

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 May 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 MAY 2026**

	Adopted Budget Estimates	YTD Budget Estimates	YTD Actual (c)	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	12,687,479	15,428	0.12%	▲
Grants, subsidies and contributions	5,434,000	4,981,174	4,019,883	(961,291)	-19.30%	▼
Fees and charges	9,732,000	9,086,881	9,747,722	660,841	7.27%	▲
Interest revenue	829,000	661,576	1,407,004	745,428	112.67%	▲
Other revenue	469,200	467,187	628,860	161,673	34.61%	▲
	29,136,251	27,868,869	28,490,948	622,079	2.23%	
Expenditure from operating activities						
Employee costs	(15,176,428)	(13,849,484)	(12,940,704)	908,780	6.56%	▲
Materials and contracts	(8,217,018)	(7,321,578)	(7,401,582)	(80,004)	-1.09%	▼
Utility charges	(1,524,200)	(1,397,198)	(1,305,048)	92,150	6.60%	▲
Depreciation	(9,189,530)	(8,423,767)	(8,404,038)	19,729	0.23%	▲
Finance costs	(301,774)	(276,639)	(299,925)	(23,286)	-8.42%	▼
Insurance	(677,117)	(668,944)	(639,372)	29,572	4.42%	▲
Other expenditure	(2,129,869)	(1,883,662)	(1,332,450)	551,212	29.26%	▲
	(37,215,936)	(33,821,272)	(32,323,118)	1,498,154	-4.43%	
Depreciation excluded from operating activities	2(b) 9,189,530	8,423,767	8,404,038	(19,729)	-0.23%	▼
Amount attributable to operating activities	1,109,845	2,471,364	4,571,867	2,100,503	84.99%	
INVESTING ACTIVITIES						
Inflows from investing activities						
Capital grants, subsidies and contributions	82,059,222	75,220,954	50,494,432	(24,726,521)	-32.87%	▼
Disposal of assets	-	-	414,523	414,523	0.00%	
	82,059,222	75,220,954	50,908,956	(24,311,998)	-32.32%	
Outflows from investing activities						
Payments for property, plant and equipment	(44,642,091)	(40,921,917)	(1,206,966)	39,714,951	97.05%	▲
Payments for construction of infrastructure	(51,201,006)	(46,934,256)	(31,261,855)	15,672,401	33.39%	▲
	(95,843,097)	(87,856,172)	(32,468,821)	55,387,351	63.04%	
Amount attributable to investing activities	(13,783,875)	(12,635,219)	18,440,135	31,075,353	-245.94%	
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	10,082,281	-	(10,082,281)	-100.00%	▼
	12,616,809	11,582,281	-	(11,582,281)	-100.00%	
Outflows from financing activities						
Repayment of borrowings	(772,530)	(708,153)	(566,187)	141,967	-20.05%	▼
Transfers to reserve accounts	(547,002)	(393,305)	-	393,305	-100.00%	▼
	(1,319,532)	(1,101,458)	(566,187)	535,272	-48.60%	
Amount attributable to financing activities	11,297,277	10,480,823	(566,187)	(11,047,009)	-105.40%	
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	2,471,364	4,571,867	2,100,503	84.99%	
Amount attributable to investing activities	(13,783,875)	(12,635,219)	18,440,135	31,075,353	-245.94%	
Amount attributable to financing activities	11,297,276	10,480,823	(566,187)	(11,047,009)	-105.40%	
Surplus/(deficit) remaining after the imposition of general rates	-	1,693,722	23,822,569	22,128,847	1306.52%	

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.

**SHIRE OF WYNDHAM EAST KIMBERLEY
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 MAY 2026**

	Actual 30 June 2025	Actual 31 May 2026
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	43,287,551	61,184,703
Trade and other receivables	10,305,738	10,944,093
Other financial assets	10,381	2,381
Inventories	15,252	15,251
TOTAL CURRENT ASSETS	53,618,922	72,146,429
NON-CURRENT ASSETS		
Trade and other receivables	45,485	43,520
Other Financial Assets	11,565	12,145
Inventories	46,283	46,283
Property, plant and equipment	56,036,640	54,313,241
Infrastructure	279,297,055	272,617,186
TOTAL NON-CURRENT ASSETS	335,437,028	327,032,376
TOTAL ASSETS	389,055,950	399,178,804
CURRENT LIABILITIES		
Trade and other payables	5,225,291	1,335,698
Other liabilities	21,852,303	21,852,303
Borrowings	772,531	972,531
Employee related provisions	1,582,829	1,555,521
TOTAL CURRENT LIABILITIES	29,432,954	25,716,052
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	38,085,058
NET ASSETS	347,053,990	361,093,746
EQUITY		
Retained surplus	135,266,143	149,306,640
Reserve accounts	17,389,290	17,387,268
Revaluation Surplus	194,398,557	194,399,839
TOTAL EQUITY	347,053,990	361,093,746

