Shire of Goomalling

SPECIAL COUNCIL MEETING AGENDA

21 July 2026

Contents

AGENDA OF MEETING

Council Meeting No. 07 of 2026 of the Shire of Goomalling Council to be held in the Council Chambers, Administration Office, 32 Quinlan Street, Goomalling on Tuesday, 21 July 2026 at 12.00pm.

1. DECLARATION OF OPENING & ACKNOWLEDGEMENT OF COUNTRY

We acknowledge this land that we meet on today is part of the traditional lands of the Nyoongar people and that we respect their spiritual relationship with their country. We also acknowledge the Nyoongar Ballardong people as the custodians of the greater Goomalling/Koomal area and that their cultural and heritage beliefs are still important to the living Nyoongar Ballardong people today.

Without prior approval any recording of this meeting is prohibited, and no action should be taken into the resolution of Council prior to written advice being received.

2. RECORD OF ATTENDANCE/APOLOGIES & APPROVED LEAVE OF ABSENCE

2.1 Attendance

Council	Presiding Member	Cr Julie Chester
	Deputy President	Cr Roland Van Gelderen
	Elected Member	Cr Casey Butt – Via Phone
	Elected Member	Cr Graham Chester
	Elected Member	Cr John Gibbons
	Elected Member	Cr Karen McGill
	Elected Member	Cr Brendon Wilkes
Administration	Chief Executive Officer	Mr Samuel E Bryce
	Deputy Chief Executive Officer	Miss Natalie Bird
	Works Manager	Mr David Long
	Minutes	Mrs Linley Dreghorn

2.2 Apologies

2.3 Approved Leave of Absence

2.4 Gallery

3. ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION

4. RESPONSE TO PUBLIC QUESTIONS TAKEN ON NOTICE

5. DISCLSOURE OF FINANCIL/IMPARTIALITY INTERESTS

6. PUBLIC QUESTION TIME

7. APPLICATIONS FOR LEAVE OF ABSENCE

8. PETITIONS/DEPUTATIONS/PRESENTATIONS

9. OFFICERS' REPORTS

9.1 ADOPTION OF 2026/2027 BUDGET

File Reference	**03.6**
Disclosure of Interest	Nil
Applicant	Shire of Goomalling
Previous Item Numbers	No Direct
Date	21 July 2026
Author	Natalie Bird – Deputy Chief Executive Officer
Authorising Officer	Samuel E Bryce - Chief Executive Officer
Attachments	9.1.1 Copy of Statutory Budget Documents

Summary
To present to Council the 2026/2027 Municipal Budget including supporting schedules showing rates, Fees /Charges with elected members fees and allowances with increases in differential rates which will equate to an 8.00% increase on the previous year's yield, for adoption.

Background
Local Governments must give local public notice of the intention to levy in 2026/2027 differential rates and minimum payments and consequently we have called for public submissions, which Council must consider before imposing the 2026/2027 differential rates and minimum payments.

Local Governments must publish the differential rates on the Local Government's website, as applicable within 10-days of the Council resolution to impose them.

In accordance with section 6.34 of the *Local Government Act 1995*, the revenue estimated to be yielded by the general rates imposed for the 2026/2027 financial year will be 100% of the 2026/2027 Budget expenditure over and above what is covered by all other revenue sources.

Consultation
Council has advertised the proposal to levy differential rates and no submissions were received.

Statutory Environment
The *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996* provide prescriptive guidelines for the formal adoption of Council Budgets.

6.32. Rates and service charges

(1) When adopting the annual budget, a local government
- *(a) in order to make up the budget deficiency, is to impose* a general rate on rateable land within its district, which rate may be imposed either*
  - *(i) uniformly; or*
  - *(ii) differentially;*
- *(b) may impose* on rateable land within its district*
  - *(i) a specified area rate; or*
  - *(ii) a minimum payment; and*
- *(c) may impose* a service charge on land within its district.*

**** Absolute majority required**.*

(2) Where a local government resolves to impose a rate, it is required to

(a) set a rate which is expressed as a rate in the dollar of the gross rental value of rateable land within its district to be rated on gross rental value; and

(b) set a rate which is expressed as a rate in the dollar of the unimproved value of rateable land within its district to be rated on unimproved value.

(3) A local government

(a) may, at any time after the imposition of rates in a financial year, in an emergency, impose a supplementary general rate or specified area rate for the unexpired portion of the current financial year; and*

(b) is to, after a court or the State Administrative Tribunal has quashed a general valuation, rate or service charge, impose a new general rate, specified area rate or service charge.*

**** Absolute majority required**.*

(4) Where a court or the State Administrative Tribunal has quashed a general valuation, the quashing does not render invalid a rate imposed on the basis of the quashed valuation in respect of any financial year prior to the financial year in which the proceedings which resulted in that quashing were commenced.

6.35. Minimum payment

(1) Subject to this section, a local government may impose on any rateable land in its district a minimum payment which is greater than the general rate which would otherwise be payable on that land.

(2) A minimum payment is to be a general minimum but subject to subsection (3), a lesser minimum may be imposed in respect of any portion of the district.

(3) In applying subsection (2) the local government is to ensure the general minimum is imposed on not less than

(a) 50% of the total number of separately rated properties in the district; or

(b) 50% of the number of properties in each category referred to in subsection (6), on which a minimum payment is imposed.

(4) A minimum payment is not to be imposed on more than the prescribed percentage of

(a) the number of separately rated properties in the district; or

(b) the number of properties in each category referred to in subsection (6), unless the general minimum does not exceed the prescribed amount.

(5) If a local government imposes a differential general rate on any land on the basis that the land is vacant land it may, with the approval of the Minister, impose a minimum payment in a manner that does not comply with subsections (2), (3) and (4) for that land.

(6) For the purposes of this section a minimum payment is to be applied separately, in accordance with the principles set forth in subsections (2), (3) and (4) in respect of each of the following categories

(a) to land rated on gross rental value;

(b) to land rated on unimproved value; and

(c) to each differential rating category where a differential general rate is imposed.

