



# Budget

SHIRE OF GINGIN

# Budget Explained

As the CEO of the Shire of Gingin, I am pleased to present the Shire's Budget Bulletin for the 2025-2026 financial year. This year's Annual Budget has been developed to align with the strategic actions generated through the Corporate Business Plan, Strategic Community Plan, other guiding documents and considerations. For the 2025/26 financial year the Shire's annual operating expenditure budget has been set at \$20m with a further \$14m of capital expenditure.

## Legal Costs

During the end of 2024/2025 and continuing into 2025/2026, the Shire has a significant legal case underway with the developers associated with the Lancelin South Development. Whilst the costs associated with defending the case in the Supreme Court impact on the Shire's budget and deliverables, the opportunity costs and future impacts of not defending this case are not palatable outcomes for the Shire, and as such the Shire is acting in the best interest of the community and future communities by expending funds on this legal defense.

## Caravan Parks

2025/2026 will mark a significant strategic shift in the Shire's management of its Caravan Parks. The Shire plans to allocate all caravan park profits into reserve funds to ensure this extraordinary income is used to fund new assets, asset improvements, or asset renewals over the long term, not to offset operational expenditure.

The Guilderton Caravan Park profits have (for at least the last decade) supplemented the Shire's income and kept rates comparatively low. Unfortunately, the park has become dated, rundown, and requires significant expenditure to bring it up to the standards expected from a modern caravan park. Council has resolved to undertake a major land transaction process to facilitate the leasing out of this facility, with the lessee expected to invest heavily in the first five years. It is expected that this shift will significantly reduce short-term revenue to the Shire. As such with the extraordinary funds unlikely to be available the next few years Council is being proactive about allocating this year's funds into its reserves to ensure it can go towards major initiatives in future years.

## Employee Costs and New Positions

State Award Wages and the State Minimum Wage will increase by 3.75% from 1 July 2025, alongside a 0.5% rise in the Superannuation Guarantee to 12%. As a result, base employee costs will increase by around 4%.

To continue to achieve strategic objectives and meet community needs, the Shire is proposing four (4) new employees for the 2025/2026 financial year.

The Shire's Customer Service Request/Correspondence numbers have been increasing over the last 5 years from around 7,000 per annum in 2020 to over 30,000 in 2024. Increased FTE is needed to modernize practices, improve service standards, and manage the increased number of customer interactions. To manage this, Council has set a strategic focus for the CEO to deliver a contemporary customer service framework and charter, aligned with a general uplift in service levels and customer satisfaction. Therefore, the Shire is looking to recruit a Coordinator of Customer Service and a new part-time Customer Service Officer.

The Shire is also looking to recruit an Environmental Officer to assist with the management of pest weeds, such as the current frogbit infestation in the Moore River, and to enhance our Stable Fly management.

An Apprentice Mechanic and Graduate Engineer is also on the list to enhance the Shire's future skill development and support the delivery of core operations and manage interactions with developers throughout the Shire.

On top of employing these new positions, the Shire is also increasing the amount of time the Bushfire Risk Mitigation Officer spends in our Shire to help further reduce bushfire risk across the district. The benefit of the mitigation works was highly evident during this years Ledge Point fire.





## Capital Works and Services

The 2025/2026 has a considerable capital works program with some of the notable projects being:

- Weld Street Bridge Replacement – to commence April 2026 - \$7.4m – grant funded and delivered by Main Roads
- Resheeting of Bennies Road – SLK 1.96 to SLK 4.64 - \$460K
- Cowalla Road pavement reconstruction – SLK 27.95 to 29.95 - \$1.32m
- Edward Street Drainage improvements - \$210K
- Replace 3 Tier Wall at Ledge Point Country Club, which is failing and a safety concern - \$130K
- Relocation of the Silver Creek Ablution Facilities – this ageing infrastructure is too close to the Moore River and needs to be relocated to a more suitable position - \$300K

Waste to landfill is becoming an increasingly expensive proposition across the State and the Shire is working hard to improve its site compliance and reduce waste to landfill figures to minimize future cost increase. The Shire must contribute towards future site closure costs as the Gingin and Lancelin facilities reach end-of-life over the next 10-20 years, which triggers cell capping and rehabilitation costs. Therefore, the waste service fees are increasing in 2025/2026 to cover the increased cost of providing compliant waste collection and landfill services.