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 MAY 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 May 2026

SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MAY 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 31 May 2026
	\$	\$	\$
	7,219,269	43,287,551	61,184,703
	2,036,138	10,305,738	10,944,093
	18,837,612	10,381	2,381
	15,649	15,252	15,251
	-	-	-
	28,108,668	53,618,922	72,146,429
	(2,036,180)	(5,225,291)	(1,335,698)
	(13,431,426)	(21,852,303)	(21,852,303)
	(1,517,684)	(772,531)	(972,531)
	(1,859,059)	(1,582,829)	(1,555,521)
	(144,494)	-	-
	(18,988,843)	(29,432,954)	(25,716,052)
	9,119,825	24,185,968	46,430,377
2(c)	(9,119,825)	(16,627,140)	(16,417,118)
	-	7,558,828	30,013,258

(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
\$	\$	\$
-	-	-
-	-	-
9,189,530	8,423,767	8,404,038
-	-	-
9,189,530	8,423,767	8,404,038

(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 31 May 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)	(16,627,140)
		(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 MAY 2026

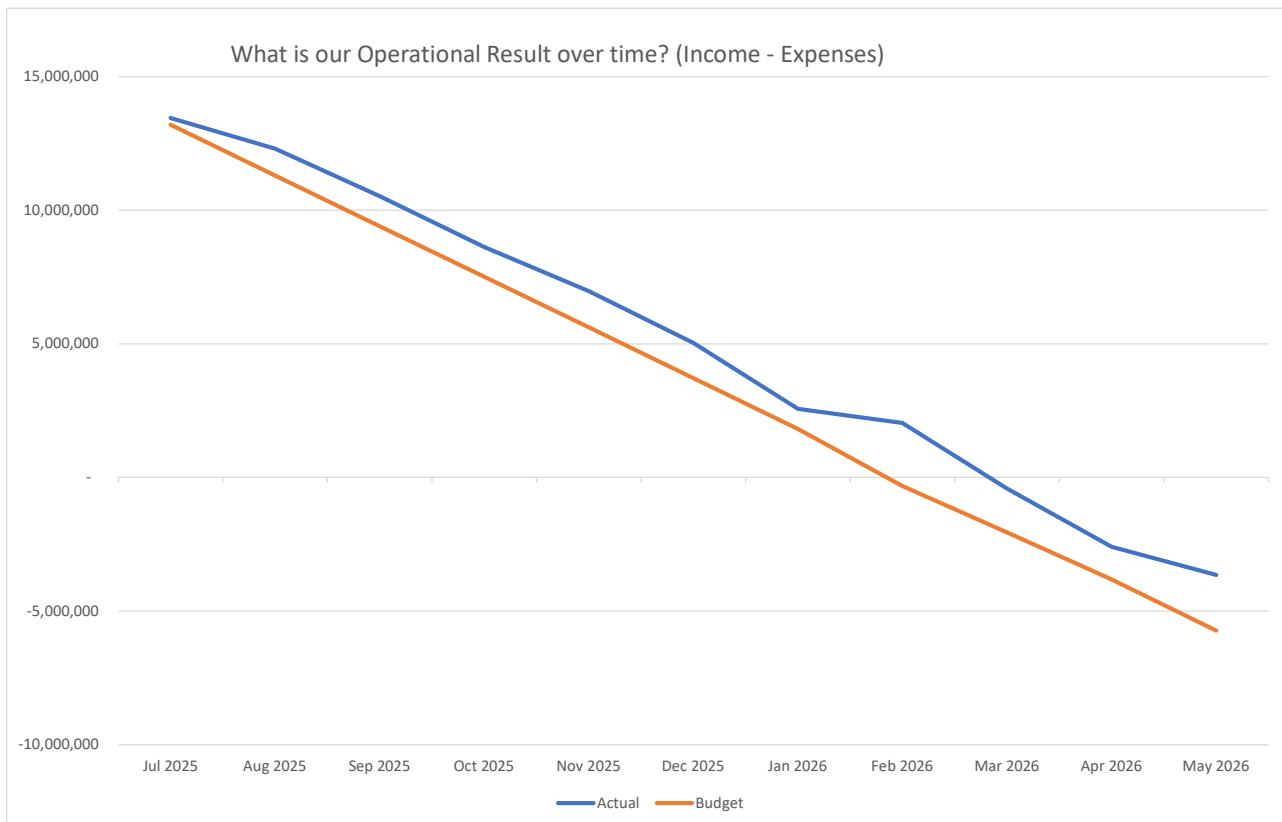
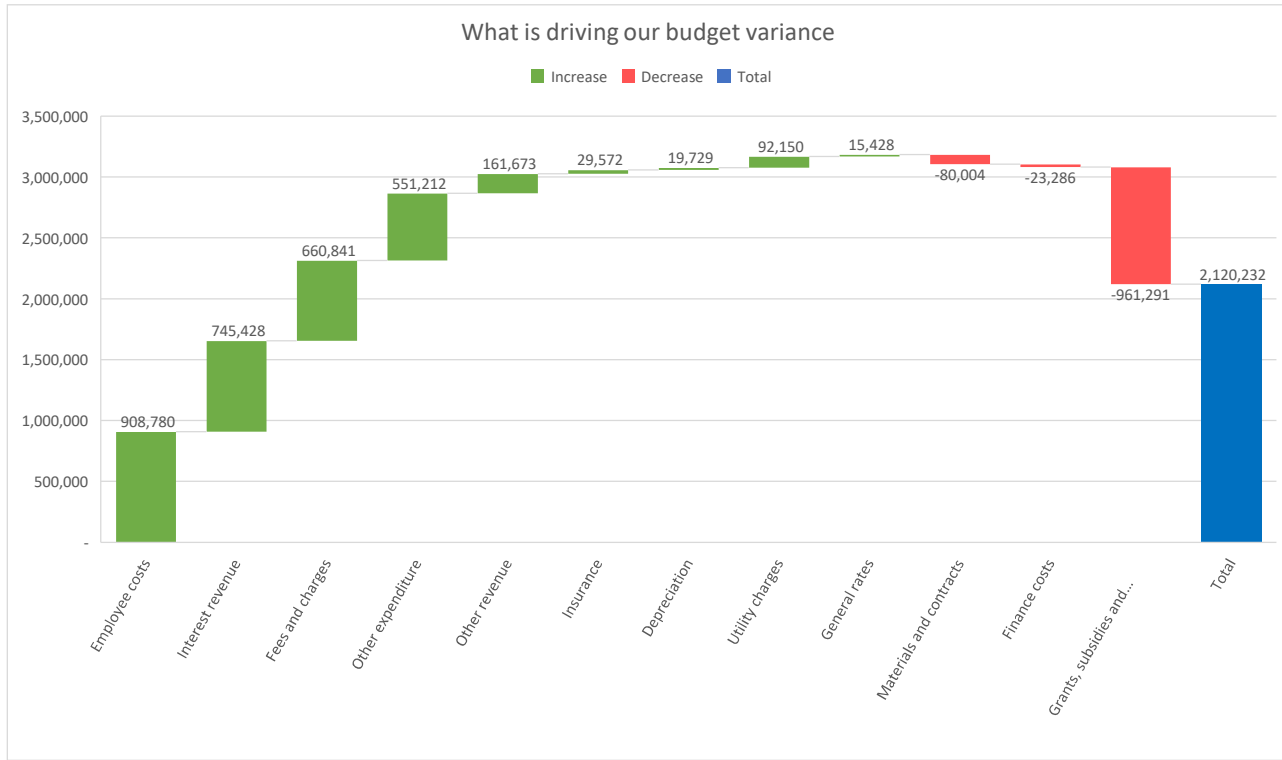
3 EXPLANATION OF MATERIAL VARIANCES

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.