Policy Implications
Nil

Financial Implications
The setting of the Shire's Annual Budget is a key decision made by Council on an annual basis and the Local Government must prepare and adopt the annual budget in the prescribed form no later than 31 August each financial year. It is imperative that all Councillors fully understand the Budget and recognise the implications of decisions that have been made regarding resource allocation for the following 12 months as a result of the adoption of the Budget. Council has considered the draft budget while being involved in a series of workshops over the past few months.

Strategic Implications

Shire of Goomalling Community Strategic Plan 2019-2028	
4.2.1	Operate in a financially sustainable manner
4.2.3	Use resources efficiently and effectively

Comment/Conclusion
That Council adopt the budget in six (6) separate motions. Council has had to take into consideration other legislative requirements including the cost of services that has increased substantially and assets renewal which has contributed to a deficit budget, but Council will during the financial year investigate ways to reduce the deficit especially within the area of cost recovery of services to the community.

Voting Requirements
Absolute Majority

OFFICER'S RECOMMENDATIONS

RECOMMENDATION 1

That the Fees and Charges and Rental Charges included within the budget document and the following Service Charges be adopted in accordance with the provisions of the *Local Government Act 1995* and the *Health Act 1911*.

***Local Government Act 1995* – Service Charges 2026/2027**
Health Act 1911

Refuse Removal Charges

Refuse Goomalling	$388.00
Refuse –additional bin	$388.00
Refuse Jennacubbine	$415.00
Refuse Wongamine	$415.00
Refuse Konnongorring	$415.00
Refuse – additional bin	$415.00
Recycling – Kerbside Collection	$127.00
240 Litre Wheelie Bin	at cost
Tipping Fee - cubic metre – Non-Residents	$30.00

Sewerage

Residential	08.7825 cents in the dollar Minimum Charge $937.00
Commercial	08.7825 cents in the dollar Minimum charge $990.00
Vacant Lot	$937.00 per property

BY ABSOLUTE MAJORITY

RECOMMENDATION 2

That the following General Rates for 2026/2027 be adopted in accordance with the requirements of Section 6.32 of the *Local Government Act 1995*:

That the following Rates in the Dollar be adopted for the Shire of Goomalling for the year ending 30 June 2027:

Gross Rental Values	**(Towns)**
Residential	11.105 cents in the dollar
Commercial	13.759 cents in the dollar
Industrial	15.600 cents in the dollar
Urban Farmland	10.284 cents in the dollar

Unimproved Values	(Rural)
Rural Zone 2	00.430 cents in the dollar
Special Rural	00.895 cents in the dollar
General Zone 3	00.395 cents in the dollar

MINIMUM RATES
That the minimum rate for Gross Rental Values and UV properties are set as follows for the various rate categories set as follows:

GRV Residential	$1,277.00 per assessment
GRV Commercial	$1,276.00 per assessment
GRV Industrial	$699.00 per assessment
GRV Urban Farmland	$960.00 per assessment

UV Rural Zone 2	$1,063.00 per assessment
UV Special Rural	$1,422.00 per assessment
UV General Zone 3	$1,434.00 per assessment

Discount
No early settlement discount or rates incentive prizes to be offered in the 2026/2027 Budget.

BY ABSOLUTE MAJORITY

RECOMMENDATION 3

PAYMENT OPTIONS
That Council, in accordance with the provisions of section 6.45 and 6.50 of the *Local Government Act 1995*, offers the following payment options for the payment of rates:

(a) Single Instalment
Payment in full within 35 days of the date of issue of the rate notice.

(b) Two Instalments
The first instalment of 50% of the total current rates, ESL, refuse charges, instalment charges plus the total outstanding arrears payable, within 35 days from the date of issue of the rate notice.

The second instalment of 50% of the total current rates, ESL, refuse charges and instalment charges, payable two (2) months from the due date of the first instalment.

(c) Four Instalments
The first instalment of 25% of the total current rates, ESL, refuse charges and instalment charges plus the total outstanding arrears payable, within 35 days from the date of issue of the rate notice.

The second, third and fourth instalments, each of 25% of the current rates, ESL, refuse charges and instalment charges, payable at two (2) monthly intervals after the due date of the first instalment.

INTEREST AND ADMINISTRATION CHARGES FOR INSTALMENT OPTIONS
That Council, in accordance with the provisions of section 6.45 of the *Local Government Act 1995* imposes an Administration Fee of $15 per instalment notice together with an interest charge of 5.5%, both of which applies to the second instalment of the two (2) Instalment option, and the second, third and fourth instalments of the four (4) Instalment option.

LATE PAYMENT PENALTY INTEREST
That Council, in accordance with the provisions of section 6.13 and 6.51 of the *Local Government Act*, and Regulations 19A and 70 of the *Local Government (Financial Management) Regulations 1996*, adopts an interest rate of 11% per annum. Penalty interest will apply to all charges which remain unpaid after 35 days from the date of issue of the rate notice.

Excluded are eligible pensioners, deferred pensioner rates and current instalment amounts not yet due. Also excluded are residential and small business ratepayers who are managed under Councils Financial Hardship Policy.

BY ABSOLUTE MAJORITY

<u>RECOMMENDATION 4</u>

That the Council adopts the Budget under the *Local Government Act 1995* Section 6.2 for the Shire of Goomalling for the year ending 30 June 2027, incorporating:

- Operating Statement
- Statement of Cash Flows
- Statement of Non-Operating Incomes and Expenditures
- Rate Setting Statement
- Statement of Rating Information
- Other supporting documents and schedules
- (Including the Ten-Year Plant Replacement Program, 2026/2027 Road Program, Ten-Year Building Maintenance Plans and Five-Year Budget Forecast)

BY ABSOLUTE MAJORITY

<u>RECOMMENDATION 5</u>

That Council adopts the following Annual Members Meeting Attendance Fees and Allowances for 2026/2027 in accordance with the requirements of Sections 5.99 and 5.99(A) of the *Local Government Act 1995* and Regulations 34A and 34B, and the Annual President Allowance for 2026/2027 in accordance with the requirements of Section 5.98(5) of the *Local Government Act 1995* be adopted:

Presidential Allowance	$3,500.00 Per Annum
Deputy President Allowance	$815.00 Per Annum
Councillor Sitting Fees:	
Council Meeting – Councillor	$170.00 Per Meeting
Council Meeting – President	$320.00 Per Meeting
Committee Meeting – President	$170.00 Per Meeting
Committee Meeting – Councillor	$80.00 Per Meeting
Travel Allowance	$0.9554/km

BY ABSOLUTE MAJORITY

RECOMMENDATION 6

That Council adopts, in accordance with the provisions of the *Local Government Act 1995 and Part 3 of the Local Government (Financial Management) Regulations 1996* section 34(5), the material variance as reported in the Statement of Financial Activity in the financial year ending 30 June 2027 of 10% or $10,000.00.

