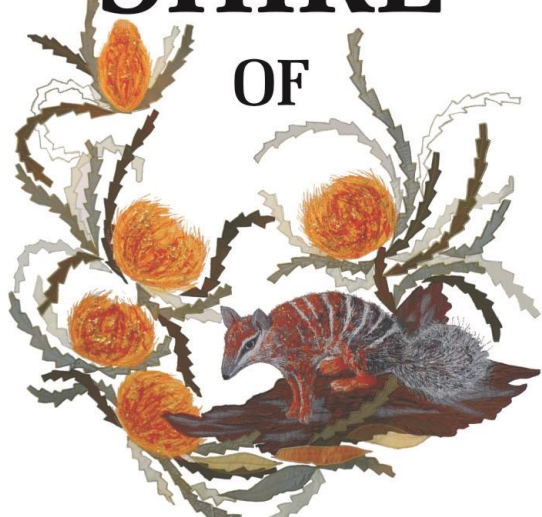


SHIRE
OF

CUBALLING

Annual Budget

For Year Ended 30 June 2026

SHIRE OF CUBALLING
ANNUAL BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

LOCAL GOVERNMENT ACT 1995

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

A progressive, diverse and caring community, with access to modern services and infrastructure, in a unique part of the world.

SHIRE OF CUBALLING
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2025/26 Budget	2024/25 Actual	2024/25 Budget
Revenue		\$	\$	\$
Rates	2(a)	1,840,179	1,684,613	1,686,395
Grants, subsidies and contributions		1,671,139	1,225,324	1,085,176
Fees and charges	13	396,374	483,488	460,273
Interest revenue	9(a)	90,700	86,707	65,067
Other revenue		69,770	96,501	61,270
		4,068,162	3,576,633	3,358,181
Expenses				
Employee costs		(1,304,853)	(1,164,672)	(1,307,364)
Materials and contracts		(1,350,489)	(1,435,663)	(1,360,402)
Utility charges		(174,753)	(153,231)	(165,903)
Depreciation	6	(2,808,152)	(2,727,043)	(2,567,301)
Finance costs	9(b)	(45,978)	(45,531)	(53,284)
Insurance		(238,568)	(232,784)	(227,382)
Other expenditure		(59,466)	(89,148)	(93,080)
		(5,982,259)	(5,848,072)	(5,774,716)
		(1,914,097)	(2,271,439)	(2,416,535)
Capital grants, subsidies and contributions		3,344,919	2,374,011	2,760,046
Profit on asset disposals	5	8,000	9,377	10,818
Loss on asset disposals	5	(9,000)	(4,238)	(900)
Fair value adjustments to financial assets at fair value through profit or loss		0	(1,776)	0
		3,343,919	2,377,374	2,769,964
Net result for the period		1,429,822	105,935	353,429
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		1,429,822	105,935	353,429

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

SHIRE OF CUBALLING
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2026

		2025/26	2024/25	2024/25
	Note	Budget	Actual	Budget
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
		\$	\$	\$
Rates		1,834,179	1,717,043	1,686,395
Grants, subsidies and contributions		1,678,639	1,335,485	1,085,176
Fees and charges		396,374	483,488	460,273
Interest revenue		90,700	86,707	65,067
Goods and services tax received		633,389	533,077	168,086
Other revenue		69,770	96,501	61,270
		4,703,051	4,252,301	3,526,267
Payments				
Employee costs		(1,274,853)	(1,255,721)	(1,307,364)
Materials and contracts		(1,189,070)	(1,575,361)	(1,355,452)
Utility charges		(174,753)	(153,231)	(165,903)
Finance costs		(45,978)	(56,505)	(53,284)
Insurance paid		(238,568)	(232,784)	(232,332)
Goods and services tax paid		(633,389)	(483,395)	(168,086)
Other expenditure		(59,466)	(89,148)	(93,080)
		(3,616,077)	(3,846,145)	(3,375,501)
Net cash provided by operating activities	4	1,086,974	406,156	150,766
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5(a)	(811,200)	(423,573)	(745,309)
Payments for construction of infrastructure	5(b)	(3,874,171)	(2,652,782)	(3,070,914)
Capital grants, subsidies and contributions		3,337,545	2,340,870	2,582,486
Proceeds from sale of property, plant and equipment	5(a)	96,000	62,212	66,318
Net cash (used in) investing activities		(1,251,826)	(673,273)	(1,167,419)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7(a)	(198,381)	(169,663)	(193,083)
Proceeds from new borrowings	7(a)	250,000	0	250,000
Net cash provided by (used in) financing activities		51,619	(169,663)	56,917
Net (decrease) in cash held		(113,233)	(436,780)	(959,736)
Cash at beginning of year		1,218,987	1,655,767	1,552,524
Cash and cash equivalents at the end of the year	4	1,105,754	1,218,987	592,788

