SHIRE OF WILLIAMS

ANNUAL BUDGET

FOR THE YEAR ENDED 30 JUNE 2027

LOCAL GOVERNMENT ACT 1995

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

Williams is an independent, growing and vibrant community, achieved by maintaining a balanced and caring approach to its people and environment.

SHIRE OF WILLIAMS
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)	2,729,985	2,508,667	2,502,289
Grants, subsidies and contributions		433,141	1,500,691	450,799
Fees and charges	14	1,239,053	1,196,967	1,300,073
Interest revenue	9(a)	105,300	128,972	112,000
Other revenue		30,000	138,947	2,360
		4,537,479	5,474,244	4,367,521
Expenses				
Employee costs		(2,530,528)	(2,348,791)	(2,373,607)
Materials and contracts		(1,832,697)	(1,329,377)	(1,311,745)
Utility charges		(257,035)	(221,879)	(310,215)
Depreciation	6	(2,493,792)	(2,396,289)	(2,437,849)
Finance costs	9(b)	(30,884)	(13,888)	(14,256)
Insurance		(201,211)	(191,433)	(186,501)
Other expenditure		(41,354)	(40,122)	(39,354)
		(7,387,501)	(6,541,779)	(6,673,527)
		(2,850,022)	(1,067,535)	(2,306,006)
Capital grants, subsidies and contributions		4,698,198	1,489,587	4,143,138
Profit on asset disposals	5	58,285	3,972	0
Loss on asset disposals	5	(15,977)	(7,116)	(7,677)
		4,740,506	1,486,443	4,135,461
Net result for the period		**1,890,484**	**418,908**	**1,829,455**
Total other comprehensive income for the period		**0**	**0**	**0**
Total comprehensive income for the period		**1,890,484**	**418,908**	**1,829,455**

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

SHIRE OF WILLIAMS
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		2,749,607	2,483,235	2,502,289
Grants, subsidies and contributions		468,141	1,419,090	450,799
Fees and charges		1,239,053	1,196,967	1,300,073
Interest revenue		105,300	128,972	112,000
Goods and services tax received		0	9,048	0
Other revenue		30,000	138,947	2,360
		4,592,101	5,376,259	4,367,521
Payments				
Employee costs		(2,515,528)	(2,384,473)	(2,373,607)
Materials and contracts		(1,862,697)	(1,197,021)	(1,311,745)
Utility charges		(257,035)	(221,879)	(310,215)
Finance costs		(30,884)	(14,256)	(14,256)
Insurance paid		(201,211)	(191,433)	(186,501)
Other expenditure		(41,354)	(40,122)	(39,354)
		(4,908,709)	(4,049,184)	(4,235,678)
Net cash provided by (used in) operating activities	4	(316,608)	1,327,075	131,843
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5(a)	(5,661,893)	(657,283)	(3,521,137)
Payments for construction of infrastructure	5(b)	(1,784,458)	(1,673,199)	(2,311,592)
Proceeds from capital grants, subsidies and contributions		4,698,198	2,317,827	4,143,138
Proceeds from disposal of property, plant and equipment	5(a)	654,000	74,819	66,000
Proceeds on financial assets at amortised cost - self supporting loans	7(a)	19,574	18,926	18,926
Proceeds on disposal of financial assets at fair values through other comprehensive income		0	(56,668)	
Proceeds on other loans and receivables - golf club		5,000	5,000	5,000
Net cash provided by (used in) investing activities		(2,069,579)	29,422	(1,599,665)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7(a)	(71,153)	(80,920)	(80,920)
Proceeds from new borrowings	7(a)	600,000	0	250,000
Net cash provided by (used in) financing activities		528,847	(80,920)	169,080
Net increase (decrease) in cash held		(1,857,340)	1,275,577	(1,298,742)
Cash at beginning of year		4,811,060	3,535,477	3,535,693
Cash and cash equivalents at the end of the year	4	**2,953,720**	**4,811,060**	**2,236,951**

