SHIRE OF Quairading
Take a closer look

ANNUAL BUDGET 2026-2027

@ShireofQuairading

@QuairadingCaravanPark

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1. PRESIDENT'S INTRODUCTION

Shire of Quairading 2026/2027 Budget

On behalf of the Council of the Shire of Quairading I present our budget for the 2026/2027 financial year.

In the coming year we look forward to adding long awaited housing for our senior community members. This will be provided by our membership with CEACA (Central East Accommodation and Care Alliance) Ltd who will also manage the housing for the shire. The main funding for this project comes jointly between the state and federal government and we thank them for recognising this important infrastucture need in the wheatbelt region.

Our road funding, also provided by the state government, will be utilised in our unsealed roads with gravel resheeting and the maintenance grading that is required.

As our town attracts new residents we are also planning for residential growth and will need to develop new lots in the coming years. As always our administration team is looking to access grant funding to cover these significant costs that come with growth.

As a council we have been tasked with shaping this budget with great awareness of the community needs and increase in costs that we are all experiencing. We are confident this budget will allow us to continue to plan for our future while still maintaining a careful approach during the coming year. To this end Council considers a rates increase of 8% for residential, commercial/industrial and agricultural properties to be necessary to keep our shire well placed in the region.

Trevor Stacey

President, Shire of Quairading

2. CHIEF EXECUTIVE OFFICER'S SUMMARY

The Shire of Quairading's 2026/27 Budget has been developed with a clear focus on responsible financial management, maintaining essential services and managing the increasing costs faced by both Council and our community.

Like households and businesses, the Shire continues to experience significant increases in costs. Construction, materials, fuel, utilities, insurance and contracted services, as examples, have all increased, placing ongoing pressure on the cost of maintaining our roads, facilities, parks, community infrastructure and other essential services. Council must respond to these pressures while ensuring the Shire remains financially sustainable into the future.

Council has carefully considered its expenditure, prioritised essential services and infrastructure and sought efficiencies wherever possible to contain the impact of rising costs.

The Shire has implemented an 8% rate increase on the rates raised last financial year. Due to significant land valuation changes across rating categories, an increase on rates raised seemed a fair and equitable method of increase, however this may have seen properties with significant valuation increases experience a larger increase in rates from the previous year.

Roads and associated expenditure dominate this year's budget with $2.1 million allocated towards transport expenditure, with several capital road upgrade projects complimenting the ongoing maintenance required to manage the Shire's road network. The Shire is also investing significantly in the community's health and welfare, with approximately $450,000 allocated to the provision of primary health services. A number of fleet replacements is planned, with the major purchase being the replacement of the Shire loader. Some small capital upgrades to Shire facilities along with the ongoing provision of core services and events is also included in this year's budget

The Shire's focus for 2026/2027 and beyond will be to progress the development and implementation of a number of plans and strategies, aligned with the Council Plan 2026-2036, that will support the local community, build the local economy and assist the Shire in seeking external funding to be able to execute a number of capital projects. Housing and land development, industry attraction, tourism promotion and youth and community will be a strategic focus for 2026/2027 and will see the Shire utilise internal resources where possible to facilitate, therefore reducing costs to ratepayers.

Shire Executive Staff welcome questions in relation to this year's budget, so if you have any questions or seek clarifications on the budget, please reach out via the Shire administration office.

Nic Warren

Chief Executive Officer

3. BUDGET SNAPSHOT

How rates are calculated

Council has determined that the overall increase in Rates Revenue for 2026/27 will be 8%.

Council rates are calculated through three steps:

1. By working out the **total cost** of essential services and the operating requirements of the Shire
   Then deducting the **non-rate revenue** to be received (grants, fees, etc.)
   To equal the **rates revenue required** to be raised to meet the deficit.

2. By using the **rates revenue required** to be raised
   Dividing this by the combined **values** of properties and land as determined by the Valuer General
   To equal the **rates in the dollar** for GRV (gross rental value) and UV (unimproved value).

3. By using the **rate in the dollar**
   Multiplying this by your property's GRV or UV
   To equal **your rates for the year.**

Gross Rental Value: The Gross Rental Value (GRV) is set by the Valuer General and represents the annual rental income that a property might reasonably be expected to earn if it was rented out. The GRV of a property is affected by factors like the age of a house, the number of bedrooms and bathrooms, whether it has a pool or garage, and location. This means that your GRV may be different from your neighbour.

The Valuer General reassesses GRVs every three years. This was not a revaluation year.

Unimproved Value: The Unimproved Value (UV) is set by the Valuer General and represents the value of land only. It does not include the value of your home, other structures or improvements. For land within the metropolitan area and within regional townsites the UV does include merged improvements such as drainage, levelling and filling.

Landgate conducts UV land valuations annually, using a date of valuation of 1 August from the previous year.

Explanation of changes to the UV and GRV rate in the dollar

This year only UV Valuations were completed with the Date of Valuation being 1 August 2025 however coming into force on 1 July 2026.

This year the valuation for UV properties has increased overall by 18.64% and in order to achieve an 8% overall increase in rates, the UV rate in the dollar was reduced by 4.39%.

An increase in the GRV rate in the dollar of 7.31% rate was applied.