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

SHIRE OF CUBALLING
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2026

OPERATING ACTIVITIES

Revenue from operating activities

	Note	2025/26 Budget	2024/25 Actual	2024/25 Budget
		\$	\$	\$
General rates	2(a)(i)	1,839,478	1,683,951	1,685,733
Rates excluding general rates	2(a)	701	662	662
Grants, subsidies and contributions		1,671,139	1,225,324	1,085,176
Fees and charges	13	396,374	483,488	460,273
Interest revenue	9(a)	90,700	86,707	65,067
Other revenue		69,770	96,501	61,270
Profit on asset disposals	5	8,000	9,377	10,818
		4,076,162	3,586,010	3,368,999

Expenditure from operating activities

Employee costs		(1,304,853)	(1,164,672)	(1,307,364)
Materials and contracts		(1,350,489)	(1,435,663)	(1,360,402)
Utility charges		(174,753)	(153,231)	(165,903)
Depreciation	6	(2,808,152)	(2,727,043)	(2,567,301)
Finance costs	9(b)	(45,978)	(45,531)	(53,284)
Insurance		(238,568)	(232,784)	(227,382)
Other expenditure		(59,466)	(89,148)	(93,080)
Loss on asset disposals	5	(9,000)	(4,238)	(900)
Fair value adjustments to financial assets at fair value through profit or loss		0	(1,776)	0
		(5,991,259)	(5,854,086)	(5,775,616)
Non cash amounts excluded from operating activities	3(c)	2,767,400	2,735,166	2,557,383
Amount attributable to operating activities		852,303	467,090	150,766

INVESTING ACTIVITIES

Inflows from investing activities

Capital grants, subsidies and contributions		3,344,919	2,374,011	2,760,046
Proceeds from disposal of property, plant and equipment	5(a)	96,000	62,212	66,318
		3,440,919	2,436,223	2,826,364

Outflows from investing activities

Payments for property, plant and equipment	5(a)	(811,200)	(423,573)	(745,309)
Payments for construction of infrastructure	5(b)	(3,874,171)	(2,652,782)	(3,070,914)
		(4,685,371)	(3,076,355)	(3,816,223)
Amount attributable to investing activities		(1,244,452)	(640,132)	(989,859)

FINANCING ACTIVITIES

Inflows from financing activities

Proceeds from new borrowings	7(a)	250,000	0	250,000
Transfers from reserve accounts	8(a)	50,000	9,000	9,000
		300,000	9,000	259,000

Outflows from financing activities

Repayment of borrowings	7(a)	(198,381)	(169,663)	(193,083)
Transfers to reserve accounts	8(a)	(237,499)	(37,150)	(106,099)
		(435,880)	(206,813)	(299,182)
Amount attributable to financing activities		(135,880)	(197,813)	(40,182)

MOVEMENT IN SURPLUS OR DEFICIT

Surplus at the start of the financial year

	3	528,029	898,884	894,518
Amount attributable to operating activities		852,303	467,090	150,766
Amount attributable to investing activities		(1,244,452)	(640,132)	(989,859)
Amount attributable to financing activities		(135,880)	(197,813)	(40,182)
Surplus/(deficit) remaining after the imposition of general rates	3	0	528,029	15,243

**SHIRE OF CUBALLING
FOR THE YEAR ENDED 30 JUNE 2026
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SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

1 BASIS OF PREPARATION

The annual budget of the Shire of Cuballing 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 10 to the annual budget.

