SHIRE OF CRANBROOK

ANNUAL BUDGET

FOR THE YEAR ENDED 30 JUNE 2027

LOCAL GOVERNMENT ACT 1995

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

That the Shire of Cranbrook is a proactive, sustainable, safe, friendly and prosperous place to be.

SHIRE OF CRANBROOK
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2027

	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
Revenue		$	$	$
Rates	2(a)	3,526,162	3,358,174	3,330,442
Grants, subsidies and contributions		1,003,957	3,128,116	1,265,199
Fees and charges	14	532,166	495,862	392,008
Interest revenue	10(a)	208,527	204,115	194,200
Other revenue		60,600	179,357	205,225
		5,331,412	7,365,624	5,387,074
Expenses				
Employee costs		(3,399,558)	(3,117,145)	(3,183,109)
Materials and contracts		(1,926,399)	(1,563,015)	(1,612,073)
Utility charges		(190,120)	(184,945)	(136,964)
Depreciation	6	(7,245,934)	(7,245,934)	(7,177,819)
Finance costs	10(c)	0	(19)	(423)
Insurance		(265,333)	(264,066)	(261,158)
Other expenditure		(126,348)	(106,867)	(123,762)
		(13,153,692)	(12,481,991)	(12,495,308)
		(7,822,280)	(5,116,367)	(7,108,234)
Capital grants, subsidies and contributions		2,556,469	3,549,374	4,742,205
Profit on asset disposals	5	9,000	29,663	242,749
Loss on asset disposals	5	(4,843)	(9,893)	(3,604)
Fair value adjustments to financial assets at fair value through profit or loss		0	56,668	0
		2,560,626	3,625,812	4,981,350
Net result for the period		**(5,261,654)**	**(1,490,555)**	**(2,126,884)**
Total other comprehensive income for the period		**0**	**0**	**0**
Total comprehensive income for the period		**(5,261,654)**	**(1,490,555)**	**(2,126,884)**

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

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

CASH FLOWS FROM OPERATING ACTIVITIES	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
Receipts		$	$	$
Rates		3,526,162	3,408,747	3,412,942
Grants, subsidies and contributions		1,003,957	3,260,936	1,844,197
Fees and charges		532,166	495,862	392,008
Interest revenue		208,527	204,115	194,200
Goods and services tax received		0	594,129	541,791
Other revenue		60,600	179,357	205,225
		5,331,412	8,143,146	6,590,363
Payments				
Employee costs		(3,399,558)	(3,053,374)	(3,274,187)
Materials and contracts		(1,926,399)	(1,264,730)	(1,476,688)
Utility charges		(190,120)	(184,945)	(136,964)
Finance costs		0	(19)	(423)
Insurance paid		(265,333)	(264,066)	(261,158)
Goods and services tax paid		0	(734,947)	(381,900)
Other expenditure		(126,348)	(106,867)	(123,762)
		(5,907,758)	(5,608,948)	(5,655,082)
Net cash provided by (used in) operating activities	4	(576,346)	2,534,198	935,281
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5(a)	(1,203,675)	(1,706,755)	(2,474,518)
Payments for construction of infrastructure	5(b)	(4,308,446)	(3,670,127)	(5,590,483)
Proceeds from capital grants, subsidies and contributions		2,556,469	3,549,374	4,713,728
Proceeds from disposal of property, plant and equipment	5(a)	311,157	355,538	578,306
Proceeds on financial assets at amortised cost - self supporting loans	8(a)	0	7,500	0
Net cash (used in) investing activities		(2,644,495)	(1,464,470)	(2,772,967)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payments for principal portion of lease liabilities	7	0	(6,542)	(6,542)
Net cash (used in) financing activities		0	(6,542)	(6,542)
Net increase (decrease) in cash held		(3,220,841)	1,063,186	(1,844,228)
Cash at beginning of year		6,653,666	5,590,480	5,590,480
Cash and cash equivalents at the end of the year	4	**3,432,825**	**6,653,666**	**3,746,252**

