City of Kwinana

Budget 2026/27

CITY OF KWINANA

ANNUAL BUDGET

FOR THE YEAR ENDED 30 JUNE 2027

LOCAL GOVERNMENT ACT 1995

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The City of Kwinana a Class 1 local government conducts the operations of a local government with the following community vision:
A unique and liveable City, celebrated for and connected by its diverse community, natural beauty and economic opportunities.

CITY OF KWINANA
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)	61,100,291	56,932,734	56,311,710
Grants, subsidies and contributions		3,113,090	5,960,119	2,844,786
Fees and charges	15	18,140,099	20,158,879	16,656,686
Interest revenue	10(a)	4,758,665	5,059,059	3,674,646
Other revenue		1,127,373	1,488,964	1,097,591
		88,239,518	89,599,755	80,585,419
Expenses				
Employee costs		(39,250,085)	(36,217,403)	(35,849,162)
Materials and contracts		(33,289,426)	(29,408,903)	(30,457,230)
Utility charges		(3,443,942)	(3,003,016)	(3,181,959)
Depreciation	6	(26,196,829)	(24,259,328)	(26,423,557)
Finance costs	10(c)	(738,069)	(377,796)	(727,990)
Insurance		(861,036)	(890,183)	(885,984)
Other expenditure		(96,856)	(1,275,951)	(104,606)
		(103,876,243)	(95,432,580)	(97,630,488)
		(15,636,725)	(5,832,825)	(17,045,069)
Capital grants, subsidies and contributions		22,906,827	5,581,546	16,106,366
Profit on asset disposals	5	167,667	143,520	121,602
Loss on asset disposals	5	(57,703)	(87,263)	(32,974)
		23,016,791	5,637,803	16,194,994
Net result for the period		**7,380,066**	**(195,022)**	**(850,075)**
Total other comprehensive income for the period		**0**	**0**	**0**
Total comprehensive income for the period		**7,380,066**	**(195,022)**	**(850,075)**

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

CITY OF KWINANA
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		61,100,291	56,932,734	56,311,710
Grants, subsidies and contributions		2,756,767	5,960,119	2,844,786
Fees and charges		18,496,422	20,158,879	16,053,130
Interest revenue		4,758,665	5,059,059	3,674,646
Goods and services tax received		986,532	873,412	1,022,300
Other revenue		1,127,373	1,488,964	1,097,591
		89,226,050	90,473,167	81,004,163
Payments				
Employee costs		(39,250,085)	(37,196,918)	(35,849,162)
Materials and contracts		(30,765,803)	(33,101,777)	(25,933,607)
Utility charges		(3,443,942)	(3,003,016)	(3,181,959)
Finance costs		(738,069)	(377,796)	(727,990)
Insurance paid		(861,036)	(890,183)	(885,984)
Other expenditure		(96,856)	(1,275,951)	(104,606)
		(75,155,791)	(75,845,641)	(66,683,308)
Net cash provided by operating activities	4	14,070,259	14,627,526	14,320,855
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5(a)	(27,512,744)	(16,538,703)	(21,780,934)
Payments for construction of infrastructure	5(b)	(21,407,498)	(11,250,298)	(13,996,923)
Proceeds from capital grants, subsidies and contributions		22,906,827	5,581,546	16,106,366
Proceeds from disposal of property, plant and equipment	5(a)	874,760	139,334	575,000
Proceeds on financial assets at amortised cost - self supporting loans	8(a)	21,041	20,359	20,359
Net cash (used in) investing activities		(25,117,614)	(22,047,762)	(19,076,132)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	8(a)	(2,069,211)	(1,814,791)	(2,015,718)
Proceeds from new borrowings	8(a)	6,000,000	6,800,000	6,800,000
Payments for principal portion of lease liabilities	7	(35,687)	(38,702)	(28,983)
Net cash provided by financing activities		3,895,102	4,946,507	4,755,299
Net increase (decrease) in cash held		(7,152,254)	(2,473,729)	22
Cash at beginning of year		11,298,364	13,772,093	4,523,603
Cash and cash equivalents at the end of the year	4	**4,146,111**	**11,298,364**	**4,523,625**

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

CITY OF KWINANA
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)	56,263,238	52,731,461	52,093,411
Rates excluding general rates	2(a)	4,837,053	4,201,273	4,218,299
Grants, subsidies and contributions		3,113,090	5,960,119	2,844,786
Fees and charges	15	18,140,099	20,158,879	16,656,686
Interest revenue	10(a)	4,758,665	5,059,059	3,674,646
Other revenue		1,127,373	1,488,964	1,097,591
Profit on asset disposals	5	167,667	143,520	121,602
		88,407,185	89,743,275	80,707,021
Expenditure from operating activities				
Employee costs		(39,250,085)	(36,217,403)	(35,849,162)
Materials and contracts		(33,289,426)	(29,408,903)	(30,457,230)
Utility charges		(3,443,942)	(3,003,016)	(3,181,959)
Depreciation	6	(26,196,829)	(24,259,328)	(26,423,557)
Finance costs	10(c)	(738,069)	(377,796)	(727,990)
Insurance		(861,036)	(890,183)	(885,984)
Other expenditure		(96,856)	(1,275,951)	(104,606)
Loss on asset disposals	5	(57,703)	(87,263)	(32,974)
		(103,933,946)	(95,519,843)	(97,663,462)
Non cash amounts excluded from operating activities	3(c)	26,086,865	24,203,071	26,334,929
Amount attributable to operating activities		**10,560,104**	**18,426,503**	**9,378,488**
INVESTING ACTIVITIES				
Inflows from investing activities				
Proceeds from capital grants, subsidies and contributions		22,906,827	5,581,546	16,106,366
Proceeds from disposal of property, plant and equipment	5(a)	874,760	139,334	575,000
Proceeds from financial assets at amortised cost - self supporting loans	8(a)	21,041	20,359	20,359
		23,802,628	5,741,239	16,701,725
Outflows from investing activities				
Acquisition of property, plant and equipment	5(a)	(27,512,744)	(16,538,703)	(21,780,934)
Acquisition of infrastructure	5(b)	(21,407,498)	(11,250,298)	(13,996,923)
Payments for financial assets at amortised cost - term deposits		0	0	0
		(48,920,242)	(27,789,001)	(35,777,857)
Non-cash amounts excluded from investing activities	3(d)	(878,329)	(2,810,920)	(5,768,803)
Amount attributable to investing activities		**(25,995,944)**	**(24,858,682)**	**(24,844,935)**
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from new borrowings	8(a)	6,000,000	6,800,000	6,800,000
Transfers from reserve accounts	9(a)	11,489,894	19,694,300	17,471,779
		17,489,894	26,494,300	24,271,779
Outflows from financing activities				
Repayment of borrowings	8(a)	(2,069,211)	(1,814,791)	(2,015,718)
Payments for principal portion of lease liabilities	7	(35,687)	(38,702)	(28,983)
Transfers to reserve accounts	9(a)	(7,011,250)	(14,456,767)	(9,414,908)
		(9,116,148)	(16,310,260)	(11,459,609)
Amount attributable to financing activities		**8,373,746**	**10,184,040**	**12,812,170**
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus remaining at the start of the financial year	3	7,063,261	3,311,400	2,654,277
Amount attributable to operating activities		10,560,104	18,426,503	9,378,488
Amount attributable to investing activities		(25,995,944)	(24,858,682)	(24,844,935)
Amount attributable to financing activities		8,373,746	10,184,040	12,812,170
Surplus remaining after the imposition of general rates	3	**1,168**	**7,063,261**	**0**

