

**SHIRE OF NANNUP**  
**MONTHLY FINANCIAL REPORT**  
**(Containing the Statement of Financial Activity)**  
**For the period ending 31 March 2026**

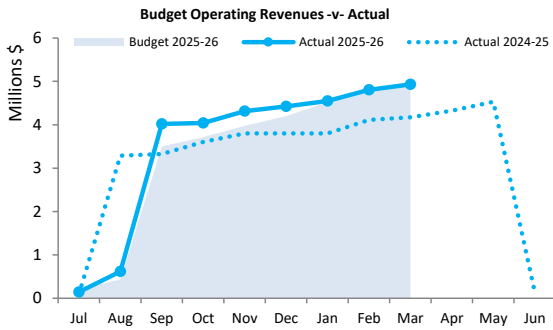
*LOCAL GOVERNMENT ACT 1995*  
*LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996*

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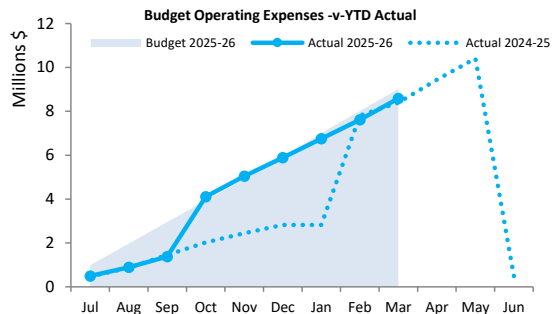
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OPERATING ACTIVITIES

OPERATING REVENUE

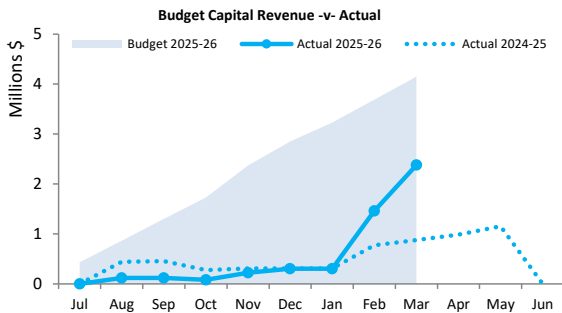


OPERATING EXPENSES

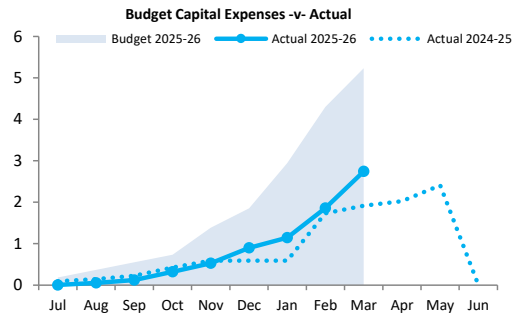


INVESTING ACTIVITIES

CAPITAL REVENUE



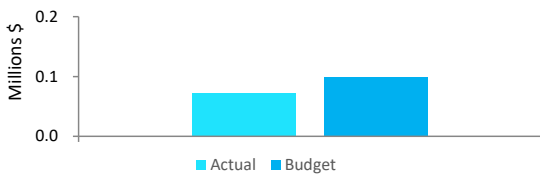
CAPITAL EXPENSES



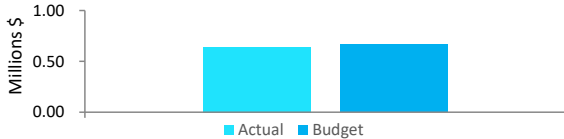
FINANCING ACTIVITIES

BORROWINGS

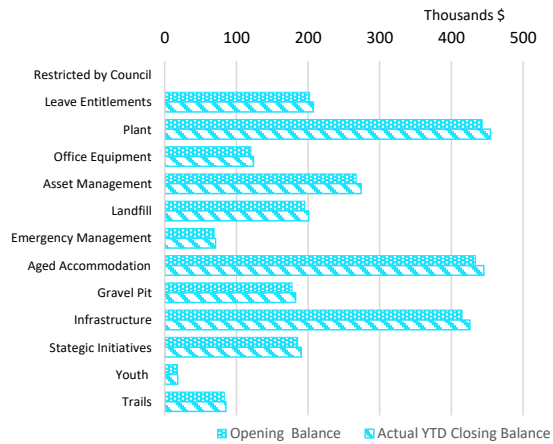
Principal Repayments



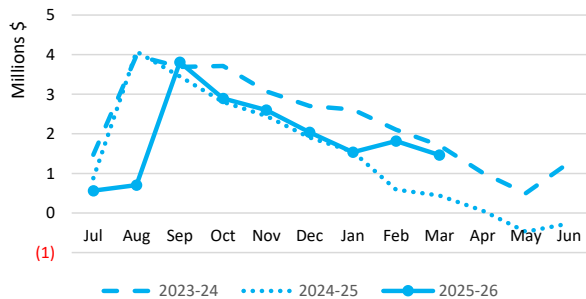
Principal Outstanding



RESERVES



Closing funding surplus / (deficit)



This information is to be read in conjunction with the accompanying Financial Statements and Notes.

Funding surplus / (deficit) Components

Funding surplus / (deficit)				
	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$0.93 M	\$0.93 M	\$1.20 M	\$0.27 M
Closing	\$0.00 M	\$0.39 M	\$1.47 M	\$1.08 M

Refer to Statement of Financial Activity

Cash and cash equivalents		
	\$4.41 M	% of total
Unrestricted Cash	\$0.85 M	19.3%
Restricted Cash	\$3.56 M	80.7%

Refer to Note 2 - Cash and Financial Assets

Payables		
	\$0.21 M	% Outstanding
Trade Payables	\$0.00 M	
0 to 30 Days		100.0%
Over 30 Days		0.0%
Over 90 Days		0%

Refer to Note 5 - Payables

Receivables		
	\$0.13 M	% Collected
Rates Receivable	\$0.77 M	74.8%
Trade Receivable	\$0.13 M	% Outstanding
Over 30 Days		69.9%
Over 90 Days		61.6%

Refer to Note 3 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.73 M)	\$0.25 M	\$0.63 M	\$0.38 M

Refer to Statement of Financial Activity

Rates Revenue		
	YTD Actual	% Variance
	\$2.86 M	
	YTD Budget \$2.83 M	1.08%

Refer to Statement of Financial Activity

Operating Grants and Contributions		
	YTD Actual	% Variance
	\$1.09 M	
	YTD Budget \$1.21 M	(9.89%)