This ensures an equitable approach to rates revenue, afforded to all properties, regardless of the type (UV or GRV). A revaluation is likely to impact on properties in a different way and Local Governments across WA are unable to alter this due to the requirement to use Landgate valuations. It may be that for some UV properties this year, their actual rates reduce, some may be similar to last year and some may increase.

In consideration of both the increase to the GRV rate in the dollar and the increase to the UV rate in the dollar, the minimum payment was increased by 8.07% to ensure that all ratepayers make a reasonable contribution to the cost of local government services and facilities.

Rate Type	2025/26 Rate in Dollar	2026/27 Rate in Dollar	Variance %
GRV – Residential	0.144800	0.155386	7.31%
GRV – Industrial	0.144800	0.155386	7.31%
GRV – Commercial	0.144800	0.155386	7.31%
UV – Rural	0.005695	0.005445	- 4.39%
Minimum Payment	$805.00	$870.00	8.07%

Summary of Revenue and Expenditure

Funding for the budget comes predominantly from the following sources:

- Rates income
- Waste service charges
- Statutory chares
- Commercial and contractual charges, and
- Grants and contributions.

After considering all other funding sources, the remaining expenditure in the budget is funded by rates.

Revenue Type	Budget 2025/26 $'000	Budget 2026/27 $'000	Variance $'000
Rates	2,982,708	3,223,297	240,589
Operating Grants, Subsidies and Contributions	1,547,122	663,791	-883,331
Fees and Charges	686,093	734,211	48,118
Interest earnings	238,500	254,400	15,900
Other revenue	291,682	186,065	-105,617
Profit on Disposal of Assets	25,100	41,315	16,215
TOTAL OPERATING REVENUE	**5,771,205**	**5,103,079**	**-668,126**

Expenditure Type	Budget 2025/26 $'000	Budget 2026/27 $'000	Variance $'000
Employee Costs	2,305,471	2,515,519	210,048
Materials and Contracts	2,412,405	2,388,080	-24,325
Utility charges	284,950	333,300	48,350
Depreciation on non-current assets	3,538,268	3,774,747	236,479
Interest expenses	6,481	4,454	-2,027
Insurance expenses	198,756	202,520	3,764
Other expenditure	167,837	148,423	-19,414
Loss on Disposal of Assets	124,460	66,113	-58,347
TOTAL OPERATING EXPENDITURE	**9,038,628**	**9,433,156**	**394,528**