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

SHIRE OF CRANBROOK
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2027

	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
OPERATING ACTIVITIES				
Revenue from operating activities		$	$	$
General rates	2(a)(i)	3,229,195	3,068,434	3,066,642
Rates excluding general rates	2(a)	296,967	289,740	263,800
Grants, subsidies and contributions		1,003,957	3,128,116	1,265,199
Fees and charges	14	532,166	495,862	392,008
Interest revenue	10(a)	208,527	204,115	194,200
Other revenue		60,600	179,357	205,225
Profit on asset disposals	5	9,000	29,663	242,749
Fair value adjustments to financial assets at fair value through profit or loss		0	56,668	0
		5,340,412	7,451,955	5,629,823
Expenditure from operating activities				
Employee costs		(3,399,558)	(3,117,145)	(3,183,109)
Materials and contracts		(1,926,399)	(1,563,015)	(1,612,073)
Utility charges		(190,120)	(184,945)	(136,964)
Depreciation	6	(7,245,934)	(7,245,934)	(7,177,819)
Finance costs	10(c)	0	(19)	(423)
Insurance		(265,333)	(264,066)	(261,158)
Other expenditure		(126,348)	(106,867)	(123,762)
Loss on asset disposals	5	(4,843)	(9,893)	(3,604)
		(13,158,535)	(12,491,884)	(12,498,912)
Non cash amounts excluded from operating activities	3(c)	7,241,777	7,147,651	6,938,674
Amount attributable to operating activities		**(576,346)**	**2,107,722**	**69,585**
INVESTING ACTIVITIES				
Inflows from investing activities				
Proceeds from capital grants, subsidies and contributions		2,556,469	3,549,374	4,742,205
Proceeds from disposal of property, plant and equipment	5(a)	311,157	355,538	578,306
Proceeds from financial assets at amortised cost - self supporting loans	8(a)	0	7,500	0
		2,867,626	3,912,412	5,320,511
Outflows from investing activities				
Acquisition of property, plant and equipment	5(a)	(1,203,675)	(1,706,755)	(2,474,518)
Acquisition of infrastructure	5(b)	(4,308,446)	(3,670,127)	(5,590,483)
Payments for financial assets at amortised cost - term deposits		0	0	
		(5,512,121)	(5,376,882)	(8,065,001)
Amount attributable to investing activities		**(2,644,495)**	**(1,464,470)**	**(2,744,490)**
FINANCING ACTIVITIES				
Inflows from financing activities				
Transfers from reserve accounts	9(a)	872,163	505,676	937,475
		872,163	505,676	937,475
Outflows from financing activities				
Payments for principal portion of lease liabilities	7	0	(6,542)	(6,542)
Transfers to reserve accounts	9(a)	(300,522)	(667,855)	(282,240)
		(300,522)	(674,397)	(288,782)
Amount attributable to financing activities		**571,641**	**(168,721)**	**648,693**
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus remaining at the start of the financial year	3	2,649,200	2,174,669	2,026,212
Amount attributable to operating activities		(576,346)	2,107,722	69,585
Amount attributable to investing activities		(2,644,495)	(1,464,470)	(2,744,490)
Amount attributable to financing activities		571,641	(168,721)	648,693
Surplus remaining after the imposition of general rates	3	**0**	**2,649,200**	**0**

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

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

1 BASIS OF PREPARATION

The annual budget of the Shire of Cranbrook which is a Class 4 local government is a forward looking document and has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

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

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

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 11 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
• Impairment losses of non-financial 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 Actual total revenue	2025/26 Budget total revenue
				$	$	$	$	$	$
(i) General rates									
Residential	Gross rental valuation	0.112078	246	3,018,932	338,356	500	338,856	321,763	319,065
Commercial	Gross rental valuation	0.112078	5	98,460	11,035		11,035	9,721	10,496
Rural	Unimproved valuation	0.003833	401	751,189,000	2,879,304		2,879,304	2,736,950	2,737,081
Total general rates			652	754,306,392	3,228,695	500	3,229,195	3,068,434	3,066,642
		Minimum							
(ii) Minimum payment		$							
Residential	Gross rental valuation	812.00	139		112,868		112,868	107,030	107,800
Commercial	Gross rental valuation	812.00	7		5,684		5,684	5,390	5,390
Rural	Unimproved valuation	854.00	71		60,634		60,634	59,130	59,130
Mining tenements	Unimproved valuation	854.00	3		2,562		2,562	2,971	6,480
Total minimum payments			220	0	181,748	0	181,748	174,521	178,800
Total general rates and minimum payments			872	754,306,392	3,410,443	500	3,410,943	3,242,955	3,245,442
(iii) Ex-gratia rates									
CBH					85,219		85,219	85,219	85,000
FPC					30,000		30,000	30,000	
Total ex-gratia rates			0	0	115,219	0	115,219	115,219	85,000
Total rates					3,525,662	500	3,526,162	3,358,174	3,330,442
Instalment plan charges							4,610	4,521	4,000
Instalment plan interest							12,000	13,194	12,000
Late payment of rate or service charge interest							14,000	14,152	12,000
							30,610	31,867	28,000

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.

Option 1 (Full Payment)

1/10/2026	Paid within 35 days from date of issue

Option 2 (Two Instalments)

1/10/2026	Paid within 35 days from date of issue
4/02/2027	Payment due 126 days from first instalment

Option 3 (Four Instalments)

1/10/2026	Paid within 35 days from date of issue
3/12/2026	Payment due 63 days from first instalment
4/02/2027	Payment due 63 days from second instalment
8/04/2027	Payment due 63 days from third instalment

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		$	%	%
Option one				
Single full payment	1/10/2026	0	0.0%	11.0%
Option two				
First instalment	1/10/2026	0	0.0%	11.0%
Second instalment	4/02/2027	11	5.5%	11.0%
Option three				
First instalment	1/10/2026	0	0.0%	11.0%
Second instalment	3/12/2026	11	5.5%	11.0%
Third instalment	4/02/2027	11	5.5%	11.0%
Fourth instalment	8/04/2027	11	5.5%	11.0%

