

**SHIRE OF EAST PILBARA**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2026**  
**LOCAL GOVERNMENT ACT 1995**

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**SHIRE'S VISION**

Proud connected and resourceful

Caring for our vast and ancient naturescapes from desert to sea, under the endless sky

Building on our strengths to grow and create opportunities for all

**SHIRE OF EAST PILBARA**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2026**

	NOTE	2025/26 Budget	2024/25 Actual	2024/25 Budget
<b>Revenue</b>		\$	\$	\$
Rates	2(a)	42,530,327	37,715,154	37,746,884
Grants, subsidies and contributions	10	9,514,677	3,334,225	6,995,000
Fees and charges	14	42,158,521	36,780,780	31,277,720
Service charges	2(f)	150,784	150,432	143,400
Interest revenue	11(a)	3,042,300	5,692,882	3,042,300
Other revenue	11(b)	2,867,395	604,047	2,210,700
		100,264,004	84,277,520	81,416,004
<b>Expenses</b>				
Employee costs		(31,779,086)	(22,683,479)	(24,415,860)
Materials and contracts		(30,911,083)	(32,495,644)	(30,077,620)
Utility charges		(2,514,829)	(2,106,537)	(842,400)
Depreciation	6	(16,168,440)	(41,411,500)	(16,335,740)
Finance costs	11(d)	(2,032,103)	(357,315)	(404,600)
Insurance		(2,523,491)	(2,078,440)	(1,461,390)
Other expenditure		(978,419)	(501,450)	(850,860)
		(86,907,451)	(101,634,365)	(74,388,470)
		13,356,553	(17,356,845)	7,027,534
Capital grants, subsidies and contributions	10	37,858,341	6,846,399	12,580,894
Profit on asset disposals	5	0	186,329	516,630
Loss on asset disposals		(34,070)	0	(34,070)
		37,824,271	7,032,728	13,063,454
<b>Net result for the period</b>		<b>51,180,824</b>	<b>(10,324,117)</b>	<b>20,090,988</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
<b>Total other comprehensive income for the period</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for the period</b>		<b>51,180,824</b>	<b>(10,324,117)</b>	<b>20,090,988</b>

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

**SHIRE OF EAST PILBARA**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2026**

**CASH FLOWS FROM OPERATING ACTIVITIES**

**Receipts**

	NOTE	2025/26 Budget	2024/25 Actual	2024/25 Budget
		\$	\$	\$
Rates		42,530,327	37,715,154	37,746,884
Grants, subsidies and contributions		8,682,677	17,052,673	6,995,000
Fees and charges		42,158,521	22,937,574	31,277,720
Service charges		150,784	150,432	143,400
Interest revenue		3,042,300	5,692,882	3,042,300
Goods and services tax received		2,841,997	2,218,652	2,921,688
Other revenue		2,867,395	604,047	2,210,700
		102,274,001	86,371,414	84,337,692

**Payments**

Employee costs		(31,779,086)	(22,686,455)	(24,415,860)
Materials and contracts		(30,911,083)	(32,943,765)	(30,077,620)
Utility charges		(2,514,829)	(2,106,537)	(842,400)
Finance costs		(2,032,103)	(357,315)	(404,600)
Insurance		(2,523,491)	(2,078,440)	(1,461,390)
Goods and services tax paid		(2,841,997)	(2,218,652)	(2,921,688)
Other expenditure		(978,419)	(501,450)	(850,860)
		(73,581,008)	(62,892,614)	(60,974,418)

<b>Net cash provided by (used in) operating activities</b>	4	28,692,993	23,478,800	23,363,274
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**CASH FLOWS FROM INVESTING ACTIVITIES**

Payments for purchase of property, plant & equipment	5(a)	(61,442,883)	(8,519,518)	(62,822,229)
Payments for construction of infrastructure	5(b)	(73,109,551)	(6,381,510)	(17,675,818)
Capital grants, subsidies and contributions		37,858,341	6,846,399	12,580,894
Proceeds from sale of property, plant and equipment	5(a)	832,000	380,066	832,000
<b>Net cash provided by (used in) investing activities</b>		(95,862,093)	(7,674,563)	(67,085,153)

**CASH FLOWS FROM FINANCING ACTIVITIES**

Repayment of borrowings	7(a)	(4,229,847)	(3,624,879)	(4,703,100)
Proceeds from new borrowings	7(a)	37,600,000	0	35,000,000

<b>Net increase (decrease) in cash held</b>		(33,798,947)	12,179,358	(13,424,979)
Cash at beginning of year		112,750,287	100,570,929	96,028,799
<b>Cash and cash equivalents at the end of the year</b>	4	<b>78,951,340</b>	<b>112,750,287</b>	<b>82,603,820</b>

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

**SHIRE OF EAST PILBARA**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE YEAR ENDED 30 JUNE 2026**

**OPERATING ACTIVITIES**

**Revenue from operating activities**

	NOTE	2025/26 Budget	2024/25 Actual	2024/25 Budget
General rates	2(a)	\$ 40,621,512	\$ 35,578,314	\$ 35,610,259
Rates excluding general rates	2(a)	1,908,815	2,136,840	2,136,625
Grants, subsidies and contributions	10	9,514,677	3,334,225	6,995,000
Fees and charges	14	42,158,521	36,780,780	31,277,720
Service charges	2(f)	150,784	150,432	143,400
Interest revenue	11(a)	3,042,300	5,692,882	3,042,300
Other revenue	11(b)	2,867,395	604,047	2,210,700
Profit on asset disposals	5	0	186,329	516,630
		100,264,004	84,463,849	81,932,634

