Shire of Jerramungup
Discover Diversity

8 VASEY STREET, JERRAMUNGUP WA, 6337
WWW.JERRAMUNGUP.WA.GOV.AU
(08) 9835 1022

Annual Budget

For the year ended 30 June 2027

Discover Diversity

26/27

Budget for the Financial Year 2026/2027
Presented and Adopted at the
Ordinary Meeting of Council held 29 July 2026.

Nathan Brown	Martin Cuthbert
Shire President	**Chief Executive Officer**

Acknowledgement of Country

The Shire of Jerramungup acknowledges the traditional custodians and their continuing connection to the land, waters and community.

We pay our respects to all members of Aboriginal communities and their cultures; and to Elders past and present.

A Message From the CEO

It is my pleasure to present the Shire of Jerramungup's 2026/27 Budget, which continues Council's commitment to responsible financial management while investing in the services, infrastructure and projects that support our community today and into the future.

The 2026/27 Budget reflects a balanced approach to meeting the needs of our growing and diverse community. It provides for the ongoing delivery of essential services, continued maintenance of key infrastructure and investment in strategic projects that will strengthen the Shire's long-term sustainability. Major initiatives this year include the commencement of the Bremer Bay Medical Centre, continued planning for the Bremer Bay Cultural Precinct, the rollout of the Shire's new brand identity, and ongoing investment in roads, community facilities and public assets.

Council remains mindful of the financial pressures facing households and businesses and has developed this budget with a strong focus on delivering value for money. Through careful planning and prudent financial management, we have sought to balance the need to maintain existing services while continuing to invest in projects that will benefit our communities well into the future.

This year's budget also reflects Council's commitment to seeking external funding wherever possible to maximise the value of every ratepayer dollar. By positioning key projects for future grant opportunities, we are working to deliver improved facilities and infrastructure while minimising the financial impact on our community.

Our staff continue to play a vital role in delivering quality services and achieving Council's strategic objectives. Their professionalism, dedication and willingness to embrace new opportunities ensure the Shire continues to adapt, improve and respond to the needs of our residents, businesses and visitors.

On behalf of the Executive Leadership Team, I thank the Shire President, Councillors, staff and our community for your continued support and collaboration. Together, we will continue building a connected, resilient and prosperous Shire that celebrates its unique character while embracing opportunities for the future.

Martin Cuthbert
Chief Executive Officer

Budget Snapshots

Law, Order & Public Safety

$1.26M investment in bushfire preparedness and emergency management, including a $500k mitigation program for priority fuel reduction and risk mitigation works across the Shire. Funding also supports strategic firebreaks, fire assessments, volunteer equipment, training and insurances, firefighting operations, emergency water supplies, signage, ranger services, insurance and associated costs. The Shire is also seeking funding for the ‘Don’t Be the Reason’ campaign with DFES to promote bushfire prevention, preparedness and shared responsibility.

Health

$548k allocated to support General Practitioner services, medical centre operations, contract health services and associated employee costs, together with a $300k contribution to St John WA for the Bremer Bay St John building. This funding reflects Council's ongoing commitment to supporting accessible, high-quality healthcare services for our community.

Transport

$1.9M investment in the maintenance of essential transport and community infrastructure, including rural roads, footpaths, townsite streets, street sweeping, drainage, the Bremer Bay boat ramp and associated facilities, airstrips and associated employee costs.

Community Amenities

$1.47M investment in environmental and community infrastructure, including regional waste facility services, waste and recycling services, replacement of townsite street bins, town planning activities, cemetery maintenance, maintenance of the Jerramungup effluent system, public amenity maintenance and upgrades, associated employee costs, and the completion of the Business Case and Cost Benefit Analysis for the proposed Bremer Bay Cultural Precinct to support future grant funding opportunities.

PHOTO: ALICE REDDINGTON

Budget Snapshots

Recreation & Culture

$939K investment in parks, recreation and community facilities, including sporting oval turf management, the community swimming pool, parks, trails, libraries, coastal reserves, facility grounds maintenance and associated employee costs. A further $726K is allocated to capital projects, including Bremer Bay Skate Park safety fencing, Kokoda Op-shop repairs and investigation into the replacement of the Bremer Bay CRC foyer roof, with external funding to be sought for Bremer Bay Sports Oval reticulation and the proposed Bird Hide.

Economic Services

$86k investment in regulatory and property services, including building control and surveying, Millers Point Campground works, insurance for the Bremer Bay Caravan Park, standpipe maintenance, legal services and associated employee costs.

Education & Welfare

$29k investment to provide ongoing financial support to childcare centres in terms of building maintenance, seniors program and school awards.

Community Donations

Council are pleased to support the following donation requests from various groups; Kidzfest, Bremer Bay Mens Shed, St John Ambulance, Jerramungup Sports Club, Friends of Fitzgerald River National Park, Bremer Bay Sports Club, Boxwood Hill Combined Sports Club and Jerramungup CRC.