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

CITY OF KWINANA
FOR THE YEAR ENDED 30 JUNE 2027
INDEX OF NOTES TO THE BUDGET

1 BASIS OF PREPARATION

The annual budget of the City of Kwinana which is a Class 1 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 City 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 City 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 12 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									
Improved Residential	Gross rental valuation	0.066502	16,475	462,808,065	30,777,662	500,000	31,277,662	30,869,205	30,195,725
Improved Commercial and Industrial	Gross rental valuation	0.098866	544	175,648,124	17,365,627	50,000	17,415,627	16,167,915	15,520,641
Vacant	Gross rental valuation	0.230523	906	12,949,210	2,985,091	75,000	3,060,091	1,691,209	2,165,333
General Industrial	Unimproved valuation	0.018350	3	150,100,000	2,754,335	0	2,754,335	2,629,110	2,629,110
Mining and Industrial	Unimproved valuation	0.008242	29	66,345,000	546,815	0	546,815	508,708	531,477
Rural	Unimproved valuation	0.004239	214	285,140,000	1,208,708	0	1,208,708	865,314	1,051,125
Total general rates			18,171	1,152,990,399	55,638,238	625,000	56,263,238	52,731,461	52,093,411
		Minimum							
(ii) Minimum payment		$							
Improved Residential	Gross rental valuation	1,337.00	3,036	54,214,760	4,059,132		4,059,132	2,612,742	2,611,462
Improved Commercial and Industrial	Gross rental valuation	1,743.00	60	678,306	104,580		104,580	80,451	104,832
Vacant	Gross rental valuation	1,337.00	328	1,636,530	438,536		438,536	1,107,159	1,182,502
General Industrial	Unimproved valuation	1,743.00	0	0	0		0	0	0
Mining and Industrial	Unimproved valuation	1,743.00	14	146,200	24,402		24,402	19,155	23,296
Rural	Unimproved valuation	1,337.00	19	2,979,700	25,403		25,403	201,766	116,207
Total minimum payments			3,457	59,655,496	4,652,053	0	4,652,053	4,021,273	4,038,299
Total general rates and minimum payments			21,628	1,212,645,895	60,290,291	625,000	60,915,291	56,752,734	56,131,710
(iii) Ex-gratia rates									
Dampier to Bunbury Natural Gas Pipeline Corridor					185,000	0	185,000	180,000	180,000
Total rates					60,475,291	625,000	61,100,291	56,932,734	56,311,710

The City 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 1 (Full Payment)				
Single full payment	4/09/2026	0	0.0%	7.0%
Option two				
First instalment	4/09/2026	7.00	3.0%	7.0%
Second instalment	14/01/2027		3.0%	7.0%
Option three				
First instalment	4/09/2026	21.00	3.0%	7.0%
Second instalment	12/11/2026		3.0%	7.0%
Third instalment	14/01/2027		3.0%	7.0%
Fourth instalment	25/03/2027		3.0%	7.0%
Other Options				
Direct Debit weekly	weekly instalments, managed on Payble by ratepayer	20.00		7.0%
Direct Debit fortnightly	fortnightly instalments managed on Payble by ratepayer	20.00		7.0%
Direct Debit monthly	monthly instalments managed on Payble by ratepayer	20.00		7.0%

2. RATES AND SERVICE CHARGES (CONTINUED)

(c) Objectives and Reasons for Differential Rating

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

Differential general rate

Description	Characteristics	Objects	Reasons
Gross Rental Value (GRV)			
Improved Residential	This differential rate category imposes a differential general rate on land valued on a gross rental value basis for rateable properties used for residential purposes where the zoning allows for residential use.	The object of this rate is to apply a base differential general rate to land zoned and used for residential purposes and to act as the City's benchmark differential rate by which all other GRV rated properties are assessed.	The reason for this rate is to ensure that all ratepayers make a reasonable contribution towards the ongoing maintenance and provision of works, services and facilities throughout the City.
Improved Commercial and Industrial	This differential rate category imposes a differential general rate on land valued on a gross rental value basis, which is not used for residential purposes and is not vacant land.	The object of this rate category is to apply a higher differential rate so as to raise additional revenue to offset the increased costs associated with service provision to these properties.	The reason for this rate is that a higher differential rate is required to meet the higher level of service costs associated with Commercial and Industrial properties and the localities within which they are situated, including costs of: (a) provision and maintenance of transport and streetscape infrastructure including renewal/refurbishment infrastructure, car parking and traffic treatments; and (b) the management, administration and delivery of marketing activities aimed at enhancing the economic and social viability, and the general amenity of the Kwinana commercial and industrial areas.
Vacant	This differential rate category imposes a differential general rate on land valued on a gross rental value basis, which is vacant land.	The object of this rate is to ensure that all ratepayers make a reasonable contribution towards the ongoing maintenance and provision of works, services and facilities throughout the City.	The reason for this rate is to ensure that all ratepayers make a reasonable contribution towards the ongoing maintenance and provision of works, services and facilities throughout the City.