**Expenditure from operating activities**

Employee costs		(31,779,086)	(22,683,479)	(24,415,860)
Materials and contracts		(30,911,083)	(32,495,644)	(30,077,620)
Utility charges		(2,514,829)	(2,106,537)	(842,400)
Depreciation	6	(16,168,440)	(41,411,500)	(16,335,740)
Finance costs	11(d)	(2,032,103)	(357,315)	(404,600)
Insurance		(2,523,491)	(2,078,440)	(1,461,390)
Other expenditure		(978,419)	(501,450)	(850,860)
Loss on asset disposals	5	(34,070)	0	(34,070)
		(86,941,521)	(101,634,365)	(74,422,540)

Non-cash amounts excluded from operating activities

	3(b)	16,178,303	41,197,988	15,853,180
<b>Amount attributable to operating activities</b>		<b>29,500,786</b>	<b>24,027,472</b>	<b>23,363,274</b>

**INVESTING ACTIVITIES**

**Inflows from investing activities**

Capital grants, subsidies and contributions	10	37,858,341	6,846,399	12,580,894
Proceeds from disposal of assets	5	832,000	380,066	832,000
		38,690,341	7,226,465	13,412,894

**Outflows from investing activities**

Payments for property, plant and equipment	5(a)	(61,442,883)	(8,519,518)	(62,822,229)
Payments for construction of infrastructure	5(b)	(73,109,551)	(6,381,510)	(17,675,818)
		(134,552,434)	(14,901,028)	(80,498,047)

**Amount attributable to investing activities**

		<b>(95,862,093)</b>	<b>(7,674,563)</b>	<b>(67,085,153)</b>
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**FINANCING ACTIVITIES**

**Inflows from financing activities**

Proceeds from new borrowings	7(a)	37,600,000	0	35,000,000
Transfers from reserve accounts	8(a)	23,933,651	0	19,643,786
		61,533,651	0	54,643,786

**Outflows from financing activities**

Repayment of borrowings	7(a)	(4,229,847)	(3,624,879)	(4,703,100)
Transfers to reserve accounts	8(a)	(3,559,121)	(11,087,620)	(12,764,644)
		(7,788,968)	(14,712,499)	(17,467,744)

**Amount attributable to financing activities**

		<b>53,744,683</b>	<b>(14,712,499)</b>	<b>37,176,042</b>
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**MOVEMENT IN SURPLUS OR DEFICIT**

**Surplus or deficit at the start of the financial year**

Amount attributable to operating activities	3	12,616,624	10,976,214	6,545,837
Amount attributable to investing activities		29,500,786	24,027,472	23,363,274
Amount attributable to financing activities		(95,862,093)	(7,674,563)	(67,085,153)
		53,744,683	(14,712,499)	37,176,042

**Surplus or deficit at the end of the financial year**

	3	<b>0</b>	<b>12,616,624</b>	<b>0</b>
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This statement is to be read in conjunction with the accompanying notes.

**SHIRE OF EAST PILBARA**  
**FOR THE YEAR ENDED 30 JUNE 2026**  
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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 Leases* which would have required the Shire to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this annual budget have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the annual budget has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

**The local government reporting entity**

All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this annual budget.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 13 to the annual budget.

**2024/25 actual balances**

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

**Budget comparative figures**

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

**Comparative figures**

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

**Rounding off figures**

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

**Statement of Cashflows**

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

**Initial application of accounting standards**

During the budget year, the below revised Australian Accounting Standards and Interpretations are expected to be compiled, become mandatory and be applicable to its operations.

- *AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*
- *AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback*
- *AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*
- *AASB 2023-1 Amendments to Australian Accounting Standards - Supplier Finance Arrangements*
- *AASB 2023-3 Amendments to Australian Accounting Standards - Disclosure of Non-current Liabilities with Covenants: Tier 2*
- *AASB 2024-1 Amendments to Australian Accounting Standards - Supplier Finance Arrangements: Tier 2 Disclosures*

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

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

**New accounting standards for application in future years**

The following new accounting standards will have application to local government in future years:

- *AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- *AASB 2024-4b Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*
- *AASB 2022-9 Amendments to Australian Accounting Standards - Insurance Contracts in the Public Sector*
- *AASB 2023-5 Amendments to Australian Accounting Standards - Lack of Exchangeability*
- *AASB 18 (FP) Presentation and Disclosure in Financial Statements - (Appendix D) [for for-profit entities]*
- *AASB 18 (NFP/super) Presentation and Disclosure in Financial Statements - (Appendix D) [for not-for-profit and superannuation entities]*
- *AASB 2024-2 Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments*
- *AASB 2024-3 Amendments to Australian Accounting Standards - Standards – Annual Improvements Volume 11*

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

**Critical accounting estimates and judgements**

The preparation of the annual budget in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
  - Property, plant and equipment
  - Infrastructure
- Expected credit losses on financial assets
- Assets held for sale
- Impairment losses of non-financial assets
- Investment property
- Estimated useful life of intangible assets
- Measurement of employee benefits
- Measurement of provisions

