SHIRE OF EAST PILBARA

ANNUAL BUDGET

FOR THE YEAR ENDED 30 JUNE 2027

LOCAL GOVERNMENT ACT 1995

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The Shire of East Pilbara a Class 2 local government conducts the operations of a local government with the following community 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 2027

	Note	2026/27 Budget	2025/26 Estimated Actual	2025/26 Budget
Revenue		$	$	$
Rates	2(a)	49,325,944	42,584,021	42,530,327
Grants, subsidies and contributions		13,018,683	5,873,492	9,514,677
Fees and charges	13	48,911,000	43,043,592	42,158,521
Service charges	2(f)	161,915	154,690	150,784
Interest revenue	9(a)	3,490,000	4,081,224	3,042,300
Other revenue		2,483,700	1,874,450	2,867,395
		117,391,242	97,611,469	100,264,004
Expenses				
Employee costs		(34,883,820)	(32,694,253)	(31,779,086)
Materials and contracts		(39,476,284)	(26,669,193)	(30,911,083)
Utility charges		(2,624,400)	(1,962,527)	(2,514,829)
Depreciation	6	(34,430,400)	(53,513,467)	(16,168,440)
Finance costs	9(c)	(2,016,899)	(378,179)	(2,032,103)
Insurance		(1,976,800)	(1,784,859)	(2,523,491)
Other expenditure		(2,626,539)	(1,032,978)	(978,419)
		(118,035,142)	(118,035,456)	(86,907,451)
		(643,900)	(20,423,987)	13,356,553
Capital grants, subsidies and contributions		67,456,946	4,874,183	37,858,341
Profit on asset disposals	5	460,359	194,173	0
Loss on asset disposals	5	(71,700)	(55,548)	(34,070)
		67,845,605	5,012,808	37,824,271
Net result for the period		**67,201,705**	**(15,411,179)**	**51,180,824**
Total other comprehensive income for the period		**0**	**0**	**0**
Total comprehensive income for the period		**67,201,705**	**(15,411,179)**	**51,180,824**

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 2027

	Note	2026/27 Budget	2025/26 Estimated Actual	2025/26 Budget
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts		$	$	$
Rates		40,467,347	41,395,079	42,530,327
Grants, subsidies and contributions		10,814,872	9,835,235	8,682,677
Fees and charges		48,911,000	43,043,592	42,158,521
Service charges		161,915	154,690	150,784
Interest revenue		3,490,000	4,081,224	3,042,300
Goods and services tax received		4,386,075	3,673,547	2,841,997
Other revenue		2,483,700	1,874,450	2,867,395
		110,714,909	104,057,817	102,274,001
Payments				
Employee costs		(34,883,820)	(29,844,464)	(31,779,086)
Materials and contracts		(28,870,940)	(26,661,803)	(30,911,083)
Utility charges		(2,624,400)	(1,962,527)	(2,514,829)
Finance costs		(2,016,899)	(378,179)	(2,032,103)
Insurance paid		(1,976,800)	(1,784,859)	(2,523,491)
Goods and services tax paid		(4,386,075)	(2,980,503)	(2,841,997)
Other expenditure		(2,626,539)	(1,032,978)	(978,419)
		(77,385,473)	(64,645,313)	(73,581,008)
Net cash provided by operating activities	4	33,329,436	39,412,504	28,692,993
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5(a)	(86,592,075)	(7,287,818)	(61,442,883)
Payments for construction of infrastructure	5(b)	(147,596,978)	(8,053,907)	(73,109,551)
Proceeds from capital grants, subsidies and contributions		67,456,946	412,892	37,858,341
Proceeds from disposal of property, plant and equipment	5(a)	949,000	243,119	832,000
Net cash (used in) investing activities		(165,783,107)	(14,685,714)	(95,862,093)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7(a)	(2,424,073)	(3,767,907)	(4,229,847)
Transfers to reserves	8(a)	(4,190,000)	(7,244,246)	0
Proceeds from new borrowings	7(a)	64,000,000	0	37,600,000
Transfers from reserves	8(a)	48,300,000	0	0
Net cash provided by (used in) financing activities		57,385,927	(11,012,153)	33,370,153
Net increase (decrease) in cash held		(75,067,744)	13,714,637	(33,798,947)
Cash at beginning of year		141,681,465	127,966,828	112,750,287
Cash and cash equivalents at the end of the year	4	**66,613,721**	**141,681,465**	**78,951,340**

