SHIRE OF PINGELLY

2026/2027 BUDGET

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Council Adopts the 2026/27 Annual Budget

Council adopted its annual budget, along with the fees and charges for the 2026/27 financial year, at the August Ordinary Council Meeting. The Shire remains focused on constraining costs and maintaining a high level of service, while continuing strategic investment in the infrastructure on which our community relies.
Local roads remain the Shire's top priority, consistent with the Pingelly Community Plan. Council will invest $3,100,350 in road construction and maintenance in 2026/27, focused on Milton Road, Bulyee Road, Yenellin Road Upgrade and the Aldersyde-Pingelly Road. A further $253,315 will go toward plant and equipment, ensuring the Shire has the capability to deliver this works program.

This investment is funded through a 7% rate increase, raising an additional $183,000. Rate income comprises 34% of total funding. Operating costs have also risen significantly, particularly the cost of bitumen driven by the unstable oil prices. Federal Financial Assistance Grants have fallen to their lowest levels ever, leaving Pingelly an estimated $2.2 million short this year alone compared to the historical benchmark of 1% of Commonwealth taxation revenue.
Community infrastructure investment continues. $343,000 has been committed to redeveloping the off-road vehicle facility, providing local riders with a safe, compliant space, made possible through external grant funding. Stage 2 of the Arts and Craft Hub will receive a further $85,000, expanding the range of arts and crafts possible in Pingelly. $62,000 has been committed to edge capping for the smaller pools and a perimeter fence at the Swimming Pool, and the Youth Precinct will be completed with $73,000, delivering an outdoor squash court and multi-purpose court for pickleball and half-court basketball. The Heavy Vehicle Rest Area will be completed this year with $135,008 of mostly grant funding, giving drivers a safe stop close to the town centre and reducing fatigue-related risk on regional routes through Pingelly.

Council is also investing in the town's liveability with $20,000 allocated to footpath maintenance and $15,000 to a new disabled parking bay. Oval refurbishment ($23,000) and new street trees ($10,000) will improve open space across town, alongside $15,000 for Memorial Park upgrades, including additional play equipment, a BBQ sink and an in-ground trampoline.

On the economic front, Council has again committed $50,000 to the Investment Attraction Fund to support new and expanding local businesses. Stage 1 of the Tourist Park development will receive $120,000 to lift the quality of short-stay accommodation for visitors, and $40,000 will service the Residential Park, expanding options for longer-term and semi-permanent accommodation to help address housing pressure and support the Shire's ability to attract and retain key staff.

The budget reflects Council's continued commitment to financial responsibility, while ensuring Pingelly's roads, facilities and community infrastructure keep pace with the town's needs.

BUDGET HIGHLIGHTS 2026/2027

WHERE THE FUNDS ARE SPENT

59.7% Road's

7.3% Parks & Gardens

$15,000 Disabled Parking Bay

5.9% Loan Repayments

4.8% Insurance

$50,000 Industry Investment Attraction Fund

$120,000 Tourist Park Stage 1

0.9% Financial Audit

2.7% Swimming Pool Operations

1.5% Shire Events

$62,000 Swimming Pool Upgrades

$85,000 Pingelly Arts & Craft Hub Stage 2

$20,000 Footpath Maintenance

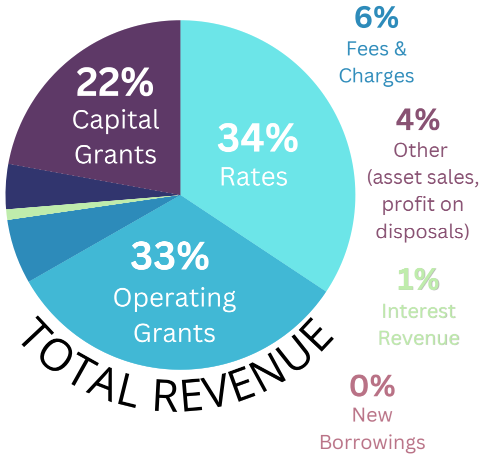
1.6% Heavy Vehicle Rest Area (grant funds)

2.5% Doctor Services

$73,000 Youth Precinct Completion

4% ORVA (grant funds)

$40,000 Residential Park (connection to services)