**SHIRE OF EAST PILBARA**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2026**

**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.

**SHIRE OF EAST PILBARA**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2026**

**2. RATES AND SERVICE CHARGES**

**(a) Rating Information**

Rate Description	Basis of valuation	Rate in	Number of properties	Rateable value	2025/26 Budgeted rate revenue	2025/26 Budgeted interim rates	2025/26 Budgeted back rates	2025/26 Budgeted total revenue	2024/25 Actual total revenue	2024/25 Budget total revenue
		\$		\$	\$	\$	\$	\$	\$	\$
<b>(i) General rates</b>										
<b>Gross rental valuations</b>										
GRV - Residential	Gross rental valuation	0.067500	1,921	64,541,956	4,356,582	0	0	4,356,582	3,648,040	3,672,267
GRV - Non Residential	Gross rental valuation	0.067500	157	28,398,356	1,916,889	0	0	1,916,889	1,677,744	1,677,743
GRV - Transient	Gross rental valuation	0.135000	29	52,228,200	7,050,807	0	0	7,050,807	6,632,771	6,632,771
<b>Unimproved valuations</b>										
UV - Pastoral	Unimproved valuation	0.209000	40	10,155,756	2,122,553	0	0	2,122,553	1,927,480	1,935,199
UV - Mining/Others	Unimproved valuation	0.379000	986	66,005,504	25,016,086	0	0	25,016,086	21,467,876	21,467,876
UV - Mining Prospecting	Unimproved valuation	0.303600	133	522,375	158,595	0	0	158,595	224,403	224,403
<b>Total general rates</b>			3,266	221,852,147	40,621,512	0	0	40,621,512	35,578,314	35,610,259
<b>(ii) Minimum payment</b>										
		<b>Minimum</b>								
		\$								
<b>Gross rental valuations</b>										
GRV - Residential	Gross rental valuation	1,185	559	1,507,319	662,415	0	0	662,415	796,320	797,505
GRV - Non Residential	Gross rental valuation	1,400	29	286,146	40,600	0	0	40,600	39,200	37,800
GRV - Transient	Gross rental valuation	1,400	0	0	0	0	0	0	0	0
<b>Unimproved valuations</b>										
UV - Pastoral	Unimproved valuation	1,400	24	29,784	33,600	0	0	33,600	36,400	36,400
UV - Mining/Others	Unimproved valuation	1,400	785	1,183,101	1,099,000	0	0	1,099,000	1,184,400	1,184,400
UV - Mining Prospecting	Unimproved valuation	915	80	135,688	73,200	0	0	73,200	80,520	80,520
<b>Total minimum payments</b>			1,477	3,142,038	1,908,815	0	0	1,908,815	2,136,840	2,136,625
<b>Total general rates and minimum payments</b>			4,743	224,994,185	42,530,327	0	0	42,530,327	37,715,154	37,746,884
<b>Total rates</b>					42,530,327	0	0	42,530,327	37,715,154	37,746,884

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

All land (other than exempt land) in the Shire of East Pilbara is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Shire of East Pilbara.

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

The minimum 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.



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

2. RATES AND SERVICE CHARGES (CONTINUED)

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

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

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
<b>Option one</b>				
Single full payment	03-September-2025	0	0.00%	0.00%
<b>Option two</b>				
First instalment	03-September-2025	0	0.00%	0.00%
Second instalment	10-November-2025	6	5.50%	11.00%
Third instalment	12-January-2026	6	5.50%	11.00%
Fourth instalment	12-March-2026	6	5.50%	11.00%
		<b>2025/26 Budget revenue</b>	<b>2024/25 Actual revenue</b>	<b>2024/25 Budget revenue</b>
		\$	\$	\$
Instalment plan admin charge revenue		10,000	9,600	10,000
Instalment plan interest earned		43,900	50,688	43,900
Unpaid rates and service charge interest earned		398,400	459,458	398,400
		452,300	519,746	452,300

## 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
GRV - Residential	This incorporates residential single dwellings, duplex, multi-unit and strata improved properties.	To ensure that the proportion of total rate revenue derived from residential remains essentially consistent with previous years and also includes the ongoing maintenance and service provision of Shire assets and services primarily used by residential ratepayers.	This will ensure a reasonable contribution to the cost of Local Government services and facilities available to residents.
GRV - Transient Workforce Accommodation	This incorporates all mass accommodation facilities provided for a workforce that is not permanently located within the district.	To ensure rates are distributed equitably across property used for residential and non-residential workers. Temporary workers are consumers of Shire services but unless they are also property owners within the Shire, are not contributing to the cost of services which they use.	Mass communication properties to have a greater impact on Shire services and assets than other property types due to their number of occupants in a relatively small land parcel.
GRV - Non Residential	This incorporates all light industry, general industry, commercial including hotel/motel and mixed use properties.	To ensure that the proportion of total rate revenue derived from non-residential properties remains essentially consistent with previous years and to recognise the additional costs of servicing these types of properties. Non-residential properties generate higher volumes of pedestrian and traffic movements than residential properties which results in increased road and streetscape maintenance requirements, additional street parking needs and the requirement to install additional traffic treatments. Due to the increased presence of litter surrounding non-residential land the Shire is also required to provide additional litter collection services to these areas.	Patrons and employees of commercial and industrial premises are consumers of Shire services but unless they are also property owners within the Shire, are not contributing to the cost of services which they use. No concessions are intended.

**SHIRE OF EAST PILBARA**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2026**

**2. (CONTINUED)**

**(c) Objectives and Reasons for Differential Rating (Cont.)**

Description	Characteristics	Objects	Reasons
UV - Pastoral	This incorporates all properties issued with pastoral leases granted by the State Government OR does not have the characteristics of any other UV differential rate category.	To ensure rates are reflective of the level of service utilised by ratepayers in this category.	To further reflect the additional costs associated with gravel road maintenance albeit to a lesser extent than that of mining.
UV - Mining /Prospecting	This incorporates all mining prospecting tenements, as defined under the Mining Act 1978 s40 to s56 as prospecting land use.	The rate in the dollar and minimum charge are comparatively lower than UV Mining/Other.	To reflect having a lesser impact upon the road network, and their operations may not be intended as commercially income-producing.
UV - Mining/Other	This incorporates mining tenements, permits drilling reservations, leases or licences held, extracting, stock piling, processing or refining of minerals and the extraction, processing or refining of fuel sources, and any other land use, not including prospecting tenements.	To ensure rates are reflective of the ongoing costs involved in maintaining the road network across broad Shire boundaries, and towards supporting regional communities.	To ensure the proportion of total rate revenue derived from mining related activities reflects the financial impact associated with activities from these assessments, which is generally considered higher than other assessments.

