

SHIRE OF WYNDHAM EAST KIMBERLEY

MONTHLY FINANCIAL REPORT

(Containing the required statement of financial activity and statement of financial position)

For the period ended 31 December 2025

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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**SHIRE OF WYNDHAM EAST KIMBERLEY
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2025**

	Adopted Budget Estimates	YTD Budget Estimates	YTD Actual	Variance \$ (c) - (b)	Variance % ((c)-(b))/(b)	
Note	(a)	(b)	(c)	(c) - (b)	((c)-(b))/(b)	
OPERATING ACTIVITIES						
Revenue from operating activities						
General rates	12,672,051	12,672,051	12,669,681	(2,370)	-0.02%	▼
Grants, subsidies and contributions	5,434,000	2,717,004	2,459,760	(257,244)	-9.47%	▼
Fees and charges	9,732,000	5,861,026	6,558,764	697,738	11.90%	▲
Interest revenue	829,000	414,496	755,152	340,656	82.19%	▲
Other revenue	469,200	457,102	476,388	19,286	4.22%	▲
	29,136,251	22,121,679	22,919,745	798,066	3.61%	
Expenditure from operating activities						
Employee costs	(15,176,428)	(7,588,284)	(7,092,079)	(496,205)	-6.54%	▼
Materials and contracts	(8,217,018)	(4,078,902)	(4,005,060)	(73,842)	-1.81%	▼
Utility charges	(1,524,200)	(762,108)	(793,496)	31,388	4.12%	▲
Depreciation	(9,189,530)	(4,594,782)	(4,554,448)	(40,334)	-0.88%	▼
Finance costs	(301,774)	(150,894)	(186,545)	35,651	23.63%	▲
Insurance	(677,117)	(319,282)	(542,226)	222,944	69.83%	▲
Other expenditure	(2,129,869)	(1,027,452)	(611,786)	(415,666)	-40.46%	▼
	(37,215,936)	(18,521,704)	(17,785,640)	(736,064)	3.97%	
Depreciation excluded from operating activities	2(b) 9,189,530	4,594,782	4,554,448	(40,334)	-0.88%	▼
Amount attributable to operating activities	1,109,845	8,194,757	9,688,552	1,493,795	18.23%	
INVESTING ACTIVITIES						
Inflows from investing activities						
Capital grants, subsidies and contributions	70,667,828	17,243,346	39,158,465	21,915,119	127.09%	▲
Disposal of assets	-	-	426,514	426,514	0.00%	
	-	-	-	-	0.00%	
Proceeds from financial assets at amortised cost - self supporting loans						
	70,667,828	17,243,346	39,584,979	22,341,633	129.57%	
Outflows from investing activities						
Payments for property, plant and equipment	(44,642,091)	(1,207,494)	(362,505)	(844,989)	-69.98%	▼
Payments for construction of infrastructure	(51,201,006)	(46,714,056)	(22,542,408)	(24,171,648)	-51.74%	▼
	(95,843,097)	(47,921,550)	(22,904,914)	(25,016,636)	-52.20%	
Amount attributable to investing activities	(25,175,269)	(30,678,204)	16,680,065	(2,675,003)	8.72%	
FINANCING ACTIVITIES						
Inflows from financing activities						
Proceeds from new borrowings	1,500,000	1,500,000	-	(1,500,000)	-100.00%	▼
Transfers from reserve accounts	11,116,809	5,499,426	-	(5,499,426)	-100.00%	▼
	12,616,809	6,999,426	-	(6,999,426)	-100.00%	
Outflows from financing activities						
Repayment of borrowings	(772,530)	(257,510)	(390,220)	(132,710)	51.54%	▲
Transfers to reserve accounts	(547,002)	(214,530)	-	214,530	-100.00%	▼
	(1,319,532)	(472,040)	(390,220)	81,820	-17.33%	
Amount attributable to financing activities	11,297,277	6,527,386	(390,220)	(6,917,606)	-105.98%	
MOVEMENT IN SURPLUS OR DEFICIT						
Surplus at the start of the financial year	1,376,754	1,376,754	1,376,754	-	0.00%	
Amount attributable to operating activities	1,109,845	8,194,757	579,657	1,493,795	18.23%	
Amount attributable to investing activities	(13,783,875)	(30,678,204)	16,680,065	(2,675,003)	8.72%	
Amount attributable to financing activities	11,297,276	6,527,386	(390,220)	(6,917,606)	-105.98%	
Surplus/(deficit) remaining after the imposition of general rates	-	(14,579,307)	18,246,256	(8,098,814)	-79%	

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

▲▼ INFORMATION

Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold.

