

# SHIRE OF WYNDHAM EAST KIMBERLEY

## MONTHLY FINANCIAL REPORT

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

For the period ended 28 February 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 28 FEBRUARY 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)	
<b>OPERATING ACTIVITIES</b>						
<b>Revenue from operating activities</b>						
General rates	\$ 12,672,051	\$ 12,672,051	\$ 12,671,365	\$ (686)	-0.01%	▼
Grants, subsidies and contributions	5,434,000	3,622,672	3,206,728	(415,944)	-11.48%	▼
Fees and charges	9,732,000	7,151,368	7,960,023	808,655	11.31%	▲
Interest revenue	829,000	454,328	998,503	544,175	119.78%	▲
Other revenue	469,200	461,136	498,505	37,369	8.10%	▲
	<u>29,136,251</u>	<u>24,361,555</u>	<u>25,335,125</u>	<u>973,570</u>	<u>4.00%</u>	
<b>Expenditure from operating activities</b>						
Employee costs	(15,176,428)	(10,117,712)	(9,139,191)	(978,521)	-9.67%	▼
Materials and contracts	(8,217,018)	(5,438,536)	(5,371,706)	(66,830)	-1.23%	▼
Utility charges	(1,524,200)	(1,016,144)	(1,069,997)	53,853	5.30%	▲
Depreciation	(9,189,530)	(6,126,376)	(6,067,190)	(59,186)	-0.97%	▼
Finance costs	(301,774)	(201,192)	(217,108)	15,916	7.91%	▲
Insurance	(677,117)	(668,944)	(638,428)	(30,516)	-4.56%	▼
Other expenditure	(2,129,869)	(1,369,936)	(940,691)	(429,245)	-31.33%	▼
	<u>(37,215,936)</u>	<u>(24,938,840)</u>	<u>(23,444,313)</u>	<u>(1,494,527)</u>	<u>5.99%</u>	
Depreciation excluded from operating activities	2(b) 9,189,530	(6,126,376)	(6,067,190)	(59,186)	-0.97%	▼
<b>Amount attributable to operating activities</b>	<b>1,109,845</b>	<b>5,549,091</b>	<b>7,958,002</b>	<b>(461,772)</b>	<b>-8.32%</b>	
<b>INVESTING ACTIVITIES</b>						
<b>Inflows from investing activities</b>						
Capital grants, subsidies and contributions	70,667,828	22,991,128	40,624,923	17,633,795	76.70%	▲
Disposal of assets	-	-	414,523	414,523	0.00%	
	-	-	-	-	0.00%	
Proceeds from financial assets at amortised cost - self supporting loans						
	<u>70,667,828</u>	<u>22,991,128</u>	<u>41,039,446</u>	<u>18,048,318</u>	<u>78.50%</u>	
<b>Outflows from investing activities</b>						
Payments for property, plant and equipment	(44,642,091)	(1,609,992)	(897,502)	(712,490)	-44.25%	▼
Payments for construction of infrastructure	(51,201,006)	(62,285,408)	(25,380,974)	(36,904,434)	-59.25%	▼
	<u>(95,843,097)</u>	<u>(63,895,400)</u>	<u>(26,278,477)</u>	<u>(37,616,923)</u>	<u>-58.87%</u>	
<b>Amount attributable to investing activities</b>	<b>(25,175,269)</b>	<b>(40,904,272)</b>	<b>14,760,970</b>	<b>(19,568,605)</b>	<b>47.84%</b>	
<b>FINANCING ACTIVITIES</b>						
<b>Inflows from financing activities</b>						
Proceeds from new borrowings	1,500,000	1,500,000	-	(1,500,000)	-100.00%	▼
Transfers from reserve accounts	11,116,809	7,332,568	-	(7,332,568)	-100.00%	▼
	<u>12,616,809</u>	<u>8,832,568</u>	<u>-</u>	<u>(8,832,568)</u>	<u>-100.00%</u>	
<b>Outflows from financing activities</b>						
Repayment of borrowings	(772,530)	(257,510)	(398,356)	(140,846)	54.70%	▲
Transfers to reserve accounts	(547,002)	(286,040)	-	286,040	-100.00%	▼
	<u>(1,319,532)</u>	<u>(543,550)</u>	<u>(398,356)</u>	<u>145,194</u>	<u>-26.71%</u>	
<b>Amount attributable to financing activities</b>	<b>11,297,277</b>	<b>8,289,018</b>	<b>(398,356)</b>	<b>(8,687,374)</b>	<b>-104.81%</b>	
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>						
<b>Surplus at the start of the financial year</b>	1,376,754	1,376,754	1,376,754	-	0.00%	
Amount attributable to operating activities	1,109,845	5,549,091	(4,176,378)	(461,772)	-8.32%	
Amount attributable to investing activities	(13,783,875)	(40,904,272)	14,760,970	(19,568,605)	47.84%	
Amount attributable to financing activities	11,297,276	8,289,018	(398,356)	(8,687,374)	-104.81%	
<b>Surplus/(deficit) remaining after the imposition of general rates</b>	<b>0</b>	<b>(25,689,409)</b>	<b>11,562,989</b>	<b>(28,717,751)</b>	<b>-65%</b>	