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

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

OPERATING ACTIVITIES	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
Revenue from operating activities		$	$	$
General rates	2(a)(i)	2,677,491	2,454,129	2,113,431
Rates excluding general rates	2(a)	52,494	54,538	388,858
Grants, subsidies and contributions		433,141	1,500,691	450,799
Fees and charges	14	1,239,053	1,196,967	1,300,073
Interest revenue	9(a)	105,300	128,972	112,000
Other revenue		30,000	138,947	2,360
Profit on asset disposals	5	58,285	3,972	0
		4,595,764	5,478,216	4,367,521
Expenditure from operating activities				
Employee costs		(2,530,528)	(2,348,791)	(2,373,607)
Materials and contracts		(1,832,697)	(1,329,377)	(1,311,745)
Utility charges		(257,035)	(221,879)	(310,215)
Depreciation	6	(2,493,792)	(2,396,289)	(2,437,849)
Finance costs	9(b)	(30,884)	(13,888)	(14,256)
Insurance		(201,211)	(191,433)	(186,501)
Other expenditure		(41,354)	(40,122)	(39,354)
Loss on asset disposals	5	(15,977)	(7,116)	(7,677)
		(7,403,478)	(6,548,895)	(6,681,204)
Non cash amounts excluded from operating activities	3(c)	2,452,884	2,352,781	2,445,498
Amount attributable to operating activities		**(354,830)**	**1,282,102**	**131,815**
INVESTING ACTIVITIES				
Inflows from investing activities				
Proceeds from capital grants, subsidies and contributions		4,698,198	1,489,587	4,143,138
Proceeds from disposal of property, plant and equipment	5(a)	654,000	74,819	66,000
Proceeds from financial assets at amortised cost - self supporting loans	7(a)	19,574	18,926	18,926
Proceeds on disposal of financial assets at fair value through profit and loss		0	56,668	
Proceeds on disposal of financial assets at fair values through other comprehensive income		0	(56,668)	
Proceeds on other loans and receivables [describe]		5,000	5,000	5,000
		5,376,772	1,588,332	4,233,064
Outflows from investing activities				
Acquisition of property, plant and equipment	5(a)	(5,661,893)	(657,283)	(3,521,137)
Acquisition of infrastructure	5(b)	(1,784,458)	(1,673,199)	(2,311,592)
Payments for financial assets at amortised cost - term deposits		0	0	
		(7,446,351)	(2,330,482)	(5,832,729)
Amount attributable to investing activities		**(2,069,579)**	**(742,150)**	**(1,599,665)**
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from new borrowings	7(a)	600,000	0	250,000
Transfers from reserve accounts	8(a)	296,301	256,989	252,394
		896,301	256,989	502,394
Outflows from financing activities				
Repayment of borrowings	7(a)	(71,153)	(80,920)	(80,920)
Transfers to reserve accounts	8(a)	(275,520)	(61,529)	(107,620)
		(346,673)	(142,449)	(188,540)
Amount attributable to financing activities		**549,628**	**114,540**	**313,854**
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus remaining at the start of the financial year	3	1,874,780	1,220,288	1,153,995
Amount attributable to operating activities		(354,830)	1,282,102	131,815
Amount attributable to investing activities		(2,069,579)	(742,150)	(1,599,665)
Amount attributable to financing activities		549,628	114,540	313,854
Surplus remaining after the imposition of general rates	3	**0**	**1,874,780**	**0**

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

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

1 BASIS OF PREPARATION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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 Residential	Gross rental valuation	0.112100	219	1,553,289	174,124		174,124	160,432	156,712
GRV Industrial/Commercial	Gross rental valuation	0.112100	22	1,104,682	123,835		123,835	107,684	107,684
UV Rural/Mining	Unimproved valuation	0.003250	224	590,880,000	1,920,360		1,920,360	1,845,126	1,849,035
Total general rates			465	593,537,971	2,218,319	0	2,218,319	2,113,242	2,113,431
		Minimum							
(ii) Minimum payment		$							
GRV Residential	Gross rental valuation	1,240.00	179	1,026,399	221,960		221,960	197,400	179,550
GRV Industrial/Commercial	Gross rental valuation	1,240.00	17	63,979	21,080		21,080		17,850
UV Rural/Mining	Unimproved valuation	1,743.00	124	33,505,101	216,132		216,132	143,487	143,487
Total minimum payments			320	34,595,479	459,172	0	459,172	340,887	340,887
Total general rates and minimum payments			785	628,133,450	2,677,491	0	2,677,491	2,454,129	2,454,318
(iii) Ex-gratia rates									
						52,494	52,494	54,538	47,971
Total rates					2,677,491	52,494	2,729,985	2,508,667	2,502,289
Instalment plan charges							14,500	13,123	11,000
Late payment of rate or service charge interest							5,000	5,214	2,000
							19,500	18,337	13,000