2024/25 actual balances

Balances shown in this budget as 2024/25 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 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*
- *AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback*
- *AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*
- *AASB 2023-1 Amendments to Australian Accounting Standards - Supplier Finance Arrangements*
- *AASB 2023-3 Amendments to Australian Accounting Standards - Disclosure of Non-current Liabilities with Covenants: Tier 2*
- *AASB 2024-1 Amendments to Australian Accounting Standards - Supplier Finance Arrangements: Tier 2 Disclosures*

It is not expected these standards will have an impact on the annual budget.

- *AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*, became mandatory during the budget year. Amendments to *AASB 13 Fair Value Measurement* impacts the future determination of fair value when revaluing assets using the cost approach. Timing of future revaluations is defined by regulation 17A of *Local Government (Financial Management) Regulations 1996*. Impacts of this pronouncement are yet to be quantified and are dependent on the timing of future revaluations of asset classes. No material impact is expected in relation to the 2025-26 statutory budget.

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]*
- *AASB 2022-9 Amendments to Australian Accounting Standards - Insurance Contracts in the Public Sector*
- *AASB 2023-5 Amendments to Australian Accounting Standards - Lack of Exchangeability*
- *AASB 18 (FP) Presentation and Disclosure in Financial Statements - (Appendix D) [for for-profit entities]*
- *AASB 18 (NFP/super) Presentation and Disclosure in Financial Statements - (Appendix D) [for not-for-profit and superannuation entities]*
- *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*

It is not expected these standards will have an impact on the 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.

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

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
- Assets held for sale
- Impairment losses of non-financial assets
- Investment property
- Estimated useful life of intangible assets
- Measurement of employee benefits
- Measurement of provisions

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in dollar	Number of properties	Rateable value*	2025/26 Budgeted rate revenue	2025/26 Budgeted interim rates	2025/26 Budgeted total revenue	2024/25 Actual total revenue	2024/25 Budget total revenue
				\$	\$	\$	\$	\$	\$
(i) General rates									
Townsite	Gross rental valuation	0.098015	204	3,563,092	349,237	1,000	350,237	335,978	349,789
Rural	Unimproved valuation	0.004250	186	290,125,000	1,233,031	4,000	1,237,031	1,161,629	1,179,654
Total general rates			390	293,688,092	1,582,268	5,000	1,587,268	1,497,607	1,529,443
		Minimum							
		\$							
(ii) Minimum payment									
Townsite	Gross rental valuation	1,030.00	127	540,730	130,810	0	130,810	125,388	125,388
Rural	Unimproved valuation	1,390.00	160	29,255,075	222,400	0	222,400	199,424	196,800
Total minimum payments			287	29,795,805	353,210	0	353,210	324,812	322,188
Total general rates and minimum payments			677	323,483,897	1,935,478	5,000	1,940,478	1,822,419	1,851,631
(iii) Ex-gratia rates									
CBH Group		1.00000	1	715	701	0	701	662	662
					1,936,179	5,000	1,941,179	1,823,081	1,852,293
Discounts (Refer note 2(d))							(70,000)	(100,489)	(109,898)
Concessions (Refer note 2(e))							(31,000)	(37,979)	(56,000)
Total rates					1,936,179	5,000	1,840,179	1,684,613	1,686,395
Instalment plan charges							2,000	2,160	2,000
Instalment plan interest							4,200	4,169	1,500
Late payment of rate or service charge interest							14,000	13,633	8,129
							20,200	19,962	11,629

The Shire did not raise specified area rates for the year ended 30th June 2026.

*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 2025/26 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.

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

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.

Option 1 (Full Payment)

Single full payment 03/10/2025

Option 2 (Four Instalments)

First instalment 03/10/2025

Second instalment 05/12/2025

Third instalment 06/02/2026

Fourth instalment 10/04/2026

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Option one				
Single full payment	03/10/2025	N/A	N/A	11.00%
Option three				
First instalment	03/10/2025	N/A	N/A	11.00%
Second instalment	05/11/2025	10	5.50%	11.00%
Third instalment	06/02/2026	10	5.50%	11.00%
Fourth instalment	10/04/2026	10	5.50%	11.00%

**SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2026**

2. RATES AND SERVICE CHARGES (CONTINUED)

(c) Service Charges

The Shire did not raise service charges for the year ended 30th June 2026.