Budget Highlights 2026/2027

CAPITAL WORKS PROJECTS

Funded in the 2026/2027 Budget

$18,000



Land & Buildings

$746,000



Plant & Equipment

$480,000



Medical Services

$1,794,544



Roads

$0



Bridges

$36,500



Other Infrastructure

GRANT FUNDING
$1,407,764

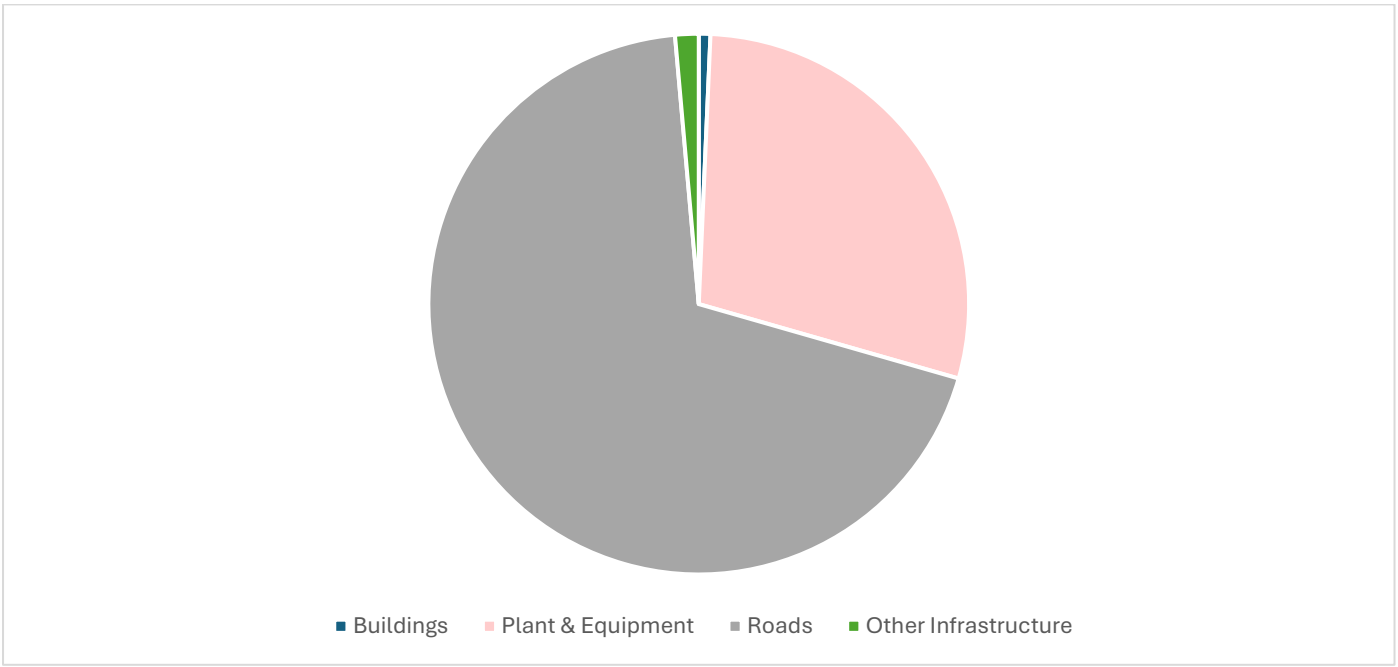


CAPITAL WORKS PROJECTS DETAILED

BUILDINGS	EXPENDITURE
Golf Club Bathroom Upgrade	$18,000
TOTAL	**$18,000**
PLANT & EQUIPMENT	**EXPENDITURE**
2 x Utility	$135,000
2 x Administration Vehicles	$140,000
Loader	$385,000
Forklift	$45,000
Road Broom Attachment	$20,000
Solar Radar Speed Signs	$14,000
Hydraulic Lift Trailer	$7,000
TOTAL	**$746,000**
CAPITAL GRANTS	**INCOME**
R2R	$677,393
RRG	$447,129
WSFN	$283,242
TOTAL	**$1,407,764**

OTHER INFRASTRUCTURE	EXPENDITURE
CCTV Upgrades	$36,500
TOTAL	**$36,500**
ROADS	**EXPENDITURE**
WSFN -Dangin Mears Road	$302,391
RRG – Bulyee-Quairading Road	$676,178
R2R – Wood Street	$116,987
R2R - Goldfields Road	$126,179
R2R – Mount Stirling Road	$121,657
R2R – Solomon Road	$135,723
R2R – Wamenusking Road	$143,157
R2R – Weir Road	$172,271
TOTAL	**$1,794,544**

CAPITAL WORKS EXPENDITURE



5. STATUTORY BUDGET STATEMENTS

1. **Statement of Comprehensive Income by Nature or Type**
2. **Statement of Cash Flows**
3. **Statement of Financial Activity**
4. **Index of Notes to the Budget**

SHIRE OF QUAIRADING

ANNUAL BUDGET

FOR THE YEAR ENDED 30 JUNE 2027

LOCAL GOVERNMENT ACT 1995

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

"Our Shire is a place of welcome for all, where we work together, with thriving industry creating jobs, a bright future for our young people, and a bustling town in a beautiful and productive rural setting."

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SHIRE OF QUAIRADING
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)	3,223,297	2,977,992	2,982,708
Grants, subsidies and contributions		663,791	3,641,001	1,547,122
Fees and charges	16	734,211	692,720	686,093
Interest revenue	10(a)	254,400	249,551	238,500
Other revenue		186,065	384,236	291,682
		5,061,764	7,945,500	5,746,105
Expenses				
Employee costs		(2,515,519)	(2,351,853)	(2,305,471)
Materials and contracts		(2,388,080)	(2,640,870)	(2,412,405)
Utility charges		(333,300)	(370,589)	(284,950)
Depreciation	6	(3,774,747)	(3,614,639)	(3,538,268)
Finance costs	10(c)	(4,454)	(5,425)	(6,481)
Insurance		(202,520)	(211,106)	(198,756)
Other expenditure		(148,423)	(118,392)	(167,837)
		(9,367,043)	(9,312,874)	(8,914,168)
		(4,305,279)	(1,367,374)	(3,168,063)
Capital grants, subsidies and contributions		1,407,764	3,778,168	15,621,769
Profit on asset disposals	5	41,315	0	25,100
Loss on asset disposals	5	(66,113)	(89,764)	(124,460)
		1,382,966	3,688,404	15,522,409
Net result for the period		**(2,922,313)**	**2,321,030**	**12,354,346**
Total other comprehensive income for the period		**0**	**0**	**0**
Total comprehensive income for the period		**(2,922,313)**	**2,321,030**	**12,354,346**

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

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SHIRE OF QUAIRADING
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2027

	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts		$	$	$
Rates		3,258,297	3,060,528	3,047,708
Grants, subsidies and contributions		663,791	3,698,418	1,652,122
Fees and charges		734,211	692,720	686,093
Interest revenue		254,400	249,551	238,500
Goods and services tax received		772,530	779,593	589,236
Other revenue		186,065	384,236	291,682
		5,869,294	8,865,046	6,505,341
Payments				
Employee costs		(2,515,519)	(2,238,771)	(2,305,471)
Materials and contracts		(2,283,555)	(3,288,963)	(2,107,147)
Utility charges		(333,300)	(370,589)	(284,950)
Finance costs		(4,454)	(6,297)	(6,481)
Insurance paid		(202,520)	(211,106)	(198,756)
Goods and services tax paid		(772,530)	(772,530)	(589,236)
Other expenditure		(148,423)	(118,392)	(167,837)
		(6,260,301)	(7,006,648)	(5,659,878)
Net cash provided by (used in) operating activities	4	(391,007)	1,858,398	845,463
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5(a)	(764,000)	(1,181,751)	(13,642,759)
Payments for construction of infrastructure	5(b)	(1,831,044)	(4,386,231)	(3,934,300)
Proceeds from capital grants, subsidies and contributions		1,407,764	3,610,931	15,621,769
Proceeds from disposal of inventory - land held for resale	5(c)	55,000	36,365	98,631
Proceeds from disposal of property, plant and equipment	5(a)	255,000	114,545	170,909
Net cash (used in) investing activities		(877,280)	(1,806,141)	(1,685,750)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	8(a)	(71,637)	(70,547)	(69,741)
Payments for principal portion of lease liabilities	7	(9,060)	(11,586)	(11,586)
Net cash (used in) financing activities		(80,697)	(82,133)	(81,327)
Net (decrease) in cash held		(1,348,984)	(29,876)	(921,614)
Cash at beginning of year		5,708,363	5,738,239	5,738,239
Cash and cash equivalents at the end of the year	4	**4,359,379**	**5,708,363**	**4,816,625**

