

2025-26

RATES INFORMATION

Message to Our Community – Understanding Your Rates

At its Ordinary Council Meeting on Thursday 21 August, the Shire of Wandering Council adopted the 2025/26 Annual Budget. This year's budget has been one of the most challenging in recent years, as a much-needed revenue reset - delayed in the years following the COVID-19 pandemic — was required to ensure the Shire's financial viability.

Councillors engaged in robust discussion to balance the impact on the community with the need to raise sufficient revenue to deliver essential services and secure the Shire's future. A key part of the budget process involved identifying the 'budget deficiency' to be made up through the levying of rates. The adopted budget reflects the priorities of Council while considering community needs and managing organisational risk.

In collaboration with Councillors, four Strategic Focus Areas have been identified and resourced in the 2025/26 Budget:

- Deliver key Capital Works Projects for 2025/26.
- Ensure the Shire is progressing towards a strong financial future.
- Manage organisational risk and improve regulatory compliance.
- Progress a review of the Shire's Long Term Financial Plan and related strategic documents.

The Shire of Wandering, along with other local governments across Western Australia, is facing significant financial pressures. The Shire of Wandering is part of the WA Local Government Association's (WALGA) Central Country Zone.

Across the WALGA Central Country Zone—made up of fifteen local governments—communities are being asked to carry more costs as responsibilities are increasingly shifted from Federal and State Governments to local government.

These challenges are made harder by:

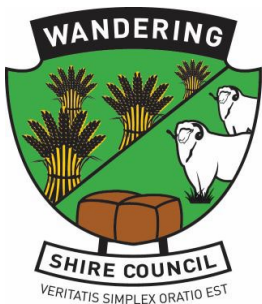
- Rising costs of statutory and regulatory requirements.
- Increasing costs of materials, utilities, insurance, and contractors.
- Limited or no ability for local governments to raise new revenue or recover costs.

While the population and rate base vary greatly between local governments, the legislative and compliance requirements remain the same for all. For the Shire of Wandering—which has the smallest population and rates income in the Central Country Zone—this creates a disproportionate burden on our small community.

Despite these challenges, the Shire of Wandering remains committed to delivering services and projects that support our community's priorities. At the same time, we are required to dedicate significant resources to meeting State and Federal legislation and regulations without receiving adequate funding to do so.

What are we doing about it?

Through the WALGA Central Country Zone, the Shire of Wandering is actively advocating for fairer funding arrangements, reduced cost-shifting, and more realistic compliance requirements. We will continue to work with other local governments to push for changes that recognise the unique challenges faced by small communities like ours.



2025-26

RATES INFORMATION

We thank you for your understanding and ongoing support as we work to balance these pressures while planning for a sustainable future for the Shire of Wandering.

Your Council continues to place a high commitment and focus on maintaining our Shire's Road network as well as supporting and improving more general community requirements. The 2025/2026 Capital Works Programme includes a roads budget of \$4,041,963. This is made up of approximately \$3.6million of grant funding and over \$360,000 of Shire contributions.

Project List
York Williams Road - Reconstruct from SKL 3.00.6.00 and widening from a 6.2m gravel road, to a 7m sealed road
York Williams Road - Final Seal-for project approved in 2024-25 SLK 0.00-3.00(10mm CRM)
North Bannister Wandering RD - Upgrade and overlay pavement to type 6 with a 9-metre seal from SLK 9.10-13.60 (4.5km)
North Bannister Wandering RD Culvert works rollover from 2024/25
North Bannister Wandering and Wandering Pingelly road Seal Repairs - Seal Repairs (around 3000sqm)
Cheetaning St - Cheetaning St Shared Path (Design only)
Bridge Replacement - 0424A Wandering Pingelly RD

The 2025/2026 Annual Budget also includes Shire costs related to the provision of on-going Shire services such as the maintenance of our Shire roads, maintenance of our parks and gardens, utility and maintenance costs of Shire owned buildings, maintenance of our bridges, street lighting, footpath maintenance, supporting community groups and events, tourism promotion etc. and much more which comes at a cost of approximately \$1.7million.

I would like to thank my fellow Councillors and Shire staff for their dedication, ongoing support and guidance in helping us meet our statutory and regulatory obligations. I look forward to working alongside them as we operate within the parameters of this new budget and continue to drive the steady growth and improvement of the Shire and its services.

Cr Sheryl Little
Shire President



SHIRE OF WANDERING
ANNUAL BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

LOCAL GOVERNMENT ACT 1995

TABLE OF CONTENTS

Statement of Comprehensive Income	2
Statement of Cash Flows	3
Statement of Financial Activity	4
Index of Notes to the Budget	5
Schedule of Fees and Charges	25

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

Wandering is a community of responsible, resilient and adaptable residents thriving in our scenic, economically diverse environment.