Housing

$95K investment into building maintenance and capital works on Shire owned assets.

Governance

$272k investment in governance and corporate leadership, including audit services, elected member expenses, Council election costs, Council memberships, Australia Day, ANZAC day services and employee costs.

General Purpose Funding

$83k investment in rating and valuation services, including annual rates administration, valuation expenses, location information services, legal fees associated with rates collection and associated employee costs.

Key Budget Initiatives

Bremer Bay Medical Centre

The Shire has committed $650K towards the planning and construction of the new Bremer Bay Medical Centre that will commence in 2026/27. Located at Lot 3 Yandil Street, the purpose-built facility will provide a modern home for the Shire's General Practitioner, supporting the ongoing delivery of essential primary healthcare services for the Bremer Bay community.

Shire Rebranding Project

Following the development of the Shire's new brand identity, this year's budget includes funding to progressively roll out the new branding across Council facilities, signage, vehicles, publications and digital platforms. The staged approach ensures the new brand is introduced in a practical and cost-effective way, with updates made as existing assets require replacement.

Construction Projects

The Shire continues to invest in improving the local transport network, with $2.5M allocated to road construction. Key projects also include the continued sealing of Meechi and Cuiss Roads, footpath construction Bennett – George Street & Bennett to Robert Street. A further $790k has been allocated to flood restoration works on Boxwood Ongerup Road, Doubtful Island Road and Cuiss Road, restoring infrastructure impacted by prior flood events.

Ongoing Annual Contributions

Council continue to support a variety of community groups with a $10K contribution to all 3 sporting groups for operational and maintenance costs, $1.5K to Gairdner and Needilup Progress, School book prizes and Leeuwin Ocean Adventure Scholarship, $15K to the Fitzgerald Biosphere Group, $13.5K to the Dieback Working Group and $2K contribution to the Bloom Festival.

Bremer Bay Bird Hide

Following the completion of the planning phase in 2025/26, the Shire will focus on securing external funding in 2026/27 to progress construction of the proposed Bird Hide. The project aims to enhance nature-based tourism opportunities while providing a dedicated space for birdwatching and appreciation of the area's unique natural environment.

Coastal Hazard Risk Management and Adaption Plan (CHRMAP)

The Shire has successfully secured funding of $200K through the Coastal Management Plan Assistance Program 26–27 to deliver a CHRMAP for Bremer Bay, including Wellstead Estuary, Fisheries Beach and Little Boat Harbour. The project will identify current and future coastal hazards, assess the vulnerability of key assets and the values of our coastline, and deliver practical short and long-term adaptation strategies to protect our coastline, community assets and natural environment while providing an evidence-based framework for sustainable land use planning and future decision-making.

Shire of Jerramungup

Annual Budget

For the year ended 30 June 2027

LOCAL GOVERNMENT ACT 1995

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

Progressive, Prosperous and a Premium Place to Visit and Live

8 Vasey Street PO BOX 92, Jerramungup WA 6337
Phone: 9835 1022

SHIRE OF JERRAMUNGUP
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)	5,101,480	4,861,313	4,850,100
Grants, subsidies and contributions		2,419,857	3,360,658	1,835,040
Fees and charges	15	1,313,818	1,291,034	1,254,248
Interest revenue	10(a)	295,664	310,391	238,780
Other revenue		56,600	163,175	55,500
		9,187,419	9,986,571	8,233,668
Expenses				
Employee costs		(3,495,158)	(3,108,873)	(3,135,552)
Materials and contracts		(4,851,513)	(3,570,608)	(3,538,894)
Utility charges		(207,421)	(197,429)	(198,370)
Depreciation	6	(3,350,181)	(3,317,569)	(3,204,440)
Finance costs	10(c)	(39,413)	(40,536)	(63,389)
Insurance		(282,301)	(310,430)	(282,414)
Other expenditure		(542,002)	(199,184)	(508,788)
		(12,767,989)	(10,744,629)	(10,931,847)
		(3,580,570)	(758,058)	(2,698,179)
Capital grants, subsidies and contributions		3,372,689	1,470,724	3,081,070
Profit on asset disposals	5	52,993	67,719	93,695
Loss on asset disposals	5	(38,126)	(4,651)	0
		3,387,556	1,533,792	3,174,765
Net result for the period		**(193,014)**	**775,734**	**476,586**
Total other comprehensive income for the period		**0**	**0**	**0**
Total comprehensive income for the period		**(193,014)**	**775,734**	**476,586**