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

SHIRE OF QUAIRADING
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)	3,200,104	2,958,492	2,963,208
Rates excluding general rates	2(a)	23,193	19,500	19,500
Grants, subsidies and contributions		663,791	3,641,001	1,547,122
Fees and charges	16	734,211	692,720	686,093
Interest revenue	10(a)	254,400	249,551	238,500
Other revenue		186,065	384,236	291,682
Profit on asset disposals	5	41,315	0	25,100
		5,103,079	7,945,500	5,771,205
Expenditure from operating activities				
Employee costs		(2,515,519)	(2,351,853)	(2,305,471)
Materials and contracts		(2,388,080)	(2,640,870)	(2,412,405)
Utility charges		(333,300)	(370,589)	(284,950)
Depreciation	6	(3,774,747)	(3,614,639)	(3,538,268)
Finance costs	10(c)	(4,454)	(5,425)	(6,481)
Insurance		(202,520)	(211,106)	(198,756)
Other expenditure		(148,423)	(118,392)	(167,837)
Loss on asset disposals	5	(66,113)	(89,764)	(124,460)
		(9,433,156)	(9,402,638)	(9,038,628)
Non cash amounts excluded from operating activities	3(c)	3,807,555	3,716,492	3,645,267
Amount attributable to operating activities		**(522,522)**	**2,259,354**	**377,844**
INVESTING ACTIVITIES				
Inflows from investing activities				
Proceeds from capital grants, subsidies and contributions		1,407,764	3,778,168	15,621,769
Proceeds from disposal of property, plant and equipment	5(a)	255,000	114,545	170,909
Proceeds from disposal of inventory - land held for resale	5(c)	55,000	36,365	98,631
		1,717,764	3,929,078	15,891,309
Outflows from investing activities				
Acquisition of property, plant and equipment	5(a)	(764,000)	(1,181,751)	(13,642,759)
Acquisition of infrastructure	5(b)	(1,831,044)	(4,386,231)	(3,934,300)
		(2,595,044)	(5,567,982)	(17,577,059)
Amount attributable to investing activities		**(877,280)**	**(1,638,904)**	**(1,685,750)**
FINANCING ACTIVITIES				
Inflows from financing activities				
Transfers from reserve accounts	9(a)	120,000	350,000	350,000
		120,000	350,000	350,000
Outflows from financing activities				
Repayment of borrowings	8(a)	(71,637)	(70,547)	(69,741)
Payments for principal portion of lease liabilities	7	(9,060)	(11,586)	(11,586)
Transfers to reserve accounts	9(a)	(235,000)	(675,231)	(570,000)
		(315,697)	(757,364)	(651,327)
Amount attributable to financing activities		**(195,697)**	**(407,364)**	**(301,327)**
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus remaining at the start of the financial year	3	1,645,128	1,432,042	1,639,277
Amount attributable to operating activities		(522,522)	2,259,354	377,844
Amount attributable to investing activities		(877,280)	(1,638,904)	(1,685,750)
Amount attributable to financing activities		(195,697)	(407,364)	(301,327)
Surplus remaining after the imposition of general rates	3	**49,629**	**1,645,128**	**30,044**

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

SHIRE OF QUAIRADING
FOR THE YEAR ENDED 30 JUNE 2027
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1 BASIS OF PREPARATION

The annual budget of the Shire of Quairading 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 13 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

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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 - Residential	Gross rental valuation	0.155386	316	3,142,328	488,274		488,274	452,801	453,315
GRV - Industrial	Gross rental valuation	0.155386	21	274,950	42,723		42,723	39,813	39,813
GRV - Commercial	Gross rental valuation	0.155386	10	209,776	32,596		32,596	30,375	30,376
UV - Rural	Unimproved valuation	0.005445	353	461,519,000	2,512,971		2,512,971	2,316,363	2,320,564
Non Rateable	Gross rental valuation	0.000000	221	122,856	0		0	0	0
Total general rates			921	465,268,910	3,076,564	0	3,076,564	2,839,352	2,844,068
		Minimum							
(ii) Minimum payment		$							
GRV - Residential	Gross rental valuation	870.00	76	69,238	66,120		66,120	59,570	59,570
GRV - Industrial	Gross rental valuation	870.00	9	14,790	7,830		7,830	7,245	7,245
GRV - Commercial	Gross rental valuation	870.00	1	2,000	870		870	805	805
UV - Rural	Unimproved valuation	870.00	56	5,420,176	48,720		48,720	51,520	51,520
Non Rateable	Gross rental valuation	0.00	221	122,856	0		0	0	0
Total minimum payments			363	5,629,060	123,540	0	123,540	119,140	119,140
Total general rates and minimum payments			1,284	470,897,970	3,200,104	0	3,200,104	2,958,492	2,963,208
(iii) Ex-gratia rates									
CBH Receival Bin	Tonnage		1		23,193		23,193	19,500	19,500
Total ex-gratia rates			1	0	23,193	0	23,193	19,500	19,500
Total rates					3,223,297	0	3,223,297	2,977,992	2,982,708
Instalment plan charges							1,600	1,625	1,400
Instalment plan interest							3,000	3,125	2,000
Interest on ESL							1,400	1,517	1,500
Late payment of rate or service charge interest							35,000	41,104	35,000
							41,000	47,371	39,900