2. RATES AND SERVICE CHARGES (CONTINUED)

(c) Service Charges

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

(d) Waivers or concessions

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

SHIRE OF CRANBROOK
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE 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 Actual 30 June 2026 Carried forward	2025/26 Budget 30 June 2026 Carried forward
Current assets		$	$	$
Cash and cash equivalents	4	3,432,825	6,653,666	3,746,252
Financial assets		7,000	7,000	5,500
Receivables		472,280	472,280	172,606
Inventories		67,291	67,291	0
Other assets		50,947	50,947	42,725
		4,030,343	7,251,184	3,967,083
Less: current liabilities				
Trade and other payables		(344,005)	(344,005)	(659,274)
Contract liabilities		(152,077)	(152,077)	0
Employee provisions		(421,946)	(421,946)	(410,677)
Other provisions		0	0	(57,666)
		(918,028)	(918,028)	(1,127,617)
Net current assets		3,112,315	6,333,156	2,839,466
Less: Total adjustments to net current assets	3(b)	(3,112,315)	(3,683,956)	(2,839,466)
Net current assets used in the Statement of Financial Activity		0	2,649,200	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 Actual 30 June 2026 Carried forward	2025/26 Budget 30 June 2026 Carried forward
Adjustments to net current assets				
Less: Reserve accounts	9	(3,242,033)	(3,813,674)	(2,996,262)
Less: Current assets not expected to be received at end of year				
- Financial assets at amortised cost - self supporting loans			(7,000)	(5,500)
Add: Current liabilities covered by funds held in reserve account				
- Current portion of employee benefit provisions		129,718	136,718	162,296
Total adjustments to net current assets		(3,112,315)	(3,683,956)	(2,839,466)

EXPLANATION OF DIFFERENCE IN SURPLUS/(DEFICIT)

Items excluded from calculation of budgeted deficiency

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

(c) Amounts excluded from operating activities

	Note	2026/27 Budget 30 June 2027 Carried forward	2025/26 Actual 30 June 2026 Carried forward	2025/26 Budget 30 June 2026 Carried forward
		$	$	$
Less: Profit on asset disposals	5	(9,000)	(29,663)	(242,749)
Less: Fair value adjustments to financial assets at fair value through profit and loss			(56,668)	0
Add: Loss on asset disposals	5	4,843	9,893	3,604
Add: Depreciation	6	7,245,934	7,245,934	7,177,819
Movement in current liabilities associated funds held in reserve account:				
- Current portion of employee benefit provisions		0	20,521	
Non-cash movements in non-current assets and liabilities:				
- Financial assets at amortised cost - self supporting loans		0	4,000	
- Employee benefit provisions		0	(46,366)	
Non cash amounts excluded from operating activities		7,241,777	7,147,651	6,938,674

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 Actual	2025/26 Budget
		$	$	$
Cash and cash equivalents		3,432,825	6,653,666	3,746,252
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		3,394,110	3,965,751	2,996,262
		3,394,110	3,965,751	2,996,262
The restricted financial assets are a result of the following specific purposes to which the assets may be used:				
Reserve accounts	9	3,242,033	3,813,674	2,996,262
Contract liabilities		152,077	152,077	
Total restricted financial assets		3,394,110	3,965,751	2,996,262

(b) Reconciliation of net cash provided by operating activities

	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
Net result		(5,261,654)	(1,490,555)	(2,126,884)
Non-cash items:				
Depreciation	6	7,245,934	7,245,934	7,177,819
(Profit) on sale of assets	5	(4,157)	(19,770)	(239,145)
Adjustments to fair value of financial assets at fair value through profit and loss		0	(56,668)	0
Changes in assets and liabilities:				
(Increase)/decrease in receivables		0	(81,025)	296,491
(Increase) in inventories		0	(25,278)	0
Decrease in other assets		0	710,988	135,385
(Decrease) in trade and other payables		0	(297,325)	(91,078)
(Increase)/decrease in contract liabilities		0	123,600	(28,477)
Increase in capital grant/contributions liabilities		0	0	524,898
(Decrease) in employee related provisions		0	(26,329)	
Capital grants, subsidies and contributions		(2,556,469)	(3,549,374)	(4,713,728)
Net cash provided by/(used in) operating activities		(576,346)	2,534,198	935,281

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

	2026/27 Budget					2025/26 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 - specialised	457,928				0	831,762				0	953,477				0
Plant and equipment	745,747	(307,000)	311,157	9,000	(4,843)	874,993	(335,768)	355,538	29,663	(9,893)	1,521,041	(339,161)	578,306	242,749	(3,604)
Total	1,203,675	(307,000)	311,157	9,000	(4,843)	1,706,755	(335,768)	355,538	29,663	(9,893)	2,474,518	(339,161)	578,306	242,749	(3,604)
(b) Infrastructure															
Infrastructure - roads	3,331,897				0	3,399,370				0	4,110,227	0			0
Infrastructure - drainage					0					0	585,756	0			0
Infrastructure - bridges	564,000				0					0	629,000	0			0
Other infrastructure - other	412,549				0	270,757				0	265,500				0
Total	4,308,446	0	0	0	0	3,670,127	0	0	0	0	5,590,483	0	0	0	0
Total	5,512,121	(307,000)	311,157	9,000	(4,843)	5,376,882	(335,768)	355,538	29,663	(9,893)	8,065,001	(339,161)	578,306	242,749	(3,604)