Refer to Note 12 - Operating Grants and Contributions

Fees and Charges		
	YTD Actual	% Variance
	\$0.71 M	
	YTD Budget \$0.62 M	13.54%

Refer to Statement of Financial Activity

Key Investing Activities

Amount attributable to investing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$0.34 M)	(\$0.89 M)	(\$0.20 M)	\$0.69 M

Refer to Statement of Financial Activity

Proceeds on sale		
	YTD Actual	%
	\$0.11 M	
	Adopted Budget \$0.19 M	58.54%

Refer to Note 6 - Disposal of Assets

Asset Acquisition		
	YTD Actual	% Spent
	\$2.74 M	
	Adopted Budget \$5.78 M	47.5%

Refer to Note 7 - Capital Acquisitions

Capital Grants		
	YTD Actual	% Received
	\$2.38 M	
	Adopted Budget \$5.19 M	45.80%

Refer to Note 7 - Capital Acquisitions

Key Financing Activities

Amount attributable to financing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$0.13 M	\$0.11 M	(\$0.16 M)	(\$0.26 M)

Refer to Statement of Financial Activity

Borrowings	
Principal repayments	(\$0.07 M)
Interest expense	(\$0.02 M)
Principal due	\$0.64 M

Refer to Note 8 - Borrowings

Reserves	
Reserves balance	\$2.68 M
Interest earned	\$0.07 M

Refer to Note 10 - Cash Reserves

Lease Liability	
Principal repayments	\$0.02 M
Interest expense	\$0.00 M
Principal due	\$0.08 M

Refer to Note 9 - Lease Liabilities

This information is to be read in conjunction with the accompanying Financial Statements and notes.

## KEY TERMS AND DESCRIPTIONS

FOR THE PERIOD ENDED 31 MARCH 2026

### REVENUE

#### RATES

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

#### OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refers to all amounts received as grants, subsidies and contributions that are not non-operating grants.

#### NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Amounts received specifically for the acquisition, construction of new or the upgrading of identifiable non financial 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, and 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 these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges.

#### 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 can not be classified under the above headings, includes dividends, discounts, rebates, reimbursements etc.

#### PROFIT ON ASSET DISPOSAL

Excess of assets received over the net book value for assets on their disposal.

## NATURE OR TYPE DESCRIPTIONS

### 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.

#### MATERIALS AND CONTRACTS

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

Shortfall between the value of assets received over the net book value for assets on their disposal.

#### DEPRECIATION ON NON-CURRENT ASSETS

Depreciation expense raised on all classes of assets. Excluding Land.

#### INTEREST EXPENSES

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

#### OTHER EXPENDITURE

Statutory fees, taxes, allowance for impairment of assets, member's fees or State taxes. Donations and subsidies made to community groups.

STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 MARCH 2026

BY NATURE OR TYPE

	Ref Note	Adopted Budget	Amended Budget	YTD Budget (a)	YTD Actual (b)	Forecast 30 June 2026 Closing (a)-(b)+(c)	Variance \$ (b) - (a)	Variance % ((b) - (a))/(a)	Var.
		\$	\$	\$	\$	\$	\$	%	
<b>Opening funding surplus / (deficit)</b>	1(c)	926,151	926,151	926,151	1,196,186	1,196,186	270,035	29.16%	▲
<b>Revenue from operating activities</b>									
Rates		2,854,618	2,816,819	2,826,007	2,856,603	2,885,214	30,596	1.08%	▲
Operating grants, subsidies and contributions	12	1,424,900	1,619,587	1,214,406	1,094,359	1,304,853	(120,047)	(9.89%)	▼
Fees and charges		791,339	814,556	624,672	709,231	875,898	84,559	13.54%	▲
Interest earnings		211,433	225,333	168,903	158,736	201,266	(10,167)	(6.02%)	▼
Other revenue		66,810	106,810	79,992	88,536	75,354	8,544	10.68%	▲
Profit on disposal of assets	6	89,488	89,488	67,077	23,765	46,176	(43,312)	(64.57%)	▼
		<b>5,438,588</b>	<b>5,672,593</b>	<b>4,981,056</b>	<b>4,931,230</b>	<b>5,388,761</b>	<b>(49,826)</b>	<b>(1.00%)</b>	
<b>Expenditure from operating activities</b>									
Employee costs		(3,353,958)	(3,309,014)	(2,480,058)	(2,497,121)	(3,371,021)	(17,063)	(0.69%)	▼
Materials and contracts		(2,111,961)	(2,362,055)	(1,768,365)	(1,276,539)	(1,620,135)	491,826	27.81%	▼
Utility charges		(109,567)	(109,717)	(82,053)	(66,572)	(94,086)	15,481	18.87%	▼
Depreciation on non-current assets		(5,763,075)	(5,763,075)	(4,320,495)	(4,302,935)	(5,745,515)	17,560	0.41%	▼
Interest expenses		(16,853)	(16,853)	(12,627)	(15,215)	(19,441)	(2,588)	(20.50%)	▼
Insurance expenses		(232,945)	(219,680)	(164,421)	(219,680)	(288,204)	(55,259)	(33.61%)	▲
Other expenditure		(224,704)	(251,755)	(188,595)	(208,271)	(244,380)	(19,676)	(10.43%)	▼
		<b>(11,813,062)</b>	<b>(12,032,149)</b>	<b>(9,016,614)</b>	<b>(8,586,333)</b>	<b>(11,382,782)</b>	<b>430,281</b>	<b>(4.77%)</b>	
Non-cash amounts excluded from operating activities	1(a)	5,649,079	5,649,079	4,284,453	4,284,453	5,698,495	0	0.00%	
<b>Amount attributable to operating activities</b>		<b>(725,395)</b>	<b>(710,477)</b>	<b>248,895</b>	<b>629,350</b>	<b>(295,526)</b>	<b>380,455</b>	<b>152.86%</b>	
<b>Investing activities</b>									
Proceeds from non-operating grants, subsidies and contributions	13	5,194,246	5,534,630	4,149,468	2,378,838	3,423,616	(1,770,630)	(42.67%)	▼
Proceeds from disposal of assets	6	185,000	185,000	138,750	108,304	154,554	(30,446)	(21.94%)	▼
Proceeds from financial assets at amortised cost - self supporting loans	8	61,030	61,030	53,012	53,012	61,030	0	0.00%	▼
Payments for property, plant and equipment and infrastructure	7	(5,775,973)	(6,275,435)	(5,232,890)	(2,742,847)	(3,285,930)	2,490,043	47.58%	▼
<b>Amount attributable to investing activities</b>		<b>(335,697)</b>	<b>(494,775)</b>	<b>(891,660)</b>	<b>(202,693)</b>	<b>353,270</b>	<b>688,967</b>	<b>(77.27%)</b>	
<b>Financing Activities</b>									
Transfer from reserves	10	399,866	441,866	331,400	0	68,467	(331,400)	(100.00%)	▼
Payments for principal portion of lease liabilities		(2,690)	(2,690)	(2,690)	(16,137)	(16,137)	(13,447)	(499.89%)	▼
Repayment of debentures	8	(98,236)	(98,236)	(98,236)	(71,557)	(71,557)	26,679	27.16%	▼
Transfer to reserves	10	(164,000)	(163,999)	(122,999)	(68,254)	(109,255)	54,745	44.51%	▼
<b>Amount attributable to financing activities</b>		<b>134,941</b>	<b>176,941</b>	<b>107,474</b>	<b>(155,948)</b>	<b>(128,483)</b>	<b>(263,423)</b>	<b>(245.10%)</b>	
<b>Closing funding surplus / (deficit)</b>	1(c)	<b>0</b>	<b>(102,157)</b>	<b>390,861</b>	<b>1,466,895</b>	<b>1,125,447</b>	<b>1,076,034</b>	<b>275%</b>	<b>▲</b>

