	(101,396)
Proceeds from new borrowings	7(a)	0	500,000	500,000
Proceeds on disposal of financial assets at amortised cost - term deposits		0	24,114	
Net cash provided by (used in) financing activities		(320,094)	167,638	97,783
Net (decrease) in cash held		(1,699,699)	(1,499,805)	(2,082,278)
Cash at beginning of year		2,754,702	4,286,743	3,165,159
Cash and cash equivalents at the end of the year	4	**1,055,003**	**2,786,938**	**1,082,881**

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

SHIRE OF PINGELLY
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2025/26 Budget	2024/25 Actual	2024/25 Budget
OPERATING ACTIVITIES		$	$	$
Revenue from operating activities				
General rates	2(a)(i)	2,423,304	2,316,975	2,324,791
Rates excluding general rates	2(a)	194,279	197,640	197,640
Grants, subsidies and contributions		1,403,690	1,573,060	932,546
Fees and charges	14	438,360	446,858	447,951
Interest revenue	10(a)	107,839	106,720	81,226
Other revenue		89,750	201,380	88,381
Profit on asset disposals	5	18,000	3,110	22,849
Fair value adjustments to financial assets at fair value through profit or loss		0	(2,664)	0
		4,675,222	4,843,079	4,095,384
Expenditure from operating activities				
Employee costs		(2,301,955)	(2,227,751)	(2,310,252)
Materials and contracts		(1,672,581)	(1,660,371)	(2,164,405)
Utility charges		(236,575)	(212,841)	(193,870)
Depreciation	6	(3,303,900)	(3,298,036)	(3,286,121)
Finance costs	10(c)	(87,746)	(90,075)	(101,719)
Insurance		(241,847)	(231,417)	(224,601)
Other expenditure		(78,981)	(67,111)	(88,311)
Loss on asset disposals	5	(18,522)	(73,502)	(53,220)
		(7,942,107)	(7,861,104)	(8,422,499)
Non cash amounts excluded from operating activities	3(c)	3,304,422	3,365,185	3,316,492
Amount attributable to operating activities		**37,537**	**347,160**	**(1,010,623)**
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		1,478,828	2,189,322	2,857,823
Proceeds from disposal of property, plant and equipment	5(a)	60,500	160,115	232,750
Proceeds from financial assets at amortised cost - self supporting loans		25,699	33,410	33,410
Proceeds on disposal of financial assets at fair value through profit and loss		0	(2,664)	
		1,565,027	2,380,183	3,123,983
Outflows from investing activities				
Payments for property, plant and equipment	5(a)	(1,288,350)	(1,536,013)	(2,264,194)
Payments for construction of infrastructure	5(b)	(2,314,782)	(1,247,985)	(2,029,228)
		(3,603,132)	(2,783,997)	(4,293,422)
Amount attributable to investing activities		**(2,038,105)**	**(403,814)**	**(1,169,439)**
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from new borrowings	7(a)	0	500,000	500,000
Transfers from reserve accounts	9(a)	294,000	0	140,000
		294,000	500,000	640,000
Outflows from financing activities				
Repayment of borrowings	7(a)	(241,805)	(255,169)	(300,821)
Payments for principal portion of lease liabilities	8	(78,289)	(101,307)	(101,396)
Transfers to reserve accounts	9(a)	(41,499)	(116,467)	(157,929)
		(361,593)	(472,944)	(560,146)
Amount attributable to financing activities		**(67,593)**	**27,056**	**79,854**
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus at the start of the financial year	3	2,068,161	2,097,759	2,100,207
Amount attributable to operating activities		37,537	347,160	(1,010,622)
Amount attributable to investing activities		(2,038,105)	(403,814)	(1,169,439)
Amount attributable to financing activities		(67,593)	27,056	79,854
Surplus/(deficit) remaining after the imposition of general rates	3	**0**	**2,068,161**	**0**

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

SHIRE OF PINGELLY
FOR THE YEAR ENDED 30 JUNE 2026
INDEX OF NOTES TO THE BUDGET

1 BASIS OF PREPARATION

The annual budget of the Shire of Pingelly which is a Class 4 local government is a forward looking document and 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 annual budget 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 Leases* which would have required the Shire to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this annual budget have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the annual budget 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 annual budget.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 11 to the annual budget.

2024/25 actual balances
Balances shown in this budget as 2024/25 Actual are estimates as forecast at the time of preparation of the annual budget and are subject to final adjustments.