BY ABSOLUTE MAJORITY

10. MEETING CLOSURE

SHIRE OF GOOMALLING

ANNUAL BUDGET

FOR THE YEAR ENDED 30 JUNE 2027

LOCAL GOVERNMENT ACT 1995

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SHIRE'S VISION

To be vibrant, prosperous and sustainable community living and working in a respectful, inclusive, fair and equitable community.

SHIRE OF GOOMALLING
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)	3,359,288	3,008,344	3,013,424
Grants, subsidies and contributions	11	3,129,456	2,496,878	2,263,318
Fees and charges	15	1,041,854	903,818	1,037,363
Interest revenue	12(a)	124,693	113,302	91,691
Other revenue	12(b)	263,903	500,343	212,403
		7,919,194	7,022,685	6,618,199
Expenses				
Employee costs		(2,974,287)	(2,615,979)	(2,390,845)
Materials and contracts		(3,177,628)	(2,142,365)	(2,058,296)
Utility charges		(331,250)	(331,453)	(306,794)
Depreciation	6	(2,206,485)	(2,219,455)	(2,242,485)
Finance costs	12(d)	(112,772)	(106,497)	(120,501)
Insurance		(339,590)	(270,367)	(283,919)
Other expenditure		(347,226)	(370,532)	(283,313)
		(9,489,238)	(8,056,648)	(7,686,154)
		(1,570,044)	(1,033,963)	(1,067,954)
Capital grants, subsidies and contributions	11	1,877,293	3,328,719	3,466,279
Profit on asset disposals	5	0	28,123	0
		1,877,293	3,356,842	3,466,279
Net result for the period		**307,249**	**2,322,879**	**2,398,325**
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Total other comprehensive income for the period		**0**	**0**	**0**
Total comprehensive income for the period		**307,249**	**2,322,879**	**2,398,325**

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

SHIRE OF GOOMALLING
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		3,359,288	3,097,712	3,013,424
Grants, subsidies and contributions		3,129,456	2,587,555	2,263,318
Fees and charges		1,041,854	903,818	1,037,363
Interest revenue		124,693	113,302	91,691
Goods and services tax received		300,000	337,011	300,000
Other revenue		263,903	500,343	212,403
		8,219,194	7,539,741	6,918,199
Payments				
Employee costs		(2,974,287)	(2,594,924)	(2,390,845)
Materials and contracts		(3,177,628)	(2,174,725)	(2,058,297)
Utility charges		(331,250)	(331,453)	(306,794)
Finance costs		(112,772)	(119,762)	(120,501)
Insurance		(339,590)	(270,367)	(283,919)
Goods and services tax paid		(300,000)	(300,000)	(300,000)
Other expenditure		(347,226)	(370,532)	(283,313)
		(7,582,753)	(6,161,763)	(5,743,669)
Net cash provided by (used in) operating activities	4	636,441	1,377,978	1,174,530
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5(a)	(735,929)	(308,325)	(277,092)
Payments for construction of infrastructure	5(b)	(1,864,207)	(3,876,584)	(4,168,326)
Capital grants, subsidies and contributions		1,877,293	3,328,719	3,466,279
Proceeds from sale of property, plant and equipment	5(a)	350,000	40,520	350,000
Net cash provided by (used in) investing activities		(372,843)	(815,670)	(629,139)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7(a)	(170,922)	(162,243)	(167,068)
Payments for principal portion of lease liabilities	8	(127,815)	(91,617)	(139,626)
Net cash provided by (used in) financing activities		(298,737)	(253,860)	(306,694)
Net increase (decrease) in cash held		(35,139)	308,448	238,697
Cash at beginning of year		1,716,891	1,408,443	1,397,953
Cash and cash equivalents at the end of the year	4	**1,681,752**	**1,716,891**	**1,636,650**

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

SHIRE OF GOOMALLING
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)	3,083,373	2,754,219	2,759,299
Rates excluding general rates	2(a)	275,915	254,125	254,125
Grants, subsidies and contributions	11	3,129,456	2,496,878	2,263,318
Fees and charges	15	1,041,854	903,818	1,037,363
Interest revenue	12(a)	124,693	113,302	91,691
Other revenue	12(b)	263,903	500,343	212,403
Profit on asset disposals	5	0	28,123	0
		7,919,194	7,050,808	6,618,199
Expenditure from operating activities				
Employee costs		(2,974,287)	(2,615,979)	(2,390,845)
Materials and contracts		(3,177,628)	(2,142,365)	(2,058,302)
Utility charges		(331,250)	(331,453)	(306,794)
Depreciation	6	(2,206,485)	(2,219,455)	(2,242,485)
Finance costs	12(d)	(112,772)	(106,497)	(120,501)
Insurance		(339,590)	(270,367)	(283,919)
Other expenditure		(347,226)	(370,532)	(283,313)
		(9,489,238)	(8,056,648)	(7,686,159)
Non-cash amounts excluded from operating activities	3(b)	2,208,824	2,258,962	2,264,739
Amount attributable to operating activities		**638,780**	**1,253,122**	**1,196,779**
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions	11	1,877,293	3,328,719	3,466,279
Proceeds from disposal of assets	5	350,000	40,520	350,000
		2,227,293	3,369,239	3,816,279
Outflows from investing activities				
Payments for property, plant and equipment	5(a)	(735,929)	(308,325)	(277,092)
Payments for construction of infrastructure	5(b)	(1,864,207)	(3,876,584)	(4,168,326)
		(2,600,136)	(4,184,909)	(4,445,418)
Amount attributable to investing activities		**(372,843)**	**(815,670)**	**(629,139)**
FINANCING ACTIVITIES				
Inflows from financing activities				
Transfers from reserve accounts	9(a)	0	0	10,000
		0	0	10,000
Outflows from financing activities				
Repayment of borrowings	7(a)	(170,922)	(162,243)	(167,068)
Payments for principal portion of lease liabilities	8	(127,815)	(91,617)	(139,626)
Transfers to reserve accounts	9(a)	(52,294)	(55,508)	(53,591)
		(351,031)	(309,368)	(360,285)
Amount attributable to financing activities		**(351,031)**	**(309,368)**	**(350,285)**
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	3	(345,138)	(473,223)	(394,317)
Amount attributable to operating activities		638,780	1,253,122	1,196,779
Amount attributable to investing activities		(372,843)	(815,670)	(629,139)
Amount attributable to financing activities		(351,031)	(309,368)	(350,285)
Surplus or deficit at the end of the financial year	3	**(430,232)**	**(345,138)**	**(176,962)**