* Refer to Note 3 for an explanation of the reasons for the variance.

This statement is to be read in conjunction with the accompanying Financial Statements and Notes.
Please refer to the compilation report

SHIRE OF WYNDHAM EAST KIMBERLEY
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 DECEMBER 2025

	Actual 30 June 2025	Actual 31 December 2025
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	43,287,551	66,369,240
Trade and other receivables	10,305,738	8,671,134
Other financial assets	10,381	2,381
Inventories	15,252	15,251
Other Assets	-	-
TOTAL CURRENT ASSETS	53,618,922	75,058,007
NON CURRENT ASSETS		
Trade and other receivables	45,485	45,485
Other Financial Assets	11,565	12,145
Inventories	46,283	46,283
Property, plant and equipment	56,036,640	55,145,367
Infrastructure	279,297,055	275,631,958
TOTAL NON-CURRENT ASSETS	335,437,028	330,881,238
TOTAL ASSETS	389,055,950	405,939,245
CURRENT LIABILITIES		
Trade and other payables	5,225,291	706,033
Other liabilities	21,852,303	21,852,303
Borrowings	772,531	972,531
Employee related provisions	1,582,829	1,563,454
TOTAL CURRENT LIABILITIES	29,432,954	25,094,321
NON-CURRENT LIABILITIES		
Borrowings	6,743,676	6,543,676
Employee related provisions	139,630	139,630
Other Provisions	5,685,700	5,685,700
TOTAL NON-CURRENT LIABILITIES	12,569,006	12,369,006
TOTAL LIABILITIES	42,001,960	37,463,326
NET ASSETS	347,053,990	368,475,919
EQUITY		
Retained surplus	135,266,143	156,688,813
Reserve accounts	17,389,290	17,387,268
Revaluation Surplus	194,398,557	194,399,839
TOTAL EQUITY	347,053,990	368,475,919

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

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2025

1 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

This prescribed financial report 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 financial report 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 specifies that vested land is a right-of-use asset to be measured at cost, and is considered a 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 which would have required the Shire to measure any vested improvements at zero cost.

Local Government (Financial Management) Regulations 1996, regulation 34 prescribes contents of the financial report. Supporting information does not form part of the financial report.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report 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 financial report.

All monies held in the Trust Fund are excluded from the financial statements.

Judgements and estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect 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 believed to be reasonable under the circumstances; the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosures impacted by accounting estimates are as follows

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings and infrastructure
- estimated fair value of provisions

SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies utilised in the preparation of these statements are as described within the 2025-26 Annual Budget. Please refer to the adopted budget documents for details of these policies.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 31 December 2025

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2025

2 STATEMENT OF FINANCIAL ACTIVITY INFORMATION

(a) Net current assets used in the Statement of Financial Activity

Current assets

Cash and cash equivalents		\$	\$	\$
Trade and other receivables		7,219,269	43,287,551	66,369,240
Other financial assets		2,036,138	10,305,738	8,671,134
Inventories		18,837,612	10,381	2,381
Other assets		15,649	15,252	15,251
		-	-	-
		28,108,668	53,618,922	75,058,007

Less: current liabilities

Trade and other payables		(2,036,180)	(5,225,291)	(706,033)
Other liabilities		(13,431,426)	(21,852,303)	(21,852,303)
Borrowings		(1,517,684)	(772,531)	(972,531)
Employee provisions		(1,859,059)	(1,582,829)	(1,563,454)
Other provisions		(144,494)	-	-
		(18,988,843)	(29,432,954)	(25,094,321)

Net current assets

		9,119,825	24,185,968	49,963,686
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Less: Total adjustments to net current assets

2(c)		(9,119,825)	9,189,530	(16,417,118)
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Closing funding surplus/ (deficit)

		-	33,375,498	33,546,568
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(b) Non-cash amounts excluded from operating activities

The following non-cash revenue and expenditure has been excluded from operating activities within the Statement of Financial Activity in accordance with Financial Management regulations 32.