SHIRE OF WANDERING
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2025/26 Budget	2024/25 Actual	2024/25 Budget
Revenue		\$	\$	\$
Rates	2(a)	2,051,418	1,539,225	1,551,072
Grants, subsidies and contributions		691,632	860,492	529,100
Fees and charges	14	731,720	833,961	707,096
Interest revenue	10(a)	31,500	41,849	19,000
Other revenue		352,725	83,025	507,798
		3,858,995	3,358,552	3,314,066
Expenses				
Employee costs		(1,391,354)	(1,429,768)	(1,335,562)
Materials and contracts		(1,457,832)	(1,055,212)	(1,198,153)
Utility charges		(56,900)	(67,945)	(41,200)
Depreciation	6	(1,475,546)	(1,521,714)	(1,389,860)
Finance costs	10(c)	(29,496)	(12,396)	(28,294)
Insurance		(105,025)	(101,979)	(104,214)
Other expenditure		(54,984)	(539,713)	(43,658)
		(4,571,137)	(4,728,727)	(4,140,941)
		(712,142)	(1,370,175)	(826,875)
Capital grants, subsidies and contributions		3,642,725	2,069,023	2,067,614
Profit on asset disposals	5	155,402	74,224	92,215
Loss on asset disposals	5	0	(12,750)	(7)
Fair value adjustments to financial assets at fair value through profit or loss		0	(888)	0
		3,798,127	2,129,609	2,159,822
Net result for the period		3,085,985	759,434	1,332,947
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus		0	784,561	0
Total other comprehensive income for the period		0	784,561	0
Total comprehensive income for the period		3,085,985	1,543,995	1,332,947

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

SHIRE OF WANDERING
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2026

		2025/26	2024/25	2024/25
	Note	Budget	Actual	Budget
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts		\$	\$	\$
Rates		2,026,388	1,552,469	1,551,072
Grants, subsidies and contributions		691,632	598,512	550,152
Fees and charges		731,720	833,961	707,096
Interest revenue		31,500	41,849	19,000
Goods and services tax received		417,709	428,296	271,657
Other revenue		352,725	83,025	507,798
		4,251,674	3,538,112	3,606,775
Payments				
Employee costs		(1,391,354)	(1,385,567)	(1,335,562)
Materials and contracts		(1,292,457)	(602,477)	(964,153)
Utility charges		(56,900)	(67,945)	(41,200)
Finance costs		(29,496)	(13,202)	(28,294)
Insurance paid		(105,025)	(101,979)	(104,214)
Goods and services tax paid		(417,709)	(417,709)	(271,657)
Other expenditure		(54,984)	(539,713)	(43,658)
		(3,347,925)	(3,128,592)	(2,788,738)
Net cash provided by operating activities	4	903,749	409,520	818,037
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for development of inventory - land held for resale	5(c)	(50,000)	(339,017)	(440,000)
Payments for purchase of property, plant & equipment	5(a)	(440,000)	(1,441,760)	(1,163,000)
Payments for construction of infrastructure	5(b)	(4,041,964)	(1,893,436)	(2,181,617)
Capital grants, subsidies and contributions		3,092,725	1,962,745	1,477,912
Proceeds from sale of property, plant and equipment	5(a)	264,000	353,977	406,500
Net cash (used in) investing activities		(1,175,239)	(1,357,491)	(1,900,205)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7(a)	(34,779)	(7,963)	(32,945)
Payments for principal portion of lease liabilities	8	(43,751)	(41,456)	(41,456)
Proceeds from new borrowings	7(a)	0	350,000	350,000
Net cash provided by (used in) financing activities		(78,530)	300,581	275,599
Net (decrease) in cash held		(350,020)	(647,390)	(806,570)
Cash at beginning of year		876,141	1,523,531	1,653,757
Cash and cash equivalents at the end of the year	4	526,121	876,141	847,187

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

SHIRE OF WANDERING
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2026

OPERATING ACTIVITIES

Revenue from operating activities

General rates	
Rates excluding general rates	
Grants, subsidies and contributions	
Fees and charges	
Interest revenue	
Other revenue	
Profit on asset disposals	
Fair value adjustments to financial assets at fair value through profit or loss	

Expenditure from operating activities

Employee costs	
Materials and contracts	
Utility charges	
Depreciation	
Finance costs	
Insurance	
Other expenditure	
Loss on asset disposals	

Non cash amounts excluded from operating activities

Amount attributable to operating activities

INVESTING ACTIVITIES

Inflows from investing activities

Capital grants, subsidies and contributions	
Proceeds from disposal of property, plant and equipment	

Outflows from investing activities

Payments for inventory - land held for resale	
Payments for property, plant and equipment	
Payments for construction of infrastructure	

Amount attributable to investing activities

FINANCING ACTIVITIES

Inflows from financing activities

Proceeds from new borrowings	
Transfers from reserve accounts	

Outflows from financing activities

Repayment of borrowings	
Payments for principal portion of lease liabilities	
Transfers to reserve accounts	