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	8/10/2026			11.0%
Option two				
First instalment				
Second instalment				
Option three				
First instalment	8/10/2026		5.5%	11.0%
Second instalment	9/12/2026	13	5.5%	11.0%
Third instalment	10/02/2027	13	5.5%	11.0%
Fourth instalment	10/04/2027	13	5.5%	11.0%

2. RATES AND SERVICE CHARGES (CONTINUED)

(c) Service Charges

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

(d) Waivers or concessions

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

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	2,953,721	4,811,058	2,236,950
Financial assets		0	24,574	24,574
Receivables		171,821	226,443	134,727
Inventories		45,575	45,575	46,005
Other assets		378,944	378,944	278,234
		3,550,061	5,486,594	2,720,490
Less: current liabilities				
Trade and other payables		(273,267)	(288,268)	(91,396)
Contract liabilities		15,533	15,533	(764,839)
Capital grant/contributions liabilities		(1,593,079)	(1,593,079)	
Long term borrowings	7	(591,962)	(63,115)	(63,115)
Employee provisions		(209,173)	(209,173)	(240,723)
		(2,651,948)	(2,138,102)	(1,160,073)
Net current assets		898,113	3,348,492	1,560,417
Less: Total adjustments to net current assets	3(b)	(898,112)	(1,473,712)	(1,560,421)
Net current assets used in the Statement of Financial Activity		0	1,874,780	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	8	(1,530,644)	(1,551,425)	(1,602,111)
Less: Current assets not expected to be received at end of year				
- Financial assets at amortised cost - self supporting loans		(24,574)	(24,574)	(23,926)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings		591,962	63,115	63,115
Add: Current liabilities covered by funds held in reserve account				
- Current portion of contract liabilities		22,921		
- Current portion of employee benefit provisions held in reserve		42,223	40,823	39,333
Total adjustments to net current assets		(898,112)	(1,473,712)	(1,560,421)

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	(58,285)	(3,972)	0
Add: Loss on asset disposals	5	15,977	7,116	7,677
Add: Depreciation	6	2,493,792	2,396,289	2,437,849
Movement in current liabilities associated funds held in reserve account:				
- Current portion of employee benefit provisions held in reserve		1,400	(117,878)	(28)
Non-cash movements in non-current assets and liabilities:				
- Financial assets at amortised cost - self supporting loans		0	24,574	
- Employee benefit provisions		0	46,652	
Non cash amounts excluded from operating activities		2,452,884	2,352,781	2,445,498

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		2,953,721	4,811,060	2,236,950
Restrictions				
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
Cash and cash equivalents		3,123,723	3,144,504	566,109
Restricted financial assets at amortised cost - term deposits		0	0	1,670,843
		3,123,723	3,144,504	2,236,952
The restricted financial assets are a result of the following specific purposes to which the assets may be used:				
Reserve accounts	8	1,530,644	1,551,425	1,602,111
Contract liabilities		0	0	566,107
Capital grant/contributions liabilities		1,593,079	1,593,079	
Contract Asset - VROC				68,734
Total restricted financial assets		3,123,723	3,144,504	2,236,952