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 2027

	Note	2026/27 Budget	2025/26 Estimated Actual	2025/26 Budget
OPERATING ACTIVITIES				
Revenue from operating activities		$	$	$
General rates	2(a)(i)	47,342,244	40,677,576	40,621,512
Rates excluding general rates	2(a)	1,983,700	1,906,445	1,908,815
Grants, subsidies and contributions		13,018,683	5,873,492	9,514,677
Fees and charges	13	48,911,000	43,043,592	42,158,521
Service charges	2(f)	161,915	154,690	150,784
Interest revenue	9(a)	3,490,000	4,081,224	3,042,300
Other revenue		2,483,700	1,874,450	2,867,395
Profit on asset disposals	5	460,359	194,173	0
		117,851,601	97,805,642	100,264,004
Expenditure from operating activities				
Employee costs		(34,883,820)	(32,694,253)	(31,779,086)
Materials and contracts		(39,476,284)	(26,669,193)	(30,911,083)
Utility charges		(2,624,400)	(1,962,527)	(2,514,829)
Depreciation	6	(34,430,400)	(53,513,467)	(16,168,440)
Finance costs	9(c)	(2,016,899)	(378,179)	(2,032,103)
Insurance		(1,976,800)	(1,784,859)	(2,523,491)
Other expenditure		(2,626,539)	(1,032,978)	(978,419)
Loss on asset disposals	5	(71,700)	(55,548)	(34,070)
		(118,106,842)	(118,091,004)	(86,941,521)
Non cash amounts excluded from operating activities	3(c)	34,041,741	53,374,842	16,178,303
Amount attributable to operating activities		**33,786,500**	**33,089,480**	**29,500,786**
INVESTING ACTIVITIES				
Inflows from investing activities				
Proceeds from capital grants, subsidies and contributions		67,456,946	4,874,183	37,858,341
Proceeds from disposal of property, plant and equipment	5(a)	949,000	243,119	832,000
		68,405,946	5,117,302	38,690,341
Outflows from investing activities				
Acquisition of property, plant and equipment	5(a)	(86,592,075)	(7,287,818)	(61,442,883)
Acquisition of infrastructure	5(b)	(147,596,978)	(8,053,907)	(73,109,551)
		(234,189,053)	(15,341,725)	(134,552,434)
Non-cash amounts excluded from investing activities	3(d)	0	0	0
Amount attributable to investing activities		**(165,783,107)**	**(10,224,423)**	**(95,862,093)**
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from new borrowings	7(a)	64,000,000	0	37,600,000
Transfers from reserve accounts	8(a)	48,300,000	0	23,933,651
		112,300,000	0	61,533,651
Outflows from financing activities				
Repayment of borrowings	7(a)	(2,424,073)	(3,767,907)	(4,229,847)
Transfers to reserve accounts	8(a)	(4,190,000)	(7,244,246)	(3,559,121)
		(6,614,073)	(11,012,153)	(7,788,968)
Amount attributable to financing activities		**105,685,927**	**(11,012,153)**	**53,744,683**
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus remaining at the start of the financial year	3	26,310,680	14,457,776	12,616,624
Amount attributable to operating activities		33,786,500	33,089,480	29,500,786
Amount attributable to investing activities		(165,783,107)	(10,224,423)	(95,862,093)
Amount attributable to financing activities		105,685,927	(11,012,153)	53,744,683
Surplus remaining after the imposition of general rates	3	**0**	**26,310,680**	**0**

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

SHIRE OF EAST PILBARA
FOR THE YEAR ENDED 30 JUNE 2027
INDEX OF NOTES TO THE BUDGET

1 BASIS OF PREPARATION

The annual budget of the Shire of East Pilbara which is a Class 2 local government is a forward looking document and has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements
Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the annual budget be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from *AASB 16 Leases* which would have required the Shire to measure any vested improvements at zero cost.

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 10 to the annual budget.

2025/26 actual balances
Balances shown in this budget as 2025/26 Actual are estimates as forecast at the time of preparation of the annual budget and are subject to final adjustments.

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

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

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

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

Initial application of accounting standards
During the budget year, the below revised Australian Accounting Standards and Interpretations are expected to be compiled, become mandatory and be applicable to its operations.
• *AASB 2026-1 Amendments to Australian Accounting Standards – Disclosures about Uncertainties in the Financial Statements*
• *AASB 2024-2 Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments*
• *AASB 2024-3 Amendments to Australian Accounting Standards - Standards – Annual Improvements Volume 11*
• *AASB 2025-1 Amendments to Australian Accounting Standards – Contracts Referencing Nature-dependent Electricity*
It is not expected these standards will have an impact on the annual budget on initial application.

New accounting standards for application in future years
The following new accounting standards will have application to local government in future years:
• *AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
• *AASB 2024-4b Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*
It is not expected these standards will have an impact on the annual budget on initial application.
• *AASB 18 Presentation and Disclosure in Financial Statements*
• *AASB 18 (NFP/super) Presentation and Disclosure in Financial Statements - (Appendix D) [for not-for-profit and superannuation entities]*
These accounting standards will materially change the presentation of the annual financial report and annual budget

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

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

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

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:
• Fair value measurement of assets carried at reportable value including:
• Property, plant and equipment
• Infrastructure
• Expected credit losses on financial assets
• Assets held for sale
• Impairment losses of non-financial assets
• Investment property
• Estimated useful life of intangible assets
• Measurement of employee benefits
• Measurement of provisions