General rates are outside statutory thresholds, amend general rates

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

INDEX OF NOTES TO THE BUDGET

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1(a) BASIS OF PREPARATION

The annual budget 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 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 14 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.

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 2021-2 Amendments to Australian Accounting Standards
 - Disclosure of Accounting Policies or Definition of Accounting Estimates
• AASB 2021-6 Amendments to Australian Accounting Standards
 - Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards
• AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards

It is not expected these standards will have an impact on the annual budget.

New accounting standards for application in future years

The following new accounting standards will have application to local government in future years:
• AASB 2014-10 Amendments to Australian Accounting Standards
 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
• AASB 2020-1 Amendments to Australian Accounting Standards
 - Classification of Liabilities as Current or Non-current
• AASB 2021-7c Amendments to Australian Accounting Standards
 - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
• AASB 2022-5 Amendments to Australian Accounting Standards
 - Lease Liability in a Sale and Leaseback
• AASB 2022-6 Amendments to Australian Accounting Standards
 - Non-current Liabilities with Covenants
• AASB 2022-10 Amendments to Australian Accounting Standards
 - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

It is not expected these standards will have an impact on the annual budget.

Judgements, estimates and assumptions

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

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

1(b) KEY TERMS AND DEFINITIONS - NATURE OR TYPE

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 EARNINGS
Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

OTHER REVENUE / INCOME
Other revenue, which cannot be classified under the above headings, includes dividends, discounts, rebates etc.

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

EXPENSES

EMPLOYEE COSTS
All costs associated with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.
Note *AASB 119 Employee Benefits* provides a definition of employee benefits which should be considered.

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

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

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

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

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

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

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

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in	Number of properties	Rateable value	2026/27 Budgeted rate revenue	2026/27 Budgeted interim rates	2026/27 Budgeted back rates	2026/27 Budgeted total revenue	2025/26 Actual total revenue	2025/26 Budget total revenue
		$		$	$	$	$	$	$	$
(i) General rates										
GRV Residential		0.11105	121	1,774,950	197,114	0	0	197,114	177,433	182,513
GRV Commercial		0.13760	17	361,116	49,689	0	0	49,689	45,981	45,981
GRV Industrial		0.15601	12	154,180	24,053	0	0	24,053	23,173	23,173
GRV Urban Farmland		0.10285	20	330,580	33,999	0	0	33,999	29,934	29,934
UV Rural Zone 2		0.00430	49	48,963,000	210,541	0	0	210,541	180,820	180,820
UVSpecial Rural		0.00895	15	3,103,000	27,772	0	0	27,772	23,153	23,153
UV General Zone 3		0.00396	225	550,120,000	2,175,725	0	0	2,175,725	1,926,581	1,926,581
Total general rates			459	604,806,826	2,718,893	0	0	2,718,893	2,407,075	2,412,155
		Minimum								
(ii) Minimum payment		$								
GRV Residential		1,277	100	776,900	127,700	0	0	127,700	117,018	117,018
GRV Commercial		1,276	8	28,980	10,208	0	0	10,208	10,629	10,629
GRV Industrial		699	8	12,313	5,592	0	0	5,592	4,529	4,529
GRV Urban Farmland		960	7	22,510	6,720	0	0	6,720	7,104	7,104
UV Rural Zone 2		1,063	21	4,466,000	22,323	0	0	22,323	25,584	25,584
UVSpecial Rural		1,422	3	401,000	4,266	0	0	4,266	5,264	5,264
UV General Zone 3		1,434	89	14,252,349	127,626	0	0	127,626	123,411	123,411
Total minimum payments			236	19,960,052	304,435	0	0	304,435	293,539	293,539
Total general rates and minimum payments			695	624,766,878	3,023,328	0	0	3,023,328	2,700,614	2,705,694
(iii) Specified area rates										
Sewerage					272,795	0	0	272,795	250,277	250,277
Sewerage - Religious Church					3,120	0	0	3,120	3,848	3,848
Total specified area rates			0	0	275,915	0	0	275,915	254,125	254,125
(iv) Ex-gratia rates										
					60,045			60,045	53,605	53,605
Total ex-gratia rates			0	0	60,045	0	0	60,045	53,605	53,605
					3,359,288	0	0	3,359,288	3,008,344	3,013,424
Total rates					3,359,288	0	0	3,359,288	3,008,344	3,013,424

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 rates 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

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		$	%	%
Option one				
Single full payment	1/09/2026	0	0.0%	11.0%
Option two				
First instalment	1/09/2026	0	0.0%	11.0%
Second instalment	1/11/2026	10	5.5%	11.0%
Option three				
First instalment	1/09/2026	0	0.0%	11.0%
Second instalment	1/11/2026	15	5.5%	11.0%
Third instalment	4/01/2027	15	5.5%	11.0%
Fourth instalment	2/03/2027	15	5.5%	11.0%

	2026/27 Budget revenue	2025/26 Actual revenue	2025/26 Budget revenue
	$	$	$
Instalment plan admin charge revenue	3,500	3,150	3,500
Instalment plan interest earned	14,000	14,368	10,000
Unpaid rates and service charge interest earned	18,000	18,401	14,000
ESL Penalty Interest	400	634	400
	35,500	36,553	27,900