2. RATES AND SERVICE CHARGES (CONTINUED)

Description	Characteristics	Objects	Reasons
Unimproved Value			
General Industrial	This differential rate category imposes a differential general rate on land zoned for the purpose of General Industry under Local Planning Scheme No 2.	The object of this rate category is to raise additional revenue to offset the costs associated with increased maintenance of infrastructure and higher levels of service provided to or associated with properties in this category.	The reason for this rate is to meet a significant proportion of the additional costs involved in servicing properties within this rate category, which include but are not limited to major outlays for transport infrastructure maintenance and renewal/refurbishment and significant costs relating to monitoring of land use and environmental impacts.
Mining and Industrial	This differential rate category imposes a differential general rate on land valued on an unimproved value (UV) basis, which is: (a) zoned for the purpose of Rural B under Local Planning Scheme No 2; or (b) held or used for industrial, extractive industry or quarrying purposes under a Master Plan adopted pursuant to Part 3 of the Hope Valley-Wattleup Redevelopment Act 2000; or (c) zoned for the purpose of Rural A under Local Planning Scheme No 2 and held or used for industrial, extractive industry or quarrying purposes.	The object of this rate category is to raise additional revenue to offset the costs associated with increased maintenance of infrastructure and higher levels of service provided to properties in this category.	The reason for this rate is the need to offset the higher level of costs associated in servicing these properties, including the costs of transport infrastructure maintenance and renewal/refurbishment, and costs relating to monitoring of land use and environmental impacts.
Rural	This differential rate category imposes a differential general rate on land valued on an unimproved value (UV) basis which is predominantly used or held for rural pursuits, rural industry or intensive agriculture, and: (a) is not zoned for the purpose of General Industry under Local Planning Scheme No 2; or (b) is not zoned for the purpose of Rural B under Local Planning Scheme No 2; or (c) is not held or used for industrial, extractive industry or quarrying purposes under a Master Plan adopted pursuant to Part 3 of the Hope Valley-Wattleup Redevelopment Act 2000.	The object of this rate category is to impose a differential rate commensurate with the rural use of land, which additionally is to act as the City's benchmark differential UV rate and is considered to be the base rate by which all other UV rated properties are assessed.	The reason for this rate is to ensure that all ratepayers on rural land make a reasonable contribution towards the ongoing maintenance and provision of works, services and facilities throughout the City.

2. RATES AND SERVICE CHARGES (CONTINUED)

(d) Differential Minimum Payment

Description	Characteristics	Objects	Reasons
Minimum payments	The City proposes to impose minimum payments for each differential rating category.	The object of the minimum payment is to ensure that all ratepayers make an equitable contribution to rate revenue, to provide for the net funding requirements of the City's services, activities, financing costs, and current and future capital requirements as outlined in the Strategic Community Plan and Corporate Business Plan.	

(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
Improved Residential	0.066336	0.066502	Following the advertising of the proposed differential rates, a further review of emerging cost pressures and asset renewal requirements found that an overall rate increase of 4.75% is required, rather than the 4.5% previously advertised.
Improved Commercial and I	0.098619	0.098866	
Vacant	0.229948	0.230523	
General Industrial	0.018304	0.018350	
Mining and Industrial	0.008221	0.008242	
Rural	0.004228	0.004239	

Minimum payment	Proposed Minimum $	Adopted Minimum $	Reasons for the difference
Improved Residential	1334	1,337	Following the advertising of the proposed differential rates, a further review of emerging cost pressures and asset renewal requirements found that an overall rate increase of 4.75% is required, rather than the 4.5% previously advertised.
Improved Commercial and I	1739	1,743	
Vacant	1334	1,337	
General Industrial	1739	1,743	
Mining and Industrial	1739	1,743	
Rural	1334	1,337	

(e) Service Charges

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

(f) Waivers or concessions

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

3. NET CURRENT ASSETS

(a) Composition of estimated net current assets

	Note	2026/27 Budget 30 June 2027 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	4,146,111	11,298,364	4,523,625
Financial assets		107,022,681	111,723,256	66,884,115
Receivables		4,526,236	5,235,421	3,256,319
Other assets		1,686,325	2,302,563	2,406,559
		117,381,353	130,559,604	77,070,618
Less: current liabilities				
Trade and other payables		(27,137,344)	(23,647,294)	(26,800,039)
Contract liabilities		(18,652,364)	(16,523,622)	(14,132,562)
Capital grant/contributions liabilities		(5,320,326)	(435,262)	(123,520)
Lease liabilities	7	(35,687)	(35,687)	(36,539)
Short term borrowings	8	(2,069,211)	(1,814,791)	(2,015,718)
Employee provisions		(2,865,326)	(3,265,342)	(3,265,322)
Other provisions		(235,642)	(123,562)	(232,632)
		(56,315,900)	(45,845,560)	(46,606,332)
Net current assets		61,065,453	84,714,044	30,464,286
Less: Total adjustments to net current assets	3(b)	(61,064,285)	(77,650,783)	(30,464,286)
Net current assets used in the Statement of Financial Activity		1,168	7,063,261	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	(75,022,616)	(79,501,261)	(65,384,116)
Less: Current assets not expected to be received at end of year				
- Unspent capital grants, subsidies and contributions liability - DCA		432,563		333,212
- Banksia Park DMF receivable		(108,932)		(129,835)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings		2,069,211	1,814,791	2,015,718
- Current portion of lease liabilities		35,687	35,687	36,539
Add: Current liabilities covered by funds held in reserve account				
- Current portion of contract liabilities		46,326		23,023
- Current portion of unspent capital grant/contributions		563,266		53,623
- Current portion of employee benefit provisions		2,356,326		2,103,326
- Current portion of unit contribution - banksia park *		8,563,884		30,484,224
Total adjustments to net current assets		(61,064,285)	(77,650,783)	(30,464,286)

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	(167,667)	(143,520)	(121,602)
Add: Loss on asset disposals	5	57,703	87,263	32,974
Add: Depreciation	6	26,196,829	24,259,328	26,423,557
Movement in current liabilities associated funds held in reserve account:				
Non cash amounts excluded from operating activities		26,086,865	24,203,071	26,334,929

(d) Amounts excluded from investing 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
Movement in current liabilities associated with restricted cash:				
- Capital grant/contributions		(500,000)	(456,300)	(450,677)
- Other provisions		(378,329)	(2,354,620)	(5,318,126)
Non cash amounts excluded from investing activities		(878,329)	(2,810,920)	(5,768,803)

3. NET CURRENT ASSETS (CONTINUED)

(e) 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 City's operational cycle. In the case of liabilities where the City 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 City's intentions to release for sale.

TRADE AND OTHER PAYABLES
Trade and other payables represent liabilities for goods and services provided to the City prior to the end of the financial year that are unpaid and arise when the City 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 City 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 City's intentions to release for sale.