(b) Reconciliation of net cash provided by operating activities

	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
Net result		1,890,484	418,908	1,829,455
Non-cash items:				
Depreciation	6	2,493,792	2,396,289	2,437,849
(Profit)/loss on sale of assets	5	(42,308)	3,144	7,677
Changes in assets and liabilities:				
(Increase)/decrease in receivables		54,622	(82,452)	
Decrease in inventories		0	430	
(Increase) in other assets		0	(100,710)	
(Increase)/decrease in trade and other payables		(15,000)	181,484	
(Increase) in contract liabilities		0	(15,533)	
Decrease in capital grant/contributions liabilities		0	828,240	
Decrease in employee related provisions		0	15,102	
Capital grants, subsidies and contributions		(4,698,198)	(2,317,827)	(4,143,138)
Net cash provided by/(used in) operating activities		(316,608)	1,327,075	131,843

MATERIAL ACCOUNTING POLICES

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

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

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

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

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

5. PROPERTY, PLANT AND EQUIPMENT

	2026/27 Budget					2025/26 Actual					2025/26 Budget			
	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Loss
(a) Property, Plant and Equipment	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Buildings - non-specialised	2,800,000				0	180,243				0	82,823			0
Buildings - specialised	2,202,500	(441,715)	500,000	58,285	0	117,446				0	3,088,894			0
Furniture and equipment	54,343				0	103,342				0	106,420			0
Plant and equipment	605,050	(169,977)	154,000		(15,977)	256,252	(77,963)	74,819	3,972	(7,116)	243,000	(73,677)	66,000	(7,677)
Total	5,661,893	(611,692)	654,000	58,285	(15,977)	657,283	(77,963)	74,819	3,972	(7,116)	3,521,137	(73,677)	66,000	(7,677)
(b) Infrastructure														
Infrastructure - roads	1,484,458				0	1,091,654				0	1,508,460			0
Infrastructure - drainage	260,000				0	506,840				0	703,132			0
Infrastructure - water supply					0	45,030				0	50,000			0
Infrastructure - parks and ovals	40,000				0	29,675				0	50,000			0
Total	1,784,458	0	0	0	0	1,673,199	0	0	0	0	2,311,592	0	0	0
Total	7,446,351	(611,692)	654,000	58,285	(15,977)	2,330,482	(77,963)	74,819	3,972	(7,116)	5,832,729	(73,677)	66,000	(7,677)

MATERIAL ACCOUNTING POLICIES

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

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

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

6. DEPRECIATION

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
By Class			
Buildings - non-specialised	63,474	61,904	63,474
Buildings - specialised	247,565	214,777	247,565
Furniture and equipment	6,206	4,883	6,206
Plant and equipment	270,013	263,138	270,013
Infrastructure - roads	1,099,767	1,083,700	1,099,979
Infrastructure - footpaths	17,871	22,582	17,701
Infrastructure - drainage	238,798	274,309	180,545
Infrastructure - water supply	217,028	137,170	219,296
Infrastructure - parks and ovals	333,071	333,826	333,071
	2,493,792	2,396,289	2,437,849
By Program			
Law, order, public safety	38,372	27,125	27,595
Health	23,348	15,309	15,575
Education and welfare	15,062	31,552	32,099
Housing	101,418	98,050	99,751
Community amenities	25,269	14,505	14,757
Recreation and culture	475,532	416,747	423,975
Transport	1,579,709	1,560,292	1,587,353
Economic services	22,036	12,520	12,737
Other property and services	213,046	220,188	224,007
	2,493,792	2,396,289	2,437,849

MATERIAL ACCOUNTING POLICIES

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

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

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

Major depreciation periods used for each class of depreciable asset are:
Buildings - non-specialised
Buildings - specialised
Furniture and equipment
Plant and equipment
Infrastructure - roads
Infrastructure - footpaths
Infrastructure - drainage
Infrastructure - water supply
Infrastructure - parks and ovals

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.