Budget comparative figures
Unless otherwise stated, the budget comparative figures shown in the budget relate to the original budget estimate for the relevant item of disclosure.

Comparative figures
Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

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

Statement of Cashflows
Investing and financing transactions that do not require the use of cash or cash equivalents shall be excluded from a statement of cash flows. Such transactions shall be disclosed elsewhere in the financial statements in a way that provides all the relevant information about these investing and financing activities.

Initial application of accounting standards
During the budget year, the below revised Australian Accounting Standards and Interpretations are expected to be compiled, become mandatory and be applicable to its operations.
• *AASB 2020-1 Amendments to Australian Accounting Standards*
- Classification of Liabilities as Current or Non-current
• *AASB 2022-5 Amendments to Australian Accounting Standards*
- Lease Liability in a Sale and Leaseback
• *AASB 2022-6 Amendments to Australian Accounting Standards*
- Non-current Liabilities with Covenants
• *AASB 2023-1 Amendments to Australian Accounting Standards*
- Supplier Finance Arrangements
• *AASB 2023-3 Amendments to Australian Accounting Standards*
- Disclosure of Non-current Liabilities with Covenants: Tier 2
• *AASB 2024-1 Amendments to Australian Accounting Standards*
- Supplier Finance Arrangements: Tier 2 Disclosures
It is not expected these standards will have an impact on the annual budget.

• *AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*, became mandatory during the budget year. Amendments to AASB 13 *Fair Value Measurement* impacts the future determination of fair value when revaluing assets using the cost approach. Timing of future revaluations is defined by regulation 17A of *Local Government (Financial Management) Regulations 1996*. Impacts of this pronouncement are yet to be quantified and are dependent on the timing of future revaluations of asset classes. No material impact is expected in relation to the 2025-26 statutory budget.

New accounting standards for application in future years
The following new accounting standards will have application to local government in future years:
• *AASB 2014-10 Amendments to Australian Accounting Standards*
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
• *AASB 2024-4b Amendments to Australian Accounting Standards*
- Effective Date of Amendments to AASB 10 and AASB 128
[deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
• *AASB 2022-9 Amendments to Australian Accounting Standards*
- Insurance Contracts in the Public Sector
• *AASB 2023-5 Amendments to Australian Accounting Standards*
- Lack of Exchangeability
• *AASB 18 (FP) Presentation and Disclosure in Financial Statements*
- (Appendix D) [for for-profit entities]
• *AASB 18 (NFP/super) Presentation and Disclosure in Financial Statements*
- (Appendix D) [for not-for-profit and superannuation entities]
• *AASB 2024-2 Amendments to Australian Accounting Standards*
- Classification and Measurement of Financial Instruments
• *AASB 2024-3 Amendments to Australian Accounting Standards*
- Standards – Annual Improvements Volume 11
It is not expected these standards will have an impact on the annual budget.

Critical accounting estimates and judgements
The preparation of the annual budget 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 that are 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.

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:
• Fair value measurement of assets carried at reportable value including:
  • Property, plant and equipment
  • Infrastructure
• Expected credit losses on financial assets
• Assets held for sale
• Impairment losses of non-financial assets
• Investment property
• Estimated useful life of intangible assets
• Measurement of employee benefits
• Measurement of provisions

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in dollar	Number of properties	Rateable value*	2025/26 Budgeted rate revenue	2025/26 Budgeted interim rates	2025/26 Budgeted total revenue	2024/25 Actual total revenue	2024/25 Budget total revenue
				$	$	$	$	$	$
(i) General rates									
Commercial / Industrial	Gross rental valuation	0.12195	25	418,455	51,029	0	51,029	47,986	49,066
Townsites	Gross rental valuation	0.12195	13	178,100	21,719	0	21,719	21,848	20,883
General	Gross rental valuation	0.12195	320	4,509,336	549,895	0	549,895	525,434	528,229
Rural Residence	Gross rental valuation	0.12195	67	1,016,860	124,002	0	124,002	112,409	115,605
Broadacre Rural	Unimproved valuation	0.00614	222	273,205,030	1,676,659	0	1,676,659	1,609,298	1,611,008
Total general rates			647	279,327,781	2,423,304	0	2,423,304	2,316,975	2,324,791
		Minimum							
(ii) Minimum payment		$							
Commercial / Industrial	Gross rental valuation	1,123.00	16	47,150	17,968	0	17,968	17,280	17,280
Townsites	Gross rental valuation	1,123.00	8	18,685	8,984	0	8,984	7,560	7,560
General	Gross rental valuation	1,123.00	58	91,428	65,134	0	65,134	65,880	65,880
Rural Residence	Gross rental valuation	1,123.00	17	50,270	19,091	0	19,091	24,840	24,840
Broadacre Rural	Unimproved valuation	1,123.00	74	8,913,874	83,102	0	83,102	82,080	82,080
Total minimum payments			173	9,121,407	194,279	0	194,279	197,640	197,640
Total general rates and minimum payments			820	288,449,188	2,617,583	0	2,617,583	2,514,615	2,522,431
Instalment plan charges							4,200	4,170	4,275
Instalment plan interest							8,500	8,634	8,300
Late payment of rate or service charge interest							8,000	7,916	10,000
							20,700	20,720	22,575