SUPERANNUATION
The City contributes to a number of superannuation funds on behalf of employees. All funds to which the City 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 City's obligation to transfer goods or services to a customer for which the City 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 City 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 City 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 City 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 City'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 City'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 City'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 City's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the City does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

4. RECONCILIATION OF CASH

(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		4,146,111	11,298,364	4,523,625
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		75,022,616	79,501,261	65,384,116
		75,022,616	79,501,261	65,384,116
The restricted financial assets are a result of the following specific purposes to which the assets may be used:				
Reserve accounts	9	75,022,616	79,501,261	65,384,116
Contract liabilities		0	0	
Total restricted financial assets		75,022,616	79,501,261	65,384,116

(b) Reconciliation of net cash provided by operating activities

	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
Net result		7,380,066	(195,022)	(850,075)
Non-cash items:				
Depreciation	6	26,196,829	24,259,328	26,423,557
(Profit) on sale of assets	5	(109,964)	(56,257)	(88,628)
Changes in assets and liabilities:				
Decrease in receivables		165,930	205,362	653,321
(Increase)/decrease in other assets		(602,354)	931,845	
(Increase)/decrease in trade and other payables		1,033,965	(868,102)	456,324
(Increase)/decrease in contract liabilities		896,532	(728,768)	(25,023)
Decrease in capital grant/contributions liabilities		1,523,563	1,920,173	56,324
(Increase)/decrease in employee related provisions		(109,832)	(672,050)	456,323
(Increase)/decrease in other provisions		602,351	(187,320)	(63,262)
Capital grants, subsidies and contributions		(22,906,827)	(9,981,662)	(12,698,006)
Net cash provided by operating activities		14,070,259	14,627,526	14,320,855

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 City 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.

CITY OF KWINANA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

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 - non-specialised	23,388,790				0	14,683,902				0	19,584,705	0	0	0	0
Furniture and equipment	682,039				0	565,860				0	653,604	0	0	0	0
Plant and equipment	3,441,915	(764,796)	874,760	167,667	(57,703)	1,288,941	(83,077)	139,334	143,520	(87,263)	1,542,625	(486,372)	575,000	121,602	(32,974)
Total	27,512,744	(764,796)	874,760	167,667	(57,703)	16,538,703	(83,077)	139,334	143,520	(87,263)	21,780,934	(486,372)	575,000	121,602	(32,974)
(b) Infrastructure															
Infrastructure - roads	7,684,592	0	0	0	0	7,260,171	0	0	0	0	6,767,171	0	0	0	0
Infrastructure - footpaths	554,858	0	0	0	0	181,011	0	0	0	0	242,841	0	0	0	0
Infrastructure - drainage	37,044	0	0	0	0	234,520	0	0	0	0	231,500	0	0	0	0
Infrastructure - carparks	337,649	0	0	0	0	15,691	0	0	0	0	150,000	0	0	0	0
Infrastructure - parks and ovals	12,525,801	0	0	0	0	3,035,992	0	0	0	0	6,407,306	0	0	0	0
Infrastructure - Bus Shelters	48,363	0	0	0	0	63,807	0	0	0	0	42,353	0	0	0	0
Infrastructure - Street Lights	81,291	0	0	0	0	89,837	0	0	0	0	93,221	0	0	0	0
Infrastructure - Other	137,900	0	0	0	0	369,269	0	0	0	0	62,531	0	0	0	0
Total	21,407,498	0	0	0	0	11,250,298	0	0	0	0	13,996,923	0	0	0	0
Total	48,920,242	(764,796)	874,760	167,667	(57,703)	27,789,001	(83,077)	139,334	143,520	(87,263)	35,777,857	(486,372)	575,000	121,602	(32,974)

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	8,060,790	7,422,799	8,107,328
Furniture and equipment	208,014	116,760	251,567
Plant and equipment	1,035,781	1,004,313	1,013,218
Infrastructure - roads	9,499,948	8,867,291	9,680,385
Infrastructure - footpaths	1,046,065	979,573	1,037,246
Infrastructure - drainage	1,536,651	1,420,293	1,542,352
Infrastructure - carparks	397,824	373,654	386,929
Infrastructure - parks and ovals	4,064,683	3,750,192	4,057,065
Infrastructure - Bus Shelters	35,947	33,146	36,155
Infrastructure - Street Lights	183,688	176,148	192,590
Infrastructure - Other	110,132	101,359	111,346
Right of use - plant and equipment	17,306	13,801	7,376
	26,196,829	24,259,328	26,423,557
By Program			
Governance	21,935	19,067	22,210
Law, order, public safety	321,694	325,760	294,339
Health	5,833	1,119	9,205
Education and welfare	1,740,862	1,598,207	1,751,921
Community amenities	9,306	4,030	12,654
Recreation and culture	10,295,839	9,405,895	10,365,268
Transport	12,664,176	11,816,959	12,839,502
Other property and services	1,137,184	1,088,292	1,128,458
	26,196,829	24,259,328	26,423,557

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	
Furniture and equipment	2 to 15 years
Plant and equipment	3 to 20 years
Infrastructure - roads	12 to 80 years
Infrastructure - footpaths	40 - 80 years
Infrastructure - drainage	80 - 100 years
Infrastructure - carparks	5 to 30 years
Infrastructure - parks and ovals	10 to 50 years
Infrastructure - Bus Shelters	20 to 25 Years
Infrastructure - Street Lights	15 to 30 years
Infrastructure - Other	30 to 40 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
					$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Youth Services vehicle	1HFE114	Toyota Finance	2.2%	60	0	0		0	0	3,452	0	(3,452)	0	(13)	3,452	0	(3,452)	0	(13)
Adco - Floor Scrubber - Recquatic	C12528	Adco	3.9%	36	0	0		0	0	1,314	0	(1,314)	0	(6)	1,363	0	(1,313)	50	(6)
ICT 20 x Kyocera Devices	0002103060-1-01	3E Advantage Pty Ltd	5.1%	36	38,554	0	(25,374)	13,180	(1,379)	62,670	0	(24,115)	38,554	(2,638)	60,707	0	(24,218)	36,489	(2,535)
Youth Centre Vehicle	1IGM887				11,196	0	(10,313)	883	(4)	21,017	0	(9,821)	11,196	(811)	0	0	0	0	0
					49,750	0	(35,687)	14,063	(1,382)	88,452	0	(38,702)	49,750	(3,468)	65,522	0	(28,983)	36,539	(2,554)

MATERIAL ACCOUNTING POLICIES

LEASES
At the inception of a contract, the City 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 City 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