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 28 FEBRUARY 2026**

	<b>Actual 30 June 2025</b>	<b>Actual 28 February 2026</b>
	\$	\$
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	43,287,551	66,562,002
Trade and other receivables	10,305,738	4,641,969
Other financial assets	10,381	2,381
Inventories	15,252	15,251
<b>TOTAL CURRENT ASSETS</b>	<b>53,618,922</b>	<b>71,221,605</b>
<b>NON-CURRENT ASSETS</b>		
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	54,847,877
Infrastructure	279,297,055	274,416,382
<b>TOTAL NON-CURRENT ASSETS</b>	<b>335,437,028</b>	<b>329,368,172</b>
<b>TOTAL ASSETS</b>	<b>389,055,950</b>	<b>400,589,776</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	5,225,291	527,089
Other liabilities	21,852,303	21,852,303
Borrowings	772,531	972,531
Employee related provisions	1,582,829	1,563,454
<b>TOTAL CURRENT LIABILITIES</b>	<b>29,432,954</b>	<b>24,915,377</b>
<b>NON-CURRENT LIABILITIES</b>		
Borrowings	6,743,676	6,543,676
Employee related provisions	139,630	139,630
Other Provisions	5,685,700	5,685,700
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>12,569,006</b>	<b>12,369,006</b>
<b>TOTAL LIABILITIES</b>	<b>42,001,960</b>	<b>37,284,382</b>
<b>NET ASSETS</b>	<b>347,053,990</b>	<b>363,305,394</b>
<b>EQUITY</b>		
Retained surplus	135,266,143	151,518,288
Reserve accounts	17,389,290	17,387,268
Revaluation Surplus	194,398,557	194,399,839
<b>TOTAL EQUITY</b>	<b>347,053,990</b>	<b>363,305,394</b>

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 28 FEBRUARY 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 28 February 2026

**SHIRE OF WYNDHAM EAST KIMBERLEY**  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD ENDED 28 FEBRUARY 2026**

**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  
Other financial assets  
Inventories  
Other assets

**Less: current liabilities**

Trade and other payables  
Other liabilities  
Borrowings  
Employee provisions  
Other provisions

**Net current assets**

**Less: Total adjustments to net current assets**

**Closing funding surplus/ (deficit)**

The closing fund surplus represents the funding position after adjustments required under the *Local Government (Financial Management) Regulations 1996*, including reserve funds and non-cash accounting items

Note	Adopted Budget Opening 01 July 2025	Actual as at 30 June 2025	Actual as at 28 February 2026
	\$	\$	\$
	7,219,269	43,287,551	66,562,002
	2,036,138	10,305,738	4,641,969
	18,837,612	10,381	2,381
	15,649	15,252	15,251
	-	-	-
	28,108,668	53,618,922	71,221,605
	(2,036,180)	(5,225,291)	(527,089)
	(13,431,426)	(21,852,303)	(21,852,303)
	(1,517,684)	(772,531)	(972,531)
	(1,859,059)	(1,582,829)	(1,563,454)
	(144,494)	-	-
	(18,988,843)	(29,432,954)	(24,915,377)
	<b>9,119,825</b>	<b>24,185,968</b>	<b>46,306,228</b>
2(c)	(9,119,825)	9,189,530	(16,417,118)
	-	<b>33,375,498</b>	<b>29,889,110</b>

**(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  
Add: Loss on asset disposals  
Add: Depreciation  
Movement in current employee provisions associated with restricted cash