In May 2025, Council made the decision to move from a Mowing contract to a Turf Maintenance contract to improve the standard of all the Shire's parks, reserves, and grass sporting surfaces by using expert contractors under a specified contract with key standards, targets, and service expectations. At the time of adoption, it was noted that this contract would come at a cost increase, but Council wholeheartedly believed the service improvements would be worth the investment.

## External Costs and Governance

The Shire has minimal control over cost increases associated with utilities, insurance, and other agency fees such as those associated with Audits (OAG) and Elections (WAEC). The Shire has worked to control what costs could be controlled and manage increases.

## Looking Forward

The Shire of Gingin is a large and diverse Shire with a large asset pool and a growing population and increasing community expectations. The Shire needs to plan for future population growth and service requirements whilst also working to improve the standard of its services and facilities today.

The Shire of Gingin rates in the dollar, are comparative to other similar sized local governments and in order for the Shire to continue to grow its capacity and become less reactive, an above average increase of 7% is proposed for this financial year. Noting the financial impacts of the realignment of caravan park funds and legal costs represent approximately 6% of the increase, as such the normal operational increases presented as part of the budget represent a moderate approach.

Holistically, financial indicators would suggest that the Shire needs to increase its financial resources to better manage its asset pool, however this requires a considered approach to ensure future rate increases align to community expectations to retain and improve assets as opposed to removing them.

The Shire's Strategic Community Plan is due for review during the 2025/2026 financial year, and the Shire looks forward to engaging with the community to better understand priorities that will shape the future of the district over the next decade.

*Scott Wildgoose*

Chief Executive Officer

**SHIRE OF GINGIN**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2026**

**LOCAL GOVERNMENT ACT 1995**

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The Shire of Gingin a Class 3 local government conducts the operations of a local government with the following community vision:

We are a welcoming inclusive community that celebrates its unique coastal and inland landscapes with an aim to increase visitation to the region.

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

	<b>Note</b>	<b>2025/26 Budget</b>	<b>2024/25 Actual</b>	<b>2024/25 Budget</b>
<b>Revenue</b>		\$	\$	\$
Rates	2(a)	11,927,871	11,148,315	11,014,732
Grants, subsidies and contributions		3,029,624	3,105,752	1,999,451
Fees and charges	14	5,138,826	5,153,573	4,790,330
Interest revenue	10(a)	402,637	787,172	446,856
Other revenue		340,108	520,425	356,578
		<b>20,839,066</b>	<b>20,715,237</b>	<b>18,607,947</b>
<b>Expenses</b>				
Employee costs		(8,077,400)	(6,620,099)	(7,397,839)
Materials and contracts		(10,211,152)	(7,482,076)	(8,540,803)
Utility charges		(566,166)	(554,217)	(540,246)
Depreciation	6	(11,002,864)	(10,655,716)	(10,655,716)
Finance costs	10(c)	(195,291)	(298,601)	(117,085)
Insurance		(472,672)	(444,830)	(414,176)
Other expenditure		(821,284)	(535,969)	(717,796)
		<b>(31,346,829)</b>	<b>(26,591,508)</b>	<b>(28,383,661)</b>
		<b>(10,507,763)</b>	<b>(5,876,271)</b>	<b>(9,775,714)</b>
Capital grants, subsidies and contributions		9,685,062	4,618,321	7,960,605
Profit on asset disposals	5	45,025	117,045	723,816
Loss on asset disposals	5	(92,739)	(109,066)	(79,641)
		<b>9,637,348</b>	<b>4,626,300</b>	<b>8,604,780</b>
<b>Net result for the period</b>		<b>(870,415)</b>	<b>(1,249,971)</b>	<b>(1,170,934)</b>
<b>Total other comprehensive income for the period</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for the period</b>		<b>(870,415)</b>	<b>(1,249,971)</b>	<b>(1,170,934)</b>