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

SHIRE OF JERRAMUNGUP
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		4,901,480	4,854,422	4,850,100
Grants, subsidies and contributions		2,201,327	3,600,520	1,531,534
Fees and charges		1,313,818	1,291,034	1,254,248
Interest revenue		295,664	310,391	238,780
Goods and services tax received		768,398	570,927	746,565
Other revenue		56,600	163,175	55,500
		9,537,287	10,790,469	8,676,727
Payments				
Employee costs		(3,495,158)	(3,043,630)	(3,135,552)
Materials and contracts		(5,202,742)	(3,202,590)	(3,901,390)
Utility charges		(207,421)	(197,429)	(198,370)
Finance costs		(17,657)	(19,744)	(63,389)
Insurance paid		(282,301)	(310,430)	(282,414)
Goods and services tax paid		(880,262)	(661,753)	(746,565)
Other expenditure		(542,002)	(199,184)	(508,788)
		(10,627,543)	(7,634,760)	(8,836,468)
Net cash provided by (used in) operating activities	4	(1,090,256)	3,155,709	(159,741)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5(a)	(1,699,012)	(1,047,158)	(1,239,672)
Payments for construction of infrastructure	5(b)	(5,607,725)	(2,282,845)	(5,522,479)
Proceeds from capital grants, subsidies and contributions		3,046,464	1,491,516	3,081,070
Proceeds from disposal of property, plant and equipment	5(a)	212,000	270,477	352,863
Net cash (used in) investing activities		(4,048,273)	(1,568,010)	(3,328,218)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	8(a)	(153,639)	(149,393)	(149,393)
Proceeds from new borrowings	8(a)	1,550,000	0	900,000
Payments for principal portion of lease liabilities	7	(17,146)	(34,239)	(34,148)
Net cash provided by (used in) financing activities		1,379,215	(183,632)	716,459
Net increase (decrease) in cash held		(3,759,314)	1,404,067	(2,771,500)
Cash at beginning of year		7,691,903	6,287,836	6,287,837
Cash and cash equivalents at the end of the year	4	**3,932,589**	**7,691,903**	**3,516,337**

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

SHIRE OF JERRAMUNGUP
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)	4,841,762	4,619,008	4,607,795
Rates excluding general rates	2(a)	259,718	242,305	242,305
Grants, subsidies and contributions		2,419,857	3,360,658	1,835,040
Fees and charges	15	1,313,818	1,291,034	1,254,248
Interest revenue	10(a)	295,664	310,391	238,780
Other revenue		56,600	163,175	55,500
Profit on asset disposals	5	52,993	67,719	93,695
		9,240,412	10,054,290	8,327,363
Expenditure from operating activities				
Employee costs		(3,495,158)	(3,108,873)	(3,135,552)
Materials and contracts		(4,851,513)	(3,570,608)	(3,538,894)
Utility charges		(207,421)	(197,429)	(198,370)
Depreciation	6	(3,350,181)	(3,317,569)	(3,204,440)
Finance costs	10(c)	(39,413)	(40,536)	(63,389)
Insurance		(282,301)	(310,430)	(282,414)
Other expenditure		(542,002)	(199,184)	(508,788)
Loss on asset disposals	5	(38,126)	(4,651)	0
		(12,806,115)	(10,749,280)	(10,931,847)
Non cash amounts excluded from operating activities	3(c)	3,351,376	3,269,831	3,125,598
Amount attributable to operating activities		**(214,327)**	**2,574,841**	**521,114**
INVESTING ACTIVITIES				
Inflows from investing activities				
Proceeds from capital grants, subsidies and contributions		3,372,689	1,470,724	3,081,070
Proceeds from disposal of property, plant and equipment	5(a)	212,000	270,477	352,863
		3,584,689	1,741,201	3,433,933
Outflows from investing activities				
Acquisition of property, plant and equipment	5(a)	(1,699,012)	(1,047,158)	(1,239,672)
Acquisition of infrastructure	5(b)	(5,607,725)	(2,282,845)	(5,522,479)
		(7,306,737)	(3,330,003)	(6,762,151)
Amount attributable to investing activities		**(3,722,048)**	**(1,588,802)**	**(3,328,218)**
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from new borrowings	8(a)	1,550,000	0	900,000
Transfers from reserve accounts	9(a)	1,141,459	46,750	1,009,643
		2,691,459	46,750	1,909,643
Outflows from financing activities				
Repayment of borrowings	8(a)	(153,639)	(149,393)	(149,393)
Payments for principal portion of lease liabilities	7	(17,146)	(34,239)	(34,148)
Transfers to reserve accounts	9(a)	(550,844)	(863,732)	(819,758)
		(721,629)	(1,047,364)	(1,003,299)
Amount attributable to financing activities		**1,969,830**	**(1,000,614)**	**906,344**
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus remaining at the start of the financial year	3	1,966,545	1,981,120	1,900,760
Amount attributable to operating activities		(214,327)	2,574,841	521,114
Amount attributable to investing activities		(3,722,048)	(1,588,802)	(3,328,218)
Amount attributable to financing activities		1,969,830	(1,000,614)	906,344
Surplus remaining after the imposition of general rates	3	**0**	**1,966,545**	**0**