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in dollar	Number of properties	Rateable value*	2026/27 Budgeted rate revenue	2026/27 Budgeted interim rates	2026/27 Budgeted total revenue	2025/26 Estimated Actual revenue	2025/26 Budget total revenue
				$	$	$	$	$	$
(i) General rates									
Gross rental valuations									
GRV - Residential	Gross rental valuation	0.072900	1,932	64,582,836	4,708,089		4,708,089	4,353,515	4,356,582
GRV - Non Residential	Gross rental valuation	0.072900	157	28,522,357	2,079,280		2,079,280	1,928,688	1,916,889
GRV - Transient	Gross rental valuation	0.145800	29	51,859,000	7,561,042		7,561,042	7,054,288	7,050,807
Unimproved valuations									
UV - Pastoral	Unimproved valuation	0.225700	44	11,221,583	2,532,711		2,532,711	2,476,836	2,122,553
UV - Mining/Others	Unimproved valuation	0.451400	1,007	67,058,418	30,270,170		30,270,170	24,701,617	25,016,086
UV - Mining Prospecting	Unimproved valuation	0.327900	146	582,348	190,952		190,952	162,632	158,595
Total general rates			3,315	223,826,542	47,342,244	0	47,342,244	40,677,576	40,621,512
		Minimum							
(ii) Minimum payment		$							
Gross rental valuations									
GRV - Residential	Gross rental valuation	1,200	557	1,232,570	668,400		668,400	661,445	662,415
GRV - Non Residential	Gross rental valuation	1,500	29	286,145	43,500		43,500	40,600	40,600
GRV - Transient	Gross rental valuation	1,500	0	0	0		0	0	0
Unimproved valuations									
UV - Pastoral	Unimproved valuation	1,500	22	36,190	33,000		33,000	32,200	33,600
UV - Mining/Others	Unimproved valuation	1,500	779	1,112,066	1,168,500		1,168,500	1,099,915	1,099,000
UV - Mining Prospecting	Unimproved valuation	925	76	117,454	70,300		70,300	72,285	73,200
Total minimum payments			1,463	2,784,425	1,983,700	0	1,983,700	1,906,445	1,908,815
Total general rates and minimum payments			4,778	226,610,967	49,325,944	0	49,325,944	42,584,021	42,530,327

(iii) Specified area rates

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

	2026/27 Budgeted total revenue	2025/26 Estimated Actual revenue	2025/26 Budget total revenue
Instalment plan charges	11,000	9,600	10,000
Instalment plan interest	80,000	50,688	43,900
Late payment of rate or service charge interest	500,000	497,006	398,400
	591,000	557,294	452,300

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

*Rateable Value at time of adopting budget.

All rateable properties within the district used predominately for non-rural purposes are rated according to their Gross Rental Valuation (GRV), all other properties are rated according to their Unimproved Valuation (UV)

The general rates detailed for the 2026/27 financial year have been determined by Council on the basis of raising the revenue required to meet the estimated deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than general rates and also considering the extent of any increase in rating over the level adopted in the previous year.

The minimum payments have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of local government services/facilities.

2. RATES AND SERVICE CHARGES (CONTINUED)

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

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

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		$	%	%
Option one				
Single full payment	16-Sep-26	0	0.0%	0.0%
Option two				
First instalment	16-Sep-26	0	0.0%	0.0%
Second instalment	09-Dec-26	10	5.5%	11.0%
Third instalment	10-Feb-27	10	5.5%	11.0%
Fourth instalment	14-Apr-27	10	5.5%	11.0%

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 duplex, multi-unit and strata improved properties.	To ensure that the proportion of total rate revenue derived from residential remains essentually consistant 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 provdied 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 and non-residential workers. Temporary workers are consumers of Shire services 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 other than property types due to their number of occupants in a relative small land parcel.

2. RATES AND SERVICE CHARGES (CONTINUED)

(c) Objectives and Reasons for Differential Rating

GRV - Non Residential	This incorporates all light industry, general industry, commercial including hotel/motel and mixed use properties.	To ensure the proportion of total rate revenue derived from non-residential properties remains essentially consistant 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 landscape 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 serves which they use. No concessions are intended.
UV - Pastoral	This incorporates all properties issued with pastoral leases granted by the State Government OR does not have any 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 ti 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.