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SHIRE OF PINGELLY

ANNUAL BUDGET

FOR THE YEAR ENDED 30 JUNE 2027

LOCAL GOVERNMENT ACT 1995

TABLE OF CONTENTS

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 2027

	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
Revenue		$	$	$
Rates	2(a)	2,796,189	2,613,821	2,616,313
Grants, subsidies and contributions		927,897	3,206,614	1,530,310
Fees and charges	15	454,747	458,676	438,360
Interest revenue	10(a)	82,366	81,414	107,839
Other revenue		77,900	96,835	89,750
		4,339,099	6,457,360	4,782,572
Expenses				
Employee costs		(2,461,662)	(2,175,525)	(2,301,955)
Materials and contracts		(1,955,218)	(1,895,680)	(1,752,231)
Utility charges		(222,254)	(222,542)	(224,575)
Depreciation	6	(3,360,000)	(3,358,950)	(3,303,900)
Finance costs	10(c)	(74,380)	(87,745)	(87,746)
Insurance		(240,746)	(248,293)	(241,847)
Other expenditure		(79,381)	(69,163)	(78,981)
		(8,393,641)	(8,057,898)	(7,991,235)
		(4,054,542)	(1,600,538)	(3,208,663)
Capital grants, subsidies and contributions		1,803,673	1,096,329	1,678,828
Profit on asset disposals	5	69,000	15,043	18,000
Loss on asset disposals	5	(18,522)	0	(18,522)
		1,854,151	1,111,372	1,678,306
Net result for the period		**(2,200,391)**	**(489,166)**	**(1,530,357)**
Total other comprehensive income for the period		**0**	**0**	**0**
Total comprehensive income for the period		**(2,200,391)**	**(489,166)**	**(1,530,357)**

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 2027

CASH FLOWS FROM OPERATING ACTIVITIES	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
Receipts		$	$	$
Rates		2,796,189	2,592,200	2,617,583
Grants, subsidies and contributions		927,897	3,525,413	2,132,310
Fees and charges		454,747	458,676	438,360
Interest revenue		82,366	81,414	107,839
Goods and services tax received		0	80,220	0
Other revenue		77,900	96,835	89,750
		4,339,099	6,834,758	5,385,842
Payments				
Employee costs		(2,461,662)	(2,129,602)	(2,301,955)
Materials and contracts		(1,955,218)	(1,955,919)	(1,733,268)
Utility charges		(222,254)	(222,542)	(224,575)
Finance costs		(74,380)	(87,745)	(87,746)
Insurance paid		(240,746)	(248,293)	(241,847)
Other expenditure		(79,381)	(69,163)	(78,981)
		(5,033,641)	(4,713,264)	(4,668,372)
Net cash provided by (used in) operating activities	4	(694,542)	2,121,494	717,470
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for financial assets at amortised cost - self supporting loans		(25,699)	(24,114)	
Payments for purchase of property, plant & equipment	5(a)	(1,166,435)	(760,529)	(1,178,350)
Payments for construction of infrastructure	5(b)	(2,086,955)	(1,367,540)	(2,304,782)
Proceeds from capital grants, subsidies and contributions		1,803,673	1,257,528	1,678,828
Proceeds from disposal of property, plant and equipment	5(a)	165,457	15,042	60,500
Proceeds on financial assets at amortised cost - self supporting loans	8(a)	25,699	24,114	25,699
Net cash (used in) investing activities		(1,284,260)	(855,499)	(1,718,105)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	8(a)	(252,607)	(241,504)	(243,089)
Payments for principal portion of lease liabilities	7	(22,196)	(74,917)	(78,289)
Net cash (used in) financing activities		(274,803)	(316,421)	(321,378)
Net increase (decrease) in cash held		(2,253,605)	949,574	(1,322,013)
Cash at beginning of year		3,582,752	2,760,522	2,755,522
Cash and cash equivalents at the end of the year	4	**1,329,147**	**3,710,096**	**1,433,509**