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

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

1 BASIS OF PREPARATION

The annual budget of the Shire of Jerramungup 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 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
• Assets held for sale
• Impairment losses of non-financial assets
• Investment property
• Estimated useful life of intangible assets
• Measurement of employee benefits
• Measurement of provisions

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in dollar	Number of properties	Rateable value*	2026/27 Budgeted rate revenue	2026/27 Budgeted interim rates	2026/27 Budgeted total revenue	2025/26 Actual total revenue	2025/26 Budget total revenue
				$	$	$	$	$	$
(i) General rates									
GRV properties	Gross rental valuation	0.100030	695	11,734,836	1,173,836		1,173,836	1,119,861	1,113,835
UV properties	Unimproved valuation	0.004117	329	890,922,000	3,667,926		3,667,926	3,499,147	3,493,960
UV Mining	Unimproved valuation	0.004117	0	0	0		0	0	0
Total general rates			1,024	902,656,836	4,841,762	0	4,841,762	4,619,008	4,607,795
		Minimum							
(ii) Minimum payment		$							
GRV properties	Gross rental valuation	884	168	921,867	148,512		148,512	145,493	145,493
UV properties	Unimproved valuation	884	46	4,546,210	40,664		40,664	47,094	37,845
UV Mining	Unimproved valuation	884	11	90,781	9,724		9,724	0	9,251
Total minimum payments			225	5,558,858	198,900	0	198,900	192,587	192,589
Total general rates and minimum payments			1,249	908,215,694	5,040,662	0	5,040,662	4,811,595	4,800,384
(iii) Ex-gratia rates									
CBH ex-gratia rates					60,818		60,818	49,718	49,716
Total ex-gratia rates			0	0	60,818	0	60,818	49,718	49,716
Total rates					5,101,480	0	5,101,480	4,861,313	4,850,100
Instalment plan charges							5,000	5,144	5,000
Instalment plan interest							22,000	22,643	17,000
Late payment of rate or service charge interest							15,000	11,167	15,000
							42,000	38,954	37,000

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.

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		$	%	%
Option one				
Single full payment	06-Oct-26	0	0.0%	0.0%
Option two				
First instalment	06-Oct-26	0	0.0%	11.0%
Second instalment	16-Feb-27	8	5.5%	11.0%
Option three				
First instalment	06-Oct-26	0	0.0%	11.0%
Second instalment	08-Dec-26	8	5.5%	11.0%
Third instalment	16-Feb-27	8	5.5%	11.0%
Fourth instalment	27-Apr-27	8	5.5%	11.0%

2. RATES AND SERVICE CHARGES (CONTINUED)

(c) Specified Area Rate
The Shire did not impose specified area rates for the year ended 30 June 2027.

(d) Service Charges
The Shire did not raise service charges for the year ended 30th June 2027.

(e) Early payment discounts
The Shire did not allow any discounts for the year ended 30 June 2027.

(f) Waivers or concessions
The Shire 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	3,932,589	7,691,903	3,516,337
Receivables		423,745	249,962	762,361
Inventories		9,300	9,300	13,474
		4,365,634	7,951,165	4,292,172
Less: current liabilities				
Trade and other payables		(157,827)	(509,056)	(462,723)
Contract liabilities		0	(218,530)	(191,766)
Capital grant/contributions liabilities		0	(326,225)	0
Lease liabilities	7	0	(17,146)	0
Short term borrowings		0	0	(151,000)
Long term borrowings	8	(400,000)	(153,639)	
Employee provisions		(561,876)	(561,876)	(491,171)
		(1,119,703)	(1,786,472)	(1,296,660)
Net current assets		3,245,931	6,164,693	2,995,512
Less: Total adjustments to net current assets	3(b)	(3,245,931)	(4,198,148)	(2,995,512)
Net current assets used in the Statement of Financial Activity		0	1,966,545	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	(3,932,589)	(4,523,204)	(3,516,337)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings		400,000	153,639	151,000
- Current portion of lease liabilities		0	17,146	(100,536)
- Movement in creditors		0	(16,512)	100,000
Add: Current liabilities covered by funds held in reserve account				
- Current portion of contract liabilities		99,813	0	167,089
- Current portion of employee benefit provisions		0	0	34,148
- Current portion of employee benefit provisions held in reserve		186,845	170,783	169,124
Total adjustments to net current assets		(3,245,931)	(4,198,148)	(2,995,512)

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	(52,993)	(67,719)	(93,695)
Add: Loss on asset disposals	5	38,126	4,651	0
Add: Depreciation	6	3,350,181	3,317,569	3,204,440
Movement in current liabilities associated funds held in reserve account:				
- Current portion of employee benefit provisions		10,000	0	0
- Current portion of employee benefit provisions held in reserve		6,062	0	0
- Employee benefit provisions		0	(5,462)	14,853
- Other provisions		0	20,792	0
Non cash amounts excluded from operating activities		3,351,376	3,269,831	3,125,598