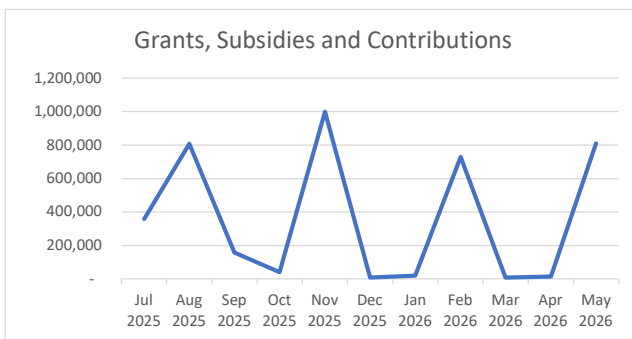
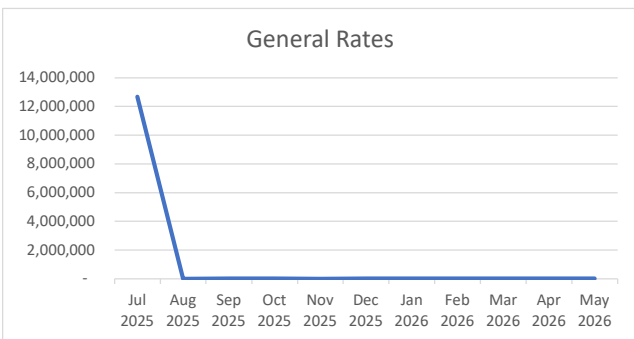
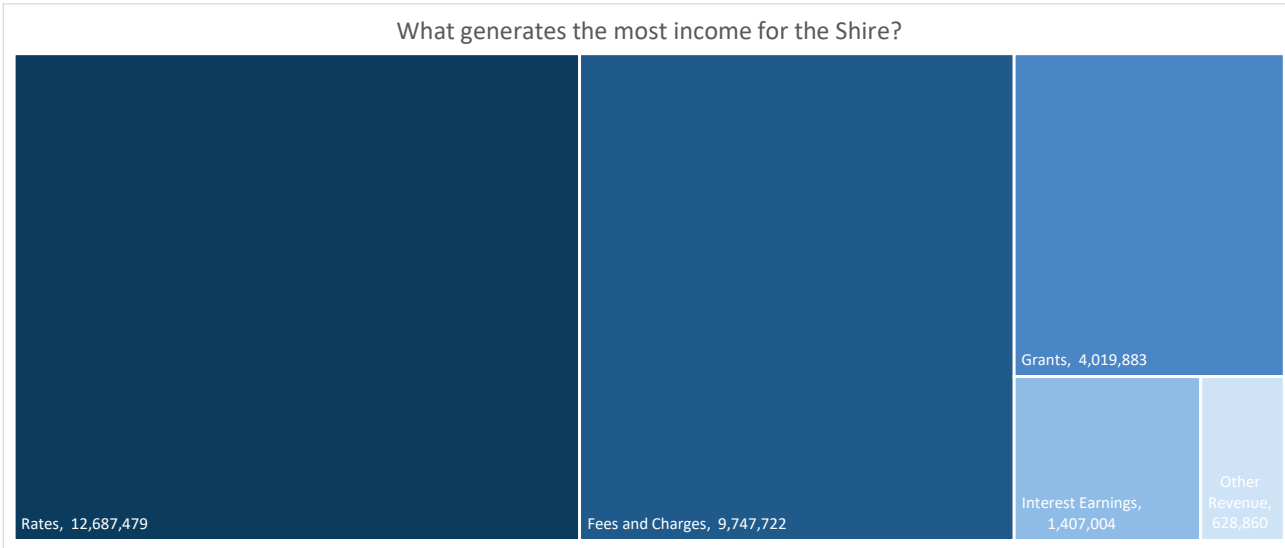
The material variance adopted by Council for the 2025-26 year is \$50,000 and 10.00% whichever is the greater.