KEY INFORMATION

▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

Refer to Note 2 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.

## **BASIS OF PREPARATION**

The financial report has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying Regulations.

The *Local Government Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

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 financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report 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 financial report.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 14 to these financial statements.

## **SIGNIFICANT ACCOUNTING POLICES**

### **CRITICAL ACCOUNTING ESTIMATES**

The preparation of a financial report 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 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 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:

- estimation of fair values of certain financial assets
- estimation of fair values of fixed assets shown at fair value
- impairment of financial assets

### **GOODS AND SERVICES TAX**

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.

### **ROUNDING OFF FIGURES**

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

## **PREPARATION TIMING AND REVIEW**

Date prepared: All known transactions up to 19 May 2025

(a) Non-cash items excluded from operating activities

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

	Notes	Adopted Budget	Amended Budget	YTD Budget (a)	YTD Actual (b)	Forecast 30 June 2026 Closing
		\$	\$	\$	\$	
<b>Non-cash items excluded from operating activities</b>						
<b>Adjustments to operating activities</b>						
Less: Profit on asset disposals	6	(89,488)	(89,488)	(67,077)	(23,765)	(46,176)
Less: Movement in liabilities associated with restricted cash					5,283	5,283
Movement in employee benefit provisions (non-current)		(24,508)	(24,508)	(18,381)	0	(6,127)
Add: Depreciation on assets		5,763,075	5,763,075	4,320,495	4,302,935	5,745,515
<b>Total non-cash items excluded from operating activities</b>		<b>5,649,079</b>	<b>5,649,079</b>	<b>4,235,037</b>	<b>4,284,453</b>	<b>5,698,495</b>

(b) Adjustments to net current assets in the Statement of Financial Activity

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.

		Adopted Budget	Amended Budget	Last Year	Year to
		Opening	Opening	Closing	Date
		30 June 2025	30 June 2025	30 June 2025	31 March 2026
<b>Adjustments to net current assets</b>					
Less: Reserves - restricted cash	10	(2,609,969)	(2,609,969)	(2,609,969)	(2,678,223)
Less: - Financial assets at amortised cost - self supporting loans	4	0	0	(61,030)	(8,018)
Add: Borrowings	8	98,236	98,236	98,236	26,678
Add: Provisions employee related provisions	11	202,034	202,034	202,030	207,313
Add: Lease liabilities	9	2,690	2,690	2,690	81,509
<b>Total adjustments to net current assets</b>		<b>(2,307,009)</b>	<b>(2,307,009)</b>	<b>(2,368,043)</b>	<b>(2,370,742)</b>

(c) Net current assets used in the Statement of Financial Activity

<b>Current assets</b>					
Cash and cash equivalents	2	4,932,583	4,932,583	4,938,077	4,411,447
Rates receivables	3	215,615	215,615	209,190	773,909
Receivables	3	256,983	256,983	256,983	126,731
Other current assets	4	384,883	384,883	472,426	86,528
<b>Less: Current liabilities</b>					
Payables	5	(613,378)	(613,378)	(613,378)	(214,428)
Borrowings	8	(98,236)	(98,236)	(98,236)	(26,678)
Contract liabilities	11	(1,487,421)	(1,487,421)	(1,242,964)	(883,185)
Lease liabilities	9	(2,690)	(2,690)	(2,690)	(81,509)
Provisions	11	(355,179)	(355,179)	(355,179)	(355,179)
<b>Less: Total adjustments to net current assets</b>	1(b)	<b>(2,307,009)</b>	<b>(2,307,009)</b>	<b>(2,368,043)</b>	<b>(2,370,742)</b>
<b>Closing funding surplus / (deficit)</b>		<b>926,151</b>	<b>926,151</b>	<b>1,196,186</b>	<b>1,466,895</b>

**CURRENT AND NON-CURRENT CLASSIFICATION**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the operational cycle.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 MARCH 2026**

**OPERATING ACTIVITIES  
NOTE 2  
CASH AND FINANCIAL ASSETS**

Description	Classification	Unrestricted	Restricted	Total Cash	Trust	Institution	Interest Rate	Maturity Date
		\$	\$	\$				
Municipal Cash at Bank	Cash and cash equivalents	850,040	883,185	1,733,225	0	CBA	3.00%	on call
Reserve Cash at Bank	Cash and cash equivalents	0	2,678,222	2,678,222	0	CBA	3.60%	on call
<b>Total</b>		<b>850,040</b>	<b>3,561,407</b>	<b>4,411,447</b>	<b>0</b>			
<b>Comprising</b>								
Cash and cash equivalents		850,040	3,561,407	4,411,447	0			
		<b>850,040</b>	<b>3,561,407</b>	<b>4,411,447</b>	<b>0</b>			

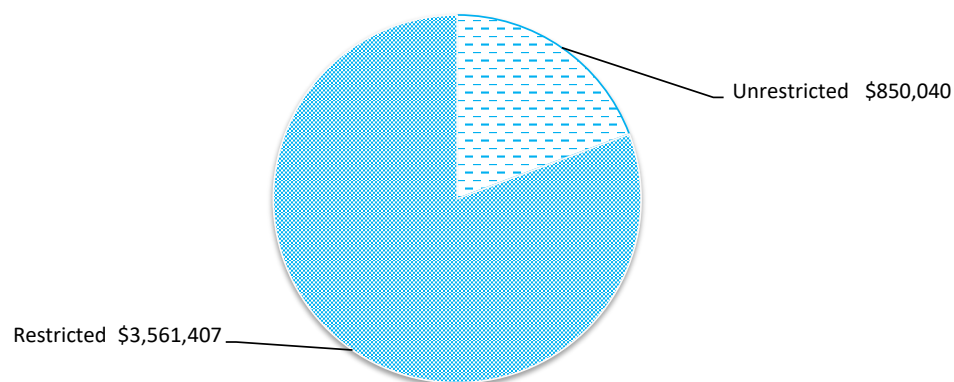
**KEY INFORMATION**

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are reported as short term borrowings in current liabilities in the statement of net current assets.