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		3,932,589	7,691,903	3,516,337
Restrictions				
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
Cash and cash equivalents		0	544,755	0
Restricted financial assets at amortised cost - term deposits		3,932,589	4,523,204	3,516,337
		3,932,589	5,067,959	3,516,337
The restricted financial assets are a result of the following specific purposes to which the assets may be used:				
Reserve accounts	9	3,932,589	4,523,204	3,516,337
Contract liabilities		0	218,530	0
Capital grant/contributions liabilities		0	326,225	0
Total restricted financial assets		3,932,589	5,067,959	3,516,337

(b) Reconciliation of net cash provided by operating activities

	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
Net result		(193,014)	775,734	476,586
Non-cash items:				
Depreciation	6	3,350,181	3,317,569	3,204,440
(Profit) on sale of assets	5	(14,867)	(63,068)	(93,695)
Changes in assets and liabilities:				
(Increase)/decrease in receivables		(173,783)	68,398	(171,832)
Decrease in inventories		0	4,174	0
(Increase)/decrease in other assets		(116,325)	228,884	(262,496)
(Increase)/decrease in trade and other payables		(351,229)	22,807	(100,000)
(Increase)/decrease in contract liabilities		(218,530)	185,900	(167,089)
(Increase) in capital grant/contributions liabilities		(326,225)	0	0
Decrease in employee related provisions		0	65,243	35,415
Decrease in other provisions		0	41,584	0
Capital grants, subsidies and contributions		(3,046,464)	(1,491,516)	(3,081,070)
Net cash provided by/(used in) operating activities		(1,090,256)	3,155,709	(159,741)

MATERIAL ACCOUNTING POLICES

CASH AND CASH EQUIVALENTS

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

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

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

FINANCIAL ASSETS AT AMORTISED COST

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

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

5. PROPERTY, PLANT AND EQUIPMENT

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

	2026/27 Budget					2025/26 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	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Land and Buildings	951,200				0	118,732				0	171,552				0
Plant and equipment	747,812	(197,133)	212,000	52,993	(38,126)	928,426	(207,409)	270,477	67,719	(4,651)	1,068,120	(259,168)	352,863	93,695	0
Total	1,699,012	(197,133)	212,000	52,993	(38,126)	1,047,158	(207,409)	270,477	67,719	(4,651)	1,239,672	(259,168)	352,863	93,695	0
(b) Infrastructure															
Infrastructure - roads	2,434,586				0	2,093,846				0	2,593,958				0
Infrastructure - footpaths	94,500				0	0				0	0				0
Infrastructure - parks and ovals	32,500				0	0				0	174,325				0
Infrastructure - other	600,893				0	188,999				0	0				0
Infrastructure - aerodrome	2,445,246				0	0				0	2,754,196				0
Total	5,607,725	0	0	0	0	2,282,845	0	0	0	0	5,522,479	0	0	0	0
Total	7,306,737	(197,133)	212,000	52,993	(38,126)	3,330,003	(207,409)	270,477	67,719	(4,651)	6,762,151	(259,168)	352,863	93,695	0

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			
Land and buildings	200,000	200,000	200,000
Buildings - specialised	469,602	510,659	523,085
Furniture and equipment	4,019	4,019	4,019
Plant and equipment	390,235	405,986	366,784
Infrastructure - roads	1,692,356	1,575,322	1,596,387
Infrastructure - footpaths	83,087	83,087	83,087
Infrastructure - drainage	144,126	144,126	130,917
Infrastructure - parks and ovals	59,982	146,118	59,257
Infrastructure - other	61,959	82,144	69,396
Infrastructure - sewerage	7,028	7,028	7,028
Other infrastructure - aerodromes	83,087	24,680	24,680
Other infrastructure - landfill assets	4,937	4,619	5,000
Other infrastructure - swimming pool decommission cost	39,963	19,981	25,000
Other infrastructure - leasehold improvement	76,362	76,362	76,362
Right of use - plant and equipment	33,438	33,438	33,438
	3,350,181	3,317,569	3,204,440
By Program			
Law, order, public safety	50,756	50,756	50,400
Health	19,639	19,639	19,639
Education and welfare	15,365	15,365	15,365
Housing	124,536	127,035	125,168
Community amenities	77,517	77,198	81,664
Recreation and culture	563,884	674,820	580,240
Transport	2,011,690	1,865,964	1,873,820
Economic services	69,284	69,283	69,167
Other property and services	417,510	417,509	388,977
	3,350,181	3,317,569	3,204,440