MATERIAL ACCOUNTING POLICIES

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

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

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

6. DEPRECIATION

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
By Class			
Buildings - non-specialised	198,170	198,170	196,401
Buildings - specialised	525,368	525,368	513,021
Furniture and equipment	24,524	24,524	16,650
Plant and equipment	676,834	676,834	715,608
Infrastructure - roads	4,800,757	4,800,757	4,702,241
Infrastructure - footpaths	63,644	63,644	60,513
Infrastructure - drainage	159,962	159,962	157,545
Infrastructure - landfill sites	37,862	37,862	44,855
Infrastructure - bridges	662,296	662,296	662,296
Infrastructure - car parks	34,938	34,938	34,938
Other infrastructure - other	55,206	55,206	54,842
Right of use - plant and equipment	6,373	6,373	18,909
	7,245,934	7,245,934	7,177,819
By Program			
Governance	157,533	157,533	140,591
Law, order, public safety	191,160	191,160	202,819
Education and welfare	15,998	15,998	15,998
Community amenities	149,794	149,794	156,385
Recreation and culture	387,566	387,566	386,473
Transport	5,734,049	5,734,049	5,629,983
Economic services	68,285	68,285	58,239
Other property and services	541,549	541,549	587,331
	7,245,934	7,245,934	7,177,819

MATERIAL ACCOUNTING POLICIES

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

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

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

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

Buildings - non-specialised	30 to 60 years
Buildings - specialised	30 to 60 years
Furniture and equipment	3 to 15 years
Plant and equipment	1 to 15 years
Infrastructure - roads	20 to 55 years
Infrastructure - footpaths	25 to 45 years
Infrastructure - drainage	60 to 80 years
Infrastructure - landfill sites	7 to 30 years
Infrastructure - bridges	50 to 60 years
Infrastructure - car parks	30 to 50 years
Other infrastructure - other	30 to 50 years
Right of use - plant and equipment	Based on the remaining lease

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

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

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

7. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease Principal 1 July 2026	2026/27 Budget New Leases	2026/27 Budget Lease Principal Repayments	Budget Lease Principal outstanding 30 June 2027	2026/27 Budget Lease Interest Repayments	Actual Principal 1 July 2025	2025/26 Actual New Leases	2025/26 Actual Lease Principal repayments	Actual Lease Principal outstanding 30 June 2026	2025/26 Actual Lease Interest repayments	Budget Principal 1 July 2025	2025/26 Budget New Leases	2025/26 Budget Lease Principal repayments	Budget Lease Principal outstanding 30 June 2026	2025/26 Budget Lease Interest repayments
					$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
CESM Leaes Vehicle			1.6%	5	0	0		0		6,542		(6,542)	0	(19)	6,542		(6,542)	0	(423)
					0	0	0	0	0	6,542	0	(6,542)	0	(19)	6,542	0	(6,542)	0	(423)

MATERIAL ACCOUNTING POLICIES

LEASES

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

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

LEASE LIABILITIES

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

8. BORROWINGS

(a) Borrowing repayments

The Shire has not budgeted to have any borrowings for the year ended 30th June 2027 and did not have or budget to have any borrowings for the year ended 30th June 2026

8. BORROWINGS (CONTINUED)

(b) New borrowings - 2026/27

The Shire does not intend to undertake any new borrowings for the year ended 30th June 2027

(c) Unspent borrowings

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

(d) Credit Facilities

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
Undrawn borrowing facilities			
credit standby arrangements			
Bank overdraft limit			
Bank overdraft at balance date			
Credit card limit	22,000	22,000	22,000
Credit card balance at balance date			
Total amount of credit unused	22,000	22,000	22,000

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.

9. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2026/27 Budget Opening Balance	2026/27 Budget Transfer to	2026/27 Budget Transfer (from)	2026/27 Budget Closing Balance	2025/26 Actual Opening Balance	2025/26 Actual Transfer to	2025/26 Actual Transfer (from)	2025/26 Actual Closing Balance	2025/26 Budget Opening Balance	2025/26 Budget Transfer to	2025/26 Budget Transfer (from)	2025/26 Budget Closing Balance
	$	$	$	$	$	$	$	$	$	$	$	$
Restricted by council												
(a) Leave reserve	136,718	4,481		141,199	132,295	4,423		136,718	132,295	4,348	0	136,643
(b) Plant reserve	230,190	7,545		237,735	319,495	10,695	(100,000)	230,190	319,495	10,500	(100,000)	229,995
(c) Waste and water management reserve	42,305	1,387		43,692	40,944	1,362		42,305	40,944	1,346	0	42,290
(d) Information technology & office equipment re	249,682	8,184		257,866	241,622	8,060		249,682	241,622	7,940	0	249,562
(e) Building asset management reserve	222,581	7,295		229,876	251,401	8,426	(37,244)	222,581	251,401	8,262	(37,244)	222,419
(f) Community associations financial assistance	47,749	6,565		54,314	38,900	8,849		47,749	38,900	1,278	0	40,178
(g) Roadworks reserve	208,004	6,818		214,822	201,287	6,716		208,004	201,287	6,615	0	207,902
(h) Land reserve	102,638	3,364		106,002	99,341	3,297		102,638	99,341	3,265	0	102,606
(i) Frankland river sporting facilities reserve	190,768	6,253		197,021	184,540	6,228		190,768	184,540	6,065	0	190,605
(j) Housing reserve	414,169	13,575		427,744	400,736	13,432		414,169	400,736	13,169	0	413,905
(k) Frankland river asset replacement fund (bow	92,149	3,020		95,169	89,218	2,931		92,149	89,218	2,932	0	92,150
(l) Cranbrook asset replacement fund (bowling g	31,390	1,029		32,419	59,936	1,954	(30,500)	31,390	59,936	1,970	(30,500)	31,406
(m) Community Facilities Upgrade reserve	1,125,188	207,402	(456,163)	876,427	1,130,499	200,102	(205,412)	1,125,188	1,130,499	199,391	(603,878)	726,012
(n) Emergency response reserve	147,485	4,834		152,319	142,723	4,762		147,485	142,723	4,690	0	147,413
(o) Works depot reserve	82,641	2,709	(40,000)	45,350	151,301	5,007	(73,667)	82,641	151,301	4,972	(107,000)	49,273
(p) Refuse site reserve	63,335	2,076		65,411	61,259	2,076		63,335	61,259	2,013	0	63,272
(q) Bridges reserve	400,827	13,138	(376,000)	37,965	81,000	378,680	(58,853)	400,827	81,000	2,662	(58,853)	24,809
(r) Revaluation expense reserve	25,855	847		26,702	25,000	855		25,855	25,000	822	0	25,822
	3,813,674	300,522	(872,163)	3,242,033	3,651,497	667,855	(505,676)	3,813,674	3,651,497	282,240	(937,475)	2,996,262

(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		
Restricted by council		
(a) Leave reserve	Ongoing	To fund current and past employee leave entitlements
(b) Plant reserve	Ongoing	For the purchase or replacement of capital plant and equipment
(c) Waste and water management reserve	Ongoing	For the establishment or improvements of waste sites, water harvesting and re-use initiatives, and infrastructure to be used as part of ongoing water security strategies.
(d) Information technology & office equipment re	Ongoing	To fund the purchase and upgrade of computer equipment, software and office equipment
(e) Building asset management reserve	Ongoing	For capital maintenance on Council owned public buildings
(f) Community associations financial assistance	Ongoing	For the provision of interest free loans to community organistions
(g) Roadworks reserve	Ongoing	To be used on road construction projects
(h) Land reserve	Ongoing	For the acquisition and development of land
(i) Frankland river sporting facilities reserve	Ongoing	For upgrading or improvements to sporting facilities in Frankland River
(j) Housing reserve	Ongoing	For the provision of new housing and capital maintenance and improvements of existing housing
(k) Frankland river asset replacement fund (bow	Ongoing	For the replacement of the synthetic bowling green at Frankland River
(l) Cranbrook asset replacement fund (bowling g	Ongoing	For the replacement of the synthetic bowling green at Cranbrook
(m) Community Facilities Upgrade reserve	Ongoing	For the upgrade of existing and construction of new community facilities
(n) Emergency response reserve	Ongoing	To fund expenses arising for unforeseen circumstances, or other urgent expenditure
(o) Works depot reserve	Ongoing	For upgrading and improvements to the Shire's Works Depot
(p) Refuse site reserve	Ongoing	To fund infrastructure development and rehabilitation costs associated with the Shire's waste facilities.
(q) Bridges reserve	Ongoing	To be used on bridge construction or maintenance projects
(r) Revaluation expense reserve	30/06/2028	To fund future asset revaluations as required by Local Government (Financial Management) Regulations 1996

10. OTHER INFORMATION

The net result includes as revenues	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
(a) Interest earnings			
Investments	182,527	176,769	170,200
Other interest revenue	26,000	27,346	24,000
	208,527	204,115	194,200
The net result includes as expenses			
(b) Auditors remuneration			
Audit services	42,000	40,779	40,000
Other services	2,950	2,950	3,500
	44,950	43,729	43,500
(c) Interest expenses (finance costs)			
Interest on lease liabilities (refer Note 7)	0	19	423
	0	19	423
(d) Write offs			
General rate	500	30,225	500
	500	30,225	500