(d) Early payment discounts

Rate, fee or charge to which discount is granted	Type	Discount %	Discount (\$)	2025/26 Budget	2024/25 Actual	2024/25 Budget	Circumstances in which discount is granted
Discount applied to all rate classes	Rate	5.0%	Various	\$ 70,000	\$ 100,489	\$ 109,898	A discount of 5% of the current rates levied will be offered to ratepayers whose payment of the full amount owing including arrears, is received on or before 21 days after the date of service appearing on the rates notice.
				70,000	100,489	109,898	

(e) Waivers or concessions

Rate, fee or charge to which the waiver or concession is granted	Type	Waiver/Concession	Discount %	Discount (\$)	2025/26 Budget	2024/25 Actual	2024/25 Budget	Circumstances in which the waiver or concession is granted	Objects and reasons of the waiver or concession
Rates write offs	Rate	Concession	N/A	Various	\$ 30,000	\$ 37,979	\$ 55,000	Rates written off after all other attempts to recover the outstanding funds have been exhausted.	To accurately reflect the amount of outstanding rates recoverable.
Financial Hardship Subsidy	Rate	Concession	N/A	Various	1,000	0	1,000	Ratepayers that can demonstrate financial hardship.	Provide support to ratepayers in the community experiencing financial difficulties.
					31,000	37,979	56,000		

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

3. NET CURRENT ASSETS

(a) Composition of estimated net current assets

Current assets

Cash and cash equivalents	4	1,105,754	1,218,987	592,788
Receivables		149,928	151,428	249,435
Inventories		15,000	11,419	16,343
Other assets		30,284	30,284	5,700

Less: current liabilities

Trade and other payables		(331,374)	(136,374)	(74,011)
Capital grant/contribution liability		(116,006)	(123,380)	0
Long term borrowings	7	(229,369)	(198,381)	(248,032)
Employee provisions		(194,925)	(194,925)	(256,648)

Net current assets

Less: Total adjustments to net current assets

Net current assets used in the Statement of Financial Activity

Note	2025/26 Budget 30 June 2026	2024/25 Actual 30 June 2025	2024/25 Budget 30 June 2025
	\$	\$	\$
	1,300,966	1,412,118	864,266
	(331,374)	(136,374)	(74,011)
	(116,006)	(123,380)	0
7	(229,369)	(198,381)	(248,032)
	(194,925)	(194,925)	(256,648)
	(871,674)	(653,060)	(578,691)
	429,292	759,058	285,575
3(b)	(429,292)	(231,029)	(270,332)
	0	528,029	15,243

(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.

Adjustments to net current assets

Less: Cash - reserve accounts	8	(893,562)	(706,063)	(775,012)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings		229,369	198,381	248,032
- Current portion of employee benefit provisions held in reserve		234,901	276,653	256,648

Total adjustments to net current assets

(429,292) (231,029) (270,332)

EXPLANATION OF DIFFERENCE IN NET CURRENT ASSETS AND 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) Non-cash amounts excluded from operating activities

The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with *Financial Management Regulation 32*.

Adjustments to operating activities

Less: Profit on asset disposals	5	(8,000)	(9,377)	(10,818)
Less: Fair value adjustments to financial assets at fair value through profit and loss		0	1,776	0
Add: Loss on asset disposals	5	9,000	4,238	900
Add: Depreciation	6	2,808,152	2,727,043	2,567,301
Movement in current employee provisions associated with restricted cash		(41,752)	6,631	0
Non-cash movements in non-current assets and liabilities:				
- Pensioner deferred rates		0	(6,400)	0
- Employee provisions		0	11,255	0

Non cash amounts excluded from operating activities

Note	2025/26 Budget 30 June 2026	2024/25 Actual 30 June 2025	2024/25 Budget 30 June 2025
	\$	\$	\$
	(8,000)	(9,377)	(10,818)
	0	1,776	0
	9,000	4,238	900
	2,808,152	2,727,043	2,567,301
	(41,752)	6,631	0
	0	(6,400)	0
	0	11,255	0
	2,767,400	2,735,166	2,557,383

3. NET CURRENT ASSETS

(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 unconditional 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.