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

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

		2025/26	2024/25	2024/25
	Note	Budget	Actual	Budget
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		\$ 11,752,921	\$ 11,329,817	\$ 10,994,117
Grants, subsidies and contributions		2,738,542	3,056,425	1,582,298
Fees and charges		5,138,826	5,153,573	4,790,330
Interest revenue		402,637	787,172	446,856
Goods and services tax received		25,307	(97,207)	2,236,040
Other revenue		340,108	520,425	356,578
		20,398,341	20,750,205	20,406,219
<b>Payments</b>				
Employee costs		(8,045,482)	(6,618,527)	(7,512,490)
Materials and contracts		(9,806,339)	(7,635,225)	(8,289,442)
Utility charges		(566,166)	(554,217)	(540,246)
Finance costs		(297,398)	(82,362)	(113,526)
Insurance paid		(472,672)	(444,830)	(414,176)
Goods and services tax paid		0	0	(2,287,577)
Other expenditure		(821,284)	(535,969)	(717,796)
		(20,009,341)	(15,871,130)	(19,875,253)
<b>Net cash provided by operating activities</b>	4	389,000	4,879,075	530,966
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for purchase of property, plant & equipment	5(a)	(2,680,537)	(1,586,527)	(2,201,444)
Payments for construction of infrastructure	5(b)	(11,640,702)	(4,884,280)	(9,555,815)
Capital grants, subsidies and contributions		8,607,573	4,366,258	5,844,797
Proceeds from sale of property, plant and equipment	5(a)	267,000	299,045	890,909
Proceeds on financial assets at amortised cost - self supporting loans	7(a)	2,430	2,378	2,378
Proceeds on other loans and receivables - council advance		2,036	1,999	1,999
<b>Net cash (used in) investing activities</b>		(5,442,200)	(1,801,127)	(5,017,176)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of borrowings	7(a)	(272,117)	(258,807)	(258,807)
Payments for principal portion of lease liabilities	8	(22,408)	(30,431)	(25,604)
Proceeds from new borrowings	7(a)	0	0	1,000,000
<b>Net cash provided by (used in) financing activities</b>		(294,525)	(289,238)	715,589
<b>Net increase (decrease) in cash held</b>		(5,347,725)	2,788,710	(3,770,621)
Cash at beginning of year		16,344,792	13,556,082	13,556,082
<b>Cash and cash equivalents at the end of the year</b>	4	<b>10,997,067</b>	<b>16,344,792</b>	<b>9,785,461</b>

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

**SHIRE OF GINGIN**  
**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)	8,311,526	7,842,428	7,698,086
Rates excluding general rates	2(a)	3,616,345	3,305,887	3,316,646
Grants, subsidies and contributions		3,029,624	3,105,752	1,999,451
Fees and charges	14	5,138,826	5,153,573	4,790,330
Interest revenue	10(a)	402,637	787,172	446,856
Other revenue		340,108	520,425	356,578
Profit on asset disposals	5	45,025	117,045	723,816
		20,884,091	20,832,282	19,331,763

**Expenditure from operating activities**

Employee costs		(8,077,400)	(6,620,099)	(7,397,839)
Materials and contracts		(10,211,152)	(7,482,076)	(8,540,803)
Utility charges		(566,166)	(554,217)	(540,246)
Depreciation	6	(11,002,864)	(10,655,716)	(10,655,716)
Finance costs	10(c)	(195,291)	(298,601)	(117,085)
Insurance		(472,672)	(444,830)	(414,176)
Other expenditure		(821,284)	(535,969)	(717,796)
Loss on asset disposals	5	(92,739)	(109,066)	(79,641)
		(31,439,568)	(26,700,574)	(28,463,302)

Non cash amounts excluded from operating activities

	3(c)	11,142,078	10,830,737	10,011,541
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**Amount attributable to operating activities**

**586,601      4,962,445      880,002**

**INVESTING ACTIVITIES**

**Inflows from investing activities**

Capital grants, subsidies and contributions		9,685,062	4,618,321	7,960,605
Proceeds from disposal of property, plant and equipment	5(a)	267,000	299,045	890,909
Proceeds from financial assets at amortised cost - self supporting loans	7(a)	2,430	2,378	2,378
Proceeds on other loans and receivables - advances		2,036	1,999	1,999
		9,956,528	4,921,743	8,855,891

**Outflows from investing activities**

Right of use assets received - non cash	5(c)	(15,234)	(22,880)	0
Payments for property, plant and equipment	5(a)	(2,680,537)	(2,676,411)	(3,005,744)
Payments for construction of infrastructure	5(b)	(11,640,702)	(4,884,280)	(9,555,815)
		(14,336,473)	(7,583,571)	(12,561,559)