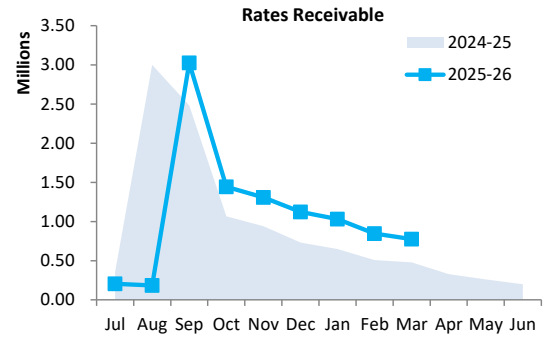
The local government classifies financial assets at amortised cost if both of the following criteria are met:

- 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.

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 4 - Other assets.



Rates receivable	30 June 2025	31 Mar 2026
	\$	\$
Opening arrears previous years	198,217	209,190
Levied this year	2,647,855	2,856,603
Less - collections to date	(2,636,882)	(2,291,884)
Gross rates collectable	<b>209,190</b>	<b>773,909</b>
Net rates collectable	<b>209,190</b>	<b>773,909</b>
% Collected	92.6%	74.8%



Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(10,886)	19,847	346	2,093	18,255	29,655
Percentage	(36.70%)	66.9%	1.2%	7.1%	61.6%	
<b>Balance per trial balance</b>						
Pensioner Rebates Receivable						4,896
Sundry receivable						29,655
ATO GST receivable						92,180
<b>Total receivables general outstanding</b>						<b>126,731</b>

Amounts shown above include GST (where applicable)

#### KEY INFORMATION

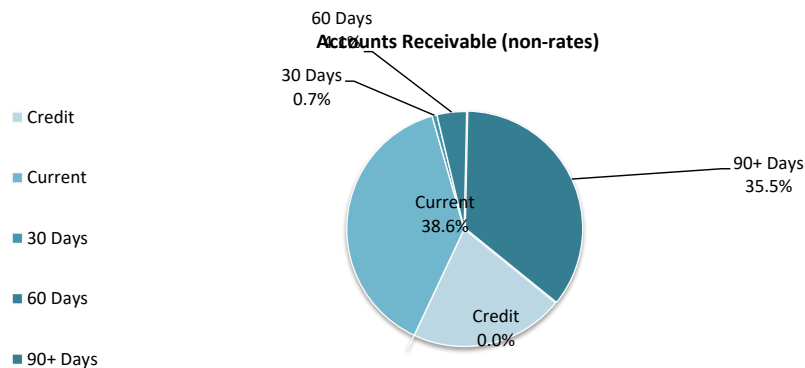
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectable amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

#### Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

Trade and other 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.



	Opening Balance 1 July 2025	Asset Increase	Asset Reduction	Closing Balance 31 March 2026
	\$	\$	\$	\$
<b>Other current assets</b>				
<b>Other financial assets at amortised cost</b>				
Financial assets at amortised cost - self supporting loans	61,030	0	(53,012)	8,018
<b>Inventory</b>				
Fuel	7,517	7,325	0	14,842
Gravel	156,338	0	(92,670)	63,668
Accrued income	30,812	0	(30,812)	0
<b>Contract assets</b>				
Contract assets	216,729	0	(216,729)	0
<b>Total other current assets</b>	<b>472,426</b>	<b>7,325</b>	<b>(393,223)</b>	<b>86,528</b>

Amounts shown above include GST (where applicable)

#### KEY INFORMATION

##### Other 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.

##### Inventory

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.

##### Contract assets

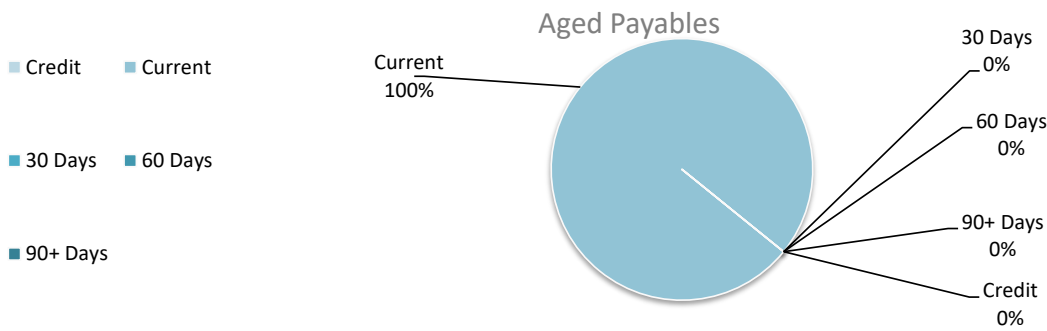
A contract asset is the right to consideration in exchange for goods or services the entity has transferred to a customer when that right is conditioned on something other than the passage of time.

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	4,386	0	0	0	4,386
Percentage	0%	100%	0%	0%	0%	
<b>Balance per trial balance</b>						
Sundry creditors						1,320
ATO GST & PAYG liabilities						78,121
Bonds & Deposits						98,981
Rates in Advance						14,451
Other payables						11,714
Payroll - Novated Leases						9,841
<b>Total payables general outstanding</b>						<b>214,428</b>

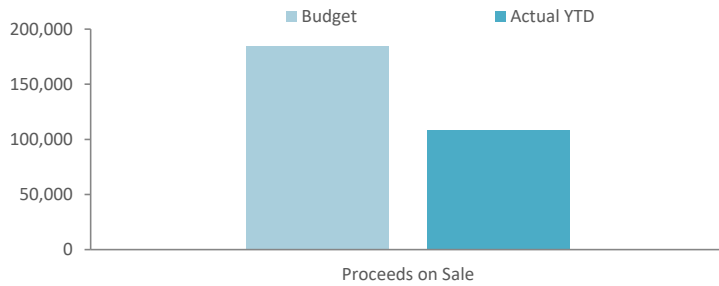
Amounts shown above include GST (where applicable)

**KEY INFORMATION**

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the period 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.



Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book		Profit	(Loss)	Net Book		Profit	(Loss)
		Value	Proceeds			Value	Proceeds		
		\$	\$	\$	\$	\$	\$	\$	
	<b>Plant and equipment</b>								
	<b>Recreation and culture</b>								
	Toyota Hilux	10,973	30,000	19,027	0	0	0	0	0
	<b>Transport</b>								
	Hino Long Crew Cab	0	35,000	35,000	0	0	18,241	18,241	0
	Volvo Loader L90	84,539	120,000	35,461	0	84,539	90,063	5,524	0
		<b>95,512</b>	<b>185,000</b>	<b>89,488</b>	<b>0</b>	<b>84,539</b>	<b>108,304</b>	<b>23,765</b>	<b>0</b>



	Adopted Budget	Amended Budget	Adopted YTD Budget	YTD Actual	YTD Actual Variance
	\$	\$	\$	\$	\$
<b>Capital acquisitions</b>					
Buildings	222,642	245,418	178,758	97,676	(81,082)
Furniture and equipment	16,700	16,316	0	6,316	6,316
Plant and equipment	150,692	244,635	110,259	200,282	90,023
Infrastructure - roads	1,070,000	1,138,897	857,808	504,383	(353,425)
Infrastructure - footpaths & cyclepaths	2,762,406	2,515,250	2,149,747	1,289,404	(860,343)
Infrastructure - bridges	1,388,500	1,388,500	1,388,490	0	(1,388,490)
Infrastructure - parks & ovals	53,000	53,000	39,726	19,522	(20,204)
Infrastructure - other	112,033	673,419	508,102	625,264	117,162
<b>Payments for Capital Acquisitions</b>	<b>5,775,973</b>	<b>6,275,435</b>	<b>5,232,890</b>	<b>2,742,847</b>	<b>(2,490,043)</b>
<b>Capital Acquisitions Funded By:</b>					
	\$	\$	\$	\$	\$
Capital grants and contributions	5,194,246	0	4,149,468	2,378,839	(1,770,629)
Lease liabilities	0	0	94,956	94,956	0
Other (disposals & C/Fwd)	185,000	185,000	138,750	108,304	(30,446)
Cash backed reserves					
Leave Entitlements	30,000	30,000		0	0
Plant	62,000	84,000		0	0
Office Equipment	15,700	15,700		0	0
Asset Management	118,487	118,487		0	0
Landfill	15,000	15,000		0	0
Emergency Management	6,500	6,500		0	0
Gravel Pit	0	20,000		0	0
Infrastructure	88,000	88,000		0	0
Strategic Initiatives	64,179	64,179	0	0	0
Contribution - operations	(3,139)	5,648,569	849,716	160,748	(688,968)
<b>Capital funding total</b>	<b>5,775,973</b>	<b>6,275,435</b>	<b>5,232,890</b>	<b>2,742,847</b>	<b>(2,490,043)</b>

#### SIGNIFICANT ACCOUNTING POLICIES

Each class of fixed assets within either plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

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.

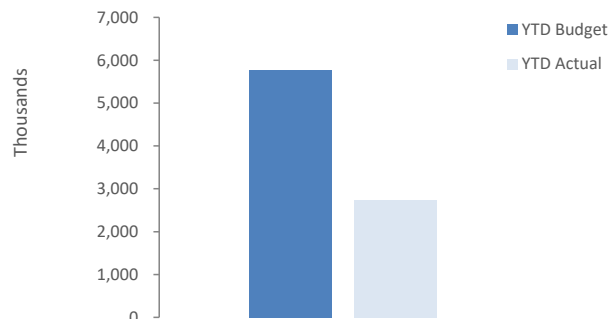
#### Initial recognition and measurement for assets held at cost

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost the asset is initially recognise at fair value. Assets held at cost are depreciated and assessed for impairment annually.

#### Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Payments for Capital Acquisitions



INVESTING ACTIVITIES  
NOTE 7  
CAPITAL ACQUISITIONS (CONTINUED)