2. RATES AND SERVICE CHARGES (CONTINUED)

(c) Objectives and Reasons for Differential Rating

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	1,200
GRV - Non-Residential	1,500
GRV - Transient	1,500
Unimproved valuations	
UV - Pastoral/Special Leases	1,500
UV Mining/Prospecting	925
UV - Mining Others	1,500

(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 - Transient	0.22320	0.14580	Ministerial approval not granted

2. RATES AND SERVICE CHARGES (CONTINUED)

(f) Specified Area Rate

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

(f) Service Charges

	Amount of charge	Number of Assessments	2026/27 Budgeted revenue	Budget amount to be applied to costs	Budget amount to be set aside to reserve	Reserve amount to be applied to costs	2025/26 Estimated Actual revenue	2025/26 Budget revenue
Service charge	$		$	$	$	$	$	$
CCTV Network Contribution	65	2,491	161,915	161,915	0	0	154,690	150,784
			161,915	161,915	0	0	154,690	150,784

Nature of the service charge	Objects of the charge	Reasons for the charge	Area/Properties charge to be imposed on
CCTV Network Contribution	A service charge of $65 per Newman townsite property is imposed for the provision of Property Surveilance & 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 2027

(h) Waivers or concessions

No waivers or concessions are allowed in the budget year ended 30 June 2027

3. NET CURRENT ASSETS

(a) Composition of estimated net current assets

	Note	2026/27 Budget 30 June 2027 Carried forward	2025/26 Estimated Actual 30 June 2026 Carried forward	2025/26 Budget 30 June 2026 Carried forward
Current assets		$	$	$
Cash and cash equivalents	4	66,613,721	141,681,465	78,951,340
Receivables		9,466,295	7,023,042	6,823,837
Inventories		217,624	217,624	96,953
Other assets		0	0	4,353,905
		76,297,640	148,922,131	90,226,035
Less: current liabilities				
Trade and other payables		(9,683,919)	(9,683,919)	(5,536,417)
Contract liabilities		0	(2,203,811)	(5,339,046)
Long term borrowings	7	(4,000,000)	(2,424,073)	(6,297,970)
Employee provisions		(1,659,912)	(1,659,912)	(1,467,239)
		(15,343,831)	(15,971,715)	(18,640,672)
Net current assets		60,953,809	132,950,416	71,585,363
Less: Total adjustments to net current assets	3(b)	(60,953,809)	(106,639,736)	(71,585,363)
Net current assets used in the Statement of Financial Activity		0	26,310,680	0

(b) Current assets and liabilities excluded from budgeted deficiency

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

	Note	2026/27 Budget 30 June 2027 Carried forward	2025/26 Estimated Actual 30 June 2026 Carried forward	2025/26 Budget 30 June 2026 Carried forward
Adjustments to net current assets				
Less: Reserve accounts	8	(66,613,721)	(110,723,721)	(78,951,340)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings		4,000,000	2,424,073	6,297,970
Less: Other Liabilities		0	0	(48,414)
- Current portion of employee benefit provisions		1,659,912	1,659,912	1,116,421
Total adjustments to net current assets		(60,953,809)	(106,639,736)	(71,585,363)

EXPLANATION OF DIFFERENCE IN SURPLUS/(DEFICIT)

Items excluded from calculation of budgeted deficiency

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

(c) Amounts excluded from operating activities

	Note	2026/27 Budget 30 June 2027 Carried forward	2025/26 Estimated Actual 30 June 2026 Carried forward	2025/26 Budget 30 June 2026 Carried forward
		$	$	$
Less: Profit on asset disposals	5	(460,359)	(194,173)	0
Add: Loss on asset disposals	5	71,700	55,548	34,070
Add: Depreciation	6	34,430,400	53,513,467	16,168,440
Non cash amounts excluded from operating activities		34,041,741	53,374,842	16,178,303

3. NET CURRENT ASSETS (CONTINUED)

(d) MATERIAL ACCOUNTING POLICIES

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

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

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

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

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

INVENTORY - LAND HELD FOR RESALE
Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4. RECONCILIATION OF CASH

(a) Reconciliation of cash

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

	Note	2026/27 Budget	2025/26 Estimated Actual	2025/26 Budget
		$	$	$
Cash and cash equivalents		66,613,721	141,681,465	78,951,340
Restrictions				
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
Cash and cash equivalents		0	28,753,933	760,000
Restricted financial assets at amortised cost - term deposits		66,613,721	112,927,532	78,191,340
		66,613,721	141,681,465	78,951,340
The restricted financial assets are a result of the following specific purposes to which the assets may be used:				
Reserve accounts	8	66,613,721	110,723,721	78,951,340
Municipal funds		0	28,753,933	0
Contract liabilities		0	2,203,811	0
Total restricted financial assets		66,613,721	141,681,465	78,951,340

(b) Reconciliation of net cash provided by operating activities

	Note	2026/27 Budget	2025/26 Estimated Actual	2025/26 Budget
Net result		67,201,705	(15,411,179)	51,180,824
Non-cash items:				
Depreciation	6	34,430,400	53,513,467	16,168,440
(Profit)/loss on sale of assets	5	(388,659)	(138,625)	34,070
Changes in assets and liabilities:				
(Increase)/decrease in receivables		(8,858,597)	3,493,304	(832,000)
(Increase) in inventories		(225,344)	(286,906)	0
Decrease in other assets		10,830,688	6,980,653	0
(Increase) in trade and other payables		0	(3,836,568)	0
(Increase) in contract liabilities		(2,203,811)	(27,459)	0
(Increase) in capital grant/contributions liabilities		0	(4,461,291)	0
Capital grants, subsidies and contributions		(67,456,946)	(412,892)	(37,858,341)
Net cash provided by operating activities		33,329,436	39,412,504	28,692,993