2. RATES AND SERVICE CHARGES (CONTINUED)

(c) Objectives and Reasons for Differential Rating

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

Differential general rate

Description	Characteristics	Objects	Reasons
UV Rural Zone 2	Properties within the Shire that are mainly closed development (small hobby farms)	The rate in the $ is a 0.02% increased of Rural Zone 3	Rate is increased to bring some parity in the rates paid per hectare as Zone 2 are mainly closed development lots and are reflected in the increased rate compared to Zone 3 to help maintain service delivery regardless to the drop in the valution for year.
UV Rural Zone 3	Properties within the Shire that is predominantly for rural use	The UV Rural Zone 3 rate in the $ levied is base rate	Rate is resultant of the increased capacity of land production due to technology and better farming methods.
UV Special Rural Residential Zone	Properties within the Shire that are rural residential situated adjacent to the Goomalling Townsite	In Special Rural Residential Zone, the rate in $ levied, is resultant of the area adjacent to the Goomalling Townsite having the beneficial affects.	The rate in $ is levied as an intention to bring some parity in rates levied with those properties affected by GRV's in the Goomalling Townsite as the properties have the beneficial affects been close to the Goomalling Townsite
GRV Residential	Properties within the Townsite that are residential for housing.	The GRV rate in the $ is levied is a base rate	Rates is resultant of the revaluation carried out by the VGO of a 23.58% increase from 3 years ago

2 RATES AND SERVICE CHARGES (CONTINUED)

(d) Differential Minimum Payment

UV Rural Minimum Rural Zone 2	Properties within the Shire that are predominately for rural use	The object of the minimums is to raise a reasonable contribution from all ratepayers towards cost of providing municipal services	The minimum is a realistic contribution that any property should make towards the cost of services provided.
UV Rural Minimum Rural Zone 3	Properties within the Shire that are predominately for rural use	The object of the minimums is to raise a reasonable contribution from all ratepayers towards cost of providing municipal services	Minimum rates are to ensure all ratepayers are paying their fair share towards Council's provisions of many works and services which are provided to all members of the community
GRV Commercial	Properties within the Townsite that are provided for business and for our community	The object of the minimums is to raise a reasonable contribution from all ratepayers towards cost of providing municipal services	Minimum rates are to ensure all ratepayers are paying their fair share towards Council's provisions of many works and services which are provided to all members of the community
GRV Industrial	Properties within the Townsite that are provided for business and for our community	The object of the minimums is to raise a reasonable contribution from all ratepayers towards cost of providing municipal services	Minimum rates are to ensure all ratepayers are paying their fair share towards Council's provisions of many works and services which are provided to all members of the community
GRV Urban Farmland	Properties within the Townsite that are provided for rural and residential use.	The object of the minimums is to raise a reasonable contribution from all ratepayers towards cost of providing municipal services	Minimum rates are to ensure all ratepayers are paying their fair share towards Council's provisions of many works and services which are provided to all members of the community

2. RATES AND SERVICE CHARGES (CONTINUED)

Specified Area Rate

	Budgeted rate applied to costs	Budgeted rate set aside to reserve	Reserve Amount to be applied to costs	Purpose of the rate	Area or properties rate is to be imposed on
Specified area rate	$	$	$		
Sewerage	272,795	0	0		
Sewerage - Religious Church	3,120	0	0		
	275,915	0	0		

Service Charges

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

Waivers or concessions

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

3. NET CURRENT ASSETS

(a) Composition of estimated net current assets

	Note	2026/27 Budget 30 June 2027	2025/26 Actual 30 June 2026	2025/26 Budget 30 June 2026
		$	$	$
Current assets				
Cash and cash equivalents	4	1,681,752	1,716,891	1,636,650
Receivables		274,813	274,813	335,745
Inventories		28,187	28,187	31,129
		1,984,752	2,019,891	2,003,524
Less: current liabilities				
Trade and other payables		(491,835)	(491,835)	(426,768)
Contract liabilities		(566,288)	(566,288)	(457,754)
Lease liabilities	8	(51,260)	(127,815)	(336,025)
Long term borrowings	7	(167,068)	(170,927)	(167,068)
Employee provisions		(491,436)	(491,436)	(491,436)
		(1,767,887)	(1,848,301)	(1,879,051)
Net current assets		216,865	171,590	124,473
Less: Total adjustments to net current assets	3(c)	(647,097)	(516,728)	(301,435)
Net current assets used in the Statement of Financial Activity		(430,232)	(345,138)	(176,962)

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

3. NET CURRENT ASSETS (CONTINUED)

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

Items excluded from calculation of budgeted deficiency

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

(b) Non-cash amounts excluded from operating activities

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

	Note	2026/27 Budget 30 June 2027	2025/26 Actual 30 June 2026	2025/26 Budget 30 June 2026
		$	$	$
Adjustments to operating activities				
Less: Profit on asset disposals	5	0	(28,123)	0
Less: Movement in liabilities associated with restricted cash		2,339	23,229	22,254
Add: Depreciation	6	2,206,485	2,219,455	2,242,485
Movement in current contract liabilities		0	47,222	0
Movement in Trust		0	(2,821)	0
Non cash amounts excluded from operating activities		2,208,824	2,258,962	2,264,739

(c) 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 30 June 2027	2025/26 Actual 30 June 2026	2025/26 Budget 30 June 2026
Adjustments to net current assets				
Less: Cash - reserve accounts	9	(915,071)	(862,778)	(850,860)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings		167,068	170,927	167,068
- Current portion of lease liabilities		51,260	127,815	336,025
- Current portion of employee benefit provisions held in reserve		49,646	47,308	46,332
Total adjustments to net current assets		(647,097)	(516,728)	(301,435)

3(d) NET CURRENT ASSETS (CONTINUED)

MATERIAL ACCOUNTING POLICIES

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

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

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

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

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

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

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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4. RECONCILIATION OF CASH