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.

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.

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.

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

4. 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	2025/26 Budget	2024/25 Actual	2024/25 Budget
		\$	\$	\$
Cash at bank and on hand		399,693	512,926	(85,123)
Term deposits		706,061	706,061	677,911
Total cash and cash equivalents		1,105,754	1,218,987	592,788
Held as				
- Unrestricted cash and cash equivalents		96,186	389,544	(182,224)
- Restricted cash and cash equivalents		1,009,568	829,443	775,012
	3(a)	1,105,754	1,218,987	592,788
Restrictions				
The following classes of 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		1,009,568	829,443	775,012
		1,009,568	829,443	775,012
The assets are restricted as a result of the specified purposes associated with the liabilities below:				
Reserve accounts	8	893,562	706,063	775,012
Unspent capital grants, subsidies and contribution liabilities		116,006	123,380	0
		1,009,568	829,443	775,012
Reconciliation of net cash provided by operating activities to net result				
Net result		1,429,822	105,935	353,429
Depreciation	6	2,808,152	2,727,043	2,567,301
(Profit)/loss on sale of asset	5	1,000	(5,139)	(9,918)
Adjustments to fair value of financial assets at fair value through profit and loss		0	1,776	0
(Increase)/decrease in receivables		1,500	167,458	0
(Increase)/decrease in contract assets		0	24,815	0
(Increase)/decrease in inventories		(3,581)	4,924	0
(Increase)/decrease in other assets		0	(23,665)	0
Increase/(decrease) in payables		195,000	(172,512)	0
Increase/(decrease) in unspent capital grants		(7,374)	(33,141)	(177,560)
Increase/(decrease) in employee provisions		0	(50,468)	0
Capital grants, subsidies and contributions		(3,337,545)	(2,340,870)	(2,582,486)
Net cash from operating activities		1,086,974	406,156	150,766

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 and bank overdrafts.

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.

SHIRE OF CUBALLING
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2026

5. PROPERTY, PLANT AND EQUIPMENT

	2025/26 Budget					2024/25 Actual					2024/25 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 - Profit	Disposals - Loss
(a) Property, Plant and Equipment	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land - freehold land	250,000	0	0	0	0	0	0	0	0	0	250,000	0	0	0	0
Buildings	70,600	0	0	0	0	111,076	0	0	0	0	155,200	0	0	0	0
Furniture and equipment	25,600	0	0	0	0	62,766	0	0	0	0	81,700	0	0	0	0
Plant and equipment	465,000	(97,000)	96,000	8,000	(9,000)	249,731	(57,073)	62,212	9,377	(4,238)	258,409	(56,400)	66,318	10,818	(900)
Total	811,200	(97,000)	96,000	8,000	(9,000)	423,573	(57,073)	62,212	9,377	(4,238)	745,309	(56,400)	66,318	10,818	(900)
(b) Infrastructure															
Infrastructure - roads	3,624,171	0	0	0	0	2,625,740	0	0	0	0	2,875,228	0	0	0	0
Infrastructure - bridges	40,000	0	0	0	0	24,250	0	0	0	0	40,000	0	0	0	0
Infrastructure - parks, ovals and playgrounds	116,500	0	0	0	0	2,792	0	0	0	0	95,686	0	0	0	0
Infrastructure - other	93,500	0	0	0	0	0	0	0	0	0	60,000	0	0	0	0
Total	3,874,171	0	0	0	0	2,652,782	0	0	0	0	3,070,914	0	0	0	0
Total	4,685,371	(97,000)	96,000	8,000	(9,000)	3,076,355	(57,073)	62,212	9,377	(4,238)	3,816,223	(56,400)	66,318	10,818	(900)

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.