**Total non-cash amounts excluded from operating activities**

Adopted Budget Estimates 30 June 2026	YTD Budget Estimates	YTD Actual
\$	\$	\$
-	-	0
-	-	-
9,189,530	6,126,376	6,067,190
-	-	-
<b>9,189,530</b>	<b>6,126,376</b>	<b>6,067,190</b>

**(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  
Less: Financial assets at amortised cost - self supporting loans  
Add: Current liabilities not expected to be cleared at the end of the year  
- Current portion of borrowings  
- 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 28 February 2026
\$	\$	\$
(10,637,509)	17,389,290	(17,387,268)
	(10,381)	(2,381)
1,517,684	772,531	972,531
-	-	-
-	-	-
2(a) <b>(9,119,825)</b>	<b>18,151,440</b>	<b>(16,417,118)</b>

**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 28 FEBRUARY 2026**

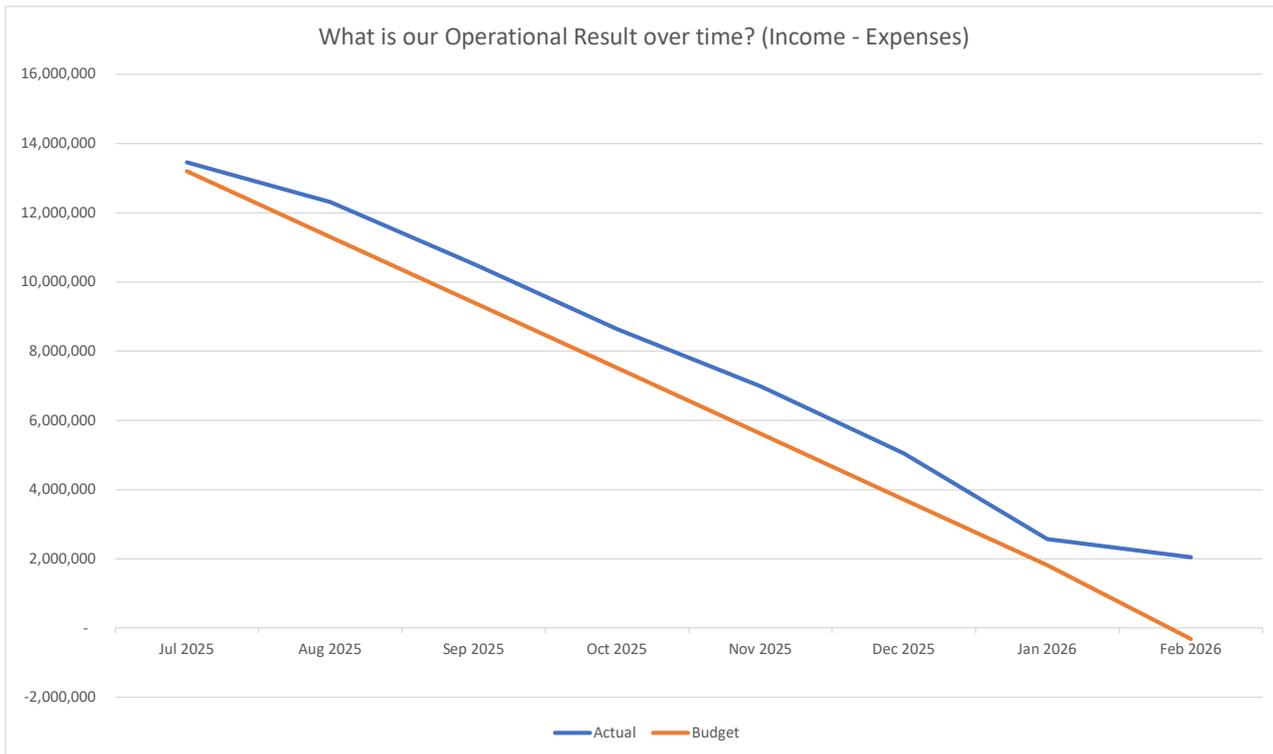
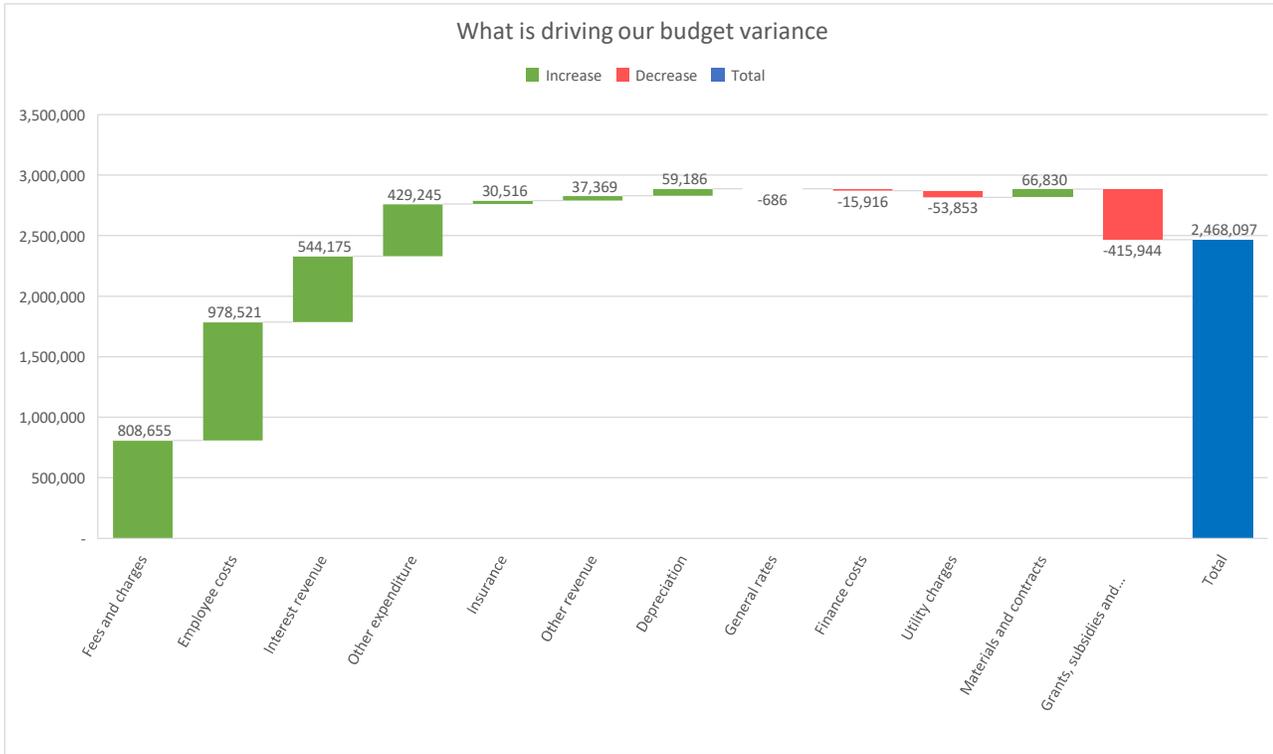
**3 EXPLANATION OF MATERIAL VARIANCES**