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.

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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 on or before 14 October 2026 or 35 days after the date of issue appearing on the rate notice, whichever is the later.

Option 2 (Four Instalments)
First instalment to be made on or before 14 October 2026 or 35 days after the date of issue appearing on the rate notice, whichever is the later including all arrears and a quarter of the current rates and service charges;
Second instalment to be made on or before 15 December 2026 or 2 months after the first instalment, whichever is the later;
Third instalment to be made on or before 15 February 2027 or 2 months after the second instalment, whichever is the later; and
Fourth instalment to be made on or before 20 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	14/10/2026	0	0.00%	11.00%
Option two				
First instalment	14/10/2026	0	0.00%	11.00%
Second instalment	15/12/2026	5	3.00%	11.00%
Third instalment	15/02/2027	5	3.00%	11.00%
Fourth instalment	20/04/2027	5	3.00%	11.00%

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.

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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	4,359,379	5,708,363	4,816,625
Contract Assets		586,342	273,698	168,698
Receivables		388,644	423,644	390,583
Inventories		65,040	171,161	74,412
Other assets		70,389	383,033	54,030
		5,469,794	6,959,899	5,504,348
Less: current liabilities				
Trade and other payables		(634,184)	(529,159)	(798,667)
Contract liabilities		(104,805)	(104,805)	(142,887)
Capital grant/contributions liabilities		0	0	(167,237)
Lease liabilities	7	0	(9,060)	0
Long term borrowings	8	0	(71,637)	0
Employee provisions		(262,583)	(262,583)	(154,401)
Other provisions		0	0	(21,684)
		(1,001,572)	(977,244)	(1,284,876)
Net current assets		4,468,222	5,982,655	4,219,472
Less: Total adjustments to net current assets	3(b)	(4,418,593)	(4,337,527)	(4,189,428)
Net current assets used in the Statement of Financial Activity		49,629	1,645,128	30,044

(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.

Adjustments to net current assets				
Less: Reserve accounts	9	(4,569,458)	(4,454,458)	(4,349,226)
Less: Current assets restricted to trading undertaking		0	0	(33,379)
Less: Current assets not expected to be received at end of year				
- Inventory - land held for resale		(50,000)	(156,621)	0
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings		0	71,637	0
- Current portion of lease liabilities		0	9,060	0
Add: Current liabilities covered by funds held in reserve account				
- Current portion of employee benefit provisions		200,865	192,855	193,177
Total adjustments to net current assets		(4,418,593)	(4,337,527)	(4,189,428)

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	(41,315)	0	(25,100)
Add: Loss on asset disposals	5	66,113	89,764	124,460
Add: Loss on revaluation of non current assets		0	0	0
Add: Depreciation	6	3,774,747	3,614,639	3,538,268
Movement in current employee provisions associated with restricted cash		8,010	7,314	7,639
- Pensioner deferred rates		0	(3,343)	0
- Employee benefit provisions		0	8,118	0
Non cash amounts excluded from operating activities		3,807,555	3,716,492	3,645,267

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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.

CONTRACT ASSETS
Contract assets primarily relate to the Shire's right to consideration for work completed but not billed at the end of the period.

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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		4,359,379	5,708,363	4,816,625
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		4,674,263	4,559,263	4,349,226
		4,674,263	4,559,263	4,349,226
The restricted financial assets are a result of the following specific purposes to which the assets may be used:				
Reserve accounts	9	4,569,458	4,454,458	4,349,226
Contract liabilities		104,805	104,805	0
Total restricted financial assets		4,674,263	4,559,263	4,349,226

(b) Reconciliation of net cash provided by operating activities

Net result		(2,922,313)	2,321,030	12,354,346
Non-cash items:				
Depreciation	6	3,774,747	3,614,639	3,538,268
Loss on sale of assets	5	24,798	89,764	99,360
Changes in assets and liabilities:				
Decrease in receivables		35,000	50,811	65,000
(Increase) in inventories		(500)	(2,310)	0
(Increase)/decrease in other assets		0	(327,072)	105,000
(Increase)/decrease in trade and other payables		105,025	(222,232)	305,258
Decrease in contract liabilities		0	96,205	0
(Increase) in capital grant/contributions liabilities		0	(167,237)	0
Decrease in employee related provisions		0	15,731	0
Capital grants, subsidies and contributions		(1,407,764)	(3,610,931)	(15,621,769)
Net cash provided by/(used in) operating activities		(391,007)	1,858,398	845,463

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.