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

	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
		$	$	$
Cash at bank and on hand		766,680	854,113	764,587
Term deposits		915,072	862,778	872,063
Total cash and cash equivalents		1,681,752	1,716,891	1,636,650
Held as				
- Unrestricted cash and cash equivalents	3(a)	766,680	854,113	764,586
- Restricted cash and cash equivalents	3(a)	915,072	862,778	872,064
		1,681,752	1,716,891	1,636,650
Restrictions				
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
- Cash and cash equivalents		915,072	862,778	872,064
Term deposit unrestricted		0	0	0
		915,072	862,778	872,064
The assets are restricted as a result of the specified purposes associated with the liabilities below:				
Financially backed reserves	9	915,072	862,778	850,861
Restricted Cash - Medical Surgery bank ac		0	0	21,203
		915,072	862,778	872,064
Reconciliation of net cash provided by operating activities to net result				
Net result		307,248	2,322,878	2,398,324
Depreciation	6	2,206,485	2,219,455	2,242,485
(Profit)/loss on sale of asset	5	0	(28,123)	0
(Increase)/decrease in receivables		0	125,427	0
(Increase)/decrease in inventories		0	2,636	0
Increase/(decrease) in payables		0	17,202	0
Increase/(decrease) in contract liabilities		0	47,222	0
Capital grants, subsidies and contributions		(1,877,292)	(3,328,719)	(3,466,279)
Net cash from operating activities		636,441	1,377,978	1,174,530

MATERIAL ACCOUNTING POLICES

CASH AND CASH EQUIVALENTS

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

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

FINANCIAL ASSETS AT AMORTISED COST

The Shire classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

5. FIXED ASSETS

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

	2026/27 Budget Additions	2026/27 Budget Disposals - Net Book Value	2026/27 Budget Disposals - Sale Proceeds	2026/27 Budget Disposals - Profit or Loss	2025/26 Actual Additions	2025/26 Disposals - Net Book Value	2025/26 Actual Disposals - Sale Proceeds	2025/26 Actual Disposals - Profit or Loss	2025/26 Budget Additions	2025/26 Budget Disposals - Net Book Value	2025/26 Budget Disposals - Sale Proceeds	2025/26 Budget Disposals - Profit or Loss
	$	$	$	$	$	$	$	$	$	$	$	$
(a) Property, Plant and Equipment												
Buildings	543,837	350,000	350,000	0	141,899	0	0	0	147,000	350,000	350,000	0
Furniture and equipment	7,092	0	0	0	20,142			0	7,092	0	0	0
Plant and equipment	185,000	0	0	0	146,284	12,397	40,520	28,123	123,000	0	0	0
Total	735,929	350,000	350,000	0	308,325	12,397	40,520	28,123	277,092	350,000	350,000	0
(b) Infrastructure												
Infrastructure - roads	1,704,207	0	0	0	3,684,006	0	0	0	4,049,326	0	0	0
Infrastructure - Sewerage Equipment	110,000	0	0	0	58,755	0	0	0	69,000	0	0	0
Infrastructure - Other Infrastructure	50,000	0	0	0	133,823	0	0	0	50,000	0	0	0
Total	1,864,207	0	0	0	3,876,584	0	0	0	4,168,326	0	0	0
(c) Right of Use Assets												
Right of use - plant and equipment	51,260			0	445,097			0				0
Total	51,260	0	0	0	445,097	0	0	0	0	0	0	0
Total	2,651,396	350,000	350,000	0	4,630,006	12,397	40,520	28,123	4,445,418	350,000	350,000	0

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	298,185	308,639	307,185
Furniture and equipment	24,000	13,448	15,000
Plant and equipment	259,550	296,943	259,550
Swimming Pool Equipment	10,000	7,090	10,000
Infrastructure - roads	1,422,000	1,391,081	1,400,000
Infrastructure - footpaths	15,000	9,324	95,000
Infrastructure - Storm Water drainage	28,000	23,406	28,000
Infrastructure - Sewerage Equipment	9,000	11,567	9,000
Infrastructure - Other Infrastructure	118,750	135,891	118,750
Right of use - plant and equipment	22,000	22,063	0
	2,206,485	2,219,452	2,242,485
By Program			
Governance	18,000	16,879	18,000
Law, order, public safety	113,000	108,933	113,000
Health	1,000	1,071	1,000
Housing	80,385	71,487	80,385
Community amenities	41,300	52,769	41,300
Recreation and culture	223,000	236,705	223,000
Transport	1,478,000	1,437,749	1,536,000
Economic services	79,800	81,895	79,800
Other property and services	172,000	211,967	150,000
	2,206,485	2,219,455	2,242,485

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	30 to 70 years
Furniture and equipment	4 to 13 years
Plant and equipment	5 to 14 years
Swimming Pool Equipment	5 to 14 years
Infrastructure - roads	50 to 70 years
Infrastructure - footpaths	20 to 30 years
Infrastructure - Storm Water drainage	N/A
Infrastructure - Sewerage Equipment	10 to 100 years
Infrastructure - Other Infrastructure	4 to 50 years

7. BORROWINGS

(a) Borrowing repayments

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

Purpose	Loan Number	Institution	Interest Rate	Budget Principal 1 July 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 29 June 2026	2025/26 Budget Interest Repayments
				$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Aged Housing Wollyam St	114	Bendigo Bank	5.26%	60,072	0	(23,110)	36,962	(2,865)	82,019	0	(21,947)	60,072	(4,028)	82,019	0	(21,941)	60,078	(4,035)
New Sports Pavilion	111	Bendigo Bank	6.35%	915,721	0	(40,045)	875,676	(57,497)	953,512	0	(37,791)	915,721	(59,729)	953,400	0	(36,881)	916,519	(59,870)
Rural Community Centre	106	Bendigo Bank	7.00%	213,989	0	(25,895)	188,094	(14,533)	239,243	0	(25,254)	213,989	(15,763)	239,243	0	(25,361)	213,882	(15,145)
Bank Overdraft - subdivision - g	116	Bendigo Bank	6.17%	618,149	0	(81,872)	536,277	(36,877)	695,400	0	(77,251)	618,149	(40,992)	646,160	0	(82,885)	563,275	(40,451)
				1,807,931	0	(170,922)	1,637,009	(111,772)	1,970,174	0	(162,243)	1,807,931	(120,512)	1,920,822	0	(167,068)	1,753,754	(119,501)

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

7. BORROWINGS

(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	21,000	21,000	15,000
Credit card balance at balance date	(2,500)	(4,674)	(1,000)
Total amount of credit unused	18,500	16,326	14,000
Loan facilities			
Loan facilities in use at balance date	1,637,009	1,807,931	1,753,754

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 materiallly 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. They are classified as level 3 fair values in the fair value hierachy due to the unobservable inputs, including own credit risk.