Amount attributable to financing activities

MOVEMENT IN SURPLUS OR DEFICIT

Surplus at the start of the financial year

Amount attributable to operating activities	
Amount attributable to investing activities	
Amount attributable to financing activities	

Surplus/(deficit) remaining after the imposition of general rates

Note	2025/26 Budget	2024/25 Actual	2024/25 Budget
	\$	\$	\$
2(a)(i)	2,046,583	1,591,161	1,589,875
2(a)	4,835	(51,936)	(38,803)
	691,632	860,492	529,100
14	731,720	833,961	707,096
10(a)	31,500	41,849	19,000
	352,725	83,025	507,798
5	155,402	74,224	92,215
	0	(888)	0
	4,014,397	3,431,888	3,406,281
	(1,391,354)	(1,429,768)	(1,335,562)
	(1,457,832)	(1,055,212)	(1,198,153)
	(56,900)	(67,945)	(41,200)
6	(1,475,546)	(1,521,714)	(1,389,860)
10(c)	(29,496)	(12,396)	(28,294)
	(105,025)	(101,979)	(104,214)
	(54,984)	(539,713)	(43,658)
5	0	(12,750)	(7)
	(4,571,137)	(4,741,477)	(4,140,948)
3(c)	1,321,107	1,905,061	1,302,771
	764,367	595,472	568,104
	3,642,725	2,069,023	2,067,614
5(a)	264,000	353,977	406,500
	3,906,725	2,423,000	2,474,114
5(c)	(50,000)	(339,017)	(440,000)
5(a)	(440,000)	(1,441,760)	(1,163,000)
5(b)	(4,041,964)	(1,893,436)	(2,181,617)
	(4,531,964)	(3,674,213)	(3,784,617)
	(625,239)	(1,251,213)	(1,310,503)
7(a)	0	350,000	350,000
9(a)	180,000	370,000	547,500
	180,000	720,000	897,500
7(a)	(34,779)	(7,963)	(32,945)
8	(43,751)	(41,456)	(41,456)
9(a)	(330,086)	(13,490)	(504,700)
	(408,616)	(62,909)	(579,101)
	(228,616)	657,091	318,399
3	89,488	88,138	424,000
	764,367	595,472	568,104
	(625,239)	(1,251,213)	(1,310,503)
	(228,616)	657,091	318,399
3	0	89,488	0

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

**SHIRE OF WANDERING
FOR THE YEAR ENDED 30 JUNE 2026
INDEX OF NOTES TO THE BUDGET**

Note 1	Basis of Preparation	6
Note 2	Rates and Service Charges	7
Note 3	Net Current Assets	10
Note 4	Reconciliation of cash	12
Note 5	Property, Plant and Equipment	13
Note 6	Depreciation	14
Note 7	Borrowings	15
Note 8	Lease Liabilities	17
Note 9	Reserve Accounts	18
Note 10	Other Information	19
Note 11	Council Members Remuneration	20
Note 12	Revenue and Expenditure	21
Note 13	Program Information	23
Note 14	Fees and Charges	24

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

1 BASIS OF PREPARATION

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

Local Government Act 1995 requirements

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

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

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

The local government reporting entity

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 11 to the annual budget.

2024/25 actual balances

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

Budget comparative figures

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

Comparative figures

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

Rounding off figures

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

Statement of Cashflows

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

Initial application of accounting standards

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

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

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

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

New accounting standards for application in future years

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

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

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

Critical accounting estimates and judgements

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

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

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

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

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

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

2. RATES AND SERVICE CHARGES

(a) Rating Information

(a) Rating Information					2025/26	2025/26	2025/26	2024/25	2024/25
Rate Description	Basis of valuation	Rate in dollar	Number of properties	Rateable value*	Budgeted rate revenue	Budgeted interim rates	Budgeted total revenue	Actual total revenue	Budget total revenue
				\$	\$	\$	\$	\$	\$
(i) General rates									
GRV Residential	Gross rental valuation	0.153200	34	406,640	62,297	0	62,297	54,185	54,185
GRV Special Use	Gross rental valuation	0.153200	2	127,920	19,597	0	19,597	17,045	17,045
GRV Rural Residential	Gross rental valuation	0.153200	57	771,170	118,143	0	118,143	101,368	101,165
GRV Industrial	Gross rental valuation	0.153200	2	35,360	5,417	0	5,417	4,712	4,712
UV Rural, Rural Residential and Min Unimproved valuation	Unimproved valuation	0.005158	133	298,629,000	1,540,329	0	1,540,329	1,148,478	1,148,478
Non Rateable	Non Rateable	0.000000	32	14,765	0	0	0	0	0
Total general rates			260	299,984,855	1,745,783	0	1,745,783	1,325,788	1,325,585
(ii) Minimum payment									
		Minimum \$							
GRV Residential	Gross rental valuation	1,600	46	247,768	73,600	0	73,600	63,986	63,986
GRV Special Use	Gross rental valuation	1,600	2	14,133	3,200	0	3,200	2,782	2,782
GRV Rural Residential	Gross rental valuation	1,600	45	200,504	72,000	0	72,000	63,986	63,986
GRV Industrial	Gross rental valuation	1,600	0	0	0	0	0	0	0
UV Rural, Rural Residential and Min Unimproved valuation	Unimproved valuation	1,600	95	18,438,335	152,000	0	152,000	134,619	133,536
Total minimum payments			188	18,900,740	300,800	0	300,800	265,373	264,290
Total general rates and minimum payments			448	318,885,595	2,046,583	0	2,046,583	1,591,161	1,589,875
(iii) Ex-gratia rates									
CBH Receival Bin	Tonnage	0.13582	1	35,600	4,835	0	4,835	4,205	4,753
Total ex-gratia rates			1	35,600	4,835	0	4,835	4,205	4,753
					2,051,418	0	2,051,418	1,595,366	1,594,628
Discounts (Refer note 2(e))							0	(56,072)	(43,556)
Rate write-offs							0	(69)	0
Total rates					2,051,418	0	2,051,418	1,539,225	1,551,072
Instalment plan charges							1,700	1,510	1,700
Instalment plan interest							2,500	2,014	3,000
Late payment of rate or service charge interest							5,000	5,012	6,500
							9,200	8,536	11,200