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.

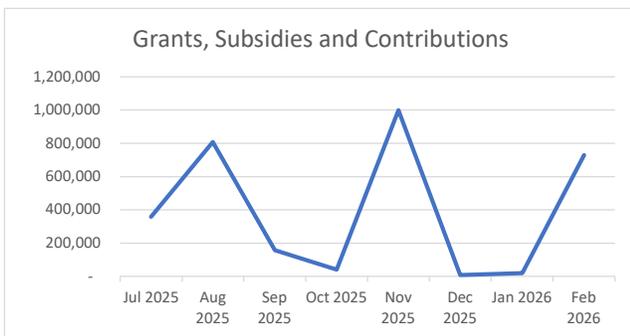
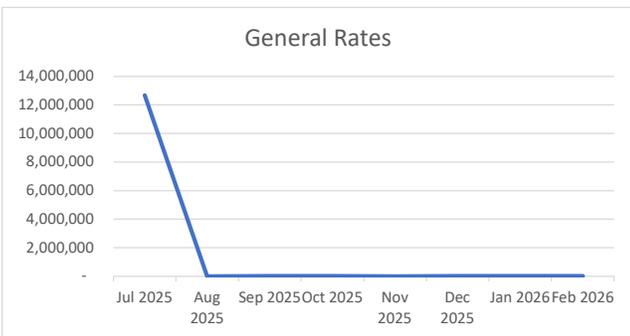
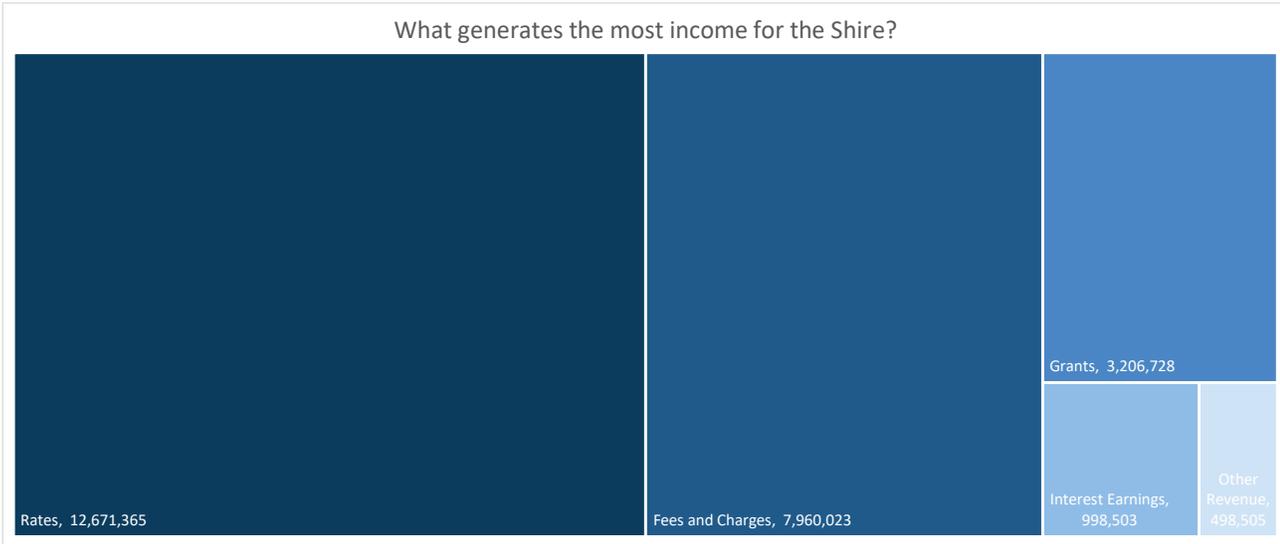
The material variance adopted by Council for the 2025-26 year is \$50,000 and 10.00% whichever is the greater.

Description	Var. \$	Var. %	
	\$	%	
<b>Revenue from operating activities</b>			
<b>Grants, subsidies and contributions</b>	(415,944)	-11.48%	▼
Variance reflects the timing of grant payments received in advance in the prior financial year			
<b>Fees and charges</b>	808,655	11.31%	▲
Variance reflects higher than forecast waste disposal volumes and aircraft movements during the reporting period, together with timing of lease payments			
<b>Interest revenue</b>	544,175	119.78%	▲
Variance reflects higher cash balances following receipt of grant funding in advance of project delivery, with funds held in term deposits until required			
<b>Expenditure from operating activities</b>			
<b>Employee costs</b>	(978,521)	-9.67%	▼
Employee costs are below budget primarily due to current vacancies and timing of the industrial agreement			
<b>Materials and contracts</b>	(66,830)	-1.23%	▼
Variance reflects increased building and facility maintenance undertaken during the wet season period when construction activities are limited, together with additional software licences implemented during the year as part of ongoing system improvements			
<b>Utility costs</b>	53,853	5.30%	▲
Reduced pool operating costs and lower seasonal electricity costs.			
<b>Other expenditure</b>	(429,245)	-31.33%	▼
Variance reflects timing of operational and supplier invoicing during the reporting period			
<b>Investing Activities</b>			
<b>Capital grants, subsidies and contributions</b>	17,633,795	76.70%	▲
Capital grants received in advance.			
<b>Outflows from investing activities</b>			
<b>Payment for property, plant and equipment</b>	(712,490)	-44.25%	▼
Variance reflects capital grant funding received prior to the associated project expenditure			
<b>Payment for construction of infrastructure</b>	(36,904,434)	-59.25%	▼
Variance reflects timing of capital works delivery, with construction scheduled during the dry season. Major projects include: ~ Kununurra Leisure Centre Pool Renewal ~ Runway Extension at East Kimberley Airport ~ RPPP Kununurra Foreshore Project ~ Wyndham Boat Launching Facility			