Description	Var. \$	Var. %	
	\$	%	
Revenue from operating activities			
Grants, subsidies and contributions	(961,291)	-19.30%	▼
Variance reflects the timing of grant payments received in advance in the prior financial year.			
Fees and charges	660,841	7.27%	▲
Variance reflects higher than forecast membership fees, development application fees and aircraft movements during the reporting period.			
Interest revenue	745,428	112.67%	▲
Variance reflects higher cash balances following receipt of grant funding in advance of project delivery, with funds held in term deposits until required.			
Other revenue	161,673	34.61%	▲
Variance reflects higher than anticipated plant trade values and airport private works income received.			
Expenditure from operating activities			
Employee costs	908,780	6.56%	▲
Employee costs are below budget primarily due to current vacancies and timing of the industrial agreement.			
Materials and contracts	(80,004)	-1.09%	▼
Variance reflects decreased building and facility maintenance undertaken due to the wet season impacts on supply.			
Utility charges	92,150	6.60%	▲
Reduced pool operating costs and lower seasonal electricity costs.			
Other expenditure	551,212	29.26%	▲
Variance reflects timing of community grants and tourism marketing in the reporting period.			
Investing Activities			
Capital grants, subsidies and contributions	(24,726,521)	-32.87%	▼
Lower than anticipated capital grants received in advance.			
Disposal of assets	414,523	0.00%	
Unbudgeted disposal of Boobialla property Funding structure approved by Council.			
Outflows from investing activities			
Payments for property, plant and equipment	39,714,951	97.05%	▲
Variance reflects capital grant funding received prior to the associated project expenditure.			
Payments for construction of infrastructure	15,672,401	33.39%	▲
Variance reflects timing of capital works delivery, with construction scheduled during the dry season. Major projects include: - Kununurra Leisure Centre Pool Renewal - RPPP Kununurra Foreshore Project - Wyndham Boat Launching Facility - Water Lily Place Affordable Housing			

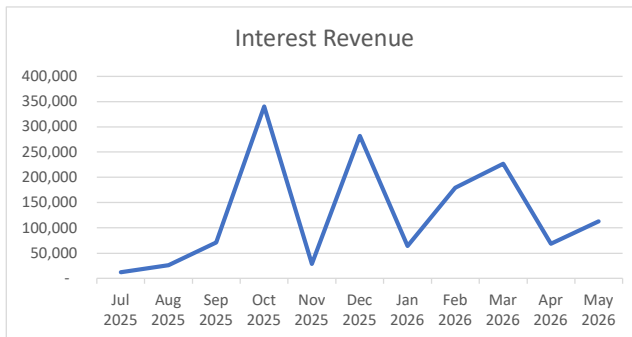
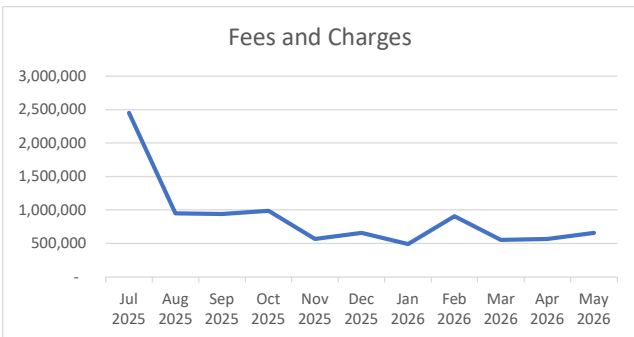
4 BUDGET DRIVERS AND OVERALL PERFORMANCE