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 2027

	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
OPERATING ACTIVITIES				
Revenue from operating activities		$	$	$
General rates	2(a)(i)	2,578,627	2,420,117	2,423,304
Rates excluding general rates	2(a)	217,562	193,703	194,279
Grants, subsidies and contributions		927,897	3,206,614	1,403,690
Fees and charges	15	454,747	458,676	438,360
Interest revenue	10(a)	82,366	81,414	107,839
Other revenue		77,900	91,650	89,750
Profit on asset disposals	5	69,000	15,042	18,000
		4,408,099	6,467,216	4,675,222
Expenditure from operating activities				
Employee costs		(2,461,662)	(2,175,525)	(2,301,955)
Materials and contracts		(1,955,218)	(2,108,742)	(1,672,581)
Utility charges		(222,254)	(219,397)	(236,575)
Depreciation	6	(3,360,000)	(3,358,950)	(3,303,900)
Finance costs	10(c)	(74,380)	(87,753)	(87,746)
Insurance		(240,746)	(230,768)	(241,847)
Other expenditure		(79,381)	(69,163)	(78,981)
Loss on asset disposals	5	(18,522)	0	(18,522)
		(8,412,163)	(8,250,298)	(7,942,107)
Non cash amounts excluded from operating activities	3(c)	3,309,522	3,343,910	3,304,422
Amount attributable to operating activities		**(694,542)**	**1,560,828**	**37,537**
INVESTING ACTIVITIES				
Inflows from investing activities				
Proceeds from capital grants, subsidies and contributions		1,803,673	1,007,662	1,478,828
Proceeds from disposal of property, plant and equipment	5(a)	165,457	15,042	60,500
Proceeds from financial assets at amortised cost - self supporting loans	8(a)	25,699	24,114	25,699
		1,994,829	1,046,818	1,565,027
Outflows from investing activities				
Acquisition of property, plant and equipment	5(a)	(1,166,435)	(760,529)	(1,288,350)
Acquisition of infrastructure	5(b)	(2,086,955)	(1,367,532)	(2,314,782)
Payments for financial assets at amortised cost - self supporting loans		(25,699)	(24,114)	
Payments for financial assets at amortised cost - term deposits		0	0	
		(3,279,089)	(2,152,175)	(3,603,132)
Amount attributable to investing activities		**(1,284,260)**	**(1,105,357)**	**(2,038,105)**
FINANCING ACTIVITIES				
Inflows from financing activities				
Transfers from reserve accounts	9(a)	167,000	294,000	294,000
		167,000	294,000	294,000
Outflows from financing activities				
Repayment of borrowings	8(a)	(252,607)	(241,504)	(241,805)
Payments for principal portion of lease liabilities	7	(22,196)	(74,917)	(78,289)
Transfers to reserve accounts	9(a)	(90,627)	(59,604)	(41,499)
		(365,430)	(376,025)	(361,593)
Amount attributable to financing activities		**(198,430)**	**(82,025)**	**(67,593)**
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus remaining at the start of the financial year	3	2,166,789	1,793,343	2,068,161
Amount attributable to operating activities		(694,542)	1,560,828	37,537
Amount attributable to investing activities		(1,284,260)	(1,105,357)	(2,038,105)
Amount attributable to financing activities		(198,430)	(82,025)	(67,593)
Surplus/(deficit) remaining after the imposition of general rates	3	**(10,443)**	**2,166,789**	**0**

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

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 12 to the annual budget.

2025/26 actual balances
Balances shown in this budget as 2025/26 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 2026-1 Amendments to Australian Accounting Standards – Disclosures about Uncertainties in the Financial Statements*
• *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*
• *AASB 2025-1 Amendments to Australian Accounting Standards – Contracts Referencing Nature-dependent Electricity*
It is not expected these standards will have an impact on the annual budget on initial application.

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]*
It is not expected these standards will have an impact on the annual budget on initial application.
• *AASB 18 Presentation and Disclosure in Financial Statements*
• *AASB 18 (NFP/super) Presentation and Disclosure in Financial Statements - (Appendix D) [for not-for-profit and superannuation entities]*
These accounting standards will materially change the presentation of the annual financial report and 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.

The annual budget is a forward-looking statement and is comprised of management estimates. As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the annual budget.