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5. PROPERTY, PLANT AND EQUIPMENT

The following assets are budgeted to be acquired and/or disposed of during the year.

	2026/27 Budget							2025/26 Actual							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	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	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	0	0	0	0	0	0	23,923	0	0	0	0	0	0	20,000	0	0	0	0	0	0
Buildings - specialised	18,000	0	0	0	0	0	0	453,360	0	0	0	0	0	0	12,815,164	0	0	0	0	0	0
Plant and equipment	746,000	0	(228,177)	0	255,000	41,315	(14,492)	704,468	0	(200,674)	0	114,545	0	(86,129)	807,595	0	(212,279)	0	170,909	25,100	(66,470)
Total	764,000	0	(228,177)	0	255,000	41,315	(14,492)	1,181,751	0	(200,674)	0	114,545	0	(86,129)	13,642,759	0	(212,279)	0	170,909	25,100	(66,470)
(b) Infrastructure																					
Infrastructure - roads	1,794,544	0	0	0	0	0	0	4,306,831	0	0	0	0	0	0	3,277,898	0	0	0	0	0	0
Other infrastructure - Bridges	36,500	0	0	0	0	0	0	54,400	0	0	0	0	0	0	56,870	0	0	0	0	0	0
Other infrastructure - Other	0	0	0	0	0	0	0	25,000	0	0	0	0	0	0	599,532	0	0	0	0	0	0
Total	1,831,044	0	0	0	0	0	0	4,386,231	0	0	0	0	0	0	3,934,300	0	0	0	0	0	0
(c) Inventory - Land held for resale																					
Cost of acquisition	0	0	(106,621)	0	55,000	0	(51,621)	0	0	(40,000)	0	36,365	0	(3,635)	0	0	(156,621)	0	98,631	0	(57,990)
	0	0	(106,621)	0	55,000	0	(51,621)	0	0	(40,000)	0	36,365	0	(3,635)	0	0	(156,621)	0	98,631	0	(57,990)
Total	2,595,044	0	(334,798)	0	310,000	41,315	(66,113)	5,567,982	0	(240,674)	0	150,910	0	(89,764)	17,577,059	0	(368,900)	0	269,540	25,100	(124,460)

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.

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6. DEPRECIATION

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
By Class			
Buildings - non-specialised	38,729	37,086	36,091
Buildings - specialised	327,917	314,008	310,271
Furniture and equipment	44,153	42,280	45,973
Plant and equipment	444,303	425,458	400,559
Infrastructure - roads	2,332,822	2,233,874	2,190,835
Infrastructure - footpaths	34,426	32,966	32,751
Other infrastructure - Bridges	190,222	182,154	181,470
Other infrastructure - Other	348,701	333,911	320,175
Right of use - plant and equipment	13,474	12,902	20,143
	3,774,747	3,614,639	3,538,268
By Program			
Law, order, public safety	106,264	107,208	107,137
Health	12,685	12,685	7,729
Education and welfare	35,526	35,526	31,393
Housing	78,979	78,979	76,920
Community amenities	67,694	67,694	47,082
Recreation and culture	358,126	358,126	293,822
Transport	2,502,280	2,502,281	2,411,799
Economic services	135,761	136,670	136,074
Other property and services	477,432	315,470	426,312
	3,774,747	3,614,639	3,538,268

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	30 to 50 Years
Buildings - specialised	50 to 80 Years
Furniture and equipment	4 to 10 Years
Plant and equipment	5 to 15 Years
Infrastructure - roads	20 to 80 Years
Infrastructure - footpaths	20 Years
Infrastructure - drainage	80 Years
Infrastructure - water supply	30 to 75 Years
Infrastructure - parks and ovals	10 to 60 Years
Infrastructure - waste facilities	40 Years
Right of use - plant and equipment	Based on the remaining lease

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.

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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
					$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Matrix Cardio Equipment	5	MAIA Financial	5.00%	48 months	9,060	0	(9,060)	(0)	(218)	20,646	0	(11,586)	9,060	(785)	20,646	0	(11,586)	9,060	(785)
					9,060	0	(9,060)	(0)	(218)	20,646	0	(11,586)	9,060	(785)	20,646	0	(11,586)	9,060	(785)

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.

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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
				$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Depot Building	118	WATC	3.0%	84,392	0	(56,202)	28,190	(3,030)	139,477	0	(55,085)	84,392	(3,756)	139,477	0	(54,532)	84,945	(4,445)
Park Cottages	119	WATC	1.5%	54,781	0	(15,435)	39,346	(1,206)	70,243	0	(15,462)	54,781	(884)	77,654	0	(15,209)	62,445	(1,251)
				139,173	0	(71,637)	67,536	(4,236)	209,720	0	(70,547)	139,173	(4,640)	217,131	0	(69,741)	147,390	(5,696)

All borrowing repayments, other than self supporting loans, will be financed by general purpose revenue.

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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			
Credit card limit	20,000	20,000	20,000
Credit card balance at balance date	(3,200)	(7,788)	0
Total amount of credit unused	16,800	12,212	20,000
Loan facilities			
Loan facilities in use at balance date	67,536	139,173	147,390

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.