4 BUDGET DRIVERS AND OVERALL PERFORMANCE



5 SHIRE INCOME MONTHLY TRENDS



General rates revenue is recognised early in the financial year following issue of the annual rates notices



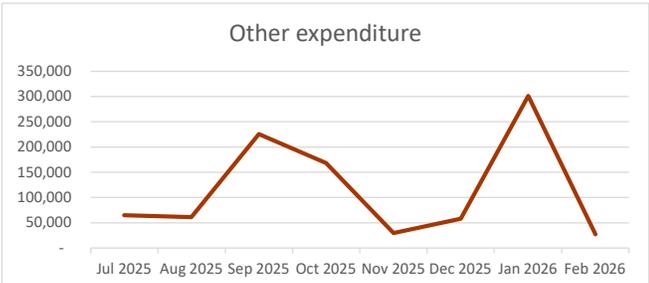
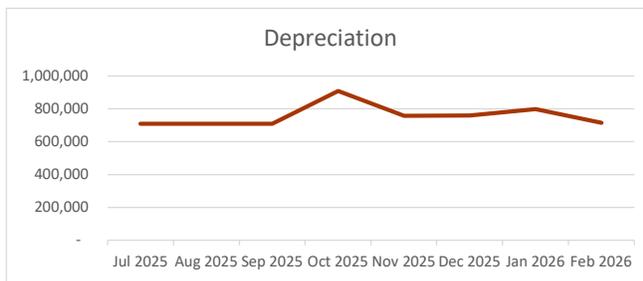
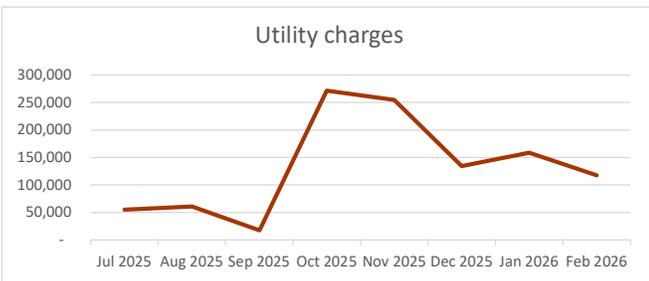
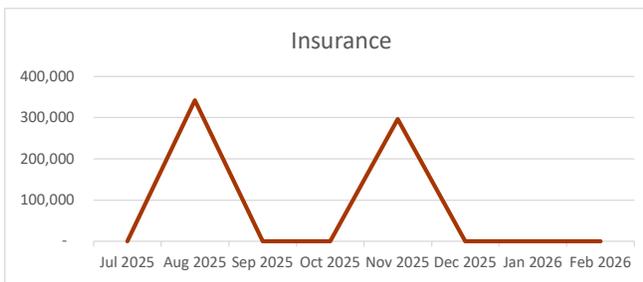
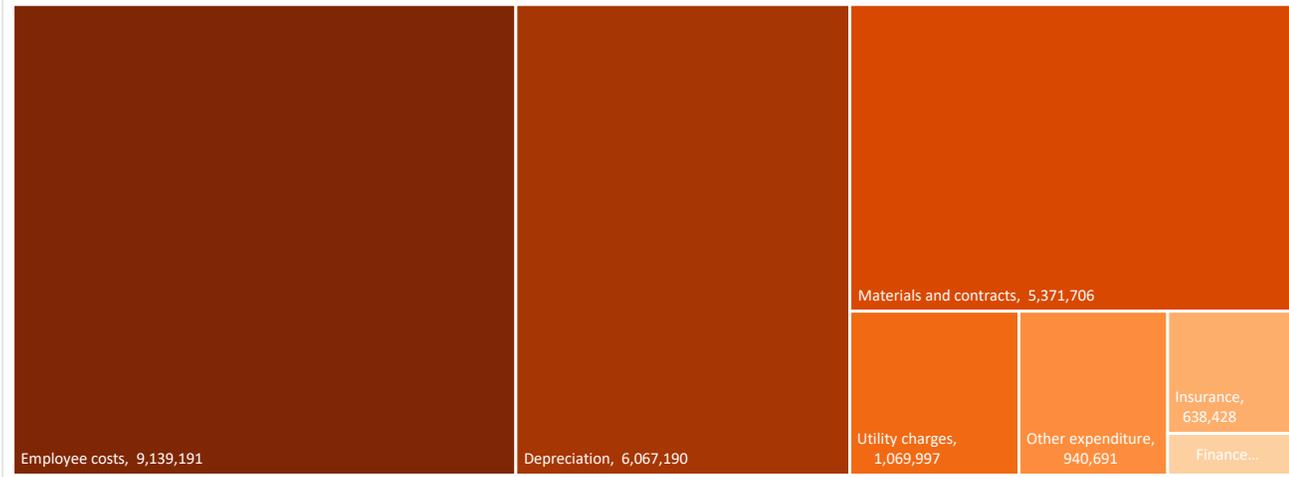
Interest income varies depending on cash balances and timing of income from investments