**(d) Differential Minimum Payment**

Gross rental valuations	\$
GRV - Residential	1,185
GRV - Non residential	1,400
GRV - Transient	1,400
Unimproved valuations	
UV - Pastoral/ Special Leases	1,400
UV - Mining/Others	1,400
UV - Mining Prospecting	915

2. RATES AND SERVICE CHARGES (CONTINUED)

(e) Variation in Adopted Differential Rates to Local Public Notice

The following rates and minimum payments were previously set out in the local public notice giving notice of the intention to charge differential rates.

Differential general rate or general rate	Proposed Rate in \$	Adopted Rate in \$	Reasons for the difference
GRV Residential	0.077240	0.067500	New valuations were received after the modelling performed for the advertisement of the differential rates. The new valuations were higher than the register when advertised. Therefore Council adopts a more conservative rate in the dollar to keep the increase in rates to a reasonable level.
GRV Non-residential	0.077240	0.067500	
GRV Transient	0.154480	0.135000	
UV Pastoral	0.192987	0.209000	
UV Mining/Other	0.385975	0.379000	
UV Prospecting	0.319977	0.303600	

2. RATES AND SERVICE CHARGES (CONTINUED)

(f) Service Charges

	Amount of charge	2025/26 Budgeted revenue	Budget amount to be applied to costs	Budget amount to be set aside to reserve	Reserve amount to be applied to costs	2024/25 Actual revenue	2024/25 Budget revenue
Service charge	\$	\$	\$	\$	\$	\$	\$
Security & Surveillance Service Charge	62	150,784	150,784	0	0	150,432	143,400
		150,784	150,784	0	0	150,432	143,400

Nature of the service charge	Objects of the charge	Reasons for the charge	Area/Properties charge to be imposed on
Security & Surveillance Service Charge	A service charge of \$62 per Newman townsite property is imposed for the provision of Property Surveillance & Security through Closed Circuit TV (CCTV) for Shire community property and spaces.	Funding for ongoing maintenance and operation of the CCTV Network and the future replacement of the network	Newman townsite

(g) Early payment discounts

No early payment discounts will be allowed for the year ended 30 June 2026.

(g) Waivers or concessions

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

**SHIRE OF EAST PILBARA**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2026**

**3. NET CURRENT ASSETS**

**(a) Composition of estimated net current assets**

**Current assets**

Cash and cash equivalents  
Receivables  
Inventories  
Other assets

**Less: current liabilities**

Trade and other payables  
Contract liabilities  
Long term borrowings  
Employee provisions

**Net current assets**

**Less: Total adjustments to net current assets**

**Net current assets used in the Statement of Financial Activity**

Note	2025/26 Budget 30 June 2026	2024/25 Actual 30 June 2025	2024/25 Budget 30 June 2025
	\$	\$	\$
4	78,951,340	112,750,287	82,603,820
	6,823,837	5,991,837	6,257,165
	96,953	96,953	136,421
	4,353,905	4,353,905	0
	90,226,035	123,192,982	88,997,406
	(5,536,417)	(5,536,417)	(5,298,144)
	(5,339,046)	(5,339,046)	(1,095,442)
7	(6,297,970)	(128,132)	(4,703,100)
	(1,467,239)	(1,467,239)	(896,921)
	(18,640,672)	(12,470,834)	(11,993,607)
	71,585,363	110,722,148	77,003,799
3(c)	(71,585,363)	(98,105,524)	(77,003,799)
	0	12,616,624	0

**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*.

**Adjustments to operating activities**

Less: Profit on asset disposals  
Add: Loss on asset disposals  
Add: Depreciation  
Movement in current employee provisions associated with restricted cash

**Non cash amounts excluded from operating activities**

Note	2025/26 Budget 30 June 2026	2024/25 Actual 29 June 2025	2024/25 Budget 29 June 2025
	\$	\$	\$
5	0	(186,329)	(516,630)
5	34,070	0	34,070
6	16,168,440	41,411,500	16,335,740
	(24,207)	(27,183)	0
	16,178,303	41,197,988	15,853,180

**(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.

**Adjustments to net current assets**

Less: Cash - reserve accounts  
- Other liabilities [describe]  
Add: Current liabilities not expected to be cleared at end of year  
- Current portion of borrowings  
- Current portion of employee benefit provisions held in reserve

**Total adjustments to net current assets**

8	(78,951,340)	(99,325,870)	(82,603,820)
	(48,414)	0	0
	6,297,970	128,132	4,703,100
	1,116,421	1,092,214	896,921
	(71,585,363)	(98,105,524)	(77,003,799)

**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.

**SHIRE OF EAST PILBARA**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2026**

**4. RECONCILIATION OF CASH**

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

	Note	2025/26 Budget	2024/25 Actual	2024/25 Budget
Cash at bank and on hand		\$ 760,000	\$ 13,424,417	\$ 0
Term deposits		78,191,340	99,325,870	82,603,820
<b>Total cash and cash equivalents</b>		<b>78,951,340</b>	<b>112,750,287</b>	<b>82,603,820</b>
Held as				
- Unrestricted cash and cash equivalents	3(a)	0	13,424,417	0
- Restricted cash and cash equivalents	3(a)	78,951,340	99,325,870	82,603,820
		<b>78,951,340</b>	<b>112,750,287</b>	<b>82,603,820</b>
<b>Restrictions</b>				
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		78,951,340	99,325,870	82,603,820
		<b>78,951,340</b>	<b>99,325,870</b>	<b>82,603,820</b>
The assets are restricted as a result of the specified purposes associated with the liabilities below:				
Financially backed reserves	8	78,951,340	99,325,870	82,603,820
		<b>78,951,340</b>	<b>99,325,870</b>	<b>82,603,820</b>
<b>Reconciliation of net cash provided by operating activities to net result</b>				
<b>Net result</b>		<b>51,180,824</b>	<b>(10,324,117)</b>	<b>20,090,988</b>
Depreciation	6	16,168,440	41,411,500	16,335,740
(Profit)/loss on sale of asset	5	34,070	(186,329)	(482,560)
(Increase)/decrease in receivables		(832,000)	(124,758)	0
(Increase)/decrease in inventories		0	(66,962)	0
(Increase)/decrease in other assets		0	19,266	0
Increase/(decrease) in payables		0	(400,425)	0
Increase/(decrease) in employee provisions		0	(2,976)	0
Capital grants, subsidies and contributions		(37,858,341)	(6,846,399)	(12,580,894)
<b>Net cash from operating activities</b>		<b>28,692,993</b>	<b>23,478,800</b>	<b>23,363,274</b>