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9. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2026/27 Budget				2025/26 Actual				2025/26 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	192,855	8,010	0	200,865	185,538	7,317	0	192,855	185,538	7,639	0	193,177
(b) Plant Reserve	744,545	30,922	(70,000)	705,467	606,256	138,289	0	744,545	606,256	129,960	0	736,216
(c) Furniture & Fittings Reserve	130,158	55,406	0	185,564	27,072	103,086	0	130,158	27,071	1,115	0	28,186
(d) Building & Infrastructure Reserve	676,054	28,077	(35,000)	669,131	986,542	39,512	(350,000)	676,054	986,542	40,616	(350,000)	677,158
(e) Swimming Pool Reserve	103,211	4,287	0	107,498	21,964	81,247	0	103,211	21,963	80,904	0	102,867
(f) Rec Centre Multi Purpose Precinct	666,377	27,676	0	694,053	583,370	83,007	0	666,377	583,370	84,017	0	667,387
(g) Sustainable Environment Reserve	192,979	8,015	0	200,994	185,657	7,322	0	192,979	185,657	7,643	0	193,300
(h) Health Reserve	112,104	4,656	0	116,760	107,851	4,253	0	112,104	107,851	4,440	0	112,291
(i) Town Planning Reserve	81,114	3,369	0	84,483	78,036	3,078	0	81,114	78,037	3,213	0	81,250
(j) Homeswest Joint Venture Reserve	6,107	254	0	6,361	5,875	232	0	6,107	5,875	242	0	6,117
(k) Road Infrastructure Reserve	660,245	27,421	0	687,666	596,712	63,533	0	660,245	596,712	64,567	0	661,279
(l) Independent Living Reserve	687,150	28,536	0	715,686	608,165	78,985	0	687,150	608,166	80,037	0	688,203
(m) Building Renewal Reserve	201,559	8,371	(15,000)	194,930	136,188	65,371	0	201,559	136,188	65,607	0	201,795
	4,454,458	235,000	(120,000)	4,569,458	4,129,227	675,231	(350,000)	4,454,458	4,129,226	570,000	(350,000)	4,349,226
	4,454,458	235,000	(120,000)	4,569,458	4,129,227	675,231	(350,000)	4,454,458	4,129,226	570,000	(350,000)	4,349,226

(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 council		
(a) Leave reserve	Ongoing	To be used to fund future Employee Leave requirements.
(b) Plant Reserve	Ongoing	To be used to assist in funding the purchase of major plant items.
(c) Furniture & Fittings Reserve	Ongoing	To be used in funding the various furniture, fittings and equipment installed in Council buildings and for the purchase of IT Hardware and Software.
(d) Building & Infrastructure Reserve	Ongoing	To be used to Develop and Upgrade Council Infrastructure and Building Assets.
(e) Swimming Pool Reserve	Ongoing	To be used to assist in funding future major capital/upgrade works at the Quairading Memorial Swimming Pool.
(f) Rec Centre Multi Purpose Precinct	Ongoing	To be used in providing assistance in the future redevelopment and capital upgrade works at the Multi Purpose Precinct.
(g) Sustainable Environment Reserve	Ongoing	To be used to assist in funding projects and initiatives which foster a sustainable environment. Such areas include waste management, recycling, water usage, gravel supplies, energy conservation and environmentally sustainable projects.
(h) Health Reserve	Ongoing	To be used to assist in funding the improvement of Medical Services and Facilities.
(i) Town Planning Reserve	Ongoing	To be used to assist in funding of planning and implementation of the development of Council land and the purchase of land for future development.
(j) Homeswest Joint Venture Reserve	Ongoing	To be used to assist with compliance with Council's Joint Venture Agreement held with the State Housing Commission and to provide funds management and improvement of the Joint Venture Units.
(k) Road Infrastructure Reserve	Ongoing	To be used towards road infrastructure projects including replacement of culverts and bridges.
(l) Independent Living Reserve	Ongoing	To be used to fund the development of Independent Living Units.
(m) Building Renewal Reserve	Ongoing	To be used to fund the maintenance and renewal of Councils Building assets.

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10. OTHER INFORMATION

The net result includes as revenues	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
(a) Interest earnings			
Investments	213,400	202,180	200,000
Other interest revenue	41,000	47,371	38,500
	254,400	249,551	238,500
The net result includes as expenses			
(b) Auditors remuneration			
Audit services	47,300	57,025	45,903
Other services	6,000	4,255	6,000
	53,300	61,280	51,903
(c) Interest expenses (finance costs)			
Borrowings (refer Note 8(a))	4,236	4,640	5,696
Interest on lease liabilities (refer Note 7)	218	785	785
	4,454	5,425	6,481
(d) Write offs			
General rate	850	1,319	756
	850	1,319	756

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11. COUNCIL MEMBERS REMUNERATION