11. COUNCIL MEMBERS REMUNERATION

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
Council member 1			
President's allowance	0	4,383	14,664
Meeting attendance fees	0	3,551	11,879
Annual allowance for ICT expenses	0	398	1,330
	0	8,332	27,873
Council member 2			
Deputy President's allowance	3,794	3,666	3,666
Meeting attendance fees	6,147	5,939	5,939
Annual allowance for ICT expenses	1,500	665	665
	11,441	10,270	10,270
Council member 3			
President's allowance	15,177	10,281	0
Meeting attendance fees	12,295	10,103	5,939
Annual allowance for ICT expenses	3,000	1,131	665
	30,472	21,515	6,604
Council member 4			
Meeting attendance fees	6,147	5,939	5,939
Annual allowance for ICT expenses	1,500	665	665
Travel and accommodation expenses	0	447	0
	7,647	7,051	6,604
Council member 5			
Meeting attendance fees	6,147	5,939	5,939
Annual allowance for ICT expenses	1,500	665	665
	7,647	6,604	6,604
Council member 6			
Meeting attendance fees	0	4,355	5,939
Annual allowance for ICT expenses	0	422	665
	0	4,777	6,604
Council member 7			
Meeting attendance fees	0	1,775	5,939
Annual allowance for ICT expenses	0	199	665
	0	1,974	6,604
Council member 8			
Meeting attendance fees	6,147	3,448	0
Annual allowance for ICT expenses	1,500	466	0
	7,647	3,914	0
Council member 9			
Meeting attendance fees	6,147	737	0
Annual allowance for ICT expenses	1,500	177	0
	7,647	914	0
Council member 10			
Meeting attendance fees	6,147	1,584	0
Annual allowance for ICT expenses	1,500	177	0
	7,647	1,761	0
Total Council Member Remuneration	80,148	67,112	71,163
President's allowance	15,177	14,664	14,664
Deputy President's allowance	3,794	3,666	3,666
Meeting attendance fees	49,177	43,370	47,513
Annual allowance for ICT expenses	12,000	4,965	5,320
Travel and accommodation expenses	0	447	0
	80,148	67,112	71,163

12. 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.

12. 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	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	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	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	On entry to facility
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	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	Output method based on goods

13. 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 allocation of scarce resources.	Administration and operation of facilities and services to members of Council; other costs that relate to the tasks of assisting elected members and ratepayers on matters which do no concern specific council services.
General purpose funding To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
Law, order, public safety To provide services for a safer community.	Fire prevention, animal control and the administration of local-laws.
Health To provide services for environmental and community health.	Food quality control, provide and maintain the Cranbrook and Frankland River doctor's surgeries.
Education and welfare To provide services for the aged, disadvantaged, children and youth.	Provide financial assistance to community groups and childcare.
Housing To provide and maintain staff and other housing.	Operating, maintenance and rental of Council's staff housing and other housing.
Community amenities To provide services required by the community.	Rubbish and recycling collection services, maintenance of rubbish disposal sites, control and co-ordination of cemeteries, public conveniences and storm water drainage maintenance. The administration of the town planning scheme, community and environmental services.
Recreation and culture To establish and manage recreational and cultural infrastructure and resources.	Maintenance of halls, sporting complexes, reserves, community centres, Lake Poorrarecup and Lake Nunijup. Operation of the Cranbrook and Frankland River libraries.
Transport To provide safe and efficient transport services to the community.	Construction and maintenance of streets, roads, footpaths, parking facilities; cleaning and lighting of streets, traffic signage and depot maintenance.
Economic services To assist in the promotion of the shire and its economic wellbeing.	The regulation and provision of tourism, area promotion, building control, noxious weeds and the operation of the Cranbrook and Frankland River caravan parks.
Other property and services To monitor and control council's overheads	Private works operations, plant repairs and operations costs.

14. FEES AND CHARGES

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
By Program:			
Governance	193	190	250
General purpose funding	8,792	8,626	8,500
Law, order, public safety	5,154	5,053	4,600
Health	1,050	1,029	1,475
Housing	69,158	67,802	78,768
Community amenities	150,210	116,757	112,502
Recreation and culture	20,410	19,617	16,975
Economic services	199,556	200,668	155,150
Other property and services	77,643	76,120	13,788
	532,166	495,862	392,008

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

ANNUAL BUDGET CHECKLIST
FOR THE YEAR ENDED 30 JUNE 2027

NOTE: This Cross Check should also be completed manually against the printed Annual Budget as this is an initial cross check to aid completion of the Budget