**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.

	2025/26 Budget Additions	2025/26 Budget Disposals - Net Book Value	2025/26 Budget Disposals - Sale Proceeds	2025/26 Budget Disposals - Profit or Loss	2024/25 Actual Additions	2024/25 Disposals - Net Book Value	2024/25 Actual Disposals - Sale Proceeds	2024/25 Actual Disposals - Profit or Loss	2024/25 Budget Additions	2024/25 Budget In-kind Additions	2024/25 Budget Disposals - Net Book Value	2024/25 Budget Disposals - Sale Proceeds	2024/25 Budget Disposals - Profit or Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Property, Plant and Equipment													
Buildings	50,647,643			0	7,147,258			0	54,857,900				0
Furniture and equipment	365,000			0	277,198			0	277,000				0
Plant and equipment	10,430,240	866,070	832,000	(34,070)	1,095,062	193,737	380,066	186,329	7,687,329		349,440	832,000	482,560
Total	61,442,883	866,070	832,000	(34,070)	8,519,518	193,737	380,066	186,329	62,822,229	0	349,440	832,000	482,560
(b) Infrastructure													
Infrastructure - roads	14,813,766			0	6,381,510			0	8,966,960				0
Other infrastructure drainage	924,000			0				0	0				0
Other infrastructure airport	12,680,000			0	0			0	7,558,858				0
Other infrastructure parks & ovals	44,691,785			0				0	1,150,000				0
Total	73,109,551	0	0	0	6,381,510	0	0	0	17,675,818	0	0	0	0
Total	134,552,434	866,070	832,000	(34,070)	14,901,028	193,737	380,066	186,329	80,498,047	0	349,440	832,000	482,560

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.

**SHIRE OF EAST PILBARA**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2026**

**6. DEPRECIATION**

**By Class**

Buildings - non-specialised  
Buildings  
Furniture and equipment  
Plant and equipment  
Infrastructure - roads  
Other infrastructure footpaths  
Other infrastructure drainage  
Other infrastructure airport  
Other infrastructure parks & ovals

**By Program**

Governance  
Law, order, public safety  
Health  
Education and welfare  
Housing  
Community amenities  
Recreation and culture  
Transport  
Economic services  
Other property and services

2025/26 Budget	2024/25 Actual	2024/25 Budget
\$	\$	\$
670,441	666,329	623,782
3,022,859	3,004,321	3,050,508
304,140	156,150	296,934
978,200	1,687,457	1,434,777
8,502,146	32,137,771	7,739,174
105,821	400,000	434,418
105,821	400,000	339,227
2,354,300	2,488,069	1,846,856
124,711	471,403	570,064
16,168,440	41,411,500	16,335,740
559,700	456,688	559,700
197,900	305,476	197,900
15,100	12,824	15,100
453,400	317,810	453,400
510,100	885,222	510,100
942,860	1,106,818	942,860
2,120,900	1,518,025	2,120,900
10,650,580	35,845,534	10,650,580
666,300	512,345	666,300
51,600	450,758	218,900
16,168,440	41,411,500	16,335,740

The variance between budgeted depreciation and actual 2024/25 depreciation recognises a management concern around the 2023 revaluation of the Shire's road infrastructure assets, especially unsealed roads. Management is currently undertaking a new revaluation of this class of assets. The Shire is required to book the actual depreciation cost per the 2023 valuation by the requirements of the audit processes, the Shire management maintain that the 2025 revaluation will represent a significant reduction in the levels of actual depreciation expensed in the budget year.

**MATERIAL ACCOUNTING POLICIES**

**DEPRECIATION**

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

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

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

Major depreciation periods used for each class of depreciable asset are:

Buildings - non-specialised	10-60 Years
Buildings	10-60 Years
Furniture and equipment	3-5 Years
Plant and equipment	3-10 Years
Infrastructure - roads	15-60 Years
Other infrastructure footpaths	20-60 Years
Other infrastructure drainage	20-60 Years
Other infrastructure airport	20-60 Years
Other infrastructure parks & ovals	20-60 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	2025/26 Budget New Loans	2025/26 Budget Principal Repayments	Budget Principal outstanding	2025/26 Budget Interest Repayments	Actual Principal	2024/25 Actual New Loans	2024/25 Actual Principal Repayments	Actual Principal outstanding	2024/25 Actual Interest Repayments	Budget Principal	2024/25 Budget New Loans	2024/25 Budget Principal Repayments	Budget Principal outstanding	2024/25 Budget Interest Repayments
				1 July 2025	\$	\$	30 June 2026	\$	1 July 2024	\$	\$	29 June 2025	\$	1 July 2024	\$	\$	29 June 2025	\$
<b>Housing</b>																		
Staff housing	71	WATC	6.49%	180,690	0	(169,500)	11,190	(20,000)	350,202		(169,512)	180,690	(20,022)	350,203		(169,500)	180,703	(20,000)
<b>Community amenities</b>																		
Sewerage plant	72	WATC	4.49%	744,934	0	(149,600)	595,334	(35,100)	818,886		(73,952)	744,934	(18,384)	818,886		(149,600)	669,286	(35,100)
Sewerage plant	73	WATC	3.05%	384,892	0	(104,300)	280,592	(12,500)	436,623		(51,731)	384,892	(6,659)	436,353		(104,300)	332,053	(12,500)
Liquid waste water treatment plant	76			2,248,043	0	(2,165,700)	82,343	(146,100)	4,413,703		(2,165,660)	2,248,043	(146,117)	4,413,703		(2,165,700)	2,248,003	(146,100)
Landfill waste heavy plant	77	WATC	3.77%	428,811	0	(201,200)	227,611	(24,800)	630,000		(201,189)	428,811	(24,788)	630,000		(201,200)	428,800	(24,800)
Sewerage Plant Upgrade	78	WATC	4.50%	0	36,000,000	(332,287)	35,667,713	(1,616,303)	0		0	0	0	0	35,000,000	(950,000)	34,050,000	(24,800)
Waste Shredder	79	WATC	4.50%	0	1,600,000	(144,460)	1,455,540	(36,000)	0		0	0	0	0		0	0	0
<b>Transport</b>																		
Marble Bar airport	75	WATC	3.69%	3,108,875	0	(962,800)	2,146,075	(141,300)	4,071,710		(962,835)	3,108,875	(141,345)	4,071,710		(962,800)	3,108,910	(141,300)
				7,096,245	37,600,000	(4,229,847)	40,466,398	(2,032,103)	10,721,124	0	(3,624,879)	7,096,245	(357,315)	10,720,855	35,000,000	(4,703,100)	41,017,755	(404,600)
				7,096,245	37,600,000	(4,229,847)	40,466,398	(2,032,103)	10,721,124	0	(3,624,879)	7,096,245	(357,315)	10,720,855	35,000,000	(4,703,100)	41,017,755	(404,600)

All borrowing repayments will be financed by general purpose revenue.

**SHIRE OF EAST PILBARA**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2026**

**7. BORROWINGS**

**(b) New borrowings - 2025/26**

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
				%	\$	\$	\$	\$
Newman WWTP Design and Construction	WATC	Debenture	40	4.50%	36,000,000	41,943,629	36,000,000	0
Waste Shredder	WATC	Debenture	5	4.50%	1,600,000	204,603	1,600,000	0
					37,600,000	42,148,232	37,600,000	0

**(c) Unspent borrowings**

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

**(d) Credit Facilities**

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	\$	\$	\$
<b>Undrawn borrowing facilities credit standby arrangements</b>			
Bank overdraft limit	0	0	0
Bank overdraft at balance date	0	0	0
Credit card limit	80,000	80,000	60,000
Credit card balance at balance date	0	0	0
<b>Total amount of credit unused</b>	80,000	80,000	60,000
<b>Loan facilities</b>			
Loan facilities in use at balance date	40,466,398	7,096,245	41,017,755
Unused loan facilities at balance date	0	0	0

**MATERIAL ACCOUNTING POLICIES**

**BORROWING COSTS**

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

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the unobservable inputs, including own credit risk.

**SHIRE OF EAST PILBARA**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2026**

**8. RESERVE ACCOUNTS**

**(a) Reserve Accounts - Movement**

	2025/26 Budget Opening Balance	2025/26 Budget Transfer to	2025/26 Budget Transfer (from)	2025/26 Budget Closing Balance	2024/25 Actual Opening Balance	2024/25 Actual Transfer to	2024/25 Actual Transfer (from)	2024/25 Actual Closing Balance	2024/25 Budget Opening Balance	2024/25 Budget Transfer to	2024/25 Budget Transfer (from)	2024/25 Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restricted by legislation</b>												
(a) Security & surveillance service charge Reserve	123,419	2,734	(60,000)	66,153	120,685	2,734		123,419	113,889	116,600		230,489
	123,419	2,734	(60,000)	66,153	120,685	2,734	0	123,419	113,889	116,600	0	230,489
<b>Restricted by council</b>												
(a) Employee entitlements reserve	1,092,214	24,207		1,116,421	1,068,007	24,207		1,092,214	1,007,872	29,000		1,036,872
(b) Alice Springs Road reserve	243,446	5,396		248,842	238,050	5,396		243,446	224,646	6,500		231,146
(c) Heavy road plant reserve	666,077	19,778	(647,268)	38,587	646,299	19,778		666,077	823,445	3,100	(823,445)	3,100
(d) Cape Kerauden development reserve	892,353	14,763		907,116	877,590	14,763		892,353	614,641	17,500		632,141
(e) Computer technology reserve	1,295,066	28,703	(1,266,383)	57,386	1,266,363	28,703		1,295,066	2,129,560	34,500	(1,584,700)	579,360
(f) Newman airport reserve	68,795,517	2,323,874	(16,000,000)	55,119,391	67,270,764	1,524,753		68,795,517	66,430,521	12,107,644	(10,000,000)	68,538,165
(g) Recreation facilities maintenance reserve	2,652,183	58,782		2,710,965	2,593,401	58,782		2,652,183	2,447,378	70,500		2,517,878
(h) Staff housing reserve	968,823	21,473		990,296	947,350	21,473		968,823	894,009	21,000		915,009
(i) Waste management reserve	1,588,241	35,201	(200,000)	1,423,442	1,553,040	35,201		1,588,241	1,465,595	49,500		1,515,095
(j) Public art reserve	252,976	5,607		258,583	247,369	5,607		252,976	233,441	6,800		240,241
(k) Newman House reserve	824,042	18,264		842,306	805,778	18,264		824,042	760,408	22,000		782,408
(l) Public building maintenance reserve	2,614,032	57,936		2,671,968	2,556,096	57,936		2,614,032	2,412,174	69,500		2,481,674
(m) Martumili operations reserve	912,162	20,217		932,379	891,945	20,217		912,162	734,156	19,000	(140,000)	613,156
(n) Martumili infrastructure project reserve	1,018,360	22,570		1,040,930	995,790	22,570		1,018,360	939,722	26,500		966,222
(o) Future infrastructure reserve	14,840,175	127,497	(5,000,000)	9,967,672	5,625,058	9,215,117		14,840,175	7,746,944	151,000	(7,095,641)	802,303
(p) Insurance reserve	546,784	12,119		558,903	534,665	12,119		546,784	504,561	14,000		518,561
(q) Open spaces & parking reserve	0	760,000	(760,000)	0	0	0		0	0	0	0	0
	99,202,451	3,556,387	(23,873,651)	78,885,187	88,117,565	11,084,886	0	99,202,451	89,369,073	12,648,044	(19,643,786)	82,373,331
	99,325,870	3,559,121	(23,933,651)	78,951,340	88,238,250	11,087,620	0	99,325,870	89,482,962	12,764,644	(19,643,786)	82,603,820