8. 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 29 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 29 June 2026	2025/26 Budget Lease Interest repayments
					$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
GO 040 Ford Escape (DCEO)	6597792	Toyota Fleet	1.40%	5	3,854	0	(4,767)	(913)	(783)	7,508	0	(3,654)	3,854	(723)	7,508	0	(5,481)	2,027	(323)
GOSHIRE Ford Escape (CDO)	6597793	Toyota Fleet	1.40%	5	10,889	0	(5,541)	5,348	(876)	14,583	0	(3,694)	10,889	(809)	14,583	0	(5,541)	9,042	(432)
GO015 Ford Everest (works mgr)	6683954	Toyota Fleet	3.60%	3	3,270	0	(300)	2,970	(1,402)	11,690	0	(8,420)	3,270	(1,402)	12,930	0	(11,690)	1,240	(1,402)
GO 019 Prime Mover	309528	Bendigo Bank Prime Mov	5.89%	3	185,742	0	(44,068)	141,674	(9,751)	0	225,500	(39,758)	185,742	(9,138)	228,800	0	(64,400)	164,400	(11,867)
GO 028 Water Truck	309960	Bendigo Bank Water Truc	5.89%	3	149,707	0	(40,027)	109,680	(7,751)	0	176,000	(26,293)	149,707	(5,559)	146,851	0	(32,804)	114,047	(8,446)
GO 183 Utility (building mtce)	310744	Bendigo Bank Ute Go 183	7.15%	4	46,153	0	(8,981)	37,172	(2,374)	0	48,448	(2,295)	46,153	(458)	50,000	0	(9,855)	40,145	(2,645)
GO 042 Utility (gardener)	309959	Bendigo Bank Ute GO 04	5.99%	4	32,047	0	(11,441)	20,606	(2,143)	0	39,550	(7,503)	32,047	(1,552)	50,000	0	(9,855)	40,145	(2,645)
GO 015 Ford Utility (Works Mana	New	Bendigo Bank GO 015		3	0	51,260	(12,690)	38,570	(1,402)	0	0	0	0	0	0	0	0	0	0
					431,662	51,260	(127,815)	355,107	(26,482)	33,781	489,498	(91,617)	431,662	(19,641)	510,672	0	(139,626)	371,046	(27,760)

MATERIAL ACCOUNTING POLICIES

LEASES

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

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

LEASE LIABILITIES

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

9. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

		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)	LSL Reserve	47,308	2,338	0	49,646	24,079	23,229	0	47,308	24,079	22,253	0	46,332
(b)	Mortlock Lodge Reserve	3,638	178	0	3,816	3,489	149	0	3,638	3,489	140	0	3,629
(c)	Plant Replacement Reserve	51,560	2,549	0	54,109	49,615	1,945	0	51,560	49,615	1,985	0	51,600
(d)	Staff Housing Reserve	38,118	1,865	0	39,983	36,611	1,507	0	38,118	36,611	1,464	0	38,075
(e)	Aged Care Reserve	137,446	6,724	0	144,170	131,964	5,482	0	137,446	131,964	5,279	0	137,243
(f)	Vehicle Reserve	123,791	6,056	0	129,847	118,854	4,937	0	123,791	118,854	4,764	0	123,618
(g)	Sewerage Reserve	375,064	28,348	0	403,412	360,104	14,960	0	375,064	360,104	14,404	(10,000)	364,508
(h)	Community Bus Reserve	62,023	3,064	0	65,087	59,674	2,349	0	62,023	59,674	2,387	0	62,061
(i)	LCDC Reserve	11,976	586	0	12,562	11,487	489	0	11,976	11,487	459	0	11,946
(j)	SW LAG Officer AL/LSL reserve	11,854	586	0	12,440	11,393	461	0	11,854	11,393	456	0	11,849
		862,778	52,294	0	915,072	807,270	55,508	0	862,778	807,270	53,591	(10,000)	850,861

(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
(a)	LSL Reserve	Ongoing	to fund long service leave requirements.
(b)	Mortlock Lodge Reserve	Ongoing	to be used for maintenance and improvements to the mortlock retirement units.
(c)	Plant Replacement Reserve	Ongoing	to be used for the future replacement of plant.
(d)	Staff Housing Reserve	Ongoing	to be used for maintenance, upgrading and construction of new housing for council employees or public rental housing.
(e)	Aged Care Reserve	Ongoing	to be used to provide the needs of the aged.
(f)	Vehicle Reserve	Ongoing	to be used for the purchase of motor vehicles and utilities if at a future date council ceases to lease the same.
(g)	Sewerage Reserve	Ongoing	to be used to maintain and upgrade the sewerage scheme in the Goomalling townsite.
(h)	Community Bus Reserve	Ongoing	to be used to purchase a new community bus when the time arises.
(i)	LCDC Reserve	Ongoing	to be used to fund landcare activities.
(j)	SW LAG Officer AL/LSL reserve	Ongoing	to be used to fund the SW LAG Officer annual and long service leave.