			Total imbalance	-	7,500	-	
				2026/27 Budget	**2025/26 Actual**	**2025/26 Budget**	
Table of Contents			**Check page numbers are correct.**				
Estimated Financial Position Input			Check net assets = net liabilities + equity.	-	-		
			Movement in equity = comprehensive income	-	-		
			Other comprehensive income agrees to movement in revaluation surplus	-	-		
Statement of Comprehensive Income			Check all note numbers are relevant (not changed/deleted) and adjacent totals tie up to totals contained in the relevant note.				
			Check income is positive.	-	-	-	
			Check expenses are negative.	-	-	-	
	Rates Note		Rates revenue	-	-	-	
	Other information note		Interest revenue	-	-	-	
	Fees and charges note		Fees and charges revenue	-	-	-	
	SARS, Charges, Discounts Note		Service charges	-	-	-	
	Statement of Financial Activity		Depreciation expense	-	-	-	
	Asset depreciation note		Depreciation expense	-	-	-	
	Other information note		Finance costs	-	-	-	
	Borrowings Note		Interest repayments	-	-	-	
	Profit on Asset Disposals Note		Profit on Asset Disposals	-	-	-	
	Asset Disposals Note		Loss on Asset Disposal	-	-	-	
	Investment in Associates Note		Share of net profit of associates accounted for using the equity method agrees to	-	-	-	
	Statement of Financial Activity revenue less expenses plus rates		Net Result to agrees to	-	-	-	
	Reconciliation of Cash Note - Net Result		Net Result to agrees to	-	-	-	
	Statement of Financial Activity - Revenue items		Revenue items agree with	-	-	-	
	Statement of Financial Activity - Expenditure items		Expenditure items agree with	-	-	-	
Statement of Cash Flows			Check Note numbers are relevant (i.e. not changed/deleted) and tie up to totals contained in the relevant note.				
	Appendix 1 - Operating Activities			-	-		
	Appendix 1 - Investing Activities			-	-		
	Appendix 1 - Financing Activities			-	-		
	Reconciliation of Cash Note - Net cash from Operating Activates		Cash from Operating Activities agrees to	-	-	-	
	Borrowings note - Proceeds for financial assets at amortised cost - self supporting loans		Proceeds from Self Supporting Loans agrees to	-	7,500	-	is internal loan repayment - does not appear on borrowings note
	Statement of Financial Activity - Proceeds for financial assets at amortised cost - self supporting loans		Proceeds from Self Supporting Loans agrees to	-	-	-	
	Asset Disposals - Proceeds from Sale of Fixed Assets		Proceeds from Sale of Fixed Assets agrees to	-	-	-	
	Statement of Financial Activity - Proceeds from Sale of Fixed Assets		Proceeds from Sale of Fixed Assets agrees to	-	-	-	
	Statement of Financial Activity - Payments for financial assets at amortised cost - self supporting loans		Payments for Self Supporting Loans agrees to	-	-	-	
	Borrowings note - Payments for financial assets at amortised cost - self supporting loans		Payments for Self Supporting Loans agrees to	-	-	-	
	Statement of Financial Activity - Payments for Purchases of Infrastructure		Payments for Purchases of Infrastructure agrees to	-	-	-	
	Statement of Financial Activity - Payments for Intangible Assets		Payments for Intangible Assets agrees to	-	-	-	
	Statement of Financial Activity - Payments for Purchases for Inventory - Land held for resale		Payments for Purchases for Land Held for Resale agrees to	-	-	-	
	Statement of Financial Activity - Payments for Purchases for Investment Property		Payments for Purchases for Investment Property agrees to	-	-	-	
	Statement of Financial Activity - Payments for Purchases for Property, Plant and Equipment		Payments for Purchases for Property, Plant and Equipment agrees to	-	-	-	
	Statement of Financial Activity - Principal Repayments of leases		Repayment of Leases agrees to	-	-	-	
	Leases note - Principal Repayments of leases		Repayment of Leases agrees to	-	-	-	
	Borrowings Note - Principal Repayments		Repayment of Borrowings agrees to	-	-	-	
	Statement of Financial Activity - Repayment of Borrowings		Repayment of Borrowings agrees to	-	-	-	
	Statement of Financial Activity - Proceeds from New Borrowings		Proceeds from New Borrowings agrees to	-	-	-	
	Borrowings Note - Proceeds from New Borrowings		Proceeds from New Borrowings agrees to	-			
	Reconciliation of Cash Note - Cash and Cash Equivalents		Cash and Cash Equivalents agrees to	-	-	-	
	Reconciliation of Cash Note - Cash and Cash Equivalents		Cash and Cash Equivalents opening balance agrees to	-			
Statement of Financial Activity			Check Note numbers are relevant (i.e. not changed/deleted) and tie up to totals contained in the relevant note.				
	Other Information Note		Check any items relating to Initial Recognition of Assets due to Change in Regulations agrees to				
	Grants Note		Check any items relating to Initial Recognition of Assets due to Change in Regulations agrees to				
	Rates Note		Amount Required to be Raised from General Rates agrees to	-	-	-	
	Rates Note		Amount Required to be Raised from Total Rates agrees to	-	-	-	
	Rates Note		Amount Required to be Raised from Specified Area Rates and Ex Gratia Rates agrees to	-	-	-	
	Rates Note		Amount Required to be Raised from Service Charges agrees to	-	-	-	
	Fees and charges note		Fees and charges revenue agrees to	-	-	-	
	Other Information note		Interest Revenue agrees to	-	-	-	
	Other Information note		Finance Costs agrees to	-	-	-	
	Net Current Assets note		Non-cash amounts excluded from operating activities agrees to	-	-	-	