**(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) Security & surveillance service charge Reserve	Ongoing	To provide for the maintenance and future replacement of the Shire's CCTV network
(a) Employee entitlements reserve	Ongoing	Provision for the employee entitlements for staff of the shire
(b) Alice Springs Road reserve	Ongoing	To establish a road link to Alice Springs from Marble Bar to the Northern Territory border
(c) Heavy road plant reserve	Ongoing	To fund the purchase of heavy plant that is needed for the operation of the Shire
(d) Cape Kerauden development reserve	Ongoing	For the maintenance, development & enhancement of the Cape Keraudren Reserve
(e) Computer technology reserve	Ongoing	For the replacement, enhancement and upgrading of computer hardware and software
(f) Newman airport reserve	Ongoing	For the upgrading, maintenance and enhancement of the Newman airport
(g) Recreation facilities maintenance reserve	Ongoing	For the upgrading and enhancement of recreation facilities
(h) Staff housing reserve	Ongoing	For the upgrading and maintenance of staff and community housing assets
(i) Waste management reserve	Ongoing	For the development, maintenance and enhancement of waste facilities including the sewerage plant
(j) Public art reserve	Ongoing	For the development, maintenance and enhancement of public art within the three towns of the Shire
(k) Newman House reserve	Ongoing	For the upgrade, maintenance and enhancement of Newman House
(l) Public building maintenance reserve	Ongoing	For the upgrading, maintenance and enhancement of public buildings
(m) Martumili operations reserve	Ongoing	To hold and utilise the allocation of Martumili's funds
(n) Martumili infrastructure project reserve	Ongoing	For the upgrading, maintenance and enhancement of Martumili Buildings
(o) Future infrastructure reserve	Ongoing	For the development of new or replacement infrastructure with total project cost of greater than one (1) million dollars
(p) Insurance reserve	Ongoing	To provide for the liabilities that may arise from the Shire's insurance requirements
(q) Open spaces & parking reserve	Ongoing	For the provision, construction and maintenance of open spaces and car parking facilities as provided for as "cash in lieu" payments

## 9. 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
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods

**SHIRE OF EAST PILBARA**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2026**

**10. 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**

**Governance**

To provide a decision making process for the efficient allocation of scarce resources.

**General purpose funding**

To collect revenue to allow for the provision of services.

**Law, order, public safety**

To provide services to help ensure a safer and environmentally conscious community.

**Health**

To provide an operational framework for environmental and community health.

**Education and welfare**

To provide services to children and youth.

**Housing**

To provide and maintain staff and community housing.

**Community amenities**

To provide services required to the community.

**Recreation and culture**

To establish and effectively manage infrastructure and resources which will help the social and physical wellbeing of the community.

**Transport**

To provide safe, effective and efficient transport services to the community.

**Economic services**

To help promote the Shire and its economic wellbeing.

**Other property and services**

To monitor and control the Shire's overheads and operating accounts.

**ACTIVITIES**

Members of council, general governance including administration, finance and other corporate services, computer administration and community liaison.

Rates, general purpose government grants and interest revenue.

Supervision of local laws, fire prevention, emergency services and animal control.

Health inspection services, food and water quality control, mosquito control and public health.

Community services and support and services for children and youth.

Aged person housing, staff housing and community housing.

Rubbish collection services, maintenance of cemeteries and public toilets, the maintenance of the Newman Waste Water Treatment Plant.

Maintenance of public halls, Newman and Marble Bar aquatic centres, Newman Recreation Centre, public parks and gardens, libraries and recreation services.

Construction and maintenance of roads, footpaths, drainage works, parking facilities, traffic signs, street lighting, depot operations, street cleaning and operation of the Newmand airport and Marble Bar and Nullagine airstrips.

Tourism support, building services and controls, caravan parks and bus services.

Private works carried out by the Shire and allocations to works and services or all salaries and wages, overheads and plant costs incurred. Miscellaneous unclassified areas.