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

6. DEPRECIATION

By Class

Buildings	
Furniture and equipment	
Plant and equipment	
Infrastructure - roads	
Infrastructure - bridges	
Infrastructure - recreation	
Infrastructure - parks, ovals and playgrounds	
Infrastructure - other	

By Program

General purpose funding	
Law, order, public safety	
Education and welfare	
Housing	
Community amenities	
Recreation and culture	
Transport	
Economic services	
Other property and services	

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	\$	\$	\$
	193,164	212,203	179,765
	1,032	1,032	0
	401,678	380,927	258,564
	1,730,897	1,652,125	1,648,017
	384,625	384,140	384,140
	36,464	36,464	36,464
	27,311	27,171	27,526
	32,981	32,981	32,825
	2,808,152	2,727,043	2,567,301
	35,013	35,012	31,477
	82,785	70,299	77,451
	15,750	34,790	15,750
	12,144	12,144	10,516
	23,916	23,916	23,761
	201,988	201,847	185,946
	2,123,574	2,044,317	2,040,208
	4,282	4,282	4,282
	308,700	300,436	177,910
	2,808,152	2,727,043	2,567,301

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	30 to 50 years
Furniture and equipment	3 to 10 years
Plant and equipment	5 to 15 years
Infrastructure - roads	20 to 50 years
Infrastructure - bridges	50 years
Infrastructure - recreation	20 to 50 years
Infrastructure - parks, ovals and playgrounds	20 to 50 years
Infrastructure - other	20 to 50 Years

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 CUBALLING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

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	2025/26	2025/26	Budget	2025/26	Actual	2024/25	2024/25	Actual	2024/25	Budget	2024/25	2024/25	Budget	2024/25
				Principal	Budget	Budget	Budget	Principal		Actual	Actual	Actual	Principal	Principal	Principal	Principal	Principal	Principal
				1 July 2025	New Loans	Principal Repayments	Principal outstanding 30 June 2026	Interest Repayments	1 July 2024	New Loans	Principal Repayments	Principal outstanding 30 June 2025	Interest Repayments	1 July 2024	New Loans	Principal Repayments	Principal outstanding 30 June 2025	Interest Repayments
Aged Accommodation Units	56	WATC	4.6%	633,805	0	(78,795)	555,010	(27,945)	709,135	0	(75,330)	633,805	(28,729)	709,134	0	(75,330)	633,804	(31,410)
Lot 74 Austral Street	64	WATC	4.3%	68,171	0	(16,495)	51,676	(1,390)	84,313	0	(16,142)	68,171	(1,381)	84,313	0	(16,223)	68,090	(3,669)
Caterpillar Grader	67	WATC	3.9%	253,617	0	(81,283)	172,334	(9,143)	331,808	0	(78,191)	253,617	(15,421)	331,808	0	(79,722)	252,086	(10,705)
Industrial Land	68	WATC	6.0%	0	250,000	(21,808)	228,192	(7,500)	0	0	0	0	0	0	250,000	(21,808)	228,192	(7,500)
				955,593	250,000	(198,381)	1,007,212	(45,978)	1,125,256	0	(169,663)	955,593	(45,531)	1,125,255	250,000	(193,083)	1,182,172	(53,284)

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.

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

7. BORROWINGS

(b) New borrowings - 2025/26

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
Industrial Land	WATC	Fixed	5	6.00%	\$ 250,000	\$ 43,076	\$ 250,000	\$ 0
					250,000	43,076	250,000	0

(c) Unspent borrowings

The Shire had no unspent borrowing funds as at 30th June 2025 nor is it expected to have unspent borrowing funds as at 30th June 2026.

(d) Credit Facilities

	2025/26 Budget	2024/25 Actual	2024/25 Budget
Undrawn borrowing facilities credit standby arrangements	\$	\$	\$
Bank overdraft limit	500,000	500,000	500,000
Bank overdraft at balance date	0	0	0
Credit card limit	30,000	30,000	30,000
Credit card balance at balance date	0	(1,200)	0
Total amount of credit unused	530,000	528,800	530,000
Loan facilities			
Loan facilities in use at balance date	1,007,212	955,593	1,182,172

Overdraft details	Purpose overdraft was established	Year overdraft established	Amount b/fwd 1 July 2025	2025/26 Budgeted Increase/ (Decrease)	Amount as at 30th June 2026
WATC	Assist with cash flow	2024	\$ 500,000	\$ 0	\$ 500,000
			500,000	0	500,000

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.