	Net Current Assets note		Non-cash amounts excluded from investing activities agrees to	-	-	-	
	Net Current Assets note		Non-cash amounts excluded from financing activities agrees to	-	-	-	
	Reserves note		Transfers to Reserves agree to	-	-	-	
	Reserves note		Transfers from Reserves agree to	-	-	-	
	Net Current Assets Note - Closing Surplus		Closing Surplus agrees to	-	-	-	
	Net Current Assets Note - Prior Year Closing Surplus.		Opening Surplus agrees to	-			
	General rates within statutory threshold		Opening Surplus agrees to	-			
Note 2.(b) Instalment Charges and Dates	Other Information Note - Interest Earnings		List instalment charges, penalty interest and dates, penalty interest on overdue rates. List charge rates and amounts expected to be raised. Check these agree to				
Note 2(c) Objects and Reasons	Rates Note		If Differential rates are levied, ensure objects and reasons are correct as per Council Resolution to levy differential rates.				
	Rates Note		Differential Rates - Objects and Reasons	Fill in Objects and Reasons for Differential Rating			
	Rates Note		Differential Minimum - Objects and Reasons	Fill in Objects and Reasons for Differential Minimum Rating			
Note 2(c) Specified Area Rate	Rates Note		Amount raised by SAR matches that applied to costs and set aside to reserve	-			
	Reserves note		Amount set aside to reserve matches transfer into reserve	-			
	Reserves note		Reserve amount applied to costs matches transfer out of reserves	-			
Note 2(c) Service charges	Reserves note		Amount set aside to reserve matches transfer into reserve	-			
	Reserves note		Reserve amount applied to costs matches transfer out of reserves	-			
Note 2(d) & (d) Discounts and Waivers	Rates Note		If any discounts/concessions are granted, check amount agrees to				
Note 3 Net Current Assets Surplus/Deficit	Statement of Financial Activity - Closing Surplus/Deficit		Check Closing Surplus/Deficit agrees to	-	-	-	
	Reconciliation of Cash note		Cash agrees to Cashflow note	-	-	-	
	Information on borrowings note		Borrowings (current amount) agree to		-		will not balance if any repayments on new borrowings taken up in 26/27
	Lease liabilities note		Leases (current amount) agree to		-		will not balance if any repayments on new lease taken up in 26/27
	Net Current Assets		Total Adjustments to Net Current Assets agree to	-	-	-	
	Fixed Assets - disposal of assets note		Profit and loss on asset disposal agrees to	-	-	-	
	Asset depreciation note		Depreciation agrees to	-	-	-	
	Statement of Financial Activity - Operating activities excluded from budgeted deficiency		Check non cash amounts excluded from operating activities agrees to	-	-	-	
Note 4 Reconciliation of Cash	Reserves note		Financially backed reserves agree to	-	-	-	
	Borrowings note		Unspent borrowings agree to	-		-	
	Fixed Assets - disposal of assets note		Profit and loss on disposal of asset agrees to	-	-	-	
Note 5 Acquisition of Assets	Statement of Financial Activity		Check Property plant and equipment acquisition agrees	-	-	-	
	Statement of Financial Activity		Check Infrastructure acquisition agrees	-	-	-	
	Statement of Financial Activity		Check Right of Use Assets acquisition agrees	-	-	-	
	Statement of Financial Activity		Check Investment Property acquisition agrees	-	-	-	
	Statement of Financial Activity		Check Intangible Assets acquisition agrees	-	-	-	
	Statement of Financial Activity		Check Inventory - Land held for resale acquisition agrees	-	-	-	
Note 5 Disposal of Assets	Statement of Financial Activity		Check Sale proceeds agrees	-			
	Disposal of Assets		Check losses are negative	-	-	-	
	Statement of Financial Activity		Check Profit and loss on Asset Disposals agrees	-	-	-	
Note 6 Asset Depreciation	Reconciliation of Cash Note - Depreciation		Depreciation to agree to	-	-	-	
	Depreciation By Class - By Program		Depreciation to agree to	-	-	-	
Note 8 Information on Borrowings	Borrowings Note - New Borrowings		Check new borrowings agrees to	-			
	Borrowings - Credit Facilities		Check overdraft limit matches disclosure at Note 6 (d).				
	Borrowings - Credit Facilities		Check Loan Facilities at Balance Date agree to Note 6 (a).	-	-	-	
	Borrowings - Unspent Borrowings		Check unused loan funds agrees to Note 6 (c).				
Note 7. Leases	Leases - SOFP Input		Check that note agrees to Estimated Financial Position closing	-	-		
	Leases - SOFP Input		Check that note agrees to Estimated Financial Position opening		-		
Note 9 Reserve Accounts	Net Current Assets Note - Restricted Reserves		Check Closing Balance agrees to Surplus.	-	-	-	
	Net Current Assets Note - Restricted Reserves change on prior year		Check movement in Reserves agrees to	-			
Note 12 Revenue recognition			Check revenue categories are relevant and material and disclosures appropriate				
Note 10(a) Other information			Check note number cross reference to Note 10. (a) Interest revenue is relevant/correct and that totals agree.				
Note 10(c) Other information	Borrowings Note - Interest Repayments		Check Interest Expenses agrees to income statement and note reference is correct	-	-	-	
Note 11 Elected Member Remuneration	Elected Member Remuneration		Check total by elected member in Note 11. agrees to total	-	-	-	
Note 14 Fees and charges	SOCI		Check total by fees and charges agrees to income statement	-	-	-	
Note 14 Fees and charges	Schedule of Fees and charges		Attach schedule of proposed fees and charges				