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

Purpose	Loan Number	Institution	Interest Rate	Budget Principal 1 July 2026	2026/27 Budget New Loans	2026/27 Budget Principal Repayments	Budget Principal outstanding 30 June 2027	2026/27 Budget Interest Repayments	Actual Principal 1 July 2025	2025/26 Actual New Loans	2025/26 Actual Principal Repayments	Actual Principal outstanding 30 June 2026	2025/26 Actual Interest Repayments	Budget Principal 1 July 2025	2025/26 Budget New Loans	2025/26 Budget Principal Repayments	Budget Principal outstanding 30 June 2026	2025/26 Budget Interest Repayments
				$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Youth Specific Space Stage 2	100	WATC	4.7%	362,867	0	(177,246)	185,621	(17,880)	532,117	0	(169,250)	362,867	(26,905)	532,117	0	(169,250)	362,867	(26,905)
Library & Resource Centre	102	WATC	4.5%	2,585,484	0	(823,441)	1,762,043	(127,632)	3,372,777	0	(787,293)	2,585,484	(168,560)	3,372,777	0	(787,293)	2,585,484	(168,560)
Recquatic Refurbishment	104	WATC	4.1%	1,502,811	0	(353,418)	1,149,393	(67,213)	1,842,339	0	(339,528)	1,502,811	(83,498)	1,842,339	0	(339,528)	1,502,811	(83,498)
Bertram Community Centre	105	WATC	3.3%	536,068	0	(136,651)	399,417	(19,573)	668,366	0	(132,298)	536,068	(24,728)	668,366	0	(132,298)	536,068	(24,728)
Calista Destination Park	106	WATC	3.1%	656,866	0	(123,317)	533,549	(24,033)	776,400	0	(119,534)	656,866	(28,660)	776,400	0	(119,534)	656,866	(28,660)
Industrial Area Streetscape	98	WATC	6.3%	0	0		0		0	0	0	0	0	0	0	0	0	0
City Centre Redevelopment	101B	WATC	1.2%	1,415,911	0	(249,819)	1,166,092	(27,035)	1,662,440	0	(246,529)	1,415,911	(32,068)	1,662,440	0	(246,529)	1,415,911	(32,068)
Administration building Upgrade / Renewal	107	WATC	5.8%	6,800,000	0	(184,279)	6,615,721	(448,021)	0	6,800,000	0	6,800,000	(3,782)	0	6,800,000	(200,927)	6,599,073	(354,891)
Recquatic Centre Refurbishment	TBA	WATC	5.9%	0	5,000,000		5,000,000					0					0	
City Precinct Development	TBA	WATC	5.3%	0	1,000,000		1,000,000					0					0	
				13,860,007	6,000,000	(2,048,171)	17,811,837	(731,386)	8,854,439	6,800,000	(1,794,432)	13,860,007	(368,201)	8,854,439	6,800,000	(1,995,359)	13,659,080	(719,310)
Self Supporting Loans																		
Kwinana Golf Club Refurbishment	103B	WATC	0.0%	137,293	0	(21,041)	116,252	(5,300)	157,652	0	(20,359)	137,293	(6,126)	157,652	0	(20,359)	137,293	(6,126)
				137,293	0	(21,041)	116,252	(5,300)	157,652	0	(20,359)	137,293	(6,126)	157,652	0	(20,359)	137,293	(6,126)
				13,997,300	6,000,000	(2,069,211)	17,928,089	(736,686)	9,012,091	6,800,000	(1,814,791)	13,997,300	(374,327)	9,012,091	6,800,000	(2,015,718)	13,796,373	(725,436)

All borrowing repayments, other than self supporting loans, will be financed by general purpose revenue.
The self supporting loan(s) repayment will be fully reimbursed.

8. 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
				%	$	$	$	$
Recquatic Centre Refurbishment	WATC		15	5.9%	5,000,000	2,932,975	5,000,000	0
City Precinct Development	WATC		5	5.3%	1,000,000	171,091	1,000,000	0
					6,000,000	3,104,066	6,000,000	0

(c) Unspent borrowings

The City had an estimated amount of $5,094,777 unspent borrowing funds for the Administration Building. These funds are included in the opening surplus and anticipated to be spent by October 2026.

(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	100,000	100,000	100,000
Credit card balance at balance date	(20,000)	(18,846)	(20,000)
Total amount of credit unused	80,000	81,154	80,000
Loan facilities			
Loan facilities in use at balance date	17,928,089	13,997,300	13,796,373

MATERIAL ACCOUNTING POLICIES

BORROWING COSTS
The City 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				2025/26 Actual				2025/26 Budget			
	Opening Balance	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) Cash-in-lieu of public open space reserve	276,199	13,369	0	289,568	361,080	15,521	(100,402)	276,199	367,735	10,725	(103,500)	274,960
Developer contributions fund reserve												
(b) DCA 1 - Hard Infrastructure - Bertram	5,992,827	370,521	(133,649)	6,229,699	5,709,029	322,421	(38,623)	5,992,827	3,098,546	206,354	(14,398)	3,290,502
(c) DCA 2 - Hard Infrastructure - Wellard	2,275,299	202,560	(33,649)	2,444,210	2,105,690	188,232	(18,623)	2,275,299	1,998,646	168,602	(14,398)	2,152,850
(d) DCA 3 - Hard Infrastructure - Casuarina	151,916	106,024	(33,649)	224,291	64,435	106,104	(18,623)	151,916	167,531	105,750	(14,398)	258,883
(e) DCA 4 - Hard Infrastructure - Anketell	7,388,798	437,129	(120,589)	7,705,338	7,473,587	372,851	(457,641)	7,388,798	2,373,610	181,474	(14,398)	2,540,686
(f) DCA 5 - Hard Infrastructure - Wandi	3,075,854	238,261	(120,589)	3,193,526	3,107,508	236,073	(267,727)	3,075,854	2,879,446	198,836	(220,507)	2,857,775
(g) DCA 6 - Hard Infrastructure - Mandogalup	10,746,007	590,654	(33,649)	11,303,012	10,218,772	545,858	(18,623)	10,746,007	10,107,518	446,936	(14,398)	10,540,056
(h) DCA 7 - Hard Infrastructure - Wellard West	380,223	116,536	(33,649)	463,110	287,321	111,525	(18,623)	380,223	243,781	108,368	(14,398)	337,751
(i) DCA 8 - Soft Infrastructure - Mandogalup	3,449,517	256,076	(33,649)	3,671,944	3,238,388	229,752	(18,623)	3,449,517	2,666,714	191,534	(14,398)	2,843,850
(j) DCA 9 - Soft Infrastructure - Wandi/Anketell	10,932,568	596,280	(33,649)	11,495,199	10,414,716	536,474	(18,623)	10,932,568	9,891,281	439,514	(14,398)	10,316,397
(k) DCA 10 - Soft Infrastructure - Casuarina/Anketell	338,979	114,565	(33,649)	419,895	246,867	110,735	(18,623)	338,979	293,736	110,082	(14,398)	389,420
(l) DCA 11 - Soft Infrastructure - Wellard East	2,880,170	230,111	(33,649)	3,076,632	2,685,271	213,522	(18,623)	2,880,170	2,697,113	192,578	(14,398)	2,875,293
(m) DCA 12 - Soft Infrastructure - Wellard West	4,705,773	315,310	(33,649)	4,987,434	9,861,083	425,566	(5,580,876)	4,705,773	8,799,509	402,038	(5,177,632)	4,023,915
(n) DCA 13 - Soft Infrastructure - Bertram	325,847	113,967	(33,649)	406,165	234,182	110,288	(18,623)	325,847	342,272	111,748	(14,398)	439,622
(o) DCA 14 - Soft Infrastructure - Wellard/Leda	440,624	112,373	(33,649)	519,348	726,574	757,808	(1,043,758)	440,624	709,967	124,370	(818,079)	16,258
(p) DCA 15 - Soft Infrastructure - City Site	224,033	112,399	(33,655)	302,777	364,175	403,532	(543,674)	224,033	344,227	111,816	(276,721)	179,322
	53,584,634	3,926,134	(778,621)	56,732,148	57,098,679	4,686,262	(8,200,307)	53,584,634	46,981,632	3,110,725	(6,754,817)	43,337,540

9. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement (continued)

	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												
(q) Aged Persons Units Reserve	619,842	206,741	0	826,583	592,200	27,642	0	619,842	654,839	177,597	0	832,436
(r) Asset Management Reserve	5,135,322	218,146	(3,168,181)	2,185,287	8,289,334	3,307,961	(6,461,972)	5,135,322	7,796,734	1,722,509	(6,505,015)	3,014,228
(s) Banksia Park Reserve	365,762	17,390	0	383,152	424,974	18,788	(78,000)	365,762	678,716	19,796	0	698,512
(t) City Infrastructure Reserve	7,553	1,396	(8,949)	0	99,344	6,839	(98,630)	7,553	36,646	0	(36,646)	0
(u) Community Services & Emergency Relief Reserve	396,873	18,163	0	415,036	380,583	16,289	0	396,873	380,633	11,102	0	391,735
(v) Contiguous Local Authorities Group Reserve	283,428	64,868	(67,600)	280,696	292,806	43,481	(52,859)	283,428	291,100	44,491	(58,900)	276,691
(w) Employee Leave Reserve	2,886,017	136,497	(300,000)	2,722,514	3,271,017	140,000	(525,000)	2,886,017	2,921,441	85,206	(300,000)	2,706,647
(x) Employee Vacancy Reserve	624,773	28,592	0	653,365	599,006	25,767	0	624,773	599,085	17,472	0	616,557
(y) Golf Course Cottage Reserve	35,506	1,625	0	37,131	34,049	1,457	0	35,506	34,053	1,157	0	35,210
(z) Golf Club Maintenance Reserve	46,504	6,629	(4,500)	48,633	44,645	6,359	(4,500)	46,504	39,651	5,493	(4,500)	40,644
(aa) Information Technology Reserve	759,132	30,210	(565,800)	223,542	1,232,973	406,159	(880,000)	759,132	1,233,048	153,046	(730,000)	656,094
(ab) Plant and Equipment Replacement Reserve	1,739,528	641,496	(1,932,100)	448,924	1,498,469	1,135,632	(894,572)	1,739,528	1,768,899	626,592	(1,373,500)	1,021,991
(ac) Public Art Reserve	307,010	16,506	0	323,516	514,802	21,683	(229,475)	307,010	270,396	7,886	0	278,282
(ad) Refuse Reserve	5,706,432	799,039	0	6,505,471	4,825,477	1,095,955	(215,000)	5,706,432	4,458,693	580,673	(215,000)	4,824,366
(ae) Renewable Energy Efficiency Reserve	133,590	6,563	0	140,153	179,341	6,553	(52,304)	133,590	181,018	5,279	(150,125)	36,172
(af) Restricted Grants & Contributions Reserve	430,082	0	(1,599,708)	(1,169,626)	1,699,481	0	(1,269,399)	430,082	1,461,216	0	(956,916)	504,300
(ag) Settlement Agreement Reserve	343,956	15,671	0	359,627	329,703	14,253	0	343,956	328,838	9,592	0	338,430
(ah) Strategic Property Reserve	1,915,925	88,242	(1,000,000)	1,004,167	1,919,549	71,376	(75,000)	1,915,925	1,926,219	56,181	0	1,982,400
(ai) Workers Compensation Reserve	495,973	23,438	0	519,411	549,014	24,866	(77,907)	495,973	547,340	15,964	0	563,304
(aj) Strategic Initiative Reserve	436,903	17,511	(369,345)	85,069	512,167	147,023	(222,287)	436,903	500,094	14,585	(37,000)	477,679
(ak) Election Expense Reserve	86,501	105,015	0	191,516	176,984	91,605	(182,088)	86,501	176,738	90,154	(174,360)	92,532
(al) Valuation Expense Reserve	90,681	95,128	0	185,809	174,196	91,484	(175,000)	90,681	173,958	90,075	(175,000)	89,033
(am) Bio Diversity Reserve	12,689	439	0	13,128	0	12,689	0	12,689	0	12,689	0	12,689
(an) Kwinana Recquatic Reserve	3,056,644	105,810	(1,655,090)	1,507,364	0	3,056,644	0	3,056,644	0	2,556,644	0	2,556,644
(ao) Kwinana Golf Course Reserve	0	400,000	0	400,000	0	0	0	0	0	0	0	0
(ap) Banksia Park Capital Maintenance Reserve	0	40,000	(40,000)	0	0	0	0	0	0	0	0	0
	25,916,626	3,085,116	(10,711,273)	18,290,468	27,640,115	9,770,505	(11,493,993)	25,916,627	26,459,355	6,304,183	(10,716,962)	22,046,576
	79,501,260	7,011,250	(11,489,894)	75,022,616	84,738,794	14,456,767	(19,694,300)	79,501,261	73,440,987	9,414,908	(17,471,779)	65,384,116