The Shire did not raise specified area rates for the year ended 30th June 2026.

*Rateable Value at time of adopting budget.

All rateable properties within the district used predominately for non-rural purposes are rated according to their Gross Rental Valuation (GRV), all other properties are rated according to their Unimproved Valuation (UV).

The general rates detailed for the 2025/26 financial year have been determined by Council on the basis of raising the revenue required to meet the estimated deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than general rates and also considering the extent of any increase in rating over the level adopted in the previous year.

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

2. RATES AND SERVICE CHARGES (CONTINUED)

(b) Interest Charges and Instalments - Rates and Service Charges

The following instalment options are available to ratepayers for the payment of rates and service charges.

Option 1 (Full Payment)
Full Amount of Rates and charges including arrears, to be paid before 12 September 2025 or 35 days after the date of issue appearing on the rates notice, whichever is the later.

Option 2 (Two Instalments)
First instalment to be made before 12 September 2025 or 35 days of issue on the rates notice, whichever is the later including all arrears and half the current rates and service charges, and
Second instalment to be made on or before 14 January 2026 or 4 months after the first instalment, whichever is the later.

Option 3 (Four Instalments)
First instalment to be made before12 September 2025 or 35 days of issue on the rates notice, whichever is the later including all arrears and half the current rates and service charges, and
Second instalment to be made on or before 13 November 2025 or 2 months after the first instalment, whichever is the later.
Third instalment to be made on or before 14 January 2026 or 2 months after the Second instalment, whichever is the later.
Forth instalment to be made on or before 17 March 2026 or 2 months after the Third instalment, whichever is the later.

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		$	%	%
Option one				
Single full payment	12 September 2025	0	0.0%	11.0%
Option two				
First instalment	12 September 2025	0	5.5%	11.0%
Second instalment	14 January 2026	10	5.5%	11.0%
Option three				
First instalment	12 September 2025	0	5.5%	11.0%
Second instalment	13 November 2025	10	5.5%	11.0%
Third instalment	14 January 2026	10	5.5%	11.0%
Fourth instalment	17 March 2026	10	5.5%	11.0%

(c) Objectives and Reasons for Differential Rating

2. RATES AND SERVICE CHARGES (CONTINUED)

To provide equity in the rating of properties across the Shire the following rate categories have been determined for the implementation of differential rating.

(i) Differential general rate

Description	Characteristics	Objects	Reasons

(ii) Differential Minimum Payment

2. RATES AND SERVICE CHARGES (CONTINUED)

(d) Service Charges

The Shire did not raise service charges for the year ended 30th June 2026.

(e) Waivers or concessions

The Shire does not anticipate any waivers or concessions for the year ended 30th June 2026.

3. NET CURRENT ASSETS

(a) Composition of estimated net current assets

	Note	2025/26 Budget 30 June 2026	2024/25 Actual 30 June 2025	2024/25 Budget 30 June 2025
Current assets		$	$	$
Cash and cash equivalents	4	1,006,926	2,754,702	1,082,881
Financial assets		29,114	29,114	1,126,583
Receivables		593,678	1,147,600	507,669
Inventories		5,637	5,637	10,066
Other assets		0	0	83,875
Non-current assets held for sale		0	0	
		1,635,355	3,937,053	2,811,074
Less: current liabilities				
Trade and other payables		(150,594)	(131,631)	(563,609)
Contract liabilities		(294,117)	(294,117)	(58,250)
Capital grant/contribution liability		(175,977)	(175,977)	(1,044,702)
Lease liabilities	8	(19,411)	(78,232)	(97,611)
Long term borrowings	7	(207,154)	(196,352)	(409,197)
Employee provisions		(281,753)	(281,753)	(352,433)
		(1,129,006)	(1,158,062)	(2,525,802)
Net current assets		506,349	2,778,991	285,272
Less: Total adjustments to net current assets	3(b)	(506,349)	(710,830)	(285,272)
Net current assets used in the Statement of Financial Activity		0	2,068,161	0

(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.