Account Description		Adopted	Amended	Adopted	YTD Actual	Variance
		Budget	Budget	YTD Budget		(Under)/Over
		\$	\$	\$	\$	\$
<b>Buildings</b>						
BC5501	Nannup Brook Vbfb Fire Station - Building (Capital)	24,155	29,721	14,861	4,566	(10,295)
BC5509	Cundinup Bfb Fire Station - Building (Capital)	15,150	15,150	11,349	4,958	(6,391)
BC9101	House (Lot 234) 30 Dunnett Road - Building (Capital)	13,495	16,860	12,636	16,836	4,200
BC9103	House (Lot 233) 29 Carey St - Building (Capital)	20,000	20,000	14,994	11,736	(3,258)
BC11101	Town Hall Nannup (1903) - Building (Capital)	60,000	60,000	44,982	0	(44,982)
BC11104	Community Hall Carlotta - Building (Capital)	0	8,845	8,845	8,845	0
BC11303	Recreation Centre Nannup - Building (Capital)	39,432	39,432	29,556	26,152	(3,404)
BC12102	Shire Depot - Administration Office - Building (Capital)	22,000	27,000	20,241	18,840	(1,401)
BC11305	Foreshore Park Amphitheatre Stage - Building (Capital)	15,367	15,367	11,520	5,743	(5,777)
BC11308	Bowling Club Nannup - Building (Capital)	13,043	13,043	9,774	0	(9,774)
<b>Total Buildings</b>		<b>222,642</b>	<b>245,418</b>	<b>178,758</b>	<b>97,676</b>	<b>(81,082)</b>
<b>Furniture &amp; Equipment</b>						
4110320	REC - Furniture & Equipment (Capital)	10,000	10,000	0	0	0
4110520	LIBRARY - Furniture & Equipment (Capital)	6,700	6,316	0	6,316	6,316
<b>Total Furniture &amp; Equipment</b>		<b>16,700</b>	<b>16,316</b>	<b>0</b>	<b>6,316</b>	<b>6,316</b>
<b>Plant &amp; Equipment</b>						
4050530	ESL BFB - Plant & Equipment (Capital)	14,692	15,091	0	15,091	15,091
4050630	ESL SES - Plant & Equipment (Capital)	44,000	44,000	0	0	0
4070430	HEALTH - Plant & Equipment (Capital)	37,000	38,470	0	38,290	38,290
4120330	PLANT - Plant & Equipment (Capital)	55,000	147,074	110,259	146,901	36,642
<b>Total Plant &amp; Equipment</b>		<b>150,692</b>	<b>244,635</b>	<b>110,259</b>	<b>200,282</b>	<b>90,023</b>
<b>Roads</b>						
RC500	Warren Road (Main Street) (Capital)	60,000	60,000	44,973	51,750	6,777
4120141	ROADC - Roads Outside BUA - Sealed - Council Funded	0	0	0	4,035	4,035
RC045	Jalbarragup Road (Capital)	180,000	213,897	196,353	206,658	10,305
RRG002	Cundinup - Kirup Road (Rrg)	265,000	300,000	211,486	222,282	10,796
RRG007	Governor Broome Road (Rrg)	0	0	0	4,989	4,989
RRG094	Cundinup South Road (Rrg)	120,000	120,000	60,000	1,044	(58,956)
RRG109	Bridgetown - Nannup Road (Rrg)	165,000	165,000	82,499	0	(82,499)
R2R007	Governor Broome Road (R2R)	125,000	125,000	124,998	13,339	(111,659)
R2R069	Fouracres Road (R2R)	120,000	120,000	120,000	286	(119,714)
R2R116	Leschenaultia Drive (R2R)	35,000	35,000	17,499	0	(17,499)
<b>Total Roads</b>		<b>1,070,000</b>	<b>1,138,897</b>	<b>857,808</b>	<b>504,383</b>	<b>(353,425)</b>
<b>Drainage</b>						
<b>Total Drainage</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Bridges</b>						
BR3958A	East Nannup Rd - Bridge (Capital)	258,000	258,000	257,998	0	(257,998)
BR3979	Mowen Rd - Bridge (Capital)	50,500	50,500	50,496	0	(50,496)
BR3983A	Sears Rd - Bridge (Capital)	45,000	45,000	44,998	0	(44,998)
BR3950	Cundinup West Rd - Bridge (Capital)	1,000,000	1,000,000	1,000,000	0	(1,000,000)
BR9222	Old Rail Alignment - Bridge (Capital)	35,000	35,000	34,998	0	(34,998)
<b>Total Bridges</b>		<b>1,388,500</b>	<b>1,388,500</b>	<b>1,388,490</b>	<b>0</b>	<b>(1,388,490)</b>
<b>Footpaths &amp; Cyclepaths</b>						
FC000	Footpath Construction General (Budgeting Only)	20,000	20,000	20,000	0	(20,000)
OC12111	Trail Town - Stage 1 - Southern Entrance To Town Bridge	1,033,247	1,033,247	1,033,241	501,575	(531,666)
OC12113	Trail Town - Stage 3	1,709,159	1,462,003	1,096,506	787,829	(308,677)
<b>Total Footpaths &amp; Cyclepaths</b>		<b>2,762,406</b>	<b>2,515,250</b>	<b>2,149,747</b>	<b>1,289,404</b>	<b>(860,343)</b>
<b>Parks &amp; Gardens</b>						
PC11309	River Foreshore Amphi Theatre Park & Car Park	28,000	28,000	20,988	0	(20,988)
PC11330	Town Oval Inc Pump Station	25,000	25,000	18,738	19,522	784
<b>Total Parks &amp; Gardens</b>		<b>53,000</b>	<b>53,000</b>	<b>39,726</b>	<b>19,522</b>	<b>(20,204)</b>
<b>Other Infrastructure</b>						
4080190	PRESCHOOL - Infrastructure Other (Capital)	97,033	158,195	118,647	158,620	39,973
4100290	SAN OTH - Infrastructure Other (Capital)	15,000	15,000	11,241	14,425	3,184
PI001	Grange Road Carpark	0	487,644	365,634	439,639	74,005
IO11306	Recenter Centre Cricket Nets	0	12,580	12,580	12,580	0
<b>Total Other Infrastructure</b>		<b>112,033</b>	<b>673,419</b>	<b>508,102</b>	<b>625,264</b>	<b>117,162</b>
<b>TOTAL PPE &amp; INFRASTRUCTURE</b>		<b>5,775,973</b>	<b>6,275,435</b>	<b>5,232,890</b>	<b>2,742,847</b>	<b>(2,490,043)</b>

Repayments - borrowings

Particulars	Loan No.	1 July 2025	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
			Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Community amenities</b>										
Waste Facility Machine	40	190,715	0	0	18,545	37,206	209,260	227,921	1,182	2,250
		190,715	0	0	18,545	37,206	209,260	227,921	1,182	2,250
<b>Self supporting loans</b>										
<b>Community amenities</b>										
Nannup Music Club	39	103,369	0	0	41,041	31,719	144,410	135,088	2,062	4,112
Nannup Music Club	41	275,124	0	0	11,971	29,311	287,095	304,435	11,971	14,373
		378,493	0	0	53,012	61,030	431,505	439,523	14,033	18,485
<b>Total</b>		569,208	0	0	71,557	98,236	640,765	667,444	15,215	20,735
Current borrowings		98,236					26,678			
Non-current borrowings		470,972					614,087			
		569,208					640,765			

All debenture repayments were financed by general purpose revenue.

Self supporting loans are financed by repayments from third parties.

The Shire has no unspent debenture funds as at 30th June 2026, nor is it expected to have unspent funds as at 30th June 2027.

KEY INFORMATION

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

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. Non-current borrowings fair values are based on discounted cash flows using a current borrowing rate.

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 MARCH 2026**

**FINANCING ACTIVITIES**

**NOTE 9**

**LEASE LIABILITIES**

**Movement in carrying amounts**

Information on leases	Lease No.	1 July 2025	New Leases		Principal Repayments		Principal Outstanding	
			Actual	Budget	Actual	Budget	Actual	Budget
Particulars		\$	\$	\$	\$	\$	\$	\$
<b>Law, order, public safety</b>								
CESM Vehicle	979823	2,690	94,956	0	(16,137)	(2,690)	81,509	0
<b>Total</b>		2,690	94,956	0	(16,137)	(2,690)	81,509	0
Current lease liabilities		2,690					81,509	
		2,690					81,509	

All lease repayments were financed by general purpose revenue.

**KEY INFORMATION**

At inception of a contract, the Shire assesses if the contract contains or is 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 lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using 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.

All contracts classified as short-term leases (i.e. a lease with a remaining term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 MARCH 2026