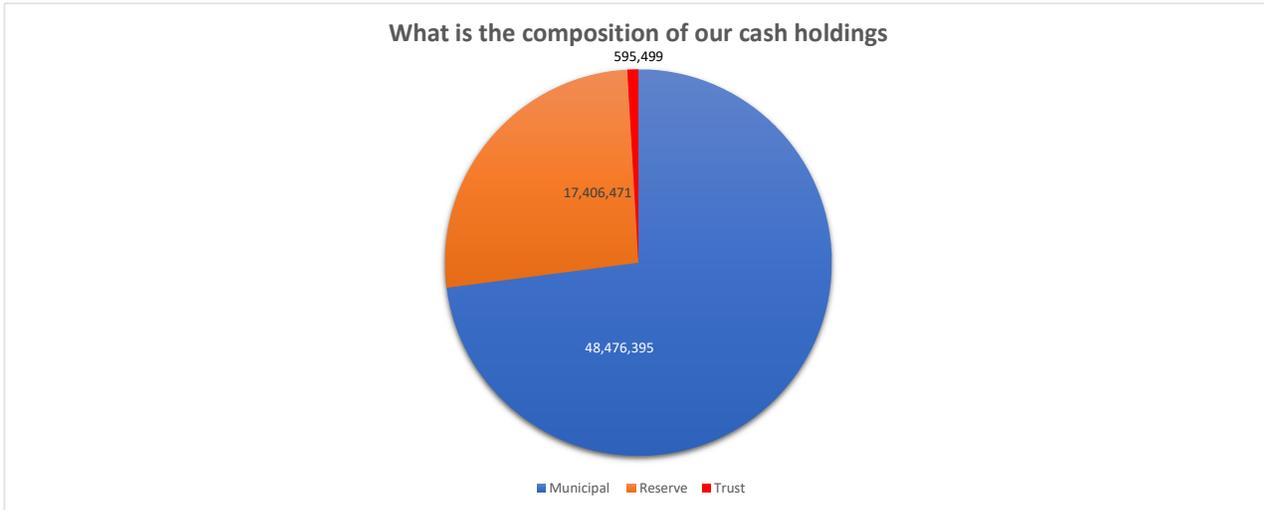
**SHIRE OF WYNDHAM EAST KIMBERLEY  
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2026**