MATERIAL ACCOUNTING POLICES

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

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

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

FINANCIAL ASSETS AT AMORTISED COST
The Shire classifies financial assets at amortised cost if both of the following criteria are met:
- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

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

5. PROPERTY, PLANT AND EQUIPMENT

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

	2026/27 Budget					2025/26 Estimated Actual					2025/26 Budget				
	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss
(a) Property, Plant and Equipment	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Buildings	38,635,000				0	4,603,450				0	0				0
Buildings - specialised	34,073,900				0	0				0	50,647,643				0
Furniture and equipment	1,219,200				0	937,204				0	365,000				0
Plant and equipment	12,663,975	(560,341)	949,000	460,359	(71,700)	1,747,164	(104,494)	243,119	194,173	(55,548)	10,430,240	(866,070)	832,000	0	(34,070)
Total	86,592,075	(560,341)	949,000	460,359	(71,700)	7,287,818	(104,494)	243,119	194,173	(55,548)	61,442,883	(866,070)	832,000	0	(34,070)
(b) Infrastructure															
Infrastructure - roads	44,660,517				0	4,381,942				0	14,813,766				0
Infrastructure - drainage	2,150,500				0	0				0	924,000				0
Infrastructure - other parks gardens & landfill	67,285,961				0	978,286				0	0				0
Infrastructure - work in progress					0	0				0	12,680,000				0
Infrastructure - other airports	33,500,000				0	2,693,679				0	44,691,785				0
Total	147,596,978	0	0	0	0	8,053,907	0	0	0	0	73,109,551	0	0	0	0
Total	234,189,053	(560,341)	949,000	460,359	(71,700)	15,341,725	(104,494)	243,119	194,173	(55,548)	134,552,434	(866,070)	832,000	0	(34,070)

MATERIAL ACCOUNTING POLICIES

RECOGNITION OF ASSETS
Assets for which the fair value as at the date of acquisition is under $5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

GAINS AND LOSSES ON DISPOSAL
Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss in the period which they arise.

6. DEPRECIATION

	2026/27 Budget	2025/26 Estimated Actual	2025/26 Budget
	$	$	$
By Class			
Buildings	1,427,692	2,218,991	670,441
Buildings - subject to operating lease	6,437,123	10,004,902	3,022,859
Furniture and equipment	647,661	1,006,627	304,140
Plant and equipment	2,083,059	3,237,596	978,200
Infrastructure - roads	18,105,166	28,139,963	8,502,146
Infrastructure - footpaths	225,344	350,241	105,821
Infrastructure - drainage	225,344	350,241	105,821
Infrastructure - parks, gardens, landfill	5,013,439	7,792,140	2,354,300
Infrastructure - other airports	265,572	412,765	124,712
	34,430,400	53,513,467	16,168,440
By Program			
Governance	1,189,742	1,849,156	558,700
Law, order, public safety	421,424	654,999	197,900
Health	32,155	49,977	15,100
Education and welfare	965,507	1,500,640	453,400
Housing	1,086,249	1,688,303	510,100
Community amenities	2,007,803	3,120,629	942,860
Recreation and culture	4,516,418	7,019,645	2,120,900
Transport	22,680,217	35,250,739	10,650,580
Economic services	1,418,874	2,205,285	666,300
Other property and services	112,011	174,093	52,600
	34,430,400	53,513,467	16,168,440

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	10-60 years
Buildings - subject to operating lease	10-60 years.
Furniture and equipment	3-5 years
Plant and equipment	30-10 years
Infrastructure - roads	15-60 years
Infrastructure - footpaths	20-60 years
Infrastructure - drainage	20-60 years
Infrastructure - other airports	20-60 years
Infrastructure - parks, gardens, landfill	20-60 years

AMORTISATION
The depreciable amount of all intangible assets with a finite useful life, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

The assets residual value of intangible assets is considered to be zero and useful live and amortisation method are reviewed at the end of each financial year.

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income.