Non-cash amount excluded from operating activities

Adjustments to operating activities

Less: Movement in liabilities associated with restricted cash		-	-	0
Add: Loss on asset disposals		-	-	-
Add: Depreciation		9,189,530	4,594,782	4,554,448
Movement in current employee provisions associated with restricted cash		-	-	-
Total non-cash amounts excluded from operating activities		9,189,530	4,594,782	4,554,448

(c) 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: Reserve accounts		(10,637,509)	17,389,290	(17,387,268)
Less: Financial assets at amortised cost - self supporting loans			(10,381)	(2,381)
Add: Current liabilities not expected to be cleared at the end of the year				
- Current portion of borrowings		1,517,684	772,531	972,531
- Current portion of unspent capital grants held in reserve		-	-	-
- Current portion of employee benefit provisions held in reserve		-	-	-
Total adjustment to net current assets	2(a)	(9,119,825)	18,151,440	(16,417,118)

CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the Council's operation cycle.

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2025

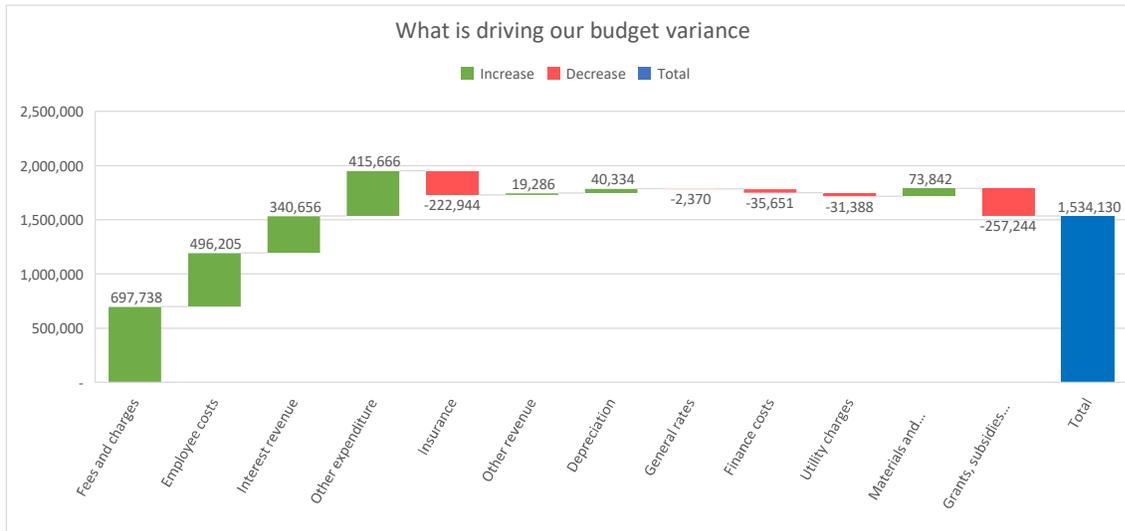
3 EXPLANATION OF MATERIAL VARIANCES

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date actual materially.
The material variance adopted by Council for the 2025-26 year is \$50,000 and 10.00% whichever is the greater.

Description	Var. \$	Var. %	
	\$	%	
Revenue from operating activities			
Grants, subsidies and contributions	(257,244)	-9.47%	▼
Financial assistance grants that were budgeted to be received this financial year were received in advance (in previous year)			
Fees and charges	697,738	11.90%	▲
Higher than budgeted rubbish disposal and aircraft landing fees. Timing of lease payments.			
Interest revenue	340,656	82.19%	▲
Interest revenue exceeded projections as several grant payments were received in advance, temporarily increasing the Shire's cash holdings and generating additional interest.			
Expenditure from operating activities			
Employee costs	(496,205)	-6.54%	▼
Awaiting IA changes to come into effect.			
Materials and contracts	(73,842)	-1.81%	▼
Lower than budgeted landfill and plant costs.			
Finance costs	35,651	23.63%	▲
Timing of loan payments.			
Insurance	222,944	69.83%	▲
Employee Work Cover expenses allocated under Employee Costs			
Other expenditure	(415,666)	-40.46%	▼
Timing of payments.			
Investing Activities			
Capital grants, subsidies and contributions	21,915,119	127.09%	▲
Capital grants received in advance.			
Outflows from investing activities			
Payment for property, plant and equipment	(844,989)	-69.98%	▼
Timing of Capital Works Program.			
Payment for construction of infrastructure	(24,171,648)	-51.74%	▼
Timing of Capital Works Program. Major projects in construction: ~ Kununurra Leisure Centre Pool Renewal ~ Runway Extension at East Kimberley Airport ~ All Abilities Playground at Celebrity Tree Park			

**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2025**

4 BUDGET DRIVERS AND OVERALL PERFORMANCE



Management Analysis

The Shire’s operational result has tracked consistently below budget across the reporting period, with the variance widening notably in September before partially recovering in October. While results remain below the original budget forecast each month, the overall trend reflects movements consistent with seasonal revenue patterns and expenditure timing.