**6 SHIRE OPERATING EXPENSE ANALYSIS**

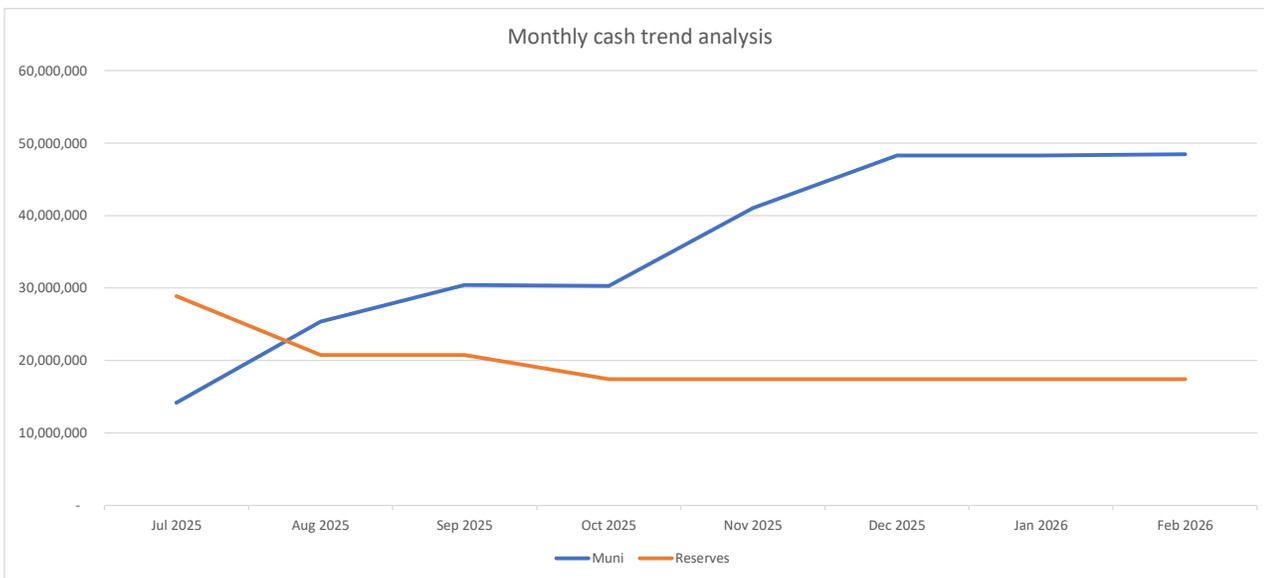
What are the biggest costs to the Shire?



7 CASH HOLDINGS AND CASH TRENDS

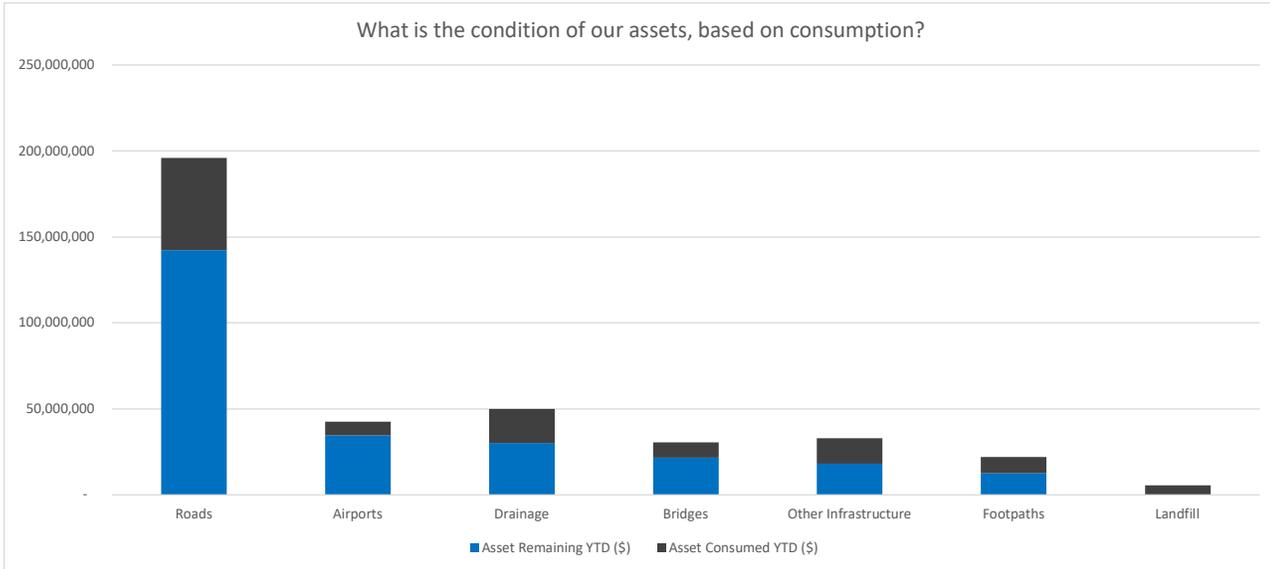


Municipal funds represent unrestricted operating cash, while reserve balances are restricted for specific purposes.



Cash balances increase following receipt of grant funding and reduce as project expenditure occurs.

8 ASSET LIFE AND MANAGEMENT ANALYSIS



**Management Analysis**

The Shire’s operational result has tracked slightly below budget across the reporting period; however, overall performance remains broadly aligned with the annual budget.

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.

The 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.