7. BORROWINGS

(a) Borrowing repayments

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

Purpose	Loan Number	Institution	Interest Rate	Budget Principal 1 July 2026	2026/27 Budget New Loans	2026/27 Budget Principal Repayments	Budget Principal outstanding 30 June 2027	2026/27 Budget Interest Repayments	Estimated Actual Principal 1 July 2025	2025/26 Estimated Actual New Loans	2025/26 Estimated Actual Principal Repayments	Actual Estimated Principal outstanding 30 June 2026	2025/26 Estimated Actual Interest Repayments	Budget Principal 1 July 2025	2025/26 Budget New Loans	2025/26 Budget Principal Repayments	Budget Principal outstanding 30 June 2026	2025/26 Budget Interest Repayments
				$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Governance																		
Admin Building	80	WATC	5.42%	0	15,000,000	(574,810)	14,425,190	(406,725)	0		0	0	0	0	0	0	0	0
Housing																		
Staff housing	71	WATC	6.49%	0	0	0	0	0	180,692		(180,692)	0	(8,842)	180,690	0	(169,500)	11,190	(20,000)
Community Amenities																		
Sewerage plant	72	WATC	4.49%	592,010	0	(163,455)	428,555	(21,218)	669,320		(77,310)	592,010	(15,026)	744,934	0	(149,600)	595,334	(35,100)
Sewerage plant	73	WATC	3.05%	279,051	0	(110,756)	168,295	(12,500)	332,372		(53,321)	279,051	(5,069)	384,892	0	(104,300)	280,592	(12,500)
Liquid waste water treatment plant	76	WATC	6.13%	0	0		0	0	2,248,042		(2,248,042)	0	(63,736)	2,248,043	0	(2,165,700)	82,343	(146,100)
Landfill waste heavy plant	77	WATC	3.77%	218,936	0	(218,936)	0	(7,039)	428,812		(209,876)	218,936	(16,101)	428,811	0	(201,200)	227,611	(24,800)
Sewerage plant upgrade	78	WATC	4.50%	0	49,000,000	(320,285)	48,679,715	(1,501,066)	0		0	0	0	0	36,000,000	(332,287)	35,667,713	(1,616,303)
Waste shredder	79	WATC	4.50%	0	0	0	0	0	0		0	0	0	0	1,600,000	(144,460)	1,455,540	(36,000)
Transport																		
Marble Bar airport	75	WATC	3.69%	2,110,209	0	(1,035,831)	1,074,378	(68,351)	3,108,875		(998,666)	2,110,209	(269,405)	3,108,875	0	(962,800)	2,146,075	(141,300)
				3,200,206	64,000,000	(2,424,073)	64,776,133	(2,016,899)	6,968,113	0	(3,767,907)	3,200,206	(378,179)	7,096,245	37,600,000	(4,229,847)	40,466,398	(2,032,103)
				3,200,206	64,000,000	(2,424,073)	64,776,133	(2,016,899)	6,968,113	0	(3,767,907)	3,200,206	(378,179)	7,096,245	37,600,000	(4,229,847)	40,466,398	(2,032,103)

All borrowing repayments will be financed by general purpose revenue.

7. BORROWINGS (CONTINUED)

(b) New borrowings - 2026/27

Particulars/Purpose		Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
					%	$	$	$	$
Admin Building	Loan 80	WATC	Debenture	10	5.4230%	15,000,000	4,630,703	15,000,000	0
Sewerage Plant	Loan 76	WATC	Debenture	20	6.1268%	49,000,000	48,354,059	49,000,000	0
						64,000,000	52,984,762	64,000,000	0

(c) Unspent borrowings

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

(d) Credit Facilities

	2026/27 Budget	2025/26 Estimated Actual	2025/26 Budget
	$	$	$
Undrawn borrowing facilities credit standby arrangements			
Bank overdraft limit	0	0	0
Bank overdraft at balance date	0	0	0
Credit card limit	80,000	80,000	80,000
Credit card balance at balance date	0	0	0
Total amount of credit unused	80,000	80,000	80,000
Loan facilities			
Loan facilities in use at balance date	64,776,133	3,200,206	40,466,398

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.