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
President			
President's allowance	1,226	1,145	1,145
Meeting attendance fees	7,110	8,566	5,200
	8,336	9,711	6,345
Deputy President			
Deputy President's allowance	306	296	296
Meeting attendance fees	4,581	1,169	4,170
	4,887	1,465	4,466
Cr Becky Cowcill			
Meeting attendance fees	3,489	3,754	3,500
	3,489	3,754	3,500
Cr Jo Hayes			
Meeting attendance fees	0	3,430	4,000
	0	3,430	4,000
Cr Renee Faltyn			
Meeting attendance fees	3,489	2,937	3,500
	3,489	2,937	3,500
Cr Estelle Gom			
Meeting attendance fees	0	0	3,000
	0	0	3,000
Cr Jo Haythornthwaite			
Meeting attendance fees	0	0	3,200
	0	0	3,200
Cr K Squires			
Meeting attendance fees	3,489	1,965	0
	3,489	1,965	0
Cr Lynnette Cowcill			
Meeting attendance fees	3,489	1,403	0
	3,489	1,403	0
Cr Stuart Hadlow			
Meeting attendance fees	3,489	574	0
	3,489	574	0
Total Council Member Remuneration	30,668	25,239	28,011
President's allowance	1,226	1,145	1,145
Deputy President's allowance	306	296	296
Meeting attendance fees	29,136	23,798	26,570
	30,668	25,239	28,011

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12. JOINT ARRANGEMENTS

(a) Investment in associate

The Shire of Quairading has participated in a joint venture with Homeswest for the construction of two three bedroom duplex units in Suburban Road, Quairading. The provision of this housing aims to provide accommodation for low income families. The Shire of Quairading has a 18.95% interest in the assets and liabilities of this joint venture. Council manages the operation of the joint venture under the auspices of Homeswest. All revenue and expenses of the joint venture are recognised in the relevant financial statements of Council.

Summarised statement of comprehensive income	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
Other Revenue	23,500	23,625	21,200
Total operating revenue	23,500	23,625	21,200
Depreciation	(1,250)	(1,264)	(1,264)
Other Expenses	(15,252)	(9,692)	(9,520)
Total operating expenses	(16,502)	(10,956)	(10,784)
Profit/(loss) from continuing operations	6,998	12,669	10,416
Other comprehensive income			
Total comprehensive income for the period	6,998	12,669	10,416

MATERIAL ACCOUNTING POLICIES

Investments in associates

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required. Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method. Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Shire of Quairading's interests in the assets liabilities revenue and expenses of joint operations are included in the respective line items of the financial statements.

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13. 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
	$	$	$	$
Building Services Levy (BSL)	1,090	1,000	(2,090)	0
Construction Training Fund (CTF)	1,310	700	(2,010)	0
Key, Hall & Equipment Bonds	6,269	12,520	(13,725)	5,064
Unclaimed Monies	1,153	0	0	1,153
Department of Transport Licensing	(1,639)	452,650	(451,011)	0
Other Bonds & Deposits/Cuneata Rise	34,411	0	(20,000)	14,411
Community Bus Bonds	541	400	(400)	541
Rental Bonds	1,958	5,200	(6,000)	1,158
	45,093	472,470	(495,236)	22,327

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14. 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.

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14. 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

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15. 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
Governance To provide a decision making process for the efficient allocation of scarce resources	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.
General purpose funding To collect revenue to allow for the provision of services to the Community	Rates, general purpose government grants and interest revenue
Law, order, public safety To provide services to help ensure a safer and environmentally conscious community	Supervision and enforcement of various Acts, regulations and by-laws relating to fire prevention, animal control and other aspects of public safety including emergency services
Health To provide an operational framework for environmental and community health	Inspection of food outlets, noise control and waste disposal compliance. Administration of the Quairading Medical Practice and provision of various medical facilities.
Education and welfare Provide services to the elderly, children, youth and disadvantaged	Maintenance of the Daycare facility. Provision and/or support of community care programs and youth services and provision of services provided by the Community Resource Centre
Housing To provide and maintain staff and rental housing	Provision and maintenance of staff, aged, rental and joint venture housing
Community amenities To provide services required by the community	Rubbish collection services, operation of rubbish disposal sites, litter control, administration of town planning schemes. Administration and maintenance of cemetery and public conveniences and community bus.
Recreation and culture To establish and effectively manage infrastructure and resources which will help the social wellbeing of the community	Maintenance of public halls, aquatic centres, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens, reserves and playgrounds. Provision of library services and the support of other heritage and cultural facilities and services.
Transport To provide safe, effective and efficient transport services to the community.	Construction and maintenance of roads, streets, footpaths, depots, airstrip, bridges and traffic control. Cleaning of streets and maintenance of street trees, street lighting, etc. Provision of police licensing services.
Economic services To help promote the shire and its economic wellbeing.	The regulation and provision of tourism, area promotion, building control and noxious weeds.
Other property and services To monitor and control council's overhead operating accounts	Private works, plant repair and operation costs, public works overheads and administration costs.

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16. FEES AND CHARGES

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
By Program:			
Governance	0	22	0
General purpose funding	1,625	1,639	1,500
Law, order, public safety	3,600	2,806	3,875
Health	2,500	2,786	350
Education and welfare	38,350	38,085	38,350
Housing	130,638	121,378	152,770
Community amenities	195,978	182,822	198,178
Recreation and culture	25,500	24,694	24,200
Transport	520	130	520
Economic services	280,500	268,861	211,350
Other property and services	55,000	49,497	55,000
	734,211	692,720	686,093

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

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