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

8. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2025/26 Budget				2024/25 Actual				2024/25 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) Employee Entitlements	276,653	8,248	(50,000)	234,901	270,022	6,631	0	276,653	270,021	12,150	0	282,171
(b) Plant and Equipment	53,158	87,995	0	141,153	31,658	21,500	0	53,158	40,658	61,823	0	102,481
(c) Administration Building, ICT & Office Equipm	9,834	30	0	9,864	18,598	236	(9,000)	9,834	9,598	428	(9,000)	1,026
(d) Housing Reserve	84,651	2,523	0	87,174	82,622	2,029	0	84,651	82,622	3,690	0	86,312
(e) Recreation & Community Facility	104,684	3,571	0	108,255	102,175	2,509	0	104,684	102,174	20,000	0	122,174
(f) Refuse Site	48,818	1,455	0	50,273	47,648	1,170	0	48,818	47,648	2,138	0	49,786
(g) Equestrian	5,277	11	0	5,288	5,151	126	0	5,277	5,151	230	0	5,381
(h) Standpipe Maintenance	4,400	131	0	4,531	4,294	106	0	4,400	4,295	194	0	4,489
(i) Road and Bridges	112,874	3,365	0	116,239	110,168	2,706	0	112,874	110,169	4,950	0	115,119
(j) Community and Sporting Club	5,714	170	0	5,884	5,577	137	0	5,714	5,577	248	0	5,825
(k) Infrastructure Renewal	0	130,000	0	130,000	0	0	0	0	0	248	0	248
	706,063	237,499	(50,000)	893,562	677,913	37,150	(9,000)	706,063	677,913	106,099	(9,000)	775,012

(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 council		
(a) Employee Entitlements	Ongoing	To be used to fund employee entitlements.
(b) Plant and Equipment	Ongoing	To be used to maintain and fund plant replacement program.
(c) Administration Building, ICT & Office Equipm	Ongoing	To be used to maintain the administration building and replacement of office equipment
(d) Housing Reserve	Ongoing	To be used to fund maintenance or construction of new housing.
(e) Recreation & Community Facility	Ongoing	To be used to upgrade the oval and associated facilities.
(f) Refuse Site	Ongoing	To be used to fund the upgrade of the refuse sites.
(g) Equestrian	Ongoing	To be used to maintain and upkeep the equestrian centre.
(h) Standpipe Maintenance	Ongoing	To be used to maintain and upkeep the standpipe network.
(i) Road and Bridges	Ongoing	To be used to maintain and fund road and bridge projects through the district.
(j) Community and Sporting Club	Ongoing	To be used to fund Community and Sporting Club Small Grants
(k) Infrastructure Renewal		

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

9. OTHER INFORMATION

	2025/26 Budget	2024/25 Actual	2024/25 Budget
The net result includes as revenues			
	\$	\$	\$
(a) Interest earnings			
Investments	72,500	68,905	55,438
Other interest revenue	18,200	17,802	9,629
	<u>90,700</u>	<u>86,707</u>	<u>65,067</u>
The net result includes as expenses			
(b) Interest expenses (finance costs)			
Borrowings (refer Note 7(a))	45,978	45,531	53,284
	<u>45,978</u>	<u>45,531</u>	<u>53,284</u>