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

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

The minimum 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.

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

2. RATES AND SERVICE CHARGES (CONTINUED)

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

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

Option 1 (Full Payment)

Full amount of rates and charges including arrears, to be paid on or before 28 September 2025 or 35 days after the date of issue appearing on the rate notice, whichever is the later.

Option 2 (Two Instalments)

First instalment to be made on or before 28 September 2025 or 35 days after the date of issue appearing on the rate notice, whichever is the later, including all arrears and half the current rates and service charges; and

Second instalment to be made on or before 02 December 2025 or 2 months after the first instalment, whichever is the later.

Option 3 (Four Instalments)

First instalment to be made on or before 28 September 2025 or 35 days after the date of issue appearing on the rate notice, whichever is the later including all arrears and a quarter of the current rates and service charges;

Second instalment to be made on or before 02 December 2025 or 2 months after the first instalment, whichever is the later;

Third instalment to be made on or before 31 January 2026 or 2 months after the second instalment, whichever is the later; and

Fourth instalment to be made on or before 02 April 2026 or 2 months after the third instalment, whichever is the later.

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Option one				
Single full payment	3/10/2025	0	0.00%	11.00%
Option two				
First instalment	3/10/2025	0	0.00%	11.00%
Second instalment	2/12/2025	10	5.50%	11.00%
Option three				
First instalment	3/10/2025	0	5.50%	11.00%
Second instalment	2/12/2025	10	5.50%	11.00%
Third instalment	31/01/2026	10	5.50%	11.00%
Fourth instalment	2/04/2026	10	5.50%	11.00%

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

2. RATES AND SERVICE CHARGES (CONTINUED)

(d) Service Charges

The Shire did not raise service charges for the year ended 30th June 2026.

(e) Early payment discounts

Rate, fee or charge to which discount is granted	Type	Discount %	Discount (\$)	2025/26 Budget	2024/25 Actual	2024/25 Budget	Circumstances in which discount is granted
				\$	\$	\$	
Rates	Rate	0.0%		0	56,072	43,556	Payment of full rates owing including arrears and all other charges, received on or before 35 days after the date of service on the rate notice.
				0	56,072	43,556	

The Shire offered ratepayers with a discount of 5% under the circumstances prescribed above in the 2024/25 financial year. The discount has been discontinued in the 2025/25 financial year.

(f) Waivers or concessions

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

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

3. NET CURRENT ASSETS

(a) Composition of estimated net current assets

Current assets

Cash and cash equivalents
Receivables
Contract assets
Inventories
Other assets

Less: current liabilities

Trade and other payables
Contract liabilities
Capital grant/contribution liability
Lease liabilities
Long term borrowings
Employee provisions
Other provisions

Net current assets

Less: Total adjustments to net current assets

Net current assets used in the Statement of Financial Activity

(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.

Adjustments to net current assets

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

Total adjustments to net current assets

Note	2025/26 Budget 30 June 2026	2024/25 Actual 30 June 2025	2024/25 Budget 30 June 2025
	\$	\$	\$
4	526,121	876,141	847,187
	118,407	93,377	265,187
	355,814	355,814	0
	55,628	70,753	20,626
	51,482	51,482	385
	1,107,452	1,447,567	1,133,385
	(353,612)	(203,362)	(367,240)
	(59,013)	(59,013)	(66,108)
	(61,411)	(611,411)	0
8	0	(43,751)	0
7	0	(34,779)	0
	(201,957)	(201,957)	(122,784)
	(29,143)	(29,143)	(18,878)
	(705,136)	(1,183,416)	(575,010)
	402,316	264,151	558,375
3(b)	(402,316)	(174,663)	(558,375)
	0	89,488	0
9	(425,376)	(275,290)	(580,079)
	0	34,779	0
	0	43,751	0
	23,060	22,097	21,704
	(402,316)	(174,663)	(558,375)