MATERIAL ACCOUNTING POLICIES

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

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

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

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

Buildings	15 to 75 years
Buildings - specialised	15 to 75 years
Furniture and equipment	3 to 20 years
Plant and equipment	2 to 25 years
Infrastructure - roads	10 to 80 years
Clearing and formation	Not depreciated
Infrastructure - footpaths	30 to 80 years
Water supply piping and drainage	20 to 80 years
Infrastructure - parks and ovals	5 to 50 years
Infrastructure - sewerage	60 to 70 years
Other infrastructure - aerodromes	20 to 40 years
Landfill rebab assets	30 years
Leasehold improvements - Jerramungup swimming pool	30 years
Pool - decommission costs	30 years
Right of use - photocopier	Based on the remaining lease
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	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
				$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Photocopier - Konica Bizz	3E Advantage	3.5%	48	2,957	0	(2,957)	0	(39)	7,267	0	(4,310)	2,957	(182)	7,267		(4,310)	2,957	(182)
Dr Prado	Toyota Fleet Mgt	4.9%	36	5,070	0	(5,070)	0	(48)	19,876	0	(14,806)	5,070	(546)	19,878		(14,715)	5,163	(639)
BRMC - Ute	Fleetcare	4.3%	36	9,119	0	(9,119)	0	(130)	24,242	0	(15,123)	9,119	(732)	24,242		(15,123)	9,119	(732)
				17,146	0	(17,146)	0	(217)	51,385	0	(34,239)	17,146	(1,460)	51,387	0	(34,148)	17,239	(1,553)

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

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
				$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Housing																		
Staff housing/Seniors	264	WATC	1.65%	209,908	0	(51,191)	158,717	(3,253)	260,264	0	(50,356)	209,908	(4,087)	260,265	0	(50,356)	209,909	(4,087)
Transport																		
Grader	265	WATC	3.57%	263,261	0	(62,342)	200,919	(8,588)	323,421	0	(60,160)	263,261	(10,770)	323,421	0	(60,160)	263,261	(10,770)
Bremer Bay airstrip cross runway	266	WATC		0	900,000	0	900,000	0	0	0	0	0	0	0	900,000	0	900,000	0
Other properties and services																		
Bremer Bay townsite	263	WATC	3.14%	40,106		(40,106)	0	(947)	78,983	0	(38,877)	40,106	(2,177)	78,983	0	(38,877)	40,106	(2,177)
Bremer Bay Medical Centre	267	WATC		0	650,000	0	650,000	0	0	0	0	0	0	0	0	0	0	0
				513,275	1,550,000	(153,639)	1,909,636	(12,788)	662,668	0	(149,393)	513,275	(17,034)	662,669	900,000	(149,393)	1,413,276	(17,034)
				513,275	1,550,000	(153,639)	1,909,636	(12,788)	662,668	0	(149,393)	513,275	(17,034)	662,669	900,000	(149,393)	1,413,276	(17,034)

All borrowing repayments will be financed by general purpose revenue.

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
				%	$	$	$	$
Bremer Bay airstrip cross runway	WA Treasury	Fixed	20	Unknown	900,000	Unknown	900,000	0
Bremer Bay Medical Centre	WA Treasury	Fixed	10	Unknown	650,000	Unknown	650,000	0
					1,550,000		1,550,000	0

(c) Unspent borrowings

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

(d) Credit Facilities

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
Undrawn borrowing facilities credit standby arrangements			
Bank overdraft limit	0	0	0
Bank overdraft at balance date	0	0	0
Credit card limit	15,000	15,000	15,000
Credit card balance at balance date	0	0	0
Total amount of credit unused	15,000	15,000	15,000
Loan facilities			
Loan facilities in use at balance date	1,909,636	513,275	1,413,276