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

7. BORROWINGS

(a) Borrowing repayments

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

Purpose	Loan Number	Institution	Interest Rate	Budget Principal 1 July 2026	2026/27 Budget New Loans	2026/27 Budget Principal Repayments	Budget Principal outstanding 30 June 2027	2026/27 Budget Interest Repayments	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
				$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Mens Shed	71	WATC	0.7%	0	0	0	0	0	20,287	0	(20,287)	0	(67)	20,287		(20,287)	0	(109)
Industrial Shed	70	WATC	3.0%	52,798		(26,003)	26,795	(1,400)	78,033	0	(25,235)	52,798	(2,172)	78,033		(25,235)	52,798	(2,167)
Industrial Land	65	WATC	6.4%	99,796		(17,538)	82,258	(6,082)	116,268	0	(16,472)	99,796	(6,928)	116,268		(16,472)	99,797	(7,148)
Multi Use Indoor Netball/Basketball		WATC		0	600,000	(8,038)	591,962	(19,220)	0	0	0	0	0	0	250,000	0	250,000	0
				152,594	600,000	(51,579)	701,015	(26,702)	214,588	0	(61,994)	152,594	(9,167)	361,490	250,000	(61,994)	402,595	(9,425)
Self Supporting Loans																		
Williams Bowling Club	72	WATC	3.4%	127,975	0	(19,574)	108,401	(4,183)	146,901	0	(18,926)	127,975	(4,720)	0	0	(18,926)	127,975	(4,831)
				127,975	0	(19,574)	108,401	(4,183)	146,901	0	(18,926)	127,975	(4,720)	0	0	(18,926)	127,975	(4,831)
				280,569	600,000	(71,153)	809,416	(30,885)	361,489	0	(80,920)	280,569	(13,887)	361,490	250,000	(80,920)	530,570	(14,256)

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

7. BORROWINGS (CONTINUED)

(b) New borrowings - 2026/27

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
				%	$	$	$	$
Indoor Court	10	6.1%	25	TBC	600,000	470,319	600,000	0
					600,000	470,319	600,000	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
	$	$	$
Loan facilities			
Loan facilities in use at balance date	809,416	280,569	530,570

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.

8. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

		2026/27 Budget				2025/26 Actual				2025/26 Budget			
	Opening Balance	Transfer to	Transfer (from)	Closing Balance	Opening Balance	Transfer to	Transfer (from)	Closing Balance	Opening Balance	Transfer to	Transfer (from)	Closing Balance
	$	$	$	$	$	$	$	$	$	$	$	$
Restricted by council												
(a) Leave reserve	40,823	1,400		42,223	39,362	1,461	0	40,823	39,361	1,500		40,861
(b) Asset renewal reserve	321,321	127,020	(80,000)	368,341	390,874	12,447	(82,000)	321,321	390,874	15,000	(95,974)	309,900
(c) Plant reserve	197,082	107,500	(100,000)	204,582	239,451	7,631	(50,000)	197,082	239,451	53,400	(50,000)	242,851
(d) Landfill remediation reserve	27,906	1,000		28,906	26,907	999		27,906	26,907	1,000		27,907
(e) Recreation Facilities Reserve	154,735	5,500		160,235	149,196	5,539		154,735	149,196	5,790		154,986
(f) Art Acquisition Reserve	6,093	200		6,293	5,875	218		6,093	5,875	230		6,105
(g) Joint Venture housing Reserve	161,005	5,700		166,705	155,242	5,763		161,005	155,242	6,000		161,242
(h) Community Chest Reserve	17,380	600		17,980	16,758	622		17,380	16,758	700		17,458
(i) Child Care Services Reserve	453,196	16,000		469,196	436,974	16,222		453,196	436,973	17,000		453,973
(j) Quindanning Community Reserve	116,301	4,800	(116,301)	4,800	130,042	4,828	(18,569)	116,301	130,042	5,000		135,042
(k) Information Technology Reserve	55,583	5,800		61,383	156,204	5,799	(106,420)	55,583	156,204	2,000	(106,420)	51,784
	1,551,425	275,520	(296,301)	1,530,644	1,746,885	61,529	(256,989)	1,551,425	1,746,885	107,620	(252,394)	1,602,111