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

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in dollar	Number of properties	Rateable value*	2026/27 Budgeted rate revenue	2026/27 Budgeted interim rates	2026/27 Budgeted total revenue	2025/26 Actual total revenue	2025/26 Budget total revenue
				$	$	$	$	$	$
(i) General rates									
GRV Commercial Industrial	Gross rental valuation	0.130487	23	382,175	49,869		49,869	47,903	48,752
GRV Townsites	Gross rental valuation	0.130487	13	178,100	23,240		23,240	21,719	21,719
GRV General	Gross rental valuation	0.130487	321	4,528,011	590,847		590,847	552,191	552,173
GRV Rural Residential	Gross rental valuation	0.130487	67	1,016,860	132,687		132,687	124,006	124,002
UV Broadacre Rural	Unimproved valuation	0.004755	209	374,760,000	1,781,984		1,781,984	1,674,298	1,675,389
Total general rates			633	380,865,146	2,578,627	0	2,578,627	2,420,117	2,422,034
		Minimum							
(ii) Minimum payment		$							
GRV Commercial Industrial	Gross rental valuation	1,202.00	17	78,260	20,434		20,434	17,968	17,968
GRV Townsites	Gross rental valuation	1,202.00	8	18,685	9,616		9,616	8,984	8,984
GRV General	Gross rental valuation	1,202.00	58	91,428	69,716		69,716	65,134	65,134
GRV Rural Residential	Gross rental valuation	1,202.00	17	50,270	20,434		20,434	19,091	19,091
UV Broadacre Rural	Unimproved valuation	1,202.00	81	14,799,517	97,362		97,362	82,527	83,102
Total minimum payments			181	15,038,160	217,562	0	217,562	193,704	194,279
Total general rates and minimum payments			814	395,903,306	2,796,189	0	2,796,189	2,613,821	2,616,313
Instalment plan charges							4,379	3,789	4,200
Instalment plan interest							9,066	8,703	8,500
Late payment of rate or service charge interest							8,733	12,120	8,000
							22,178	24,612	20,700

The Shire did not raise specified area rates for the year ended 30th June 2027.

*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 2026/27 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 2 October 2026 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 2 October 2026 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 5 February 2027 or 4 months after the first instalment, whichever is the later.

Option 3 (Four Instalments)
First instalment to be made before 2 October 2026 or 35 days of issue on the rates notice, whichever is the later including all arrears and a quarter of the current rates and service charges, and Second instalment to be made on or before 4 December 2026 or 2 months after the first instalment, whichever is the later. Third instalment to be made on or before 5 February 2027 or 2 months after the Second instalment, whichever is the later. Fourth instalment to be made on or before 9 April 2027 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	Friday, 2 October 2026	0	0.0%	11.0%
Option two				
First instalment	Friday, 2 October 2026	0	5.5%	11.0%
Second instalment	Friday, 5 February 2027	10	5.5%	11.0%
Option three				
First instalment	Friday, 2 October 2026	0	5.5%	11.0%
Second instalment	Friday, 4 December 2026	10	5.5%	11.0%
Third instalment	Friday, 5 February 2027	10	5.5%	11.0%
Fourth instalment	Friday, 9 April 2027	10	5.5%	11.0%

2. RATES AND SERVICE CHARGES (CONTINUED)

(c) Service Charges

The Shire did not raise service charges for the year ended 30th June 2027.

(d) Waivers or concessions

The Shire does not anticipate any waivers or concessions for the year ended 30th June 2027.

SHIRE OF PINGELLY
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

3. NET CURRENT ASSETS

(a) Composition of estimated net current assets

	Note	2026/27 Budget 30 June 2027 Carried forward	2025/26 Actual 30 June 2026 Carried forward	2025/26 Budget 30 June 2026 Carried forward
Current assets		$	$	$
Cash and cash equivalents	4	1,329,147	3,582,752	1,386,716
Financial assets		73,549	73,549	29,114
Receivables		747,952	747,952	466,970
Inventories		42,047	42,047	5,637
		2,192,695	4,446,300	1,888,437
Less: current liabilities				
Trade and other payables		(424,215)	(424,215)	(362,967)
Contract liabilities		(364,023)	(364,023)	(294,117)
Capital grant/contributions liabilities		(225,739)	(225,739)	(64,540)
Lease liabilities	7	(22,296)	(22,196)	(19,411)
Long term borrowings	8	(226,908)	(252,607)	(252,306)
Employee provisions		(261,880)	(261,880)	(251,808)
		(1,525,061)	(1,550,660)	(1,245,149)
Net current assets		667,634	2,895,640	643,288
Less: Total adjustments to net current assets	3(b)	(678,077)	(728,851)	(713,832)
Net current assets used in the Statement of Financial Activity		(10,443)	2,166,789	(70,544)