OPERATING ACTIVITIES

NOTE 10

RESERVE ACCOUNTS

Reserve accounts	Opening Balance	Adopted	Amended	Actual Interest Earned	Adopted	Amended	Actual Transfers In (+)	Adopted	Amended	Actual Transfers Out (-)	Adopted	Amended	Actual YTD Closing Balance
		Budget Interest Earned	Budget Interest Earned		Budget Transfers In (+)	Budget Transfers In (+)		Budget Transfers Out (-)	Budget Transfers Out (-)				
Reserve name	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restricted by Council</b>													
Leave Entitlements	202,030	5,496	5,496	5,283	0	0	0	30,000	30,000	0	177,526	177,526	207,313
Plant	442,763	12,045	12,045	11,576	93,000	93,000	0	62,000	84,000	0	485,808	463,808	454,339
Office Equipment	120,551	3,279	3,279	3,153	0	0	0	15,700	15,700	0	108,130	108,130	123,704
Asset Management	267,055	7,265	7,265	6,982	0	0	0	118,487	118,487	0	155,833	155,833	274,037
Landfill	195,564	5,320	5,320	5,112	0	0	0	15,000	15,000	0	185,884	185,884	200,676
Emergency Management	69,045	1,878	1,878	1,809	0	0	0	6,500	6,500	0	64,423	64,423	70,854
Aged Accommodation	433,738	11,800	11,799	11,344	0	0	0	0	0	0	445,538	445,538	445,082
Gravel Pit	177,789	4,836	4,836	4,648	0	0	0	0	20,000	0	182,625	162,625	182,437
Infrastructure	414,921	11,287	11,287	10,852	0	0	0	88,000	88,000	0	338,208	338,208	425,773
Strategic Initiatives	185,522	5,047	5,047	4,853	0	0	0	64,179	64,179	0	126,390	126,390	190,375
Youth	17,721	482	482	464	0	0	0	0	0	0	18,203	18,203	18,185
Trails	83,270	2,265	2,265	2,177	0	0	0	0	0	0	85,535	85,535	85,447
	<b>2,609,969</b>	<b>71,000</b>	<b>70,999</b>	<b>68,254</b>	<b>93,000</b>	<b>93,000</b>	<b>0</b>	<b>399,866</b>	<b>441,866</b>	<b>0</b>	<b>2,374,103</b>	<b>2,332,103</b>	<b>2,678,223</b>

	Note	Opening Balance 1 July 2025	Liability transferred from/(to) non current	Liability Increase	Liability Reduction	Closing Balance 31 March 2026
		\$		\$	\$	\$
<b>Other current liabilities</b>						
<b>Other liabilities</b>						
- Contract liabilities		1,242,964	0	253,673	(613,453)	883,185
<b>Total other liabilities</b>		1,242,964	0	253,673	(613,453)	883,185
<b>Employee Related Provisions</b>						
Annual leave		223,516	0	0	0	223,516
Long service leave		131,663	0	0	0	131,663
<b>Total Employee Related Provisions</b>		355,179	0	0	0	355,179
<b>Total other current assets</b>		<b>1,598,143</b>	<b>0</b>	<b>253,673</b>	<b>(613,453)</b>	<b>1,238,364</b>
<b>Amounts shown above include GST (where applicable)</b>						

A breakdown of contract liabilities and associated movements is provided on the following pages at Note 12

## KEY INFORMATION

### 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 Related Provisions

#### 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 calculation of net current assets.

#### Other long-term employee benefits

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as employee related provisions in the statement of financial position.

Long-term employee benefits 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 liabilities

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.

### Capital grant/contribution liabilities

Grants to acquire or construct recognisable non-financial assets to identified specifications be constructed to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

Provider	Unspent operating grant, subsidies and contributions liability					Operating grants, subsidies and contributions revenue						
	Liability 1 July 2025	Increase in Liability	Decrease in Liability (As revenue)	Liability 31 Mar 2026	Current Liability 31 Mar 2026	Adopted Budget Revenue	YTD Budget	Annual Budget	Budget Amendments	Expected	YTD Revenue Actual	Forecast 30 June Closing
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Operating grants and subsidies</b>												
<b>General purpose funding</b>												
GEN PUR - Financial Assistance Grant - General	0	0	0	0		468,923	397,413	529,883	60,960	590,843	397,412	468,922
GEN PUR - Financial Assistance Grant - Roads	0	0	0	0		269,639	235,161	313,546	43,907	357,453	235,159	269,637
<b>Law, order, public safety</b>												
FIRE - Grants CESM Reimbursements	0	0	0	0		114,000	85,464	114,000	0	114,000	58,548	87,084
FIRE - Grants Fire Mitigation	0	63,673	(21,724)	41,949		127,346	95,463	127,346	0	127,346	21,724	
OLOPS - Grants AWARE2526	0	0	0	0		19,500	14,616	19,500	0	19,500	0	
ESL BFB - Operating Grant	0	0	0	0		180,385	201,204	268,385	88,000	356,385	121,365	100,546
ESL SES - Operating Grant	0	0	0	0		29,752	24,318	32,443	2,691	35,134	28,539	33,973
<b>Education and welfare</b>												
WELFARE - Grants	0	0	0	0		18,330	16,056	21,425	3,095	24,520	21,425	23,699
<b>Community amenities</b>												
COM AMEN - Other Income	1,328	0	(1,316)	12		0	0	0	0	0	1,589	1,589
<b>Recreation and culture</b>												
LIBRARY - Grant - Regional Library Services	50	0	0	50		0	1,872	2,500	2,500	5,000	2,500	628
LIBRARY - Other Grants	0	0	0	0		0	0	0	0	0	0	
OTH CUL - Other Income	0	12,000	(12,000)	0		15,000	11,241	15,000	0	15,000	15,000	
REC - Grants - Women on Wheels Project	500	0	(500)	0		550	405	550	0	550	500	645
HERITAGE - Oral Histories Project Grant	30	0	(30)	0		170	126	170	0	170	5,859	5,903
Rec Grants Safe and Connected Nannup SA2 2025				0		0	0	0	0	0	10,000	10,000
<b>Transport</b>												
ROADM - Direct Road Grant (MRWA)	0	0	0	0		181,205	130,995	174,739	(6,466)	168,273	174,739	224,949
	<b>1,908</b>	<b>75,673</b>	<b>(35,570)</b>	<b>42,011</b>	<b>0</b>	<b>1,424,800</b>	<b>1,214,334</b>	<b>1,619,487</b>	<b>194,687</b>	<b>1,814,174</b>	<b>1,094,359</b>	<b>1,227,575</b>
<b>Operating contributions</b>												
<b>Economic services</b>												
OTH ECON - Contributions & Donations	0	0	0	0		100	72	100	0	100	0	28
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100</b>	<b>72</b>	<b>100</b>	<b>0</b>	<b>100</b>	<b>0</b>	<b>28</b>
<b>TOTALS</b>	<b>1,908</b>	<b>75,673</b>	<b>(35,570)</b>	<b>42,011</b>	<b>0</b>	<b>1,424,900</b>	<b>1,214,406</b>	<b>1,619,587</b>	<b>194,687</b>	<b>1,814,274</b>	<b>1,094,359</b>	<b>1,227,603</b>