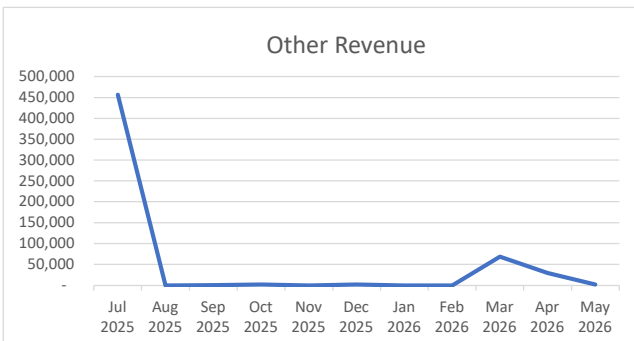
5 SHIRE INCOME MONTHLY TRENDS



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



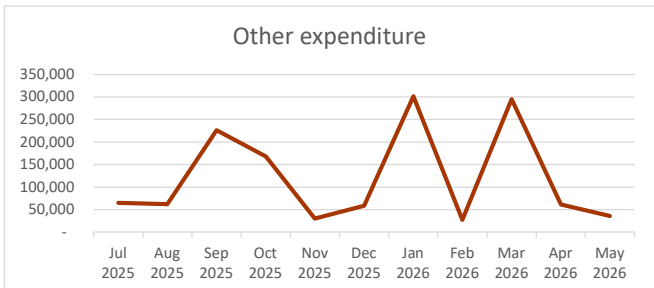
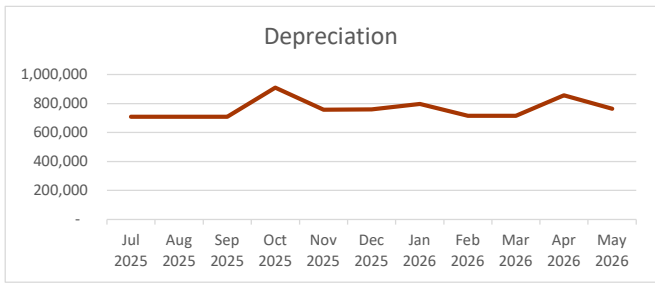
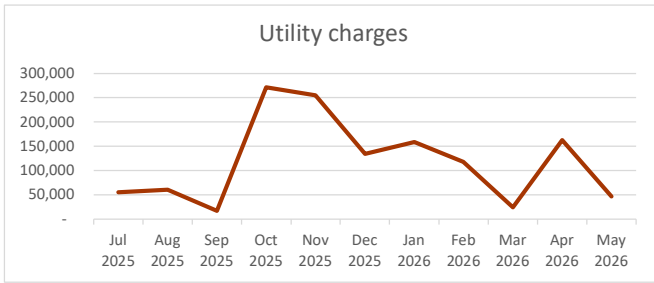
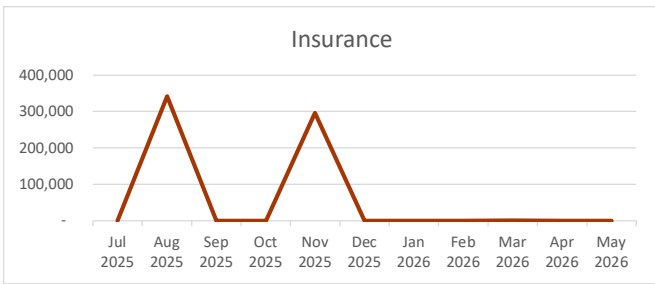
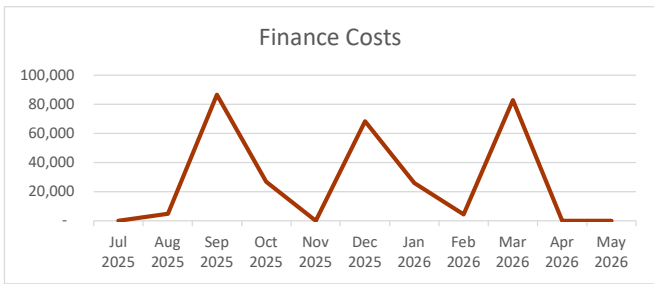
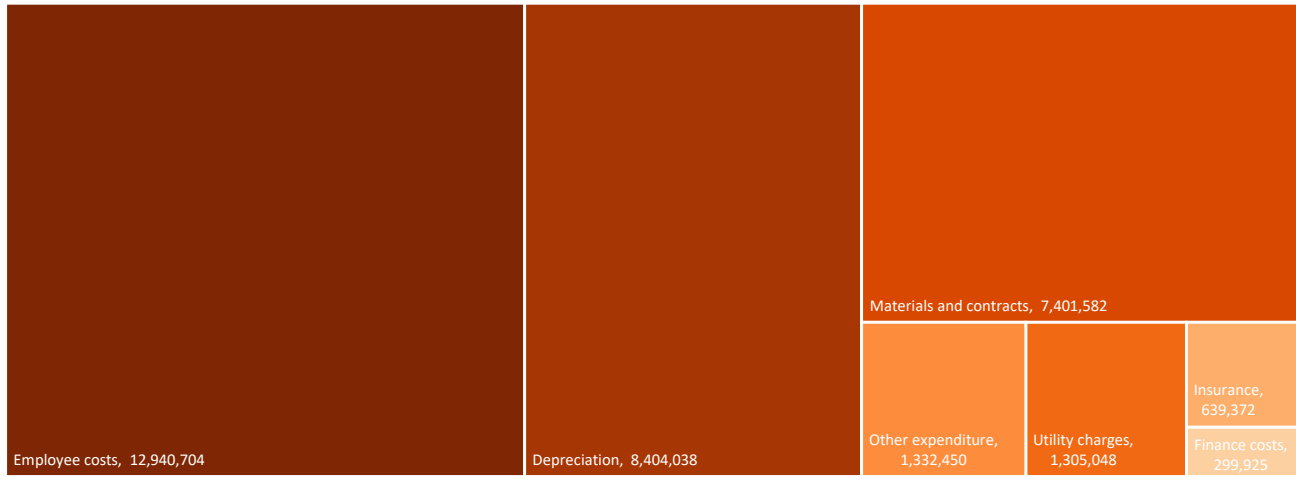
Interest income varies depending on cash balances and timing of income from investments