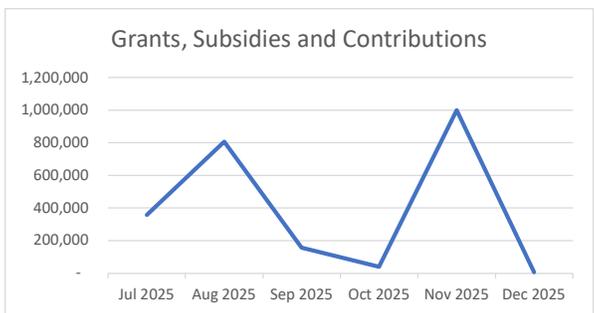
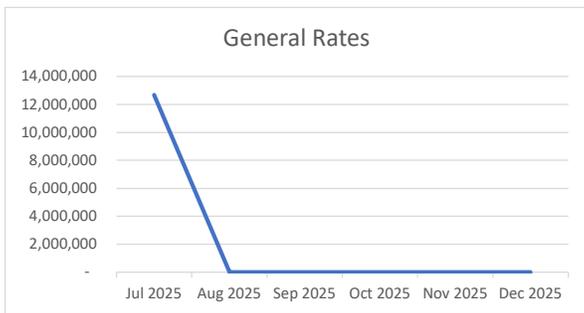
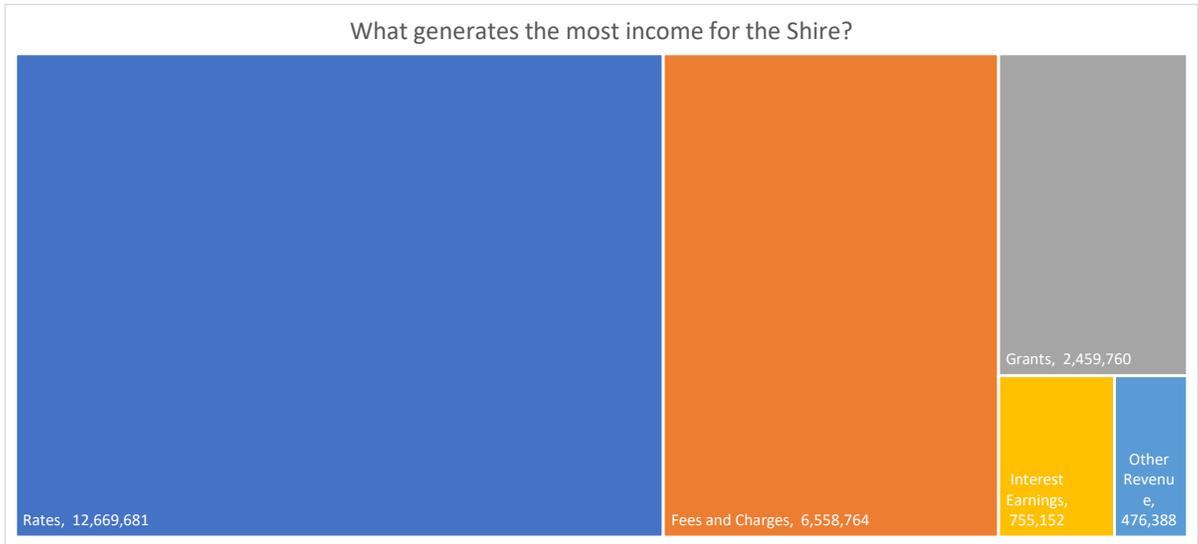
Although the outcome is below target, the variance is understood and manageable at this stage of the financial year.

The Shire continues to maintain a strong liquidity position, with sufficient cash available to meet operational requirements and capital commitments. Reserve balances remain appropriately allocated for designated purposes.