10 REVENUE RECOGNITION

MATERIAL ACCOUNTING POLICIES

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
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Specified area rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
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
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	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
Grants with no contractual commitments	General appropriations and contributions with no specific contractual commitments	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
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 collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
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
Commissions	Commissions on licencing.	Overtime	Payment in full on sale	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claims are agreed	Not applicable	When claim is agreed

11. PROGRAM INFORMATION

(a) 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.	Includes the activities of members of Council and the administrative support available to the Council for the provision of governance to the district. Other costs relate to the task 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.	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 local 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 and their control, provision of meat inspection services, noise control and waste disposal compliance.
Education and welfare To provide services to disadvantaged persons, the elderly, children and youth.	Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home and community care programs and youth services.
Housing To provide housing to staff.	Staff housing, provision of general rental accomodation when buildings not required by staff.
Community amenities To provide services required by the community.	Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town plannning schemes, cemetery and public conveniences.
Recreation and culture To establish and effectively manage infrastructure and resources which help the social well being of the community.	Maintenance of public halls, civic centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.
Transport To provide safe, effective and efficient transport services to the community.	Construction and maintenance of roads, streets, footpaths, depots, cycleways and parking facilities.
Economic services To help promote the Shire and its economic wellbeing.	Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building control.
Other property and services To monitor and control Council's overhead operating accounts.	Private works operation, plant repair and operation costs, housing and engineering operation costs.

11 PROGRAM INFORMATION (Continued)

(b) Income and expenses

	2026/27 Budget	2025/26 Actual	2025/26 Budget
Income excluding grants, subsidies and contributions	$	$	$
Governance	128,000	88,760	84,000
General purpose funding	2,867,166	2,877,276	2,857,590
Law, order, public safety	86,650	89,125	86,650
Health	5,000	3,316	5,000
Education and welfare	600	759	600
Housing	343,016	297,292	315,820
Community amenities	553,383	468,810	510,878
Recreation and culture	23,451	147,221	18,951
Transport	36,000	188,775	36,000
Economic services	626,970	275,069	329,890
Other property and services	119,500	117,526	109,500
	4,789,736	4,553,929	4,354,879
Grants, subsidies and contributions			
Governance	28,351	32,320	5,000
General purpose funding	902,669	1,099,694	1,063,240
Law, order, public safety	107,443	137,625	202,250
Health	0	0	0
Community amenities	977,400	640,388	500,000
Recreation and culture	51,593	49,824	50,528
Transport	1,044,500	389,905	394,800
Economic services	17,500	147,122	47,500
	3,129,456	2,496,878	2,263,318
Capital grants, subsidies and contributions			
General purpose funding	0	42,741	170,966
Transport	1,303,456	3,204,578	3,245,313
Economic services	0	0	0
	1,877,293	3,328,719	3,466,279
Total Income	9,796,485	10,379,526	10,084,476
Expenses			
Governance	(264,774)	(271,650)	(334,730)
General purpose funding	(127,346)	(144,558)	(128,467)
Law, order, public safety	(493,946)	(568,407)	(586,124)
Health	(243,035)	(185,618)	(185,707)
Education and welfare	(20,769)	(22,905)	(19,693)
Housing	(504,057)	(382,274)	(469,857)
Community amenities	(1,666,113)	(1,200,184)	(1,091,879)
Recreation and culture	(1,169,021)	(1,109,386)	(1,082,624)
Transport	(4,198,582)	(3,264,611)	(3,002,557)
Economic services	(731,094)	(843,832)	(714,013)
Other property and services	(70,500)	(63,223)	(70,500)
Total expenses	(9,489,237)	(8,056,648)	(7,686,151)
Net result for the period	307,248	2,322,878	2,398,325

12. OTHER INFORMATION

The net result includes as revenues	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
(a) Interest earnings			
Investments			
- Reserve accounts	42,293	12,863	32,291
- Other funds	50,000	38,871	35,000
SS Loan interest reimbursed	0	0	0
Other interest revenue	32,400	30,943	24,400
	124,693	82,677	91,691
* The Shire has resolved to charge interest under section 6.13 for the late payment of any amount of money at 11%.			
(b) Other revenue			
Reimbursements and recoveries	233,903	490,928	185,584
Other	30,000	9,415	26,819
	263,903	500,343	212,403
The net result includes as expenses			
(c) Auditors remuneration			
Audit services	59,400	57,645	57,645
Other services	5,200	4,550	5,200
	64,600	62,195	62,845
(d) Interest expenses (finance costs)			
Borrowings (refer Note 7(a))	111,772	104,990	119,501
Other finance costs	1,000		
	112,772	104,990	119,501

13. ELECTED MEMBERS REMUNERATION

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
Elected member Shire President Cr Julie Chester			
President's allowance	3,500	3,000	3,000
Meeting attendance fees	3,300	4,150	3,000
Travel and accommodation expenses	1,360	566	900
	8,160	7,716	6,900
Elected member Deputy Shire President Cr Van Gelderen			
Deputy President's allowance	815	750	750
Meeting attendance fees	2,500	1,950	2,000
Travel and accommodation expenses	500	684	100
	3,815	3,384	2,850
Elected member Cr Wilkes			
Meeting attendance fees	2,200	1,650	2,000
Travel and accommodation expenses			100
	2,200	1,650	2,100
Elected member Cr Butt			
Meeting attendance fees	2,200	1,950	2,100
	2,200	1,950	2,100
Elected member Cr Graham Chester			
Meeting attendance fees	2,200	1,500	2,100
	2,200	1,500	2,100
Elected member Cr Gibbons			
Meeting attendance fees	2,200	1,800	2,100
	2,200	1,800	2,100
Elected member Cr McGill			
Meeting attendance fees	2,200	1,500	2,100
	2,200	1,500	2,100
Total Elected Member Remuneration	22,975	19,500	20,250
President's allowance	3,500	3,000	3,000
Deputy President's allowance	815	750	750
Meeting attendance fees	16,800	14,500	15,400
Travel and accommodation expenses	1,860	1,250	1,100
	22,975	19,500	20,250

14. 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
	$	$	$	$
Pioneer Pathway	20,071	600	0	20,671
	20,071	600	0	20,671

15. FEES AND CHARGES

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
By Program:			
Governance	0	44	0
General purpose funding	6,000	6,335	6,000
Law, order, public safety	82,250	84,491	82,250
Health	5,000	3,316	5,000
Education and welfare	0	0	0
Housing	337,116	292,801	309,920
Community amenities	272,468	213,378	251,753
Recreation and culture	22,700	21,485	18,200
Transport	0	0	0
Economic services	259,820	235,694	312,740
Other property and services	56,500	46,273	51,500
	1,041,854	903,818	1,037,363

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