(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	2026/27 Budget	2025/26 Actual	2025/26 Budget
Adjustments to net current assets				
Less: Reserve accounts	9	(927,281)	(1,003,654)	(985,549)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings		226,908	252,607	252,306
- Current portion of lease liabilities		22,296	22,196	19,411
Total adjustments to net current assets		(678,077)	(728,851)	(713,832)

EXPLANATION OF DIFFERENCE IN 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) Amounts excluded from operating activities

	Note	2026/27 Budget 30 June 2027 Carried forward	2025/26 Actual 30 June 2026 Carried forward	2025/26 Budget 30 June 2026 Carried forward
		$	$	$
Less: Profit on asset disposals	5	(69,000)	(15,043)	(18,000)
Add: Loss on asset disposals	5	18,522	0	18,522
Add: Depreciation	6	3,360,000	3,358,950	3,303,900
Movement in current liabilities associated funds held in reserve account:				
Non-cash movements in non-current assets and liabilities:				
- Financial assets at amortised cost - self supporting loans		0	(11,865)	
- Employee benefit provisions		0	4,364	
Non cash amounts excluded from operating activities		3,309,522	3,336,406	3,304,422

3. NET CURRENT ASSETS (CONTINUED)

(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 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.

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.

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.

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

(a) 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	2026/27 Budget	2025/26 Actual	2025/26 Budget
		$	$	$
Cash and cash equivalents		1,329,147	3,582,752	1,386,716
Restrictions				
The following classes of financial 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		1,457,328	1,533,701	985,549
Restricted financial assets at amortised cost - term deposits		59,715	59,715	
		1,517,043	1,593,416	985,549
The restricted financial assets are a result of the following specific purposes to which the assets may be used:				
Reserve accounts	9	927,281	1,003,654	985,549
Contract liabilities		364,023	364,023	
Capital grant/contributions liabilities		225,739	225,739	
Total restricted financial assets		1,517,043	1,593,416	985,549

(b) Reconciliation of net cash provided by operating activities

	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
Net result		(2,200,391)	(489,166)	(1,530,357)
Non-cash items:				
Depreciation	6	3,360,000	3,358,950	3,303,900
(Profit)/loss on sale of assets	5	(50,478)	(15,043)	522
Changes in assets and liabilities:				
Decrease in receivables		0	307,492	
(Increase) in inventories		0	(36,410)	
Decrease in trade and other payables		0	7,658	
Decrease in contract liabilities		0	69,906	
Decrease in capital grant/contributions liabilities		0	161,199	
Decrease in employee related provisions		0	14,436	
Capital grants, subsidies and contributions		(1,803,673)	(1,257,528)	
Net cash provided by/(used in) operating activities		(694,542)	2,121,494	1,774,065

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.

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

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.

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

5. PROPERTY, PLANT AND EQUIPMENT

2026/27 Budget

	Additions	In-kind Additions	Disposals - Net Book Value	Transfer to non-current assets classified as held for sale	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss
(a) Property, Plant and Equipment	$	$	$		$	$	$
Buildings - non-specialised							0
Buildings - specialised	913,120		(54,000)		120,000	66,000	0
Furniture and equipment							0
Plant and equipment	253,315		(60,979)		45,457	3,000	(18,522)
Total	1,166,435	0	(114,979)	0	165,457	69,000	(18,522)
(b) Infrastructure							
Infrastructure - roads	1,578,369						0
Infrastructure - footpaths	35,000						0
Infrastructure - Kerbs and drainage	200,000						0
Infrastructure -Parks and Ovals	222,745						0
Infrastructure - Other	50,841						0
Other infrastructure							0
Total	2,086,955	0	0	0	0	0	0
Total	3,253,390	0	(114,979)	0	165,457	69,000	(18,522)