9. RESERVE ACCOUNTS

(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)	Cash-in-lieu of public open space reserve	Ongoing	to be used to restrict funds that have been paid in lieu of open space as specified in the Western Australia Planning and Development Act 2005.
(b)	DCA 1 - Hard Infrastructure - Bertram	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 1 - Hard Infrastructure Bertram.
(c)	DCA 2 - Hard Infrastructure - Wellard	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 2 - Hard Infrastructure Wellard.
(d)	DCA 3 - Hard Infrastructure - Casuarina	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 3 - Hard Infrastructure Casuarina.
(e)	DCA 4 - Hard Infrastructure - Anketell	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 4 - Hard Infrastructure Anketell.
(f)	DCA 5 - Hard Infrastructure - Wandi	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 5 - Hard Infrastructure Wandi.
(g)	DCA 6 - Hard Infrastructure - Mandogalup	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 6 - Hard Infrastructure Mandogalup.
(h)	DCA 7 - Hard Infrastructure - Wellard West	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 7 - Hard Infrastructure Mandogalup West.
(i)	DCA 8 - Soft Infrastructure - Mandogalup	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 8 - Soft Infrastructure Mandogalup.
(j)	DCA 9 - Soft Infrastructure - Wandi/Anketell	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 9 - Soft Infrastructure Wandi/Anketell.
(k)	DCA 10 - Soft Infrastructure - Casuarina/Anke	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 10 - Soft Infrastructure Casuarina/Anketell.
(l)	DCA 11 - Soft Infrastructure - Wellard East	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 11 - Soft Infrastructure Wellard East.
(m)	DCA 12 - Soft Infrastructure - Wellard West	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 12 - Soft Infrastructure Wellard West.
(n)	DCA 13 - Soft Infrastructure - Bertram	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 13 - Soft Infrastructure Bertram.
(o)	DCA 14 - Soft Infrastructure - Wellard/Leda	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 14 - Soft Infrastructure Wellard/Leda.
(p)	DCA 15 - Soft Infrastructure - City Site	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 15 - Soft Infrastructure City Site.
	Restricted by council		
(q)	Aged Persons Units Reserve	Ongoing	to be used to provide funds for the capital acquisition and maintenance of the Aged Persons Units, Callistemon Court.
(r)	Asset Management Reserve	Ongoing	to be used to provide funds for renewal projects for the City's building and infrastructure assets, thereby extending the useful economic life of such assets.
(s)	Banksia Park Reserve	Ongoing	to be used to provide funds for the capital acquisitions and maintenance of the Banksia Park Retirement Village.
(t)	City Infrastructure Reserve	Ongoing	to be used to fund the City's contributions to community infrastructure projects.
(u)	Community Services & Emergency Relief Res	Ongoing	to be used to provide funding to alleviate the effect of any disaster within the City of Kwinana boundaries and to provide funds to develop community services.

9. RESERVE ACCOUNTS

Restricted by council

(continued)

	Reserve name	Anticipated date of use	Purpose of the reserve
(v)	Contiguous Local Authorities Group Reserve	Ongoing	to be used to restrict funds received for the prevention, control and education of mosquito management.
(w)	Employee Leave Reserve	Ongoing	to be used to ensure that adequate funds are available to finance employee leave entitlements.
(x)	Employee Vacancy Reserve	Ongoing	to be used to ensure that adequate funds are available to finance employee costs.
(y)	Golf Course Cottage Reserve	Ongoing	to be used to provide funds for the maintenance of this building.
(z)	Golf Club Maintenance Reserve	Ongoing	to be used to provide funds for the maintenance of this building.
(aa)	Information Technology Reserve	Ongoing	to be used for the implementation and maintainance of the City's software requirements.
(ab)	Plant and Equipment Replacement Reserve	Ongoing	to be used to replace existing fleet, plant and other City assets.
(ac)	Public Art Reserve	Ongoing	to be used to receive monies paid as cash in lieu for public art and the provision of public art expenditure under the Local Planning Policy 5.
(ad)	Refuse Reserve	Ongoing	to be used to provide funds for the costs and subsidy of Waste Management in the City.
(ae)	Renewable Energy Efficiency Reserve	Ongoing	to be used to provide funds for renewable energy and water efficiency iniatives.
(af)	Restricted Grants & Contributions Reserve	Ongoing	to be used to restrict funds, being city funds, grants and contributions, required to complete projects from prior financial years.
(ag)	Settlement Agreement Reserve	Ongoing	to be used to provide funds to account for future negotiated settlement agreement payments.
(ah)	Strategic Property Reserve	Ongoing	to be used to provide funds for future investment opportunities.
(ai)	Workers Compensation Reserve	Ongoing	to be used to fund workers compensation costs incurred by the City where the maximum contribution amount for a previous year has been reached and there is a claim which remains open and requires the City to pay costs relating to the open claims in the current and future years.
(aj)	Strategic Initiative Reserve	Ongoing	to be used to provide fund for corporate business plan and strategic initiatives in the City.
(ak)	Election Expense Reserve	Ongoing	to be used to provide funds for cost of election in the City.
(al)	Valuation Expense Reserve	Ongoing	to be used to provide funds for cost of rate valuation in the City.
(am)	Bio Diversity Reserve	Ongoing	to be used for the the implementation of the Biodiversity Strategy
(an)	Kwinana Recquatic Reserve	Ongoing	to be used to fund the refurbishment of the Kwinana Recquatic Centre.
(ao)	Kwinana Golf Course Reserve	Ongoing	to be used to fund capital works which includes renewal and new projects for Kwinana Golf Course.
(ap)	Banksia Park Capital Maintenance Reserve	Ongoing	to be used to fund capital maintenance works at Banksia Park Retirement Village.

10. OTHER INFORMATION

	2026/27 Budget	2025/26 Actual	2025/26 Budget
The net result includes as revenues	$	$	$
(a) Interest earnings			
Investments	3,954,865	4,220,950	3,030,000
Self Supporting loan *	5,300	6,127	6,126
Other interest revenue	798,500	831,982	638,520
	4,758,665	5,059,059	3,674,646
* The interest of 3.32% with 15 years term to the Kwinana Golf club.			
The net result includes as expenses			
(b) Auditors remuneration			
Audit services	130,000	20,125	130,000
Other services	11,950	11,975	11,000
	141,950	32,100	141,000
(c) Interest expenses (finance costs)			
Borrowings (refer Note 8(a))	736,686	374,327	725,436
Interest on lease liabilities (refer Note 7)	1,382	3,468	2,554
	738,069	377,796	727,990
(d) Write offs			
General rate	3,700	11,852	1,200
Fees and charges	0	43,837	10,250
	3,700	55,689	11,450
(e) Low Value lease expenses			
Office equipment	0	2,799	0
Gymnasium equipment	0	15,494	16,000
	0	18,293	16,000