EXPLANATION OF DIFFERENCE IN NET CURRENT ASSETS AND SURPLUS/(DEFICIT)

Items excluded from calculation of budgeted deficiency

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

(c) Non-cash amounts excluded from operating activities

The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

Adjustments to operating activities

Less: Profit on asset disposals
Less: Impairment of land held for resale
Less: Fair value adjustments to financial assets at fair value through profit and loss
Add: Loss on asset disposals
Add: Depreciation
Movement in current employee provisions associated with restricted cash
Non-cash movements in non-current assets and liabilities:
- Pensioner deferred rates
- Employee provisions
- Employee provisions - on-costs
- Employee provisions - receivable

Non cash amounts excluded from operating activities

Note	2025/26 Budget 30 June 2026	2024/25 Actual 30 June 2025	2024/25 Budget 30 June 2025
	\$	\$	\$
5	(155,402)	(74,224)	(92,215)
	0	435,026	0
	0	888	0
5	0	12,750	7
6	1,475,546	1,521,714	1,389,860
	963	492	5,119
	0	(1,494)	0
	0	13,255	0
	0	1,222	0
	0	(4,568)	0
	1,321,107	1,905,061	1,302,771

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

3. NET CURRENT ASSETS

(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 unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Shire's intentions to release for sale.

TRADE AND OTHER PAYABLES

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

PREPAID RATES

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

INVENTORIES

General

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

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

SUPERANNUATION

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

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.

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.

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

4. RECONCILIATION OF CASH

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

	Note	2025/26 Budget	2024/25 Actual	2024/25 Budget
		\$	\$	\$
Cash at bank and on hand		526,121	876,141	847,187
Total cash and cash equivalents		526,121	876,141	847,187
Held as				
- Unrestricted cash and cash equivalents		39,334	(10,560)	267,108
- Restricted cash and cash equivalents		486,787	886,701	580,079
	3(a)	526,121	876,141	847,187
Restrictions				
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
- Cash and cash equivalents		486,787	886,701	580,079
		486,787	886,701	580,079
The assets are restricted as a result of the specified purposes associated with the liabilities below:				
Reserve accounts	9	425,376	275,290	580,079
Unspent capital grants, subsidies and contribution liabilities		61,411	611,411	0
		486,787	886,701	580,079
Reconciliation of net cash provided by operating activities to net result				
Net result		3,085,985	759,434	1,332,947
Depreciation	6	1,475,546	1,521,714	1,389,860
(Profit)/loss on sale of asset	5	(155,402)	(61,474)	(92,208)
Adjustments to fair value of financial assets at fair value through profit and loss		0	888	0
Impairment of land held for resale		0	435,026	0
(Increase)/decrease in receivables		(25,030)	9,133	21,052
(Increase)/decrease in contract assets		0	(230,667)	0
(Increase)/decrease in inventories		15,125	(22,595)	32,000
(Increase)/decrease in other assets		0	(15,419)	0
Increase/(decrease) in payables		150,250	53,505	202,000
Increase/(decrease) in contract liabilities		0	(16,615)	0
Increase/(decrease) in unspent capital grants		(550,000)	(109,807)	(589,702)
Increase/(decrease) in employee provision on-costs		0	3,529	0
Increase/(decrease) in employee provisions		0	45,613	0
Capital grants, subsidies and contributions		(3,092,725)	(1,962,745)	(1,477,912)
Net cash from operating activities		903,749	409,520	818,037

MATERIAL ACCOUNTING POLICES

CASH AND CASH EQUIVALENTS

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

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

FINANCIAL ASSETS AT AMORTISED COST

The Shire classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

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

5. PROPERTY, PLANT AND EQUIPMENT

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

	2025/26 Budget					2024/25 Actual					2024/25 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	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 202,000	\$ 0	\$ 0	\$ 0	\$ 0
Buildings - specialised	9,000	0	0	0	0	478,572	0	0	0	0	0	0	0	0	0
Furniture and equipment	22,000	0	0	0	0	29,546	0	0	0	0	32,000	0	0	0	0
Plant and equipment	409,000	(108,598)	264,000	155,402	0	933,642	(292,503)	353,977	74,224	(12,750)	929,000	(314,292)	406,500	92,215	(7)
Total	440,000	(108,598)	264,000	155,402	0	1,441,760	(292,503)	353,977	74,224	(12,750)	1,163,000	(314,292)	406,500	92,215	(7)
(b) Infrastructure															
Infrastructure - roads	2,884,651	0	0	0	0	1,859,786	0	0	0	0	2,148,453	0	0	0	0
Infrastructure - footpaths	5,902	0	0	0	0	33,650	0	0	0	0	33,164	0	0	0	0
Other infrastructure - bridges	1,151,411	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	4,041,964	0	0	0	0	1,893,436	0	0	0	0	2,181,617	0	0	0	0
(c) Inventory - Land held for resale															
Cost of acquisition	50,000	0	0	0	0	339,017	0	0	0	0	440,000	0	0	0	0
	50,000	0	0	0	0	339,017	0	0	0	0	440,000	0	0	0	0
Total	4,531,964	(108,598)	264,000	155,402	0	3,674,213	(292,503)	353,977	74,224	(12,750)	3,784,617	(314,292)	406,500	92,215	(7)