2025/26 Actual

	Additions	In-kind Additions	Disposals - Net Book Value	Transfer to non-current assets classified as held for sale	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss
(a) Property, Plant and Equipment	$	$	$		$	$	$
Buildings - non-specialised							0
Buildings - specialised	319,770						0
Furniture and equipment	34,267						0
Plant and equipment	406,492		0		15,042	15,042	0
Total	760,529	0	0	0	15,042	15,042	0
(b) Infrastructure							
Infrastructure - roads	1,058,060						0
Infrastructure - footpaths							0
Infrastructure - Kerbs and drainage							0
Infrastructure -Parks and Ovals	307,055						0
Infrastructure - Other	2,425						0
Other infrastructure							0
Total	1,367,540	0	0	0	0	0	0
Total	2,128,069	0	0	0	15,042	15,042	0

2025/26 Budget

	Additions	In-kind Additions	Disposals - Net Book Value	Transfer to non-current assets classified as held for sale	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss
(a) Property, Plant and Equipment	$	$	$		$	$	$
Buildings - non-specialised	412,000						0
Buildings - specialised							0
Furniture and equipment	46,350						0
Plant and equipment	720,000		(61,022)		60,500	18,000	(18,522)
Total	1,178,350	0	(61,022)	0	60,500	18,000	(18,522)
(b) Infrastructure							
Infrastructure - roads	1,817,433						0
Infrastructure - footpaths	10,000						0
Infrastructure - Kerbs and drainage							0
Infrastructure -Parks and Ovals							0
Infrastructure - Other	407,349						0
Other infrastructure	70,000						0
Total	2,304,782	0	0	0	0	0	0
Total	3,483,132	0	(61,022)	0	60,500	18,000	(18,522)

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

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
By Class			
Buildings - non-specialised	16,832	16,827	16,551
Buildings - specialised	388,656	388,535	382,167
Furniture and equipment	9,744	9,741	9,581
Plant and equipment	428,343	428,209	421,191
Infrastructure - roads	1,525,705	1,525,228	1,500,231
Infrastructure - footpaths	45,539	45,525	44,779
Infrastructure - Kerbs and drainage	148,748	148,701	146,264
Other infrastructure	505,170	505,012	496,735
Infrastructure Bridges	243,683	243,606	239,614
Right of use - plant and equipment	29,897	29,888	29,398
Right of use - furniture and fittings	17,684	17,679	17,389
	3,360,000	3,358,950	3,303,900
By Program			
Governance	83,577	83,551	85,459
Law, order, public safety	214,762	214,695	194,226
Education and welfare	45,724	45,710	30,353
Community amenities	22,414	22,407	30,719
Recreation and culture	640,589	640,389	661,163
Transport	2,104,374	2,103,716	2,073,334
Economic services	50,169	50,153	66,926
Other property and services	198,391	198,329	161,720
	3,360,000	3,358,950	3,303,900

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 - Kerbs and drainage	
Other infrastructure	
Infrastructure Bridges	
Right of use - plant and equipment	Based on the remaining lease
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. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease Principal 1 July 2026	2026/27 Budget New Leases	2026/27 Budget Lease Principal Repayments	Budget Lease Principal outstanding 30 June 2027	2026/27 Budget Lease Interest Repayments	Actual Principal 1 July 2025	2025/26 Actual New Leases	2025/26 Actual Lease Principal repayments	Actual Lease Principal outstanding 30 June 2026	2025/26 Actual Lease Interest repayments	Budget 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
					$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Photocopier	001	Classic Funding	3.0%	5	2,262		(2,262)	0	(100)	6,005		(3,743)	2,262	(265)	6,005		(4,008)	1,997	(265)
Computer Server	002	Vestone Capital	5.4%	5	0			0		5,048		(5,048)	0	(96)	5,048		(5,144)	(96)	(96)
CCTV Server	005	Vestone Capital	6.0%	5	(0)			(0)		3,538		(3,538)	(0)	(107)	3,538		(3,645)	(107)	(107)
Motor Grader	004	Vestone Capital	3.1%	5	0			0		44,035		(44,035)	0	(512)	44,035		(44,548)	(513)	(512)
Loader	007	Vestone Capital	8.1%	5	19,934		(19,934)	0	(1,008)	38,487		(18,553)	19,934	(2,390)	38,487		(20,944)	17,543	(2,390)
					22,196	0	(22,196)	(0)	(1,108)	97,113	0	(74,917)	22,196	(3,370)	97,113	0	(78,289)	18,824	(3,370)

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.

