

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 January 2026

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 JANUARY 2026**

	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	12,663,321	(8,730)	-0.07%	▼
Grants, subsidies and contributions	5,434,000	3,169,838	2,478,672	(691,166)	-21.80%	▼
Fees and charges	9,732,000	6,506,197	7,052,079	545,882	8.39%	▲
Interest revenue	829,000	434,412	819,159	384,747	88.57%	▲
Other revenue	469,200	459,119	477,969	18,850	4.11%	▲
	29,136,251	23,241,617	23,491,200	249,583	1.07%	
Expenditure from operating activities						
Employee costs	(15,176,428)	(8,852,998)	(8,430,973)	(422,025)	-4.77%	▼
Materials and contracts	(8,217,018)	(4,758,719)	(4,893,323)	134,604	2.83%	▲
Utility charges	(1,524,200)	(889,126)	(952,202)	63,076	7.09%	▲
Depreciation	(9,189,530)	(5,360,579)	(5,352,282)	(8,297)	-0.15%	▼
Finance costs	(301,774)	(176,043)	(212,597)	36,554	20.76%	▲
Insurance	(677,117)	(319,282)	(292,915)	(26,367)	-8.26%	▼
Other expenditure	(2,129,869)	(1,198,694)	(913,222)	(285,472)	-23.82%	▼
	(37,215,936)	(21,555,441)	(21,047,514)	(507,928)	2.36%	
Depreciation excluded from operating activities	2(b) 9,189,530	(5,360,579)	(5,352,282)	(8,297)	-0.15%	▼
Amount attributable to operating activities	1,109,845	7,046,755	7,795,969	(250,047)	-3.55%	
INVESTING ACTIVITIES						
Inflows from investing activities						
Capital grants, subsidies and contributions	70,667,828	20,117,237	39,624,923	19,507,686	96.97%	▲
Disposal of assets	-	-	426,514	426,514	0.00%	
Proceeds from financial assets at amortised cost - self supporting loans	-	-	-	-	0.00%	
	70,667,828	20,117,237	40,051,437	19,934,200	99.09%	
Outflows from investing activities						
Payments for property, plant and equipment	(44,642,091)	(1,408,743)	(896,725)	(512,018)	-36.35%	▼
Payments for construction of infrastructure	(51,201,006)	(54,499,732)	(24,888,082)	(29,611,650)	-54.33%	▼
	(95,843,097)	(55,908,475)	(25,784,807)	(30,123,668)	-53.88%	
Amount attributable to investing activities	(25,175,269)	(35,791,238)	14,266,630	(10,189,467)	28.47%	
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	6,415,997	-	(6,415,997)	-100.00%	▼
	12,616,809	7,915,997	-	(7,915,997)	-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)	(250,285)	-	250,285	-100.00%	▼
	(1,319,532)	(507,795)	(390,220)	117,575	-23.15%	
Amount attributable to financing activities	11,297,277	7,408,202	(390,220)	(7,798,422)	-105.27%	
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	7,046,755	(2,908,595)	(250,047)	-3.55%	
Amount attributable to investing activities	(13,783,875)	(35,791,238)	14,266,630	(10,189,467)	28.47%	
Amount attributable to financing activities	11,297,276	7,408,202	(390,220)	(7,798,422)	-105.27%	
Surplus/(deficit) remaining after the imposition of general rates	0	(19,959,527)	12,344,568	(18,237,937)	-80%	

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 JANUARY 2026**

	Actual 30 June 2025	Actual 31 January 2026
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	43,287,551	66,350,674
Trade and other receivables	10,305,738	3,769,573
Other financial assets	10,381	2,381
Inventories	15,252	15,251
Other Assets	-	-
TOTAL CURRENT ASSETS	53,618,922	70,137,879
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	54,961,630
Infrastructure	279,297,055	275,017,537
TOTAL NON-CURRENT ASSETS	335,437,028	330,083,080
TOTAL ASSETS	389,055,950	400,220,959
CURRENT LIABILITIES		
Trade and other payables	5,225,291	91,601
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	24,479,889
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	36,848,894
NET ASSETS	347,053,990	363,372,065
EQUITY		
Retained surplus	135,266,143	151,584,959
Reserve accounts	17,389,290	17,387,268
Revaluation Surplus	194,398,557	194,399,839
TOTAL EQUITY	347,053,990	363,372,065

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 JANUARY 2026**

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 January 2026

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2026

2 STATEMENT OF FINANCIAL ACTIVITY INFORMATION

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

Current assets

Cash and cash equivalents	7,219,269	43,287,551	66,350,674
Trade and other receivables	2,036,138	10,305,738	3,769,573
Other financial assets	18,837,612	10,381	2,381
Inventories	15,649	15,252	15,251
Other assets	-	-	-