MATERIAL ACCOUNTING POLICIES

RECOGNITION OF ASSETS

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

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

GAINS AND LOSSES ON DISPOSAL

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

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

6. DEPRECIATION

By Class

Buildings - non-specialised
Buildings - specialised
Furniture and equipment
Plant and equipment
Infrastructure - roads
Infrastructure - footpaths
Infrastructure - recreation
Infrastructure - other
Infrastructure - drainage
Other infrastructure - bridges
Right of use - plant and equipment

By Program

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

2025/26 Budget	2024/25 Actual	2024/25 Budget
\$	\$	\$
25,987	26,800	25,795
68,837	70,991	60,785
10,377	10,702	4,824
274,741	283,337	237,283
542,930	559,918	526,403
6,794	7,007	5,970
51,206	52,808	50,829
21,444	22,115	21,286
58,310	60,134	57,216
371,795	383,428	368,419
43,125	44,474	31,050
1,475,546	1,521,714	1,389,860
1,250	1,318	656
73,848	73,374	61,629
26,785	26,800	26,961
11,992	11,998	12,071
81,244	83,878	74,209
1,009,934	1,010,487	1,001,306
23,421	23,433	24,589
247,072	290,426	188,439
1,475,546	1,521,714	1,389,860

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:

Asset Class	Useful life
Buildings	40 to 50 years
Furniture and equipment	3 to 10 years
Plant and equipment	3 to 10 years
Sealed roads and streets	
formation	not depreciated
pavement	20-50 years
seal	
- bituminous seals	15-20 years
- asphalt surfaces	15-25 years
Gravel roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping and drainage	
systems	50 years
Recreation assets	4 to 50 years
Other assets	4 to 50 years
Bridges	4 to 50 years

AMORTISATION

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

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

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

7. BORROWINGS

(a) Borrowing repayments

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

Purpose	Loan Number	Institution	Interest Rate	Budget Principal	2025/26 Budget New Loans	2025/26 Budget Principal Repayments	Budget Principal outstanding	2025/26 Budget Interest Repayments	Actual Principal	2024/25 Actual New Loans	2024/25 Actual Principal Repayments	Actual Principal outstanding	2024/25 Actual Interest Repayments	Budget Principal	2024/25 Budget New Loans	2024/25 Budget Principal Repayments	Budget Principal outstanding	2024/25 Budget Interest Repayments
				1 July 2025			30 June 2026		1 July 2024			30 June 2025		1 July 2024			30 June 2025	
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Industrial Estate Development	10	WATC	4.4949%	63,009	0	(6,626)	56,383	(2,795)	70,972	0	(7,963)	63,009	(3,006)	70,972	0	(4,570)	66,402	(3,302)
Industrial Estate Development	11	WATC	4.6949%	350,000	0	(28,153)	321,847	(16,106)	0	350,000	0	350,000	0	0	350,000	(28,375)	321,625	(15,602)
				413,009	0	(34,779)	378,230	(18,901)	70,972	350,000	(7,963)	413,009	(3,006)	70,972	350,000	(32,945)	388,027	(18,904)

All borrowing repayments will be financed by general purpose revenue.

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

7. BORROWINGS

(b) New borrowings - 2025/26

The Shire does not intend to undertake any new borrowings for the year ended 30th June 2026

(c) Unspent borrowings

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

(d) Credit Facilities

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	\$	\$	\$
Undrawn borrowing facilities			
credit standby arrangements			
Bank overdraft limit	300,000	300,000	0
Bank overdraft at balance date	0	0	0
Credit card limit	5,000	5,000	5,000
Credit card balance at balance date	0	0	0
Total amount of credit unused	305,000	305,000	5,000
Loan facilities			
Loan facilities in use at balance date	378,230	413,009	388,027
Unused loan facilities at balance date	0	10,983	0

MATERIAL ACCOUNTING POLICIES

BORROWING COSTS

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

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

Borrowings fair values are based on discounted cash flows using a current borrowing rate.