	Note	2025/26 Budget 30 June 2026	2024/25 Actual 30 June 2025	2024/25 Budget 30 June 2025
Adjustments to net current assets				
Less: Cash - reserve accounts	9	(985,549)	(1,238,050)	(1,139,512)
Less: Current assets not expected to be received at end of year				
- Current financial assets at amortised cost - self supporting loans		(24,115)	(24,114)	
- Other liabilities [describe]		(5,000)	(5,000)	(5,000)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings		207,154	196,352	409,197
- Current portion of lease liabilities		19,411	78,232	97,611
- Current portion of employee benefit provisions held in reserve		281,750	281,750	352,432
Total adjustments to net current assets		(506,349)	(710,830)	(285,272)

EXPLANATION OF DIFFERENCE IN NET CURRENT ASSETS AND SURPLUS/(DEFICIT)

Items excluded from calculation of budgeted deficiency

When calculating the budget deficiency for the purpose of Section 6.2 (2)(c) of the *Local Government Act 1995* the following amounts have been excluded as provided by *Local Government (Financial Management) Regulation 32* which will not fund the budgeted expenditure.

(c) Non-cash amounts excluded from operating activities

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

	Note	2025/26 Budget 30 June 2026	2024/25 Actual 30 June 2025	2024/25 Budget 30 June 2025
Adjustments to operating activities		$	$	$
Less: Profit on asset disposals	5	(18,000)	(3,110)	(22,849)
Add: Loss on asset disposals	5	18,522	73,502	53,220
Add: Depreciation	6	3,303,900	3,298,036	3,286,121
Non-cash movements in non-current assets and liabilities:				
- Financial assets at amortised cost			24,114	
- Employee provisions		0	(27,357)	
Non cash amounts excluded from operating activities		3,304,422	3,365,185	3,316,492

3. NET CURRENT ASSETS

(d) MATERIAL ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operational cycle. In the case of liabilities where the Shire does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Shire's intentions to release for sale.

TRADE AND OTHER PAYABLES

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

PREPAID RATES

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises revenue for the prepaid rates that have not been refunded.

INVENTORIES

General

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

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

SUPERANNUATION

The Shire contributes to a number of superannuation funds on behalf of employees. All funds to which the Shire contributes are defined contribution plans.

INVENTORY - LAND HELD FOR RESALE

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

Inventory - land held for resale is classified as current except where it is held as non-current based on the Shire's intentions to release for sale.

GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

CONTRACT LIABILITIES

Contract liabilities represent the Shire's obligation to transfer goods or services to a customer for which the Shire has received consideration from the customer.

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

TRADE AND OTHER RECEIVABLES

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

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

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

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

The Shire applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

PROVISIONS

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

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

EMPLOYEE BENEFITS

Short-term employee benefits

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

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the determination of the net current asset position.
The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the determination of the net current asset position.

Other long-term employee benefits

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

4. RECONCILIATION OF CASH

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Estimated cash at the end of the reporting period is as follows:

	Note	2025/26 Budget	2024/25 Actual	2024/25 Budget
		$	$	$
Cash at bank and on hand		(231,124)	1,516,652	1,082,881
Term deposits		1,238,050	1,238,050	
Total cash and cash equivalents		1,006,926	2,754,702	1,082,881
Held as				
- Unrestricted cash and cash equivalents		(128,901)	1,366,374	20,249
- Restricted cash and cash equivalents		1,135,827	1,388,328	1,062,632
	3(a)	1,006,926	2,754,702	1,082,881
Restrictions				
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
- Cash and cash equivalents		1,135,827	1,388,328	1,062,632
- Restricted financial assets at amortised cost - term deposits		25,699	25,699	1,121,583
		1,161,526	1,414,027	2,184,215
The assets are restricted as a result of the specified purposes associated with the liabilities below:				
Reserve accounts	9	985,549	1,238,050	1,139,513
Unspent capital grants, subsidies and contribution liabilities		175,977	175,977	1,044,702
		1,161,526	1,414,027	2,184,215
Reconciliation of net cash provided by operating activities to net result				
Net result		(1,788,057)	(828,703)	(1,469,292)
Depreciation	6	3,303,900	3,298,036	3,286,121
(Profit)/loss on sale of asset	5	522	70,392	30,371
Adjustments to fair value of financial assets at fair value through profit and loss		0	2,664	0
(Increase)/decrease in receivables		602,000	(490,235)	
(Increase)/decrease in inventories		0	4,429	
Increase/(decrease) in payables		18,963	(438,113)	
Increase/(decrease) in contract liabilities		0	(750,585)	
Increase/(decrease) in unspent capital grants		0	117,727	
Increase/(decrease) in employee provisions		0	(59,918)	
Capital grants, subsidies and contributions		(1,478,828)	(2,307,049)	(2,857,823)
Net cash from operating activities		658,500	(1,381,355)	(1,010,623)