Less: current liabilities

Trade and other payables	(2,036,180)	(5,225,291)	(91,601)
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)	-	-

Net current assets

Less: Total adjustments to net current assets

Closing funding surplus/ (deficit)

Note	Adopted Budget Opening 01 July 2025	Actual as at 30 June 2025	Actual as at 31 January 2026
	\$	\$	\$
	28,108,668	53,618,922	70,137,879
	(18,988,843)	(29,432,954)	(24,479,889)
	9,119,825	24,185,968	45,657,991
2(c)	(9,119,825)	9,189,530	(16,417,118)
	-	33,375,498	29,240,872

(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	5,360,579	5,352,282
Movement in current employee provisions associated with restricted cash	-	-	-
Total non-cash amounts excluded from operating activities	9,189,530	5,360,579	5,352,282

Adopted Budget Estimates 30 June 2026	YTD Budget Estimates	YTD Actual
\$	\$	\$
-	-	0
9,189,530	5,360,579	5,352,282
-	-	-
9,189,530	5,360,579	5,352,282

(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

Adopted Budget Opening 01 July 2025	Actual as at 30 June 2025	Actual as at 31 January 2026
\$	\$	\$
(10,637,509)	17,389,290	(17,387,268)
	(10,381)	(2,381)
1,517,684	772,531	972,531
-	-	-
-	-	-
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 JANUARY 2026

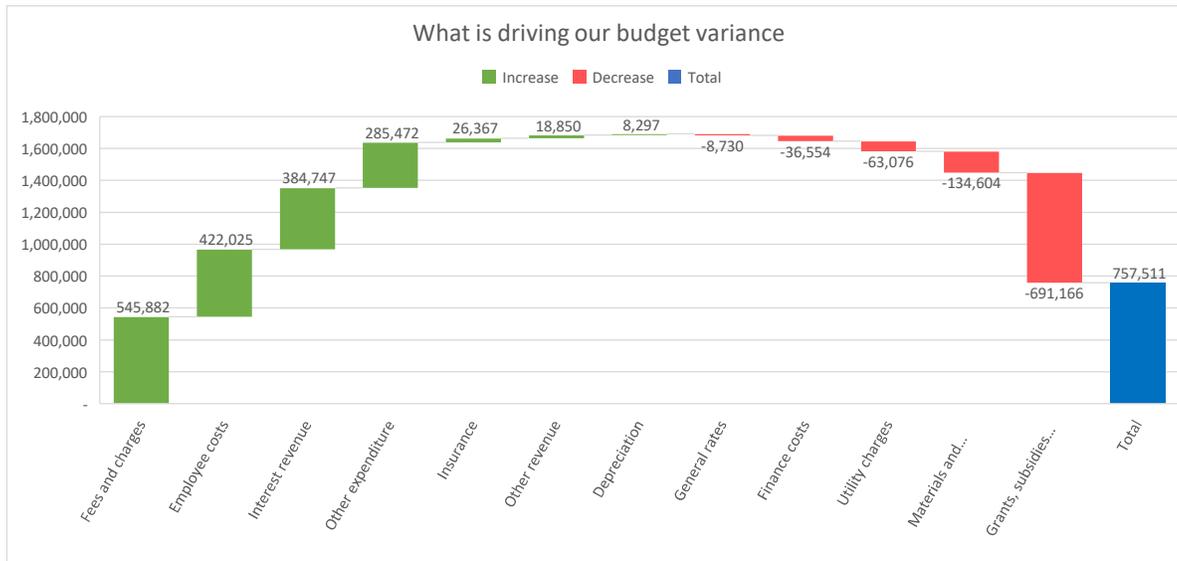
3 EXPLANATION OF MATERIAL VARIANCES

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	(691,166)	-21.80%	▼
Financial assistance grants that were budgeted to be received this financial year were received in advance (in previous year)			
Fees and charges	545,882	8.39%	▲
Higher than budgeted rubbish disposal and aircraft landing fees. Timing of lease payments.			
Interest revenue	384,747	88.57%	▲
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	(422,025)	-4.77%	▼
Awaiting IA changes to come into effect. Employee costs are below budget due to current vacancies.			
Materials and contracts	134,604	2.83%	▲
Increase in maintenance of buildings and public conveniences and higher costs of software licensing than expected			
Finance costs	36,554	20.76%	▲
Timing of loan payments.			
Other expenditure	(285,472)	-23.82%	▼
Timing of payments.			
Investing Activities			
Capital grants, subsidies and contributions	19,507,686	96.97%	▲
Capital grants received in advance.			
Outflows from investing activities			
Payment for property, plant and equipment	(512,018)	-36.35%	▼
Timing of Capital Works Program.			
Payment for construction of infrastructure	(29,611,650)	-54.33%	▼
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			

4 BUDGET DRIVERS AND OVERALL PERFORMANCE



Management Analysis

The Shire’s operational result has tracked slightly below budget across the reporting period; however, overall performance remains close to the original budget forecasts.