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

8. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease Principal	2025/26 Budget New Leases	2025/26 Budget Lease Principal Repayments	Budget Lease Principal outstanding 30 June 2026	2025/26 Budget Lease Interest Repayments	Actual Principal	2024/25 Actual New Leases	2024/25 Actual Lease Principal repayments	Actual Lease Principal outstanding 30 June 2025	2024/25 Actual Lease Interest repayments	Budget Principal	2024/25 Budget New Leases	2024/25 Budget Lease Principal repayments	Budget Lease Principal outstanding 30 June 2025	2024/25 Budget Lease Interest repayments
					1 July 2025					1 July 2024					1 July 2024				
JCB Excavator	1	AG Equipment	5.40%	5 years	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
					151,252	0	(43,751)	107,501	(7,095)	192,708	0	(41,456)	151,252	(9,390)	192,709	0	(41,456)	151,253	(9,390)
					151,252	0	(43,751)	107,501	(7,095)	192,708	0	(41,456)	151,252	(9,390)	192,709	0	(41,456)	151,253	(9,390)

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.

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

9. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2025/26 Budget				2024/25 Actual				2024/25 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 council												
(a) Leave reserve	22,097	963	0	23,060	21,605	492	0	22,097	16,583	5,120	0	21,703
(b) Land & building reserve	87,729	3,824	0	91,553	256,873	5,856	(175,000)	87,729	256,538	6,853	0	263,391
(c) Plant replacement reserve	3,662	318,246	(145,000)	176,908	169,792	3,870	(170,000)	3,662	182,395	470,518	(522,500)	130,413
(d) Office equipment reserve	16,860	735	0	17,595	40,927	933	(25,000)	16,860	40,873	5,295	(25,000)	21,168
(e) Fuel facility reserve	104,942	4,574	0	109,516	102,603	2,339	0	104,942	86,490	16,625	0	103,115
(f) WSFN funding reserve	40,000	1,744	(35,000)	6,744	40,000	0	0	40,000	40,000	289	0	40,289
	275,290	330,086	(180,000)	425,376	631,800	13,490	(370,000)	275,290	622,879	504,700	(547,500)	580,079

(b) Reserve Accounts - Purposes

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

Reserve name	Anticipated date of use	Purpose of the reserve
Restricted by legislation		
Restricted by council		
(a) Leave reserve	Ongoing	For the payment of long service leave
(b) Land & building reserve	2025/2026	For the purchase of land and buildings, and major repairs/upgrading of existing buildings
(c) Plant replacement reserve	Ongoing	For the purchase and replacement of plant and equipment
(d) Office equipment reserve	Ongoing	For the replacement of office equipment
(e) Fuel facility reserve	2027/2028	For the renewal or replacement of fuel facility equipment
(f) WSFN funding reserve	2026/2027	To assist in financing Councils contribution to Western Secondary Freight Network Works Program

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

10. OTHER INFORMATION

	2025/26 Budget	2024/25 Actual	2024/25 Budget
The net result includes as revenues	\$	\$	\$
(a) Interest earnings			
Investments	24,000	34,823	9,500
Other interest revenue	7,500	7,026	9,500
	31,500	41,849	19,000
The net result includes as expenses			
(b) Auditors remuneration			
Audit services	41,099	38,500	32,000
Other services	0	4,080	0
	41,099	42,580	32,000
(c) Interest expenses (finance costs)			
Borrowings (refer Note 7(a))	18,901	3,006	18,904
Interest on lease liabilities (refer Note 8)	7,095	9,390	9,390
Interest on bank overdraft	3,500	0	0
	29,496	12,396	28,294
(d) Write offs			
General rate	0	69	0
	0	69	0

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

11. COUNCIL MEMBERS REMUNERATION

President

President's allowance	6,400	6,270	6,270
Meeting attendance fees	4,000	3,560	3,884
Annual allowance for ICT expenses	1,100	1,090	1,100
Travel and accommodation expenses	10,000	10,732	214

2025/26 Budget	2024/25 Actual	2024/25 Budget
\$	\$	\$
6,400	6,270	6,270
4,000	3,560	3,884
1,100	1,090	1,100
10,000	10,732	214
21,500	21,652	11,468

Deputy president

Deputy President's allowance	1,600	1,000	1,000
Meeting attendance fees	4,000	4,439	3,884
Annual allowance for ICT expenses	1,100	1,090	1,100
Travel and accommodation expenses	214	0	215

1,600	1,000	1,000
4,000	4,439	3,884
1,100	1,090	1,100
214	0	215
6,914	6,529	6,199

Council member 3

Meeting attendance fees	4,000	3,884	3,884
Annual allowance for ICT expenses	1,100	1,090	1,100
Travel and accommodation expenses	214	0	214

4,000	3,884	3,884
1,100	1,090	1,100
214	0	214
5,314	4,974	5,198

Council member 4

Meeting attendance fees	4,000	3,560	3,884
Annual allowance for ICT expenses	1,100	1,090	1,100
Travel and accommodation expenses	214	0	214

4,000	3,560	3,884
1,100	1,090	1,100
214	0	214
5,314	4,650	5,198

Council member 5

Meeting attendance fees	4,000	3,884	3,884
Annual allowance for ICT expenses	1,100	1,090	1,100
Travel and accommodation expenses	214	52	215