MATERIAL ACCOUNTING POLICES

CASH AND CASH EQUIVALENTS
Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks, other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities in Note 3 - Net Current Assets.

FINANCIAL ASSETS AT AMORTISED COST
The Shire 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.

5. PROPERTY, PLANT AND EQUIPMENT

	2025/26 Budget					2024/25 Actual					2024/25 Budget				
	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss
(a) Property, Plant and Equipment	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Buildings - non-specialised	512,000				0	1,035,279				0	1,224,194				0
Furniture and equipment	56,350				0	0				0	0				0
Plant and equipment	720,000	(61,023)	60,500	18,000	(18,523)	500,734	(230,507)	160,115	3,110	(73,502)	1,040,000	(263,121)	232,750	22,849	(53,220)
Total	1,288,350	(61,023)	60,500	18,000	(18,523)	1,536,013	(230,507)	160,115	3,110	(73,502)	2,264,194	(263,121)	232,750	22,849	(53,220)
(b) Infrastructure															
Infrastructure - roads	1,817,433				0	916,112				0	1,266,451				0
Infrastructure - footpaths	10,000				0	0				0	0				0
Infrastructure - parks and ovals	407,349				0	331,872				0	750,777				0
Other infrastructure Others	80,000				0	0				0	12,000				0
Total	2,314,782	0	0	0	0	1,247,985	0	0	0	0	2,029,228	0	0	0	0
Total	3,603,132	(61,023)	60,500	18,000	(18,523)	2,783,997	(230,507)	160,115	3,110	(73,502)	4,293,422	(263,121)	232,750	22,849	(53,220)

MATERIAL ACCOUNTING POLICIES

RECOGNITION OF ASSETS
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.

GAINS AND LOSSES ON DISPOSAL
Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss in the period which they arise.

6. DEPRECIATION

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	$	$	$
By Class			
Buildings - non-specialised	16,551	16,551	13,304
Buildings - specialised	382,167	385,260	352,441
Furniture and equipment	9,581	9,581	8,095
Plant and equipment	421,191	334,556	276,483
Infrastructure - roads	1,500,231	1,590,423	1,601,918
Infrastructure - footpaths	44,779	44,779	45,645
Infrastructure - drainage	146,264	146,264	149,094
Other infrastructure Others	496,735	484,803	546,037
Other infrastructure Bridges	239,614	239,614	244,250
Right of use - buildings	0	0	12,383
Right of use - plant and equipment	29,398	28,816	18,747
Right of use - furniture and fittings	17,389	17,389	17,725
	3,303,900	3,298,036	3,286,122
By Program			
Governance	85,459	83,277	91,468
Law, order, public safety	194,226	197,319	123,395
Education and welfare	30,353	30,353	30,336
Community amenities	30,719	30,264	29,916
Recreation and culture	661,163	652,162	690,499
Transport	2,073,334	2,073,490	2,053,234
Economic services	66,926	64,420	64,454
Other property and services	161,720	166,751	202,819
	3,303,900	3,298,036	3,286,121

MATERIAL ACCOUNTING POLICIES

DEPRECIATION
The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Major depreciation periods used for each class of depreciable asset are:
Buildings - non-specialised
Buildings - specialised
Furniture and equipment
Plant and equipment
Infrastructure - roads
Infrastructure - footpaths
Infrastructure - drainage
Other infrastructure Others
Other infrastructure Bridges
Right of use - buildings
Right of use - plant and equipment
Right of use - furniture and fittings

AMORTISATION
The depreciable amount of all intangible assets with a finite useful life, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

The assets residual value of intangible assets is considered to be zero and useful live and amortisation method are reviewed at the end of each financial year.

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income.

7. BORROWINGS

(a) Borrowing repayments

Movement in borrowings and interest between the beginning and the end of the current financial year.