While the outcome is below target, the trend remains broadly aligned with forecast movements and within a manageable range at this stage of the financial year.

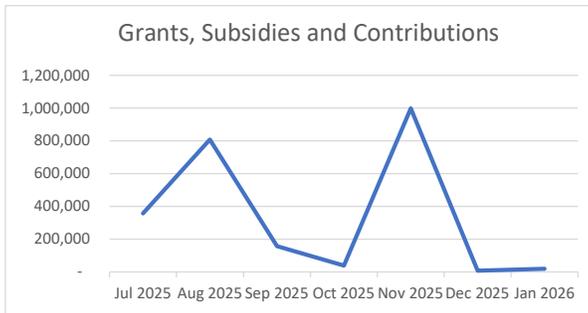
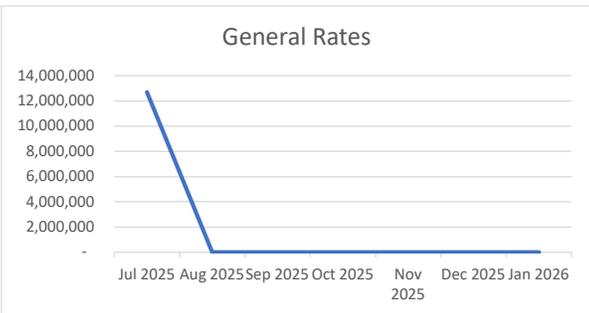
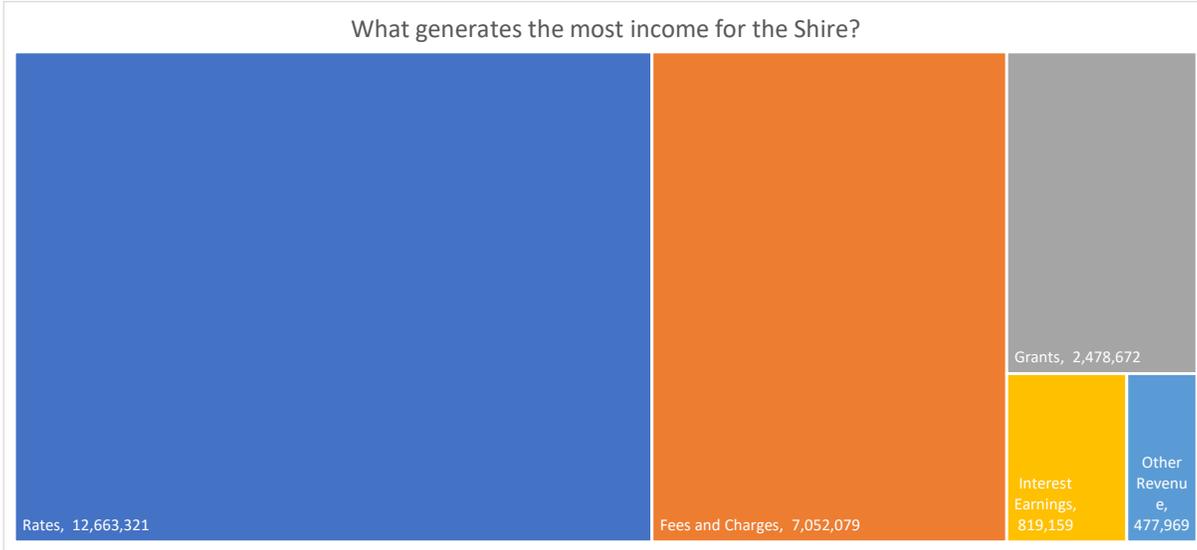
The primary driver of the variance remains the timing and receipt of grant funding, partially offset by stronger own-source revenue and favourable employee cost outcomes.

Shire continues to maintain a strong liquidity position, with the majority of funds available for operational requirements and capital commitments, and reserve balances held for designated purposes.

Overall Position:

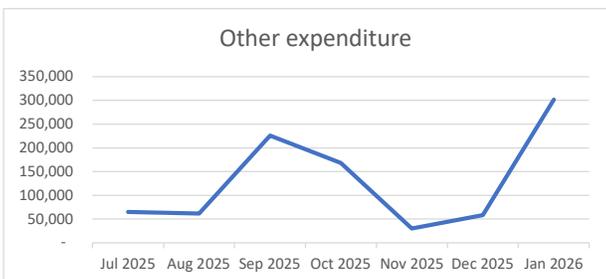
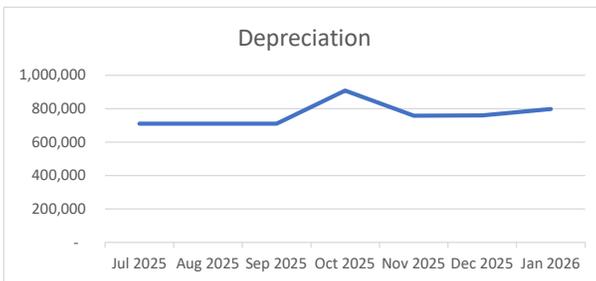
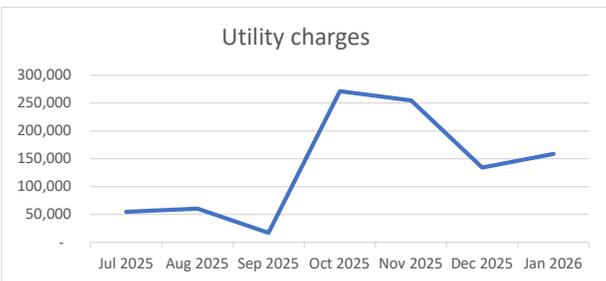
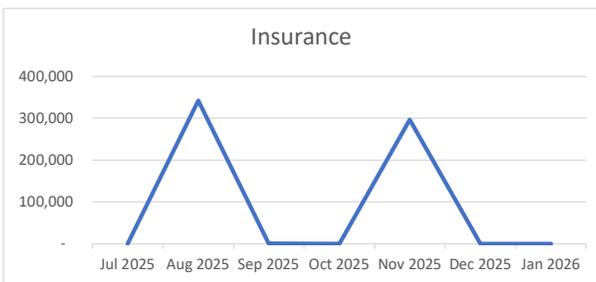
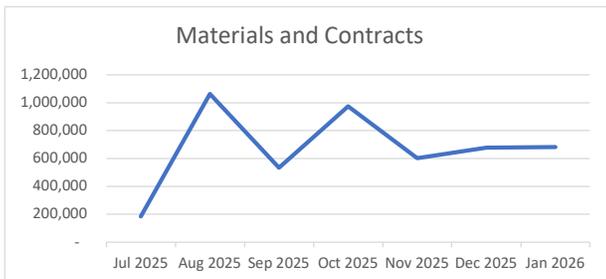
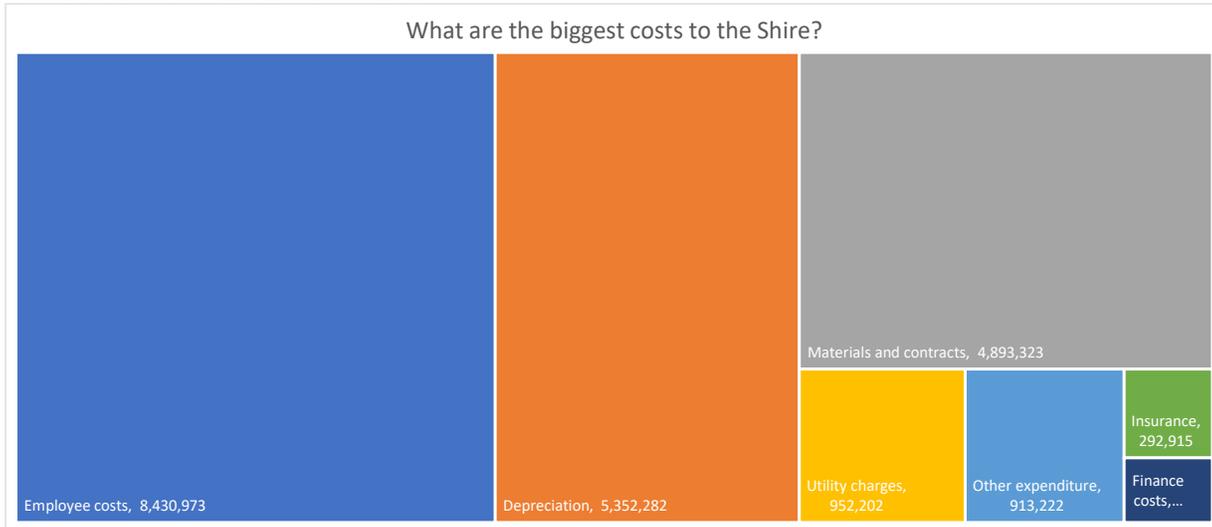
Shire remains financially stable, with results tracking close to budget forecasts and supported by a strong cash position. Continued monitoring of grant income and expenditure trends will ensure the year-end position remains aligned with adopted budget settings.

5 SHIRE INCOME MONTHLY TRENDS



**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2026**

6 SHIRE OPERATING EXPENSE ANALYSIS



7 CASH HOLDINGS, CASH TRENDS AND ASSET LIFE