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

10. COUNCIL MEMBERS REMUNERATION

	2025/26	2024/25	2024/25
	Budget	Actual	Budget
	\$	\$	\$
Councillor E Dowling			
President's allowance	10,765	10,400	10,400
Meeting attendance fees	3,435	2,880	3,560
Annual allowance for ICT expenses	500	500	500
Travel and accommodation expenses	500	0	500
	15,200	13,780	14,960
Councillor R Harris			
Deputy President's allowance	2,691	2,600	2,600
Meeting attendance fees	2,735	2,205	2,625
Annual allowance for ICT expenses	500	500	500
Travel and accommodation expenses	500	0	500
	6,426	5,305	6,225
Councillor D Bradford			
Meeting attendance fees	2,385	2,205	2,065
Annual allowance for ICT expenses	500	500	500
Travel and accommodation expenses	500	0	500
	3,385	2,705	3,065
Councillor S Ballantyne			
Meeting attendance fees	2,385	2,205	2,485
Annual allowance for ICT expenses	500	500	500
Travel and accommodation expenses	500	907	500
	3,385	3,612	3,485
Councillor A Kowald			
Meeting attendance fees	2,385	2,785	2,555
Annual allowance for ICT expenses	500	500	500
Travel and accommodation expenses	500	281	500
	3,385	3,566	3,555
Councillor S Sexton			
Meeting attendance fees	2,385	2,205	2,205
Annual allowance for ICT expenses	500	500	500
Travel and accommodation expenses	500	0	500
	3,385	2,705	3,205
Total Council Member Remuneration	35,166	31,673	34,495
President's allowance	10,765	10,400	10,400
Deputy President's allowance	2,691	2,600	2,600
Meeting attendance fees	15,710	14,485	15,495
Annual allowance for ICT expenses	3,000	3,000	3,000
Travel and accommodation expenses	3,000	1,188	3,000
	35,166	31,673	34,495

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

11. 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 / INCOME

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.

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

11. REVENUE AND EXPENDITURE

(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	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	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	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	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	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	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	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Fees and charges for other goods and services	Cemetery services, standpipe charges and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE BUDGET
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12. 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

Governance

Administration and operation of facilities and services to members of council, other costs that relate to the tasks of elected members and ratepayers on matters which do not concern specific council activities.

Complete Council meetings, Complete all Administration activities, lobby other levels of government to support the aims of the Shire of Cuballing.

General purpose funding

Rates, general purpose government grants and interest revenue

Manage Rates and collection. Maintain Property Data.

Law, order, public safety

Supervision of various local laws, fire prevention, emergency services and animal control.

Provide a visiting ranger service.
 Support Cuballing Popanyinning Volunteer Bush Fire Brigade.
 Complete fire prevention activities.
 Provide bushfire response activities.
 Oversee local emergency management planning.

Health

Inspections of septic sites and food control

Inspect food premises.

Education and welfare

Support youth and aged activities

Provide support of local schools and provision of aged accommodation, housing and facilities.

Housing

Provision and maintenance of staff housing

Provision of staff housing

Community amenities

Operation of refuse sites, noise control and administration of Town Planning Scheme

Operate Cuballing transfer station
 Operate Popanyinning transfer station
 Provide kerbside waste & recycling services
 Provide town planning approvals
 Complete town planning enforcement
 Complete town planning amendments and reviews
 Provide Cuballing cemetery
 Provide Popanyinning cemetery

Recreation and culture

Maintenance of halls, recreation centre and various reserves. Support library services in Narrogin.

Maintain halls & Civic buildings.
 Maintain parks & gardens
 Provide Cuballing Recreation centre & oval
 Manage lease of Dryandra Equestrian Centre

Transport

Construction and maintenance of streets, roads, bridges, footpaths, drainage works, traffic signs, bus shelters and depot maintenance.

Maintain and protect local environmentally significant areas.
 Maintain council roads and footpaths.
 Provide vehicle licencing agency services.

Economic services

The regulation and provision of tourism, area promotion, building control, noxious weeds, vermin control and standpipes.

Control of noxious weeds on council property.
 Support Dryandra Country Visitors Centre
 Provide Drum Muster Service
 Promote the Shire of Cuballing
 Provide building registration services to the Shire of Cuballing
 Provide potable water sales
 Inspect swimming pools

Other property and services

Private works operation, plant repairs and operation costs.

Complete private civil construction works.

SHIRE OF CUBALLING
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

13. FEES AND CHARGES

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	\$	\$	\$
By Program:			
Governance	2,750	3,204	2,750
General purpose funding	4,500	8,262	4,500
Law, order, public safety	4,650	3,523	4,650
Health	300	1,076	300
Education and welfare	74,984	75,856	70,000
Community amenities	137,873	135,680	142,365
Recreation and culture	10,617	113,534	63,008
Transport	2,000	235	2,000
Economic services	158,700	138,221	158,700
Other property and services	0	3,897	12,000
	396,374	483,488	460,273

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