Purpose	Loan Number	Institution	Interest Rate	Budget Principal 1 July 2025	2025/26 Budget New Loans	2025/26 Budget Principal Repayments	Budget Principal outstanding 30 June 2026	2025/26 Budget Interest Repayments	Actual Principal 1 July 2024	2024/25 Actual New Loans	2024/25 Actual Principal Repayments	Actual Principal outstanding 30 June 2025	2024/25 Actual Interest Repayments	Budget Principal 1 July 2024	2024/25 Budget New Loans	2024/25 Budget Principal Repayments	Budget Principal outstanding 30 June 2025	2024/25 Budget Interest Repayments
				$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Recreation Centre	123	WATC	4.2%	1,506,692		(124,021)	1,382,671	(62,140)	1,683,299		(176,607)	1,506,692	(67,015)	1,683,299		(176,607)	1,506,692	(67,201)
Plant & Equipment	124	WATC	4.8%	454,848		(93,669)	361,179	(19,397)	0	500,000	(45,152)	454,848	(11,231)	0	500,000	(90,804)	409,196	(22,771)
				1,961,540	0	(217,690)	1,743,850	(81,537)	1,683,299	500,000	(221,759)	1,961,540	(78,246)	1,683,299	500,000	(267,411)	1,915,888	(89,972)
Self Supporting Loans																		
Education & Welfare	120	WATC	6.5%	49,813	0	(24,115)	25,698	(2,839)	83,223	0	(33,410)	49,813	(4,301)	83,223	0	(33,410)	49,813	(4,327)
				49,813	0	(24,115)	25,698	(2,839)	83,223	0	(33,410)	49,813	(4,301)	83,223	0	(33,410)	49,813	(4,327)
				2,011,353	0	(241,805)	1,769,548	(84,376)	1,766,522	500,000	(255,169)	2,011,353	(82,547)	1,766,522	500,000	(300,821)	1,965,701	(94,299)

All borrowing repayments, other than self supporting loans, will be financed by general purpose revenue.
The self supporting loan(s) repayment will be fully reimbursed.

7. BORROWINGS

(b) New borrowings - 2025/26

The Shire does not intend to undertake any new borrowings for the year ended 30th June 2026

(c) Unspent borrowings

The Shire had no unspent borrowing funds as at 30th June 2025 nor is it expected to have unspent borrowing funds as at 30th June 2026.

(d) Credit Facilities

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	$	$	$
Loan facilities			
Loan facilities in use at balance date	1,769,548	2,011,353	1,965,701

MATERIAL ACCOUNTING POLICIES

BORROWING COSTS
The Shire has elected to recognise borrowing costs as an expense when incurred regardless of how the borrowings are applied.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.
Borrowings fair values are based on discounted cash flows using a current borrowing rate.

8. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease Principal 1 July 2025	2025/26 Budget New Leases	2025/26 Budget Lease Principal Repayments	Budget Lease Principal outstanding 30 June 2026	2025/26 Budget Lease Interest Repayments	Actual Principal 1 July 2024	2024/25 Actual New Leases	2024/25 Actual Lease Principal repayments	Actual Lease Principal outstanding 30 June 2025	2024/25 Actual Lease Interest repayments	Budget Principal 1 July 2024	2024/25 Budget New Leases	2024/25 Budget Lease Principal repayments	Budget Lease Principal outstanding 30 June 2025	2024/25 Budget Lease Interest repayments
					$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Photocopier	001	Classic Funding	3.0%	5	6,848	0	(4,008)	2,840	(265)	10,425	0	(3,577)	6,848	(431)	10,425	0	(3,742)	6,683	(265)
Computer Server	002	Vestone Capital	5.4%	5	5,048	0	(5,144)	(96)	0	14,769	0	(9,721)	5,048	(38)	14,769	0	(9,703)	5,066	(38)
Solar System Admin	003	Vestone Capital	5.4%	5	0	0	0	0	(96)	1,880	0	(1,880)	0	(567)	1,880	0	(1,880)	0	(567)
Motor Grader	004	Vestone Capital	3.1%	5	44,048	0	(44,548)	(500)	(512)	108,425	0	(64,377)	44,048	(2,443)	108,425	0	(64,377)	44,048	(2,443)
CCTV Server	005	Vestone Capital	6.0%	5	3,538	0	(3,645)	(107)	(107)	8,014	0	(4,476)	3,538	(383)	8,014	0	(4,476)	3,538	(383)
Loader	007	Vestone Capital	8.1%	5	38,218	0	(20,944)	17,274	(2,390)	55,494	0	(17,276)	38,218	(3,667)	55,494	0	(17,218)	38,276	(3,724)
					97,700	0	(78,289)	19,411	(3,370)	199,007	0	(101,307)	97,700	(7,529)	199,007	0	(101,396)	97,611	(7,420)

MATERIAL ACCOUNTING POLICIES

LEASES
At the inception of a contract, the Shire assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and a lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

LEASE LIABILITIES
The present value of future lease payments not paid at the reporting date discounted using the incremental borrowing rate where the implicit interest rate in the lease is not readily determined.

9. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2025/26 Budget				2024/25 Actual				2024/25 Budget			
	Opening Balance	Transfer to	Transfer (from)	Closing Balance	Opening Balance	Transfer to	Transfer (from)	Closing Balance	Opening Balance	Transfer to	Transfer (from)	Closing Balance
	$	$	$	$	$	$	$	$	$	$	$	$
Restricted by council												
(a) Leave reserve	201,805	3,260	0	205,065	198,311	3,494	0	201,805	198,312	1,236		199,548
(b) Plant reserve	229,344	3,705	0	233,049	225,374	3,970	0	229,344	225,373	1,629	(140,000)	87,002
(c) Refuse Site Rehabilitation Reserve	18,801	304	0	19,105	17,493	1,308	0	18,801	17,493	1,547		19,040
(d) Building Reserve	386,269	6,240	(250,000)	142,509	364,145	22,124	0	386,269	364,146	63,812		427,958
(e) Community Bus reserve	126,700	2,045	(44,000)	84,745	114,680	12,020	0	126,700	114,679	11,470		126,149
(f) Swimming Pool reserve	129,981	2,100	0	132,081	78,596	51,385	0	129,981	78,597	51,109		129,706
(g) Electronic Equipment reserve	79,133	1,278	0	80,411	77,763	1,370	0	79,133	77,764	1,664		79,428
(h) Tutanning Nature Reserve	3,760	61	0	3,821	3,695	65	0	3,760	3,695	121		3,816
(i) Wheatbelt Secondary Freight Network Rese	42,257	683	0	42,940	41,525	732	0	42,257	41,525	5,341		46,866
(j) PRACC Facility Reserve	20,000	21,823	0	41,823		20,000	0	20,000	0	20,000		20,000
	1,238,050	41,499	(294,000)	985,549	1,121,583	116,467	0	1,238,050	1,121,583	157,929	(140,000)	1,139,513

(b) Reserve Accounts - Purposes

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
Restricted by legislation		
Restricted by council		
(a) Leave reserve		
(b) Plant reserve		
(c) Refuse Site Rehabilitation Reserve		
(d) Building Reserve		
(e) Community Bus reserve		
(f) Swimming Pool reserve		
(g) Electronic Equipment reserve		
(h) Tutanning Nature Reserve		
(i) Wheatbelt Secondary Freight Network Reserve		
(j) PRACC Facility Reserve		

10. OTHER INFORMATION

	2025/26 Budget	2024/25 Actual	2024/25 Budget
The net result includes as revenues	$	$	$
(a) Interest earnings			
Investments	85,000	82,502	54,929
SSL Interest	2,839	4,327	4,327
Other interest revenue	20,000	19,891	21,970
	107,839	106,720	81,226
* The Shire has resolved to charge interest under section 6.13 for the late payment of any amount of money at 5%.			
The net result includes as expenses			
(b) Auditors remuneration			
Audit services	42,500	2,178	36,300
Other services	2,500	2,970	5,300
	45,000	5,148	41,600
(c) Interest expenses (finance costs)			
Borrowings (refer Note 7(a))	84,376	82,547	94,299
Interest on lease liabilities (refer Note 8)	3,370	7,529	7,420
	87,746	90,075	101,719
(d) Write offs			
General rate	0		200
	0	0	200

11. COUNCIL MEMBERS REMUNERATION

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	$	$	$
President's			
President's allowance	1,545	1,800	1,500
Meeting attendance fees	11,000	10,600	10,600
ICT expenses	100	100	100
	12,645	12,500	12,200
Deputy President's			
Deputy President's allowance	386	700	500
Meeting attendance fees	5,150	5,000	5,000
	5,536	5,700	5,500
Council member 1			
Meeting attendance fees	4,740	4,600	4,600
	4,740	4,600	4,600
Council member 2			
Meeting attendance fees	4,740	4,600	4,600
	4,740	4,600	4,600
Council member 3			
Meeting attendance fees	4,740	2,683	4,600
	4,740	2,683	4,600
Council member 4			
Meeting attendance fees	4,740	4,600	4,600
	4,740	4,600	4,600
Council member 5			
Meeting attendance fees	4,740	4,600	4,600
	4,740	4,600	4,600
Total Council Member Remuneration	41,881	39,283	40,700
President's allowance	1,545	1,800	1,500
Deputy President's allowance	386	700	500
Meeting attendance fees	39,850	36,683	38,600
ICT expenses	100	100	100
	41,881	39,283	40,700