Overall Position:

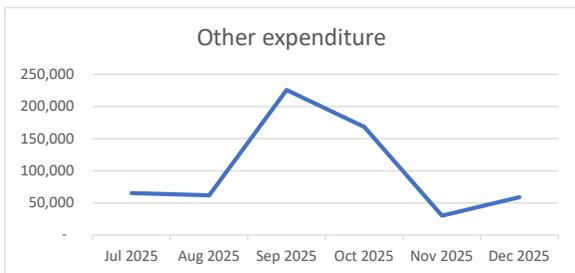
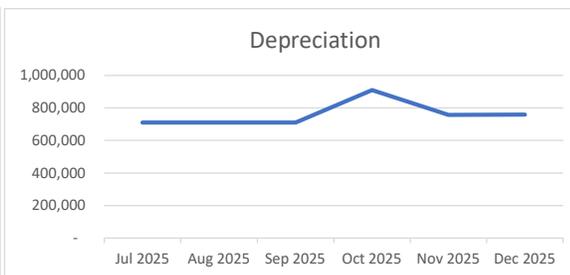
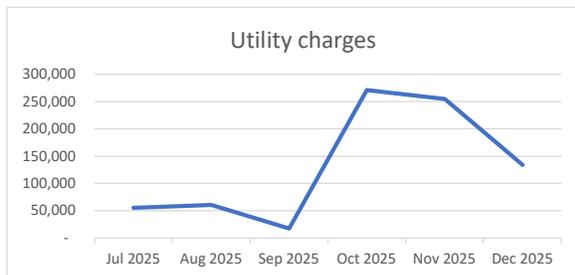
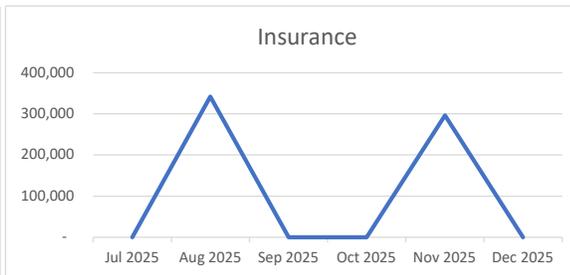
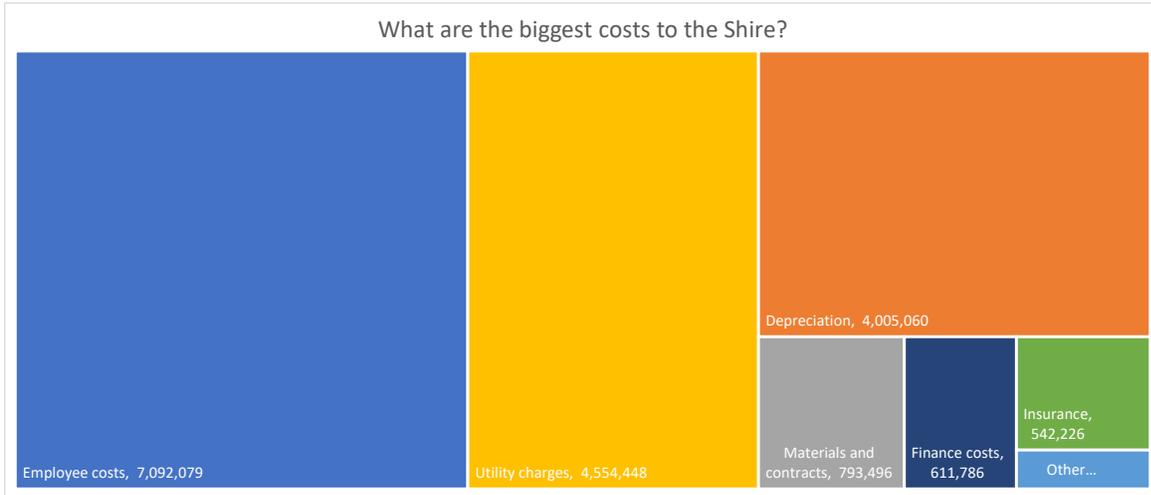
Council remains financially stable despite the current variance to budget. While actual results are below forecast, the position is largely attributable to timing differences in grant funding and expenditure patterns. Continued monitoring of revenue receipts and cost trends will support alignment with the adopted budget settings by year end.

5 SHIRE INCOME MONTHLY TRENDS



**SHIRE OF WYNDHAM EAST KIMBERLEY
 NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
 FOR THE PERIOD ENDED 31 DECEMBER 2025**

6 SHIRE OPERATING EXPENSE ANALYSIS



7 CASH HOLDINGS, CASH TRENDS AND ASSET LIFE