**SHIRE OF EAST PILBARA**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2026**

**10 PROGRAM INFORMATION (Continued)**

**(b) Income and expenses**

	2025/26	2024/25	2024/25
	Budget	Actual	Budget
<b>Income excluding grants, subsidies and contributions</b>	\$	\$	\$
Governance	249,907	171,417	256,300
General purpose funding	43,612,627	43,056,874	38,829,184
Law, order, public safety	228,998	247,475	348,650
Health	111,800	104,395	119,700
Education and welfare	3,750	185,919	1,250
Housing	444,464	418,549	464,400
Community amenities	9,780,189	8,342,402	7,275,600
Recreation and culture	2,200,362	1,538,310	2,019,120
Transport	32,147,487	25,834,218	23,082,300
Economic services	1,005,624	1,192,724	1,162,130
Other property and services	964,119	37,341	1,379,000
	90,749,327	81,129,624	74,937,634
<b>Grants, subsidies and contributions</b>			
Governance	950,000	(74)	0
General purpose funding	3,989,178	561,564	3,464,000
Law, order, public safety	22,290	4,000	65,500
Health	5,000	4,975	5,900
Education and welfare	130,000	1,364	144,800
Community amenities	0	185,265	302,000
Recreation and culture	1,703,350	711,689	1,154,200
Transport	2,714,859	1,697,517	1,707,600
Economic services	0	158,400	151,000
Other property and services	0	9,525	0
	9,514,677	3,334,225	6,995,000
<b>Capital grants, subsidies and contributions</b>			
Governance	75,000	0	0
Law, order, public safety	120,000	101,819	0
Community amenities	29,405,000	0	0
Recreation and culture	135,800	433,509	1,257,900
Transport	7,122,541	6,311,071	11,222,994
Economic services	1,000,000	0	100,000
	37,858,341	6,846,399	12,580,894
<b>Total Income</b>	138,122,345	91,310,248	94,513,528
<b>Expenses</b>			
Governance	(12,071,700)	(7,073,358)	(6,980,150)
General purpose funding	(746,290)	(270,782)	(626,860)
Law, order, public safety	(1,825,704)	(1,066,729)	(1,654,830)
Health	(462,221)	(464,759)	(711,940)
Education and welfare	(5,107,311)	(2,667,451)	(3,486,720)
Housing	(3,387,349)	(2,384,633)	(2,139,000)
Community amenities	(11,638,583)	(7,020,669)	(7,713,153)
Recreation and culture	(15,267,609)	(15,058,220)	(16,259,410)
Transport	(28,805,341)	(59,448,423)	(27,784,339)
Economic services	(4,694,474)	(2,852,825)	(4,015,608)
Other property and services	(2,934,939)	(3,326,516)	(3,050,530)
<b>Total expenses</b>	(86,941,521)	(101,634,365)	(74,422,540)
<b>Net result for the period</b>	51,180,824	(10,324,117)	20,090,988



**SHIRE OF EAST PILBARA**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2026**

**11. OTHER INFORMATION**

<b>The net result includes as revenues</b>			
	<b>2025/26 Budget</b>	<b>2024/25 Actual</b>	<b>2024/25 Budget</b>
	\$	\$	\$
<b>(a) Interest earnings</b>			
Investments			
- Reserve accounts	2,000,000	2,369,091	2,000,000
- Other funds	600,000	2,813,645	600,000
Other interest revenue	442,300	510,146	442,300
	3,042,300	5,692,882	3,042,300
<b>(b) Other revenue</b>			
Reimbursements and recoveries	2,332,857	190,362	2,210,700
Other	534,538	413,685	0
	2,867,395	604,047	2,210,700
<b>The net result includes as expenses</b>			
<b>(c) Auditors remuneration</b>			
Audit services	140,000	118,517	140,000
	140,000	118,517	140,000
<b>(d) Interest expenses (finance costs)</b>			
Borrowings (refer Note 7(a))	2,032,103	357,315	404,600
	2,032,103	357,315	404,600
<b>(e) Write offs</b>			
General rate	0	0	339,300
	0	0	339,300

**SHIRE OF EAST PILBARA**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2026**

**12. ELECTED MEMBERS REMUNERATION**

	<b>2025/26 Budget</b>	<b>2024/25 Actual</b>	<b>2024/25 Budget</b>
	\$	\$	\$
<b>Cr Anthony Middleton</b>			
President's allowance	71,000	69,980	68,552
Meeting attendance fees	35,000	33,705	32,706
Annual allowance for ICT expenses	3,500	3,792	3,500
	109,500	107,477	104,758
<b>Cr Wendy McWhirter - Brooks</b>			
Deputy President's allowance	18,000	19,137	17,138
Meeting attendance fees	25,875	27,865	25,137
Annual allowance for ICT expenses	3,500	3,792	3,500
	47,375	50,794	45,775
<b>Other councillors</b>			
Meeting attendance fees	181,125	195,055	176,959
Annual allowance for ICT expenses	24,500	26,544	24,500
	205,625	221,599	201,459
<b>Total Elected Member Remuneration</b>	362,500	379,870	351,992
President's allowance	71,000	69,980	68,552
Deputy President's allowance	18,000	19,137	17,138
Meeting attendance fees	242,000	256,625	234,802
Annual allowance for ICT expenses	31,500	34,128	31,500
	362,500	379,870	351,992

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

13. TRUST FUNDS

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

Detail	Balance 30 June 2025	Estimated amounts received	Estimated amounts paid	Estimated balance 30 June 2026
	\$	\$	\$	\$
Cash in lieu of open spaces	778,426	0	(778,426)	0
	778,426	0	(778,426)	0

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

14. FEES AND CHARGES

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	\$	\$	\$
<b>By Program:</b>			
Governance	69,500	52,932	100
General purpose funding	40,000	22,469	40,000
Law, order, public safety	32,250	32,340	48,750
Health	111,800	104,395	101,700
Education and welfare	3,750	9,698	1,250
Housing	411,577	402,360	428,400
Community amenities	9,435,988	8,336,179	7,026,100
Recreation and culture	810,885	715,411	1,207,320
Transport	30,288,560	25,993,508	21,313,500
Economic services	949,211	1,111,488	1,105,600
Other property and services	5,000	0	5,000
	42,158,521	36,780,780	31,277,720

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