12. REVENUE AND EXPENDITURE

(a) Revenue and Expenditure Classification

REVENUES

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

GRANTS, SUBSIDIES AND CONTRIBUTIONS
All amounts received as grants, subsidies and contributions that are not capital grants.

CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS
Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

REVENUE FROM CONTRACTS WITH CUSTOMERS
Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

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

SERVICE CHARGES
Service charges imposed under *Division 6 of Part 6 of the Local* Government Act 1995. Regulation 54 of the Local Government *(Financial Management) Regulations 1996* identifies the charges which can be raised. These are television and radio broadcasting, underground electricity and neighbourhood surveillance services and water.
Exclude rubbish removal charges which should not be classified as a service charge. 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.

INTEREST REVENUE
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 cannot be classified under the above headings, includes dividends, discounts, rebates etc.

PROFIT ON ASSET DISPOSAL
Gain on the disposal of assets including gains on the disposal of long-term investments.

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.
Note *AASB 119 Employee Benefits* provides a definition of employee benefits which should be considered.

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

UTILITIES (GAS, ELECTRICITY, WATER)
Expenditures made to the respective agencies for the provision of power, gas or water.
Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

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

LOSS ON ASSET DISPOSAL
Loss on the disposal of fixed assets.

DEPRECIATION ON NON-CURRENT ASSETS
Depreciation and amortisation expenses raised on all classes of assets.

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

OTHER EXPENDITURE
Statutory fees, taxes, provision for bad debts, member's fees or levies including DFES levy and State taxes. Donations and subsidies made to community groups.

12. REVENUE AND EXPENDITURE

(b) Revenue Recognition

Recognition of revenue from contracts with customers is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/ Warranties	Timing of Revenue recognition
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	On payment and issue of the licence, registration or approval
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Output method based on provision of service or completion of works
Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Output method based on goods

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13. PROGRAM INFORMATION

Key Terms and Definitions - Reporting Programs

In order to discharge its responsibilities to the community, Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the Shire's Community Vision, and for each of its broad activities/programs.

OBJECTIVE	ACTIVITIES
Effective leadership and Governance.	Administration and operation of facilities and services to members of Council: other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific Council services
A financially sustainable Shire.	Rates, general purpose government grants and interest revenue.
A safe community.	Fire prevention, animal control and assistance to emergency services.
Health and family support services that are accessible and meet the needs of the community.	Food quality control, provision of doctor services.
Quality of life for the aged and disables. Development and participation of young people.	Maintenance of a daycare centre and assistance to the provision of aged care accommodation.
Appropriate development which is diverse in nature and protects local heritage.	Rubbish and recyclables collection and disposal services, operation of the refuse site, administration of the town planning scheme, mainteance of the cemetery, maintenance of the public toilets and maintenance of the storm water drainage.
Access to recreation, sporting and leisure opportunities.	Maintenance of the Town Hall, Pingelly Recreation and Cultural Centre, recreation ground, swimming pool complex, reserves, operation of the library together with support of cultural events.
Safe and reliable transport infrastructure.	Construction and maintenance of streets, roads, bridges, cleaning and lighting of streets and depot maintenance.
Support the promotion and marketing of local businesses and tourism initiatives.	The regulation and provision of building control, control of noxious weeds and vermin, standpipe water supplies and area promotion.
Provide support services for works and plant operations.	Private works operations, plant repairs and operation costs.

SHIRE OF PINGELLY
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14. FEES AND CHARGES

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	$	$	$
By Program:			
Governance	58,710	54,194	50,475
General purpose funding	9,200	10,842	13,075
Law, order, public safety	8,350	10,028	7,150
Health	2,700	3,308	2,570
Community amenities	262,400	260,994	263,931
Recreation and culture	19,000	21,011	17,600
Economic services	75,500	86,481	90,650
Other property and services	2,500	0	2,500
	438,360	446,858	447,951

The subsequent pages detail the fees and charges proposed to be imposed by the local government.