8. 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 2026	2026/27 Budget New Loans	2026/27 Budget Principal Repayments	Budget Principal outstanding 30 June 2027	2026/27 Budget Interest Repayments	Actual Principal 1 July 2025	2025/26 Actual New Loans	2025/26 Actual Principal Repayments	Actual Principal outstanding 30 June 2026	2025/26 Actual Interest Repayments	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
				$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Recreation Centre	123	WATC	4.2%	1,382,671		(129,298)	1,253,373	(56,864)	1,506,692		(124,021)	1,382,671	(62,140)	1,506,692		(124,021)	1,382,671	(62,140)
Plant & Equipment	124	WATC	4.8%	361,479		(97,610)	263,869	(15,155)	454,848		(93,369)	361,479	(19,396)	454,848		(93,369)	361,479	(19,397)
				1,744,150	0	(226,908)	1,517,242	(72,019)	1,961,540	0	(217,390)	1,744,150	(81,536)	1,961,540	0	(217,390)	1,744,150	(81,537)
Self Supporting Loans																		
Education & Welfare	120	WATC	6.5%	25,699	0	(25,699)	0	(1,254)	49,813	0	(24,114)	25,699	(2,840)	49,813	0	(25,699)	24,114	(2,839)
				25,699	0	(25,699)	0	(1,254)	49,813	0	(24,114)	25,699	(2,840)	49,813	0	(25,699)	24,114	(2,839)
				1,769,849	0	(252,607)	1,517,242	(73,273)	2,011,353	0	(241,504)	1,769,849	(84,376)	2,011,353	0	(243,089)	1,768,264	(84,376)

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.

8. BORROWINGS (CONTINUED)

(b) New borrowings - 2026/27

The Shire does not intend to undertake any new borrowings for the year ended 30th June 2027

(c) Unspent borrowings

The Shire had no unspent borrowing funds as at 30th June 2026 nor is it expected to have unspent borrowing funds as at 30th June 2027.

(d) Credit Facilities

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
Undrawn borrowing facilities			
credit standby arrangements			
Bank overdraft limit	500,000	500,000	500,000
Bank overdraft at balance date	0	0	0
Credit card limit	20,000	20,000	20,000
Credit card balance at balance date		8,886	
Total amount of credit unused	520,000	528,886	520,000
Loan facilities			
Loan facilities in use at balance date	1,517,242	1,769,849	1,768,264

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.

9. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2026/27 Budget Opening Balance	2026/27 Budget Transfer to	2026/27 Budget Transfer (from)	2026/27 Budget Closing Balance	2025/26 Actual Opening Balance	2025/26 Actual Transfer to	2025/26 Actual Transfer (from)	2025/26 Actual Closing Balance	2025/26 Budget Opening Balance	2025/26 Budget Transfer to	2025/26 Budget Transfer (from)	2025/26 Budget Closing Balance
	$	$	$	$	$	$	$	$	$	$	$	$
Restricted by council												
(a) Leave Reserve	208,261	6,165		214,426	201,805	6,456		208,261	201,805	3,260	0	205,065
(b) Plant Reserve	236,680	27,988	(85,000)	179,668	229,343	7,337		236,680	229,344	3,705	0	233,049
(c) Buildings Reserve	148,626	24,300		172,926	386,270	12,356	(250,000)	148,626	386,269	6,240	(250,000)	142,509
(d) Land Development Reserve (was Community Bus Reserve)	86,753	2,550		89,303	126,700	4,053	(44,000)	86,753	126,700	2,045	(44,000)	84,745
(e) Swimming Pool Reserve	134,139	3,971	(82,000)	56,110	129,981	4,158		134,139	129,981	2,100	0	132,081
(f) Electronic Equipment Reserve	81,665	2,417		84,082	79,134	2,531		81,665	79,133	1,278	0	80,411
(g) Tutanning Nature Reserve	3,880	115		3,995	3,760	120		3,880	3,760	61	0	3,821
(h) Wheatbelt Secondary Freight Network	43,608	1,291		44,899	42,256	1,352		43,608	42,257	683	0	42,940
(i) Refuse Site Rehabilitation	19,402	574		19,976	18,801	601		19,402	18,801	304	0	19,105
(j) PRACC Facility Reserve	40,640	21,256		61,896	20,000	20,640		40,640	20,000	21,823	0	41,823
	1,003,654	90,627	(167,000)	927,281	1,238,050	59,604	(294,000)	1,003,654	1,238,050	41,499	(294,000)	985,549