(b) Reserve Accounts - Purposes

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

Reserve name	Anticipated date of use	Purpose of the reserve
Restricted by legislation		
Restricted by council		
(a) Leave reserve	Ongoing	To be used to fund the annual & long service leave requirements.
(b) Asset renewal reserve	Ongoing	To be used to fund construction, refurbishments, acquisition of buildings & land.
(c) Plant reserve	Ongoing	To be used to fund large purchases of plant.
(d) Landfill remediation reserve	Ongoing	To be used for the re-development of waste facilities.
(e) Recreation Facilities Reserve	Ongoing	To be used to finance capital improvements of exisiting & new recreation facilities.
(f) Art Acquisition Reserve	Ongoing	To be used for the purchase of ast pieces for the Williams Art Collection.
(g) Joint Venture housing Reserve	Ongoing	To be used to finance refurbishment and construction of joint venture housing.
(h) Community Chest Reserve	Ongoing	To be used to support community initiatives & projects.
(i) Child Care Services Reserve	Ongoing	To be used to support childcare services.
(j) Quindanning Community Reserve	2025-2027	To be used to support the Quindanning Community in upgrade of community infrastructure.
(k) Information Technology Reserve	2025-2027	To be used to support the upgrade of information technology.

9. OTHER INFORMATION

The net result includes as revenues	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
(a) Interest earnings			
Investments	100,300	123,758	110,000
Other interest revenue	5,000	5,214	2,000
	105,300	128,972	112,000
The net result includes as expenses			
(b) Interest expenses (finance costs)			
Borrowings (refer Note 7(a))	30,885	13,887	14,256
	30,885	13,887	14,256

10. COUNCIL MEMBERS REMUNERATION

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
President			
President's allowance	4,078	3,921	3,921
Meeting attendance fees	4,920	4,731	3,660
	8,998	8,652	7,581
Deputy President			
Deputy President's allowance	1,530	1,471	1,471
Meeting attendance fees	2,352	2,262	2,870
Travel and accommodation expenses	1,049	1,009	178
	4,932	4,742	4,519
Council member 3			
Meeting attendance fees	2,180	2,096	1,680
Travel and accommodation expenses	358	344	298
	2,538	2,440	1,978
Council member 4			
Meeting attendance fees	1,609	1,547	2,106
Travel and accommodation expenses	407	392	1,078
	2,016	1,939	3,184
Council member 5			
Meeting attendance fees	2,474	2,379	1,938
	2,474	2,379	1,938
Council member 6			
Meeting attendance fees	2,629	2,528	2,017
Travel and accommodation expenses	922	887	692
	3,551	3,415	2,708
Council member 7			
Meeting attendance fees	2,094	2,013	2,017
Travel and accommodation expenses	270	260	406
	2,364	2,273	2,422
Total Council Member Remuneration	26,873	25,839	24,330
President's allowance	4,078	3,921	3,921
Deputy President's allowance	1,530	1,471	1,471
Meeting attendance fees	18,258	17,556	16,286
Travel and accommodation expenses	3,007	2,891	2,652
	26,873	25,839	24,330

11. TRUST FUNDS

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

Detail	Balance 30 June 2026	Estimated amounts received	Estimated amounts paid	Estimated balance 30 June 2027
	$	$	$	$
Public Open Space Contribution	20,004			20,004
	20,004	0	0	20,004

12. REVENUE AND EXPENDITURE

(a) Revenue and Expenditure Classification

REVENUES

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

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

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

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

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

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

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

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

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

EXPENSES

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

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

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

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

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

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

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

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

12. REVENUE AND EXPENDITURE (CONTINUED)

(b) Revenue Recognition

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/ Warranties	Timing of Revenue recognition
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	On payment and issue of the licence, registration or approval
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Output method based on provision of service or completion of works
Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Output method based on goods

13. PROGRAM INFORMATION

Key Terms and Definitions - Reporting Programs

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

OBJECTIVE	ACTIVITIES

14. FEES AND CHARGES

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	$	$	$
By Program:			
General purpose funding	14,500	66,329	13,000
Law, order, public safety	5,000	5,432	1,000
Health	3,000	6,703	2,000
Education and welfare	542,353	566,983	501,738
Housing	239,455	196,483	253,156
Community amenities	217,000	181,878	245,705
Recreation and culture	45,900	39,691	32,100
Transport	20,000	20,984	21,150
Economic services	129,845	97,365	173,725
Other property and services	22,000	15,120	56,500
	1,239,053	1,196,967	1,300,073

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