Provider	Capital grant/contribution liabilities					Non operating grants, subsidies and contributions revenue						
	Liability	Increase in Liability	Decrease in Liability	Liability	Current Liability	Adopted Budget Revenue	YTD Budget	Annual Budget	Budget Variations	Expected	YTD Revenue Actual	Forecast 30 June Closing
	1 July 2025		(As revenue)	31 Mar 2026	31 Mar 2026							
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Non-operating grants and subsidies</b>												
<b>Law, order, public safety</b>												
ESL BFB - Capital Grant	0	0	0	0		38,847	29,115	38,847	0	38,847	0	9,732
ESL SES - Capital Grant	0	0	0	0		44,000	32,985	44,000	0	44,000	0	11,015
<b>Education and welfare</b>												
PRESCHOOL - Grant Funding	20,000	58,000	(78,000)	0		97,033	116,271	155,033	58,000	155,033	142,485	123,247
<b>Recreation and culture</b>												
HALLS - Grants	0	0	0	0		60,000	44,982	60,000		60,000	0	
REC - Grants - SWDC	0	0	0	0		30,000	22,491	30,000	0	30,000	20,000	27,509
<b>Transport</b>												
ROADC - Regional Road Group Grants (MRWA)	0	120,000	(45,044)	74,956		300,000	224,910	300,000	0	300,000	133,044	208,134
ROADC - Roads to Recovery Grant	9,058	0	0	9,058		646,668	536,454	715,565	68,897	715,565	597,404	707,618
ROADC - Other Grants - Roads/Streets	279,594	0	(279,594)	0		796,831	597,384	796,831	0	796,831	175,245	374,692
ROADC - Other Grants - Footpaths & Cycleway	580,210	0	0	580,210		1,827,367	1,184,679	1,580,210	(247,157)	1,580,210	1,000,000	1,642,688
ROADC - Other Grants - Bridges	347,245	0	(175,245)	172,000		1,353,500	1,025,964	1,368,500	15,000	1,368,500	0	327,536
ROADC - Other Reimbursements - Bridges	0	0	0	0		0	0	0	0	0	31,066	31,066
PARKING - Grants	0	0	0	0		0	334,233	445,644	445,644	445,644	279,595	(54,638)
	<b>1,236,107</b>	<b>178,000</b>	<b>(577,883)</b>	<b>836,224</b>	<b>0</b>	<b>5,194,246</b>	<b>4,149,468</b>	<b>5,534,630</b>	<b>340,384</b>	<b>5,534,630</b>	<b>2,378,839</b>	<b>3,408,599</b>

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 MARCH 2026**

**NOTE 14  
TRUST FUND**

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:

Description	Opening Balance	Amount	Amount	Closing Balance
	1 July 2025	Received	Paid	31 Mar 2026
	\$	\$	\$	\$
Building Services Levy (BSL)	247	7,534	(5,192)	2,589
Construction Training Fund (CTF)	600	434	(974)	60
Councillor Nomination Fees	0	600	(600)	0
Department of Transport	0	239,991	(240,111)	(120)
Key, Facility & Equipment Bonds	9,712	1,250	(1,400)	9,562
Retention Bonds	42,692	0	0	42,692
Other Bonds	44,018	0	0	44,018
Unclaimed Monies	180	0	0	180
	<b>97,449</b>	<b>249,809</b>	<b>(248,277)</b>	<b>98,981</b>

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 MARCH 2026

NOTE 15  
BUDGET AMENDMENTS

Amendments to original budget since budget adoption. Surplus/(Deficit)

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
	<b>Budget adoption</b>	280825.11	Opening Surplus(Deficit)	\$	\$	\$	\$
						0	926,151
PI001	Grange Road Carpark	271125.14	Capital Expenses			445,644	1,371,795
3120410	PARKING - Grants	271125.14	Capital Revenue			(445,644)	926,151
4080190	PRESCHOOL - Infrastructure Other (capital)	271125.13	Capital Expenses			58,000	984,151
3080110	PRESCHOOL - Grant Funding	271125.13	Capital Revenue			(58,000)	926,151
Note Mid Year Budget Review Adopted by Council - OCM 26 March 2026 Resolution Number 260326.7 - Absolute Majority Resulting in new Surplus position of \$16,673						16,673	
				0	16,673	0	16,673

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 31 MARCH 2026**

**NOTE 16  
EXPLANATION OF MATERIAL VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date Actual materially.

The material variance adopted by Council for the 2025-26 year is \$30,000 or 10.00% whichever is the greater.

Nature or type	Var. \$	Var. %	Timing / Permanent	Explanation of variances
	\$	%		
<b>Opening funding surplus / (deficit)</b>	270,035	29%	▲ Permanent	Opening Surplus position
Rates	30,596	1%	▲ Timing	
Operating grants, subsidies and contributions	(120,047)	(10%)	▼ Permanent	Timing Fire and ESL Grants -\$180k, MRWA Road Direct Grant fully received \$43k and Safe and Connected Nannup Grant \$10,000
Fees and charges	84,559	14%	▲	
Other revenue	8,544	11%	▲ Timing	Increase in Actual v Budget YTD attributable to REC - Other Income
Profit on disposal of assets	(43,312)	(65%)	▼ Timing	Timing
Materials and contracts	491,826	28%	▼ Timing	Major underspends identified as FIRE Prevention \$88k, Consultants Critical Incident Management Plan \$19k, Sanitation General \$54k, Other Recreation And Sport \$69k, Maintenance - Streets, Roads, Bridges & Depots \$110k. Warren Blackwood Alliance Contribution - Employment Costs \$30k, General Administration Overheads \$27k these items will result in an overall saving at EOY however it is not expected to be anywhere at the current YTS position portrayed
Utility charges	15,481	19%	▼ Timing	Significant underspend identified at REC - Building Operations Water expenditure - ~\$6k YTD Underspend
Insurance expenses	(55,259)	(34%)	▲ Timing	Timing on part of Budget YTD only showing 4 months, however major invoices paid for Insurances Year End position estimate to be Underspent by \$15k
Proceeds from non-operating grants, subsidies and contributions	(1,770,630)	(43%)	▼ Timing	Bridge funding not received ( No Expenditure) \$1.02m, Southern Bridghe Grants \$422k, Grange Road Carpar \$54k and Pine Ridge MTB Park Grant \$184k, timing.
Proceeds from disposal of assets	(30,446)	(22%)	▼ Permanent	Disposal of Hilux not yet occurred, and significant under receipt on disposal of both Hino & Volvo disposals
Payments for property, plant and equipment and infrastructure	2,490,043	48%	▼ Timing	Capital Works Roads \$353k, Bridges \$1.388m, Southern Bridges \$531K and Trail Town Project works \$308k all variance are expected to be a timing issue.
Transfer from reserves	(331,400)	(100%)	▼ Timing	No reserve transfers to date, timing
Repayment of debentures	26,679	27%	▼ Timing	Timing - Self Supporting Loans and WATC Loan Budget YTD v Actual year end position estimate to be on target
Transfer to reserves	54,745	45%	▼ Timing	No reserve transfers to date, timing