(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	Ongoing	to fund annual and long service leave requirements
(b) Plant Reserve	Ongoing	for the purchase of major plant
(c) Buildings Reserve	Ongoing	to fund the rennovation/purchase of Shire of Pingelly buildings and recreation infrastructure
(d) Land Development Reserve (was Community Bus Reserve)	Ongoing	to fund land development
(e) Swimming Pool Reserve	Ongoing	to fund the upgrading of the swimming pool complex
(f) Electronic Equipment Reserve	Ongoing	to fund the purchase of information technology hardware and software equipment
(g) Tutanning Nature Reserve	Ongoing	for the operations, improvements and promotion of the Tutanning Nature reserve
(h) Wheatbelt Secondary Freight Network	Ongoing	for the Shire of Pingelly's contribution for infrastructure renewal for the future Wheatbelt Secondary Freight Network capital renewal
(i) Refuse Site Rehabilitation	Ongoing	to facilitate the rehabilitation/closure of the town refuse site
(j) PRACC Facility Reserve	Ongoing	to fund the maintenance of the PRACC building

10. OTHER INFORMATION

The net result includes as revenues	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
(a) Interest earnings			
Investments	59,645	57,236	85,000
ESL and Pensioner deferred	3,668	517	3,500
SSL Interest	1,254	2,838	2,839
Other interest revenue	17,799	20,823	16,500
	82,366	81,414	107,839
* 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	45,000	46,798	42,500
Other services			2,500
	45,000	46,798	45,000
(c) Interest expenses (finance costs)			
Borrowings (refer Note 8(a))	73,273	84,376	84,376
Interest on lease liabilities (refer Note 7)	1,108	3,370	3,370
	74,381	87,746	87,746

11. COUNCIL MEMBERS REMUNERATION

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
President			
President's allowance	1,545		1,545
Meeting attendance fees	11,000		11,000
ICT expenses	100		100
	12,645	0	12,645
Deputy President			
Deputy President's allowance	386		386
Meeting attendance fees	5,150		5,150
	5,536	0	5,536
Council member 3			
Meeting attendance fees	4,740		4,740
	4,740	0	4,740
Council member 4			
Meeting attendance fees	4,740		4,740
	4,740	0	4,740
Council member 5			
Meeting attendance fees	4,740		4,740
	4,740	0	4,740
Council member 6			
Meeting attendance fees	4,740		4,740
	4,740	0	4,740
Council member 7			
Meeting attendance fees	4,740		4,740
	4,740	0	4,740
Total Council Member Remuneration	41,881	0	41,881
President's allowance	1,545	0	1,545
Deputy President's allowance	386	0	386
Meeting attendance fees	39,850	0	39,850
ICT expenses	100	0	100
	41,881	0	41,881

12. TRUST FUNDS

Funds held at balance date which are required by legislation to be credited to the trust fund and which are not included in the financial statements are as follows:

Detail	Balance 30 June 2026	Estimated amounts received	Estimated amounts paid	Estimated balance 30 June 2027
	$	$	$	$
	22,780	2,000	(1,000)	23,780
	22,780	2,000	(1,000)	23,780

13. 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
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.

13. REVENUE AND EXPENDITURE (CONTINUED)

(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	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	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	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	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	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	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	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	Adopted by council annually	Applied fully on timing of landing/take-off	Not applicable	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	Adopted by council annually	Applied fully based on timing of provision	Not applicable	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	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods

14. 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.

15. FEES AND CHARGES

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
By Program:			
Governance	34,700	47,319	58,710
General purpose funding	10,879	12,548	9,200
Law, order, public safety	5,100	4,362	8,350
Health	3,000	3,056	2,700
Education and welfare	0	0	
Housing	0	0	
Community amenities	258,100	263,516	262,400
Recreation and culture	18,500	17,144	19,000
Transport	0	0	
Economic services	97,500	98,020	75,500
Other property and services	26,969	12,711	2,500
	454,747	458,676	438,360

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