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					2025/26 Actual				2025/26 Budget			
	Opening Balance	Interest to	Transfer to	Transfer (from)	Closing Balance	Opening Balance	Transfer to	Transfer (from)	Closing Balance	Opening Balance	Transfer to	Transfer (from)	Closing Balance
	$	$	$	$	$	$	$	$	$	$	$	$	$
Restricted by legislation													
(a) Developer contributions fund reserve	8,320	283	0	0	8,603	7,999	321	0	8,320	7,999	240	0	8,239
	8,320	283	0	0	8,603	7,999	321	0	8,320	7,999	240	0	8,239
Restricted by council													
(b) Leave reserve	170,783	6,062	10,000	0	186,845	154,271	16,512	0	170,783	154,271	14,853	0	169,124
(c) Plant reserve	357,116	12,907	30,000	(240,000)	160,023	293,738	63,378	0	357,116	293,738	59,937	(227,000)	126,675
(d) Community recreation reserve	369,853	14,503	75,606	(123,000)	336,962	284,160	85,693	0	369,853	284,160	82,150	(135,643)	230,667
(e) Bremer Bay youth camp reserve	62,726	2,133	0	(64,859)	0	60,304	2,422	0	62,726	60,304	1,809	0	62,113
(f) General building reserve	586,549	21,852	74,859	(200,000)	483,260	544,065	42,484	0	586,549	544,065	36,772	(100,000)	480,837
(g) Bremer Bay retirement units reserve	23,227	790	0	0	24,017	22,330	897	0	23,227	22,330	670	0	23,000
(h) Jerramungup retirements units reserve	113,023	3,843	0	0	116,866	108,659	4,364	0	113,023	108,659	3,260	0	111,919
(i) Jerramungup entertainment centre reserve	77,392	2,886	10,000	0	90,278	64,486	12,906	0	77,392	64,486	12,160	0	76,646
(j) Effluent reserve	1,308,305	46,273	70,247	(51,100)	1,373,725	1,194,855	124,850	(11,400)	1,308,305	1,194,855	112,027	(5,000)	1,301,882
(k) Point Henry fire levy reserve	10,560	912	21,670	(30,000)	3,142	22,646	23,264	(35,350)	10,560	22,646	22,837	(30,000)	15,483
(l) Bremer Bay boat ramp reserve	285,411	9,704	0	(100,000)	195,115	125,626	159,785	0	285,411	125,626	157,144	(162,000)	120,770
(m) Capital works reserve	591,086	20,352	10,000	(300,000)	321,438	369,909	221,177	0	591,086	369,909	215,597	(300,000)	285,506
(n) Swimming pool reserve	206,379	8,170	45,233	0	259,782	153,550	52,829	0	206,379	153,550	50,858	0	204,408
(o) Roe Park reserve	140,136	5,020	10,000	0	155,156	124,807	15,329	0	140,136	124,807	13,969	0	138,776
(p) Skate Park reserve	67,164	2,539	10,000	(32,500)	47,203	54,653	12,511	0	67,164	54,653	11,865	(50,000)	16,518
(q) Regional landfill facility reserve	145,174	5,435	19,565	0	170,174	120,164	25,010	0	145,174	120,164	23,610	0	143,774
	4,514,884	163,381	387,180	(1,141,459)	3,923,986	3,698,223	863,411	(46,750)	4,514,884	3,698,223	819,518	(1,009,643)	3,508,098
	4,523,204	163,664	387,180	(1,141,459)	3,932,589	3,706,222	863,732	(46,750)	4,523,204	3,706,222	819,758	(1,009,643)	3,516,337

(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) Developer contributions fund reserve	Ongoing	To be used to hold developer contributions until expenditure is complete
Restricted by council		
(b) Leave reserve	Ongoing	To be used to fund annual and long service requirements
(c) Plant reserve	Ongoing	To be used for the purchase of major plant
(d) Community recreation reserve	Ongoing	To be used to assist sporting groups to upgrade their facilities and for sporting ground maintenance and turf works
(e) Bremer Bay youth camp reserve	Closed	For the ongoing maintenance and future upgrade of the reserve land on lot 70 Bremer Bay Road
(f) General building reserve	Ongoing	To fund capital construction of new council buildings and to fund capital renewal of buildings
(g) Bremer Bay retirement units reserve	Ongoing	To be used for the provisions required at the units
(h) Jerramungup retirements units reserve	Ongoing	To be used for the provisions required at the units
(i) Jerramungup entertainment centre reserve	Ongoing	To be used for the capital building requirements
(j) Effluent reserve	Ongoing	To be used to maintain the efficient running of the facility and for capital works
(k) Point Henry fire levy reserve	Ongoing	To be used for the provision, maintenance and construction of strategic fire prevention activities within the Point Henry Peninsula
(l) Bremer Bay boat ramp reserve	Ongoing	To be used to upgrade and maintain the boat ramp facility at Fisheries Beach in Bremer Bay
(m) Capital works reserve	Ongoing	To be used to supplement the capital works program
(n) Swimming pool reserve	Ongoing	To preserve any surplus funds from the Jerramungup pool's operations for future financial requirements for the Jerramungup swimming pool and associated facilities
(o) Roe Park reserve	Ongoing	To provide funding for the replacement of assets with the Roe Park Jerramungup
(p) Skate Park reserve	Ongoing	To be used to maintain and upgrade the skate park
(q) Regional landfill facility reserve	Ongoing	To be used for the capital and rehabilitation costs associated with the landfill facility

10. OTHER INFORMATION

The net result includes as revenues	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
(a) Interest earnings			
Investments reserve funds	163,664	170,755	126,780
Investments other funds	95,000	105,826	80,000
Other interest revenue	37,000	33,810	32,000
	295,664	310,391	238,780
The net result includes as expenses			
(b) Auditors remuneration			
Audit services	44,100	42,787	41,206
Other services	3,000	2,950	8,900
	47,100	45,737	50,106
(c) Interest expenses (finance costs)			
Borrowings (refer Note 8(a))	12,788	17,034	17,034
Interest on lease liabilities (refer Note 7)	217	1,460	1,553
Unwinding of discount	21,756	20,792	
Other finance costs	4,652	1,250	44,802
	39,413	40,536	63,389
(d) Write offs			
Fees and charges	0	918	0
	0	918	0