4,000	3,884	3,884
1,100	1,090	1,100
214	52	215
5,314	5,026	5,199

Council member 6

Meeting attendance fees	4,000	3,329	3,884
Annual allowance for ICT expenses	1,100	1,090	1,100
Travel and accommodation expenses	214	0	214

4,000	3,329	3,884
1,100	1,090	1,100
214	0	214
5,314	4,419	5,198

Council member 7

Meeting attendance fees	4,000	3,884	3,884
Annual allowance for ICT expenses	1,100	1,090	1,100
Travel and accommodation expenses	214	0	214

4,000	3,884	3,884
1,100	1,090	1,100
214	0	214
5,314	4,974	5,198

Total Council Member Remuneration

President's allowance	6,400	6,270	6,270
Deputy President's allowance	1,600	1,000	1,000
Meeting attendance fees	28,000	26,540	27,188
Annual allowance for ICT expenses	7,700	7,630	7,700
Travel and accommodation expenses	11,284	10,784	1,500

54,984	52,224	43,658
6,400	6,270	6,270
1,600	1,000	1,000
28,000	26,540	27,188
7,700	7,630	7,700
11,284	10,784	1,500
54,984	52,224	43,658

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

12. REVENUE AND EXPENDITURE

(a) Revenue and Expenditure Classification

REVENUES

RATES

All rates levied under the *Local Government Act 1995*. Includes general, differential, specific area rates, minimum payment, interim rates, back rates, ex-gratia rates, less discounts offered.

Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

GRANTS, SUBSIDIES AND CONTRIBUTIONS

All amounts received as grants, subsidies and contributions that are not capital grants.

CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

FEES AND CHARGES

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

SERVICE CHARGES

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

INTEREST REVENUE

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

OTHER REVENUE / INCOME

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

PROFIT ON ASSET DISPOSAL

Gain on the disposal of assets including gains on the disposal of long-term investments.

EXPENSES

EMPLOYEE COSTS

All costs associated with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

Note *AASB 119 Employee Benefits* provides a definition of employee benefits which should be considered.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses (such as telephone and internet charges), advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc.

Local governments may wish to disclose more detail such as contract services, consultancy, information technology and rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER)

Expenditures made to the respective agencies for the provision of power, gas or water.

Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

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

LOSS ON ASSET DISPOSAL

Loss on the disposal of fixed assets.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation and amortisation expenses raised on all classes of assets.

FINANCE COSTS

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

OTHER EXPENDITURE

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

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

12. REVENUE AND EXPENDITURE

(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
Grants, subsidies and contributions	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
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	On payment 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	On entry to facility
Fees and charges - sale of stock	Fuel, post office agency and community resource centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Output method based on goods
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Output method based on provision of service or completion of works

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

13. PROGRAM INFORMATION

Key Terms and Definitions - Reporting Programs

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

OBJECTIVE

ACTIVITIES

Governance

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

Members expenses and other costs of the shire that relate to the tasks of assisting Councillors and the public on matters which do not concern specific Council services.

General purpose funding

To collect revenue to allow for the provision of services.

Collection of rates revenue, financial assistance grants for general purpose and interest revenue.

Law, order, public safety

Supervision by various by-laws, fire prevention and animal control.

Fire prevention
Animal control
Other

Health

To provide services for community and environmental health.

Health inspection and advisory services, analytical services, pest and weed control, and assistance to provide health initiatives.

Education and welfare

To support services relating to youth, elderly and the disadvantaged.

Support school activities, aged care initiatives and disability inclusion plan.

Housing

Provision of shire housing and privately rented accommodation.

Management and maintenance for shire housing privately rented while not required by staff and provision of rental accommodation to the WA Housing Authority for teachers accommodation.

Community amenities

To provide amenities required by the community.

Rubbish collection services and operation of waste transfer station. Maintenance of cemeteries and public conveniences. Administration of town planning activities.

Recreation and culture

To establish and maintain infrastructure and resources to meet the recreational and cultural needs of the community.

Maintenance of halls, playgrounds, recreation grounds and reserves. Operation of library and maintenance of heritage and history inventory.

Transport

To provide safe and effective transport services to the community.

Construction and maintenance of streets, roads, bridges, signage and footpaths. Cleaning and lighting of town streets. Depot maintenance.

Economic services

To help promote Wandering and its economic wellbeing.

Tourism and area promotion including operation of caravan park. Implementation of building control and provision of a fuel facility, postal agency and Community Resource Centre.

Other property and services

To monitor and control operating accounts.

Provisions of private work operations, plant repairs, operation costs and all administration costs.

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

14. FEES AND CHARGES

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	\$	\$	\$
By Program:			
General purpose funding	3,200	3,730	3,200
Law, order, public safety	5,750	6,271	5,750
Health	1,000	781	1,000
Housing	33,480	38,772	33,480
Community amenities	56,870	56,450	56,789
Recreation and culture	3,000	2,737	3,000
Transport	1,500	0	1,500
Economic services	621,920	717,308	585,377
Other property and services	5,000	7,912	17,000
	731,720	833,961	707,096

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