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

8. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2026/27 Budget					2025/26 Estimated Actual				2025/26 Budget			
	Opening Balance	Transfer Interest to	Transfer to	Transfer (from)	Closing Balance	Opening Balance	Transfer to	Transfer (from)	Closing Balance	Opening Balance	Transfer to	Transfer (from)	Closing Balance
	$	$	$	$	$	$	$	$	$	$	$	$	$
Restricted by legislation													
(a) Open space and parking reserve	0	0	780,000		780,000	0	0		0	0	760,000	(760,000)	0
(b) Security & surveillance service charge reserve	132,919	1,400	0		134,319	128,878	4,041		132,919	123,419	2,734	(60,000)	66,153
	132,919	1,400	780,000	0	914,319	128,878	4,041	0	132,919	123,419	762,734	(820,000)	66,153
Restricted by council													
(c) Employee entitlements reserve	1,176,274	12,800			1,189,074	1,140,517	35,757		1,176,274	1,092,214	24,207		1,116,421
(d) Alice Springs Road reserve	262,181	2,800			264,981	254,211	7,970		262,181	243,446	5,396		248,842
(e) Heavy road plant reserve	717,339	10,500			727,839	695,533	21,806		717,339	666,077	19,778	(647,268)	38,587
(f) Cape Kerauden development reserve	961,032	7,800			968,832	931,818	29,214		961,032	892,353	14,763		907,116
(g) Computer technology reserve	1,394,739	15,300			1,410,039	1,352,341	42,398		1,394,739	1,295,066	28,703	(1,266,383)	57,386
(h) Newman airport reserve	76,090,239	811,400		(31,900,000)	45,001,639	71,838,003	4,252,236		76,090,239	68,795,517	2,323,874	(16,000,000)	55,119,391
(i) Recreation facilities maintenance reserve	2,856,303	31,300			2,887,603	2,769,476	86,827		2,856,303	2,652,183	58,782		2,710,965
(j) Staff housing reserve	1,043,386	11,400			1,054,786	1,011,669	31,717		1,043,386	968,823	21,473		990,296
(k) Waste management reserve	272,446	18,700			291,146	1,658,481	2,008,282		272,446	1,588,241	35,201	(200,000)	1,423,442
(l) Public art reserve	3,710,477	2,900			3,713,377	264,164	51,996		3,710,477	252,976	5,607		258,583
(m) Newman House reserve	887,463	9,700			897,163	860,485	26,978		887,463	824,042	18,264		842,306
(n) Public building maintenance reserve	2,815,216	30,800			2,846,016	2,729,638	85,578		2,815,216	2,614,032	57,936		2,671,968
(o) Martumili operations reserve	209,297	14,800			224,097	202,935	6,362		209,297	912,162	20,217		932,379
(p) Martumili infrastructure project reserve	1,096,737	12,000			1,108,737	1,063,398	33,339		1,096,737	1,018,360	22,570		1,040,930
(q) Future projects reserve	16,508,806	409,900	2,000,000	(16,400,000)	2,518,706	16,006,962	501,844		16,508,806	14,840,175	127,497	(5,000,000)	9,967,672
(r) Insurance reserve	588,867	6,500			595,367	570,966	17,901		588,867	546,784	12,119		558,903
	110,590,802	1,408,600	2,000,000	(48,300,000)	65,699,402	103,350,597	7,240,205	0	110,590,802	99,202,451	2,796,387	(23,113,651)	78,885,187
	110,723,721	1,410,000	2,780,000	(48,300,000)	66,613,721	103,479,475	7,244,246	0	110,723,721	99,325,870	3,559,121	(23,933,651)	78,951,340

(b) Reserve Accounts - Purposes

In accordance with Council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Reserve name	Anticipated date of use	Purpose of the reserve
Restricted by legislation		
(a) Open space and parking reserve	Ongoing	For the provision, construction and maintenance of open spaces and car parking facilities as provided for as "cash in lieu" payments
(b) Security & surveillance service charge reser	Ongoing	To provide for the maintenance and future replacement of the Shire's CCTV network
Restricted by council	Ongoing	
(c) Employee entitlements reserve	Ongoing	Provision for the employee entitlements for staff of the Shire
(d) Alice Springs Road reserve	Ongoing	To establish a road link to Alice Springs from Marble Bar to the Northern Territory border
(e) Heavy road plant reserve	Ongoing	To fund the purchase of heavy plant that is needed for the operation of the Shire
(f) Cape Kerauden development reserve	Ongoing	For the maintenance, development & enhancement of the Cape Kerauden Reserve
(g) Computer technology reserve	Ongoing	For the replacement, enhancement and upgrading of computer hardware and software
(h) Newman airport reserve	Ongoing	For the upgrading, maintenance and enhancement of the Newman airport
(i) Recreation facilities maintenance reserve	Ongoing	For the upgrading and enhancement of recreation facilities
(j) Staff housing reserve	Ongoing	For the upgrading and maintenance of staff and community housing assets
(k) Waste management reserve	Ongoing	For the development, maintenance and enhancement of waste facilities including the sewerage plant
(l) Public art reserve	Ongoing	For the development, maintenance and enhancement of public art within the three towns of the Shire
(m) Newman House reserve	Ongoing	For the ungrading, maintenance and enhancement of Newman House
(n) Public building maintenance reserve	Ongoing	For the upgrading, maintenance and enhancement of public buildings
(o) Martumili operations reserve	Ongoing	To hold and utilise the allocation of Martumili's funds
(p) Martumili infrastructure project reserve	Ongoing	For the upgrading, maintenance and enhancement of Martumili buildings
(q) Future projects reserve	Ongoing	To fund or assist in funding the delivery of projects that support the Shire's long term service delivery objectives
(r) Insurance reserve	Ongoing	To provide for the liabilities that may arise from the Shire's insurance requirements

9. OTHER INFORMATION

	2026/27 Budget	2025/26 Estimated Actual	2025/26 Budget
The net result includes as revenues	$	$	$
(a) Interest earnings			
Investments	2,910,000	3,533,530	2,600,000
Other interest revenue	580,000	547,694	442,300
	3,490,000	4,081,224	3,042,300
The net result includes as expenses			
(b) Auditors remuneration			
Audit services	140,000	140,713	140,000
Other services	128,000	13,907	0
	268,000	154,620	140,000
(c) Interest expenses (finance costs)			
Borrowings (refer Note 7(a))	2,016,899	378,179	2,032,103
	2,016,899	378,179	2,032,103
(d) Write offs			
General rate	339,300	20,345	0
Bad doubtfull debts	200,000	390,891	0
	539,300	411,236	0