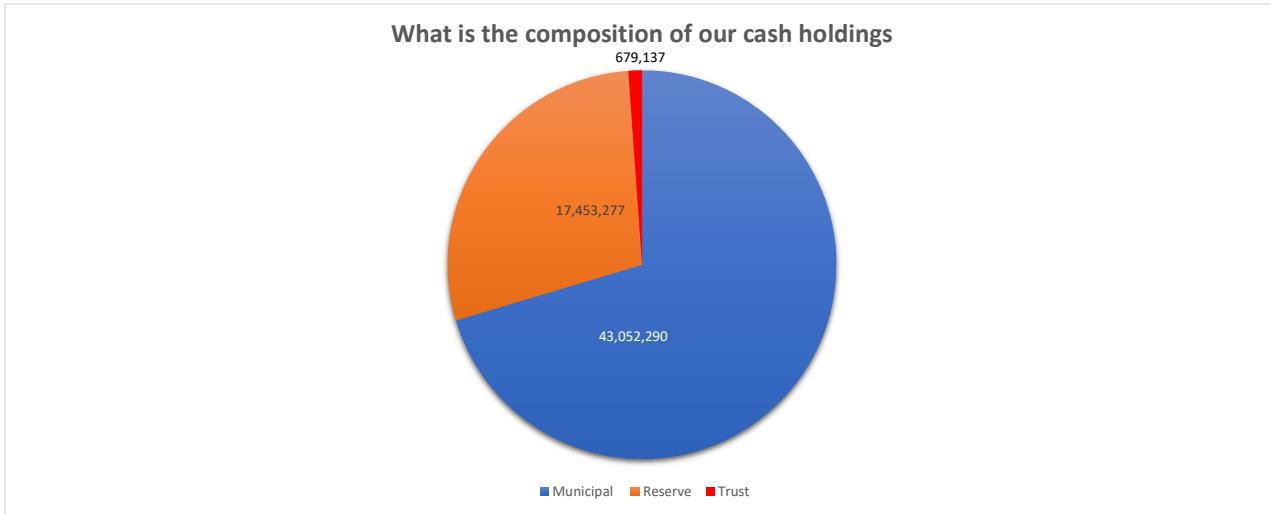
**SHIRE OF WYNDHAM EAST KIMBERLEY
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 MAY 2026**

6 SHIRE OPERATING EXPENSE ANALYSIS

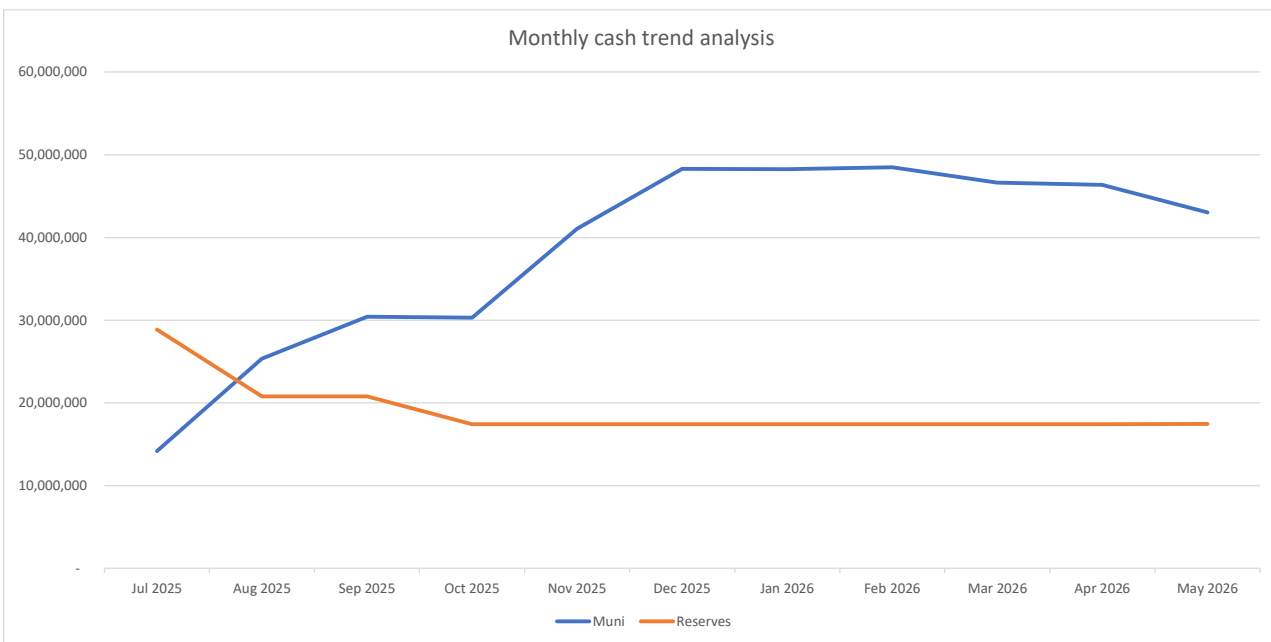
What are the biggest costs to the Shire?