11. COUNCIL MEMBERS REMUNERATION

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
Mayor Peter Feasey			
Mayor's allowance	104,032	100,514	100,514
Meeting attendance fees	55,078	53,215	53,215
Other expenses	1,667	132	1,667
Annual allowance for ICT expenses	2,742	2,721	2,272
Travel and accommodation expenses	556	0	555
Superannuation contribution payments	19,422	18,867	16,474
	183,496	175,449	174,697
Deputy Mayor Barry Winmar			
Deputy Mayor's allowance	26,008	25,128	25,128
Meeting attendance fees	36,722	35,480	35,480
Other expenses	1,667	0	1,667
Annual allowance for ICT expenses	2,645	2,725	2,514
Travel and accommodation expenses	556	0	555
Superannuation contribution payments	7,845	7,693	10,797
	75,443	71,026	76,141
Elected Member Sherilyn Wood			
Meeting attendance fees	36,722	35,480	35,480
Other expenses	1,667	0	1,667
Annual allowance for ICT expenses	2,837	2,775	2,276
Travel and accommodation expenses	556	0	556
Superannuation contribution payments	4,747	4,678	4,412
	46,528	42,933	44,391
Elected Member Matthew Rowse			
Meeting attendance fees	36,722	35,480	35,480
Other expenses	1,667	53	1,666
Annual allowance for ICT expenses	2,937	2,895	2,514
Travel and accommodation expenses	556	0	556
Superannuation contribution payments	4,759	4,678	4,412
	46,640	43,105	44,628
Elected Member Ivy Penny			
Meeting attendance fees	36,722	35,480	35,480
Other expenses	1,667	49	1,667
Annual allowance for ICT expenses	2,712	2,705	2,444
Travel and accommodation expenses	556	0	556
Superannuation contribution payments	4,732	4,678	4,412
	46,388	42,912	44,559
Elected Member David Acker			
Meeting attendance fees	36,722	35,480	35,480
Other expenses	1,667	53	1,667
Annual allowance for ICT expenses	2,747	2,725	2,444
Travel and accommodation expenses	556	0	556
Superannuation contribution payments	4,736	4,678	4,412
	46,427	42,936	44,559
Elected Member Erin Sergeant			
Meeting attendance fees	36,722	38,437	35,480
Other expenses	1,667	46	1,667
Annual allowance for ICT expenses	2,937	3,075	2,444
Travel and accommodation expenses	556	0	556
Superannuation contribution payments	4,759	4,678	4,412
	46,640	46,235	44,559
Elected Member Michael James Brown			
Meeting attendance fees	36,722	35,480	35,480
Other expenses	1,667	53	1,667
Annual allowance for ICT expenses	2,887	2,865	2,514
Travel and accommodation expenses	556	0	556
Superannuation contribution payments	4,753	4,678	4,412
	46,584	43,076	44,629
Elected Member Balian Darren Miller			
Meeting attendance fees	36,722	21,904	0
Other expenses	1,667	53	0
Annual allowance for ICT expenses	2,645	1,570	0
Travel and accommodation expenses	556	0	0
Superannuation contribution payments	4,724	3,278	0
	46,314	26,804	0
Elected Member Susan Kearney			
Meeting attendance fees	0	10,620	35,480
Other expenses	0	0	1,667
Annual allowance for ICT expenses	0	900	2,514
Travel and accommodation expenses	0	0	556
Superannuation contribution payments	0	1,400	4,412
	0	12,919	44,629
Total Council Member Remuneration	584,461	547,395	562,792
Mayor's allowance	104,032	100,514	100,514
Deputy Mayor's allowance	26,008	25,128	25,128
Meeting attendance fees	348,854	337,055	337,055
Other expenses	15,000	439	15,002
Annual allowance for ICT expenses	25,089	24,955	21,936
Travel and accommodation expenses	5,000	0	5,002
Superannuation contribution payments	60,478	59,304	58,155
	584,461	547,395	562,792

12. TRUST FUNDS

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

Detail	Balance 30 June 2026	Estimated amounts received	Estimated amounts paid	Estimated balance 30 June 2027
	$	$	$	$
Contiguous Local Authorities Group (CLAG)	8,936	5,000	(5,000)	8,936
Uncollected Vehicles	33,912	2,000	0	35,912
	42,848	7,000	(5,000)	44,848

13. 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.

13. 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
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contractual commitments	General appropriations and contributions with no specific contractual commitments	No obligations	Not applicable	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	On payment and issue of the licence, registration or approval
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	After inspection complete based on a 4 year cycle
Waste management entry fees	Kerbside collection service	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Output method based on regular weekly and fortnightly period as proportionate to collection service
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	On entry or at conclusion of hire
Memberships	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Output method Over 12 months matched to access right
Fees and charges for other goods and 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	Recquatic stock, Library stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Output method based on goods

14. 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 City'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 & Governance (includes Audit & other costs associated with reporting to council). Administration, Financial and Information Technology Services are included.
General purpose funding To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
Law, order, public safety To provide services to help ensure a safer and environmentally conscious community.	Supervision of various local laws, fire prevention and animal control.
Health To provide an operational framework for environmental and community health.	Health services including inspection of premises, mosquito management , food quality, public health protection and promotion.
Education and welfare To provide services to disadvantaged persons, the elderly, children and youth.	Provision, management and support of services for families, children and the aged and disabled within the community; including pre-school playgroups, assistance to schools, and senior citizens support groups.
Community amenities To provide services required by the community.	City planning and development, rubbish collection services, storm water drainage, the provision of public conveniences, bus shelters, roadside furniture and litter control.
Recreation and culture To establish and effectively manage infrastructure and resources which will help the social wellbeing of the community.	Provision of facilities and support for organisations concerned with leisure time activities and sport, support for the performing and creative arts and the preservation of the national estate. This includes maintenance of halls, aquatic centre, recreation and community centres, parks, gardens, sports grounds and the operation of Libraries.
Transport To provide safe, effective and efficient transport services to the community.	Construction, maintenance and cleaning of streets, roads, bridges, drainage works, footpaths, parking facilities, traffic signs and the City depot, including plant purchase and maintenance.
Economic services To help promote the City and its economic wellbeing.	Tourism and area promotion, rural services and pest control and the implementation of building controls.
Other property and services To monitor and control the City's overhead operating accounts.	Private works, public works overheads, City plant operations, materials, salaries and wages. With the exception of private works, the above activities listed are mainly summaries of costs that are allocated to all works and services undertaken by the City.

15. FEES AND CHARGES

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
By Program:			
Governance	92,516	99,464	84,619
General purpose funding	270,000	294,468	160,000
Law, order, public safety	178,540	174,682	194,420
Health	147,095	173,495	142,899
Education and welfare	1,041,783	1,491,096	895,340
Community amenities	835,010	1,003,151	720,850
Recreation and culture	5,015,572	5,625,909	4,796,356
Economic services	504,516	560,438	507,886
Other property and services	10,055,067	10,736,176	9,154,316
	18,140,099	20,158,879	16,656,686

The detail fees and charges proposed to be imposed by the local government is included in a separate attachment.

Administration

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