10. COUNCIL MEMBERS REMUNERATION

	2026/27 Budget	2025/26 Estimated Actual	2025/26 Budget
	$	$	$
President			
President's allowance	74,000	70,951	71,000
Meeting attendance fees	36,200	34,890	35,000
Annual allowance for ICT expenses	3,500	3,500	3,500
	113,700	109,341	109,500
Deputy President			
Deputy President's allowance	18,500	18,119	18,000
Meeting attendance fees	26,938	26,020	25,875
Annual allowance for ICT expenses	3,500	3,500	3,500
	48,938	47,639	47,375
Other councillors			
Meeting attendance fees	188,563	183,260	181,125
Annual allowance for ICT expenses	24,500	24,651	24,500
	213,063	207,911	205,625
Total Council Member Remuneration	375,701	364,891	362,500
President's allowance	74,000	70,951	71,000
Deputy President's allowance	18,500	18,119	18,000
Meeting attendance fees	251,701	244,170	242,000
Annual allowance for ICT expenses	31,500	31,651	31,500
	375,701	364,891	362,500

11. REVENUE AND EXPENDITURE

(a) Revenue and Expenditure Classification

REVENUES

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

GRANTS, SUBSIDIES AND CONTRIBUTIONS
All amounts received as grants, subsidies and contributions that are not capital grants.

CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS
Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

REVENUE FROM CONTRACTS WITH CUSTOMERS
Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

FEES AND CHARGES
Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.
Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

SERVICE CHARGES
Service charges imposed under *Division 6 of Part 6 of the Local* Government Act 1995. Regulation 54 of the Local Government *(Financial Management) Regulations 1996* identifies the charges which can be raised. These are television and radio broadcasting, underground electricity and neighbourhood surveillance services and water.
Exclude rubbish removal charges which should not be classified as a service charge. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

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

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

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

EXPENSES

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

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

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

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

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

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

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

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

11. REVENUE AND EXPENDITURE (CONTINUED)

(b) Revenue Recognition

Recognition of revenue from contracts with customers is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/ Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of Revenue recognition
Grant,, subsidies and contributions - 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
Fees and Charges - 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
Fees and Charges - 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 - Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	Adopted by council annually	Applied fully on timing of landing/take-off	Not applicable	On landing/departure event
Fees and charges for other goods and services	Cemetery services, library fees and reinstatements	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

12. PROGRAM INFORMATION

Key Terms and Definitions - Reporting Programs

In order to discharge its responsibilities to the community, Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the Shire's Community Vision, and for each of its broad activities/programs.

OBJECTIVE	ACTIVITIES
Governance To provide a decision making process for the efficient allocation of scarce resources.	Members of Council, general governance including administration, finance and other corporate services, computer administration and community liaison.
General purpose funding To collect revenue to allow for the provision of services.	Rates, general purpose government grants, normalication grants and interest revenue.
Law, order, public safety To provide services to help ensure a safer and environmentally conscious community.	Supervision of Local Laws, fire prevention, emergency services and animal control.
Health To provide an operational framework for environmental and community health.	Maintneance of infant health clinic, health inspection services, food and water quality control and immunisation.
Education and welfare To provide services for children and youth.	Community services and sponsored support of community and youth.
Housing To provide and maintain housing.	Aged persons housing, and maintenance of leased properties.
Community amenities To provide services required to the community.	Rubbish collection services, maintenance of cemeteries and public toilets, the maintenance of the Newman Waste Water Treatment Plant and planning services.
Recreation and culture To establish and effectively manage infrastructure and resources which will help the social and physical well being of the community.	Maintenance of public halls, Newman and Marble Bar aquatic centres, Newman Recreation Centre, public parks and gardens, libraries and recreation services.
Transport To provide safe, effective and efficient transport services to the community.	Construction and maintenance of roads, footpaths, drainage works, parking facilities, traffic signs, street lighting, depot operations, street cleaning and operation of the Newman airport and Marble Bar and Nullagine airstrips.
Economic services To help promote the Shire and its economic wellbeing.	Tourism support, building services and controls, caravan parks and bus services.
Other property and services To minitor and control the Shire's overheads and operating accounts.	Private works carried out by the Shire and allocations to works and services of all salaries and wages, overheads and plant costs incurred. Miscellaneous unclassified areas.

13. FEES AND CHARGES

	2026/27 Budget	2025/26 Estimated Actual	2025/26 Budget
	$	$	$
By Program:			
Governance	161,000	60,513	69,500
General purpose funding	64,100	116,342	40,000
Law, order, public safety	38,500	44,047	32,250
Health	73,500	76,486	111,800
Education and welfare	9,000	10,759	3,750
Housing	450,000	166,491	411,577
Community amenities	9,952,200	13,940,231	9,435,988
Recreation and culture	858,600	1,046,460	810,885
Transport	36,115,000	25,976,813	30,288,560
Economic services	1,184,100	1,605,450	949,211
Other property and services	5,000	0	5,000
	48,911,000	43,043,592	42,158,521

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