7 CASH HOLDINGS AND CASH TRENDS

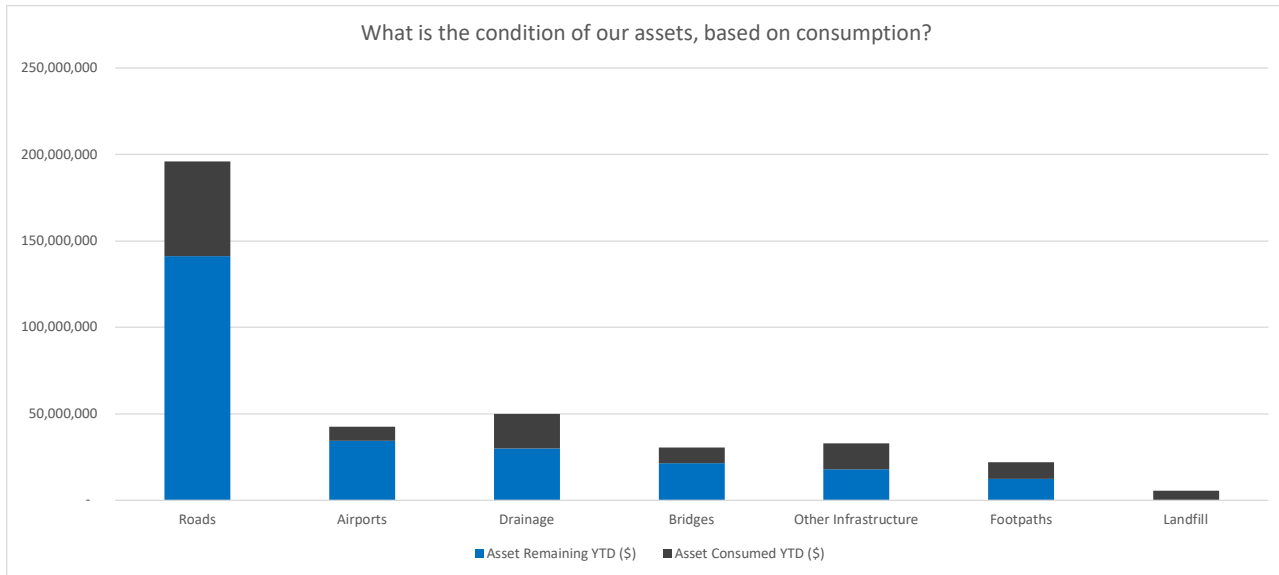


Municipal funds represent unrestricted operating cash, while reserve balances are restricted for specific purposes.



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

8 ASSET LIFE AND MANAGEMENT ANALYSIS



Management Analysis

As at 31 May 2026, the Shire's operational result continues to perform ahead of budget, despite the anticipated decline in the operating position as the financial year progresses. The Actual result has remained consistently above Budget throughout the reporting period, reflecting stronger-than-anticipated operating performance and prudent expenditure management.

While cash holdings have reduced compared with earlier in the financial year due to capital works expenditure and operational cash requirements, liquidity remains at a healthy level and is sufficient to support ongoing service delivery, capital commitments and future obligations.

Overall Position:

The Shire remains in a strong and stable financial position as at 31 May 2026. Operating results continue to outperform budget expectations, supported by favourable revenue trends, employee cost savings and disciplined expenditure management.

Despite continued variability in the timing of grant funding receipts, the year-to-date operating position remains favourable and the Shire maintains a solid cash position. Current trends indicate the Shire is well placed to achieve a financial outcome consistent with, or better than, the adopted budget at year end.