11. COUNCIL MEMBERS REMUNERATION

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
President - Nathan Brown			
President's allowance	18,327	13,281	17,708
Meeting attendance fees	17,843	15,028	17,241
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	1,500	0	2,000
Superannuation contribution payments	4,340	0	0
	43,010	29,309	37,949
Deputy President - Paul Barrett			
Deputy President's allowance	4,581	3,320	4,427
Meeting attendance fees	8,681	8,388	8,388
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	1,500	0	2,000
	15,762	12,708	15,815
Cr Neil Foreman (Elected Member)			
Meeting attendance fees	8,681	8,388	8,388
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	1,500	0	2,000
	11,181	9,388	11,388
Cr Raegan Zacher (Elected member)			
Meeting attendance fees	8,681	8,388	8,388
Annual allowance for ICT expenses	1,000	1,000	1,000
Travel and accommodation expenses	1,500	1,331	2,000
Superannuation contribution payments	1,042	0	0
	12,223	10,719	11,388
Cr Naomi Hall (Elected member)			
Meeting attendance fees	8,681	6,291	8,388
Annual allowance for ICT expenses	1,000	750	1,000
Travel and accommodation expenses	1,500	0	2,000
Superannuation contribution payments	1,042	0	0
	12,223	7,041	11,388
Cr Nathan McQuid (Elected member)			
Meeting attendance fees	8,681	2,097	8,388
Annual allowance for ICT expenses	1,000	250	1,000
Travel and accommodation expenses	1,500	0	2,000
Superannuation contribution payments	1,042	0	0
	12,223	2,347	11,388
Cr Paul Hislop (Elected member)			
Meeting attendance fees	8,681	2,097	8,388
Annual allowance for ICT expenses	1,000	250	1,000
Travel and accommodation expenses	1,500	0	2,000
	11,181	2,347	11,388
Former Shire President - Cr Joanne Iffla			
President's allowance	0	4,427	0
Meeting attendance fees	0	4,310	0
Annual allowance for ICT expenses	0	250	0
	0	8,987	0
Former Deputy Shire President - Cr Julie Leenhouwers			
Deputy President's allowance	0	1,107	0
Meeting attendance fees	0	2,097	0
Annual allowance for ICT expenses	0	250	0
	0	3,454	0
Former Cr Gavin Mair			
Meeting attendance fees	0	3,694	0
Annual allowance for ICT expenses	0	1,000	0
Travel and accommodation expenses	0	161	0
	0	4,855	0
Total Council Member Remuneration	117,803	91,155	110,704
President's allowance	18,327	17,708	17,708
Deputy President's allowance	4,581	4,427	4,427
Meeting attendance fees	69,929	60,778	67,569
Annual allowance for ICT expenses	7,000	6,750	7,000
Travel and accommodation expenses	10,500	1,492	14,000
Superannuation contribution payments	7,466	0	0
	117,803	91,155	110,704

12. TRUST FUNDS

There are no 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:

13. REVENUE AND EXPENDITURE

(a) Revenue and Expenditure Classification

REVENUES

RATES
All rates are 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.
Excludes 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, rubbish collection fees, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

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.

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, contract services, information technology, maintenance agreements, communication expenses (such as telephone and internet charges), advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc.

UTILITIES (GAS, ELECTRICITY, WATER)
Expenditures made to the respective agencies for the provision of power, gas or water.

INSURANCE
All insurance other than worker's compensation.

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

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 Shire's Community Vision, and for each of its broad activities/programs.

OBJECTIVE	ACTIVITIES
Governance To provide a decision making process for the efficient allocation of 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 not 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 to help ensure a safer community.	Supervision of by-laws, fire prevention, emergency services and animal control.
Health To provide an operational framework for good community health.	Food quality and pest control, maintenance and contributions to health services and facilities.
Education and welfare To meet the needs of the community in these areas.	Operation and provision of services to seniors and child care centres within the Shire.
Housing Help ensure adequate housing for staff and key community personnel such as police.	Maintenance of staff and rental housing.
Community amenities To provide services required by the community.	Rubbish collection services, operation of tips, noise control and administration of the town planning scheme, maintenance of cemeteries, control and maintenance of coastal reserves and other community/environmental services.
Recreation and culture To establish and effectively manage infrastructure and resources which will help the social well-being of the community.	Maintenance of public halls, sporting complexes, resource centres, various parks and associated facilities, provision of library services in Jerramungup and Bremer Bay. Maintenance and upgrade of radio and repeater service.
Transport To provide safe and efficient transport services to the community	Construction and maintenance of streets, roads, bridges, cleaning and lighting of streets, parking facilities, traffic signs, depot maintenance and airstrip maintenance.
Economic services To help promote the Shire and improve the economic well-being of the community.	The regulation and provision of tourism, area promotion, building control, saleyards, noxious weeds, vermin control and water supply including stand pipes.
Other property and services Other activities which contribute to the governance and operations of the Shire.	Private works operation, plant repairs and operating costs, and administration expenses.