Non-cash amounts excluded from investing activities

	3(d)	15,234	22,880	0
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**Amount attributable to investing activities**

**(4,364,711)      (2,638,948)      (3,705,668)**

**FINANCING ACTIVITIES**

**Inflows from financing activities**

Proceeds from new borrowings	7(a)	0	0	1,000,000
Proceeds from new leases - non cash	8	15,234	22,880	0
Transfers from reserve accounts	9(a)	2,220,109	854,256	1,463,162
		2,235,343	877,136	2,463,162

**Outflows from financing activities**

Repayment of borrowings	7(a)	(272,117)	(258,807)	(258,807)
Payments for principal portion of lease liabilities	8	(22,408)	(30,431)	(25,604)
Transfers to reserve accounts	9(a)	(1,412,452)	(1,858,502)	(1,613,182)
		(1,706,977)	(2,147,740)	(1,897,593)

Non-cash amounts excluded from financing activities

	3(e)	(15,234)	(22,880)	0
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**Amount attributable to financing activities**

**513,132      (1,293,484)      565,569**

**MOVEMENT IN SURPLUS OR DEFICIT**

**Surplus at the start of the financial year**

	3	3,264,978	2,234,965	2,260,097
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Amount attributable to operating activities

586,601      4,962,445      880,002

Amount attributable to investing activities

(4,364,711)      (2,638,948)      (3,705,668)

Amount attributable to financing activities

513,132      (1,293,484)      565,569

**Surplus/(deficit) remaining after the imposition of general rates**

	3	<b>0</b>	<b>3,264,978</b>	<b>0</b>
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This statement is to be read in conjunction with the accompanying notes.

**SHIRE OF GINGIN**  
**FOR THE YEAR ENDED 30 JUNE 2026**  
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**SHIRE OF GINGIN**  
**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 Gingin which is a Class 3 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.

**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 GINGIN  
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
				\$	\$	\$	\$	\$	\$
<b>(i) General rates</b>									
GRV Townsites	Gross rental valuation	0.104660	1,592	30,822,756	3,225,910	0	3,225,910	3,093,431	3,024,147
GRV Other	Gross rental valuation	0.104660	1,034	19,383,951	2,028,724	0	2,028,724	1,861,742	1,836,287
UV Rural	Unimproved valuation	0.004511	457	495,190,038	2,233,802	0	2,233,802	2,076,507	2,069,091
UV Rural Other	Unimproved valuation	0.004511	3	3,073,999	13,867	0	13,867	55,830	14,013
UV Intensive/Mining	Unimproved valuation	0.006610	122	122,424,000	809,223	0	809,223	754,918	754,548
UV Exploration Mining	Unimproved valuation	0.004511	0	0	0	0	0	0	0
<b>Total general rates</b>			3,208	670,894,744	8,311,526	0	8,311,526	7,842,428	7,698,086
<b>(ii) Minimum payment</b>									
		<b>Minimum \$</b>							
GRV Townsites	Gross rental valuation	1,416	1,094	10,242,434	1,549,104	0	1,549,104	1,361,367	1,361,367
GRV Other	Gross rental valuation	1,416	686	4,071,500	971,376	0	971,376	949,914	949,914
UV Rural	Unimproved valuation	1,630	376	100,488,262	612,880	0	612,880	572,594	572,594
UV Rural Other	Unimproved valuation	1,630	62	13,948,001	101,060	0	101,060	55,116	55,116
UV Intensive/Mining	Unimproved valuation	2,780	121	32,084,575	336,380	0	336,380	315,689	315,689
UV Exploration Mining	Unimproved valuation	1,630	22	71,557	35,860	0	35,860	41,522	55,116
<b>Total minimum payments</b>			2,361	160,906,329	3,606,660	0	3,606,660	3,296,202	3,309,796
<b>Total general rates and minimum payments</b>			5,569	831,801,073	11,918,186	0	11,918,186	11,138,630	11,007,882
<b>(iii) Ex-gratia rates</b>									
Ex-gratia rates					9,685	0	9,685	9,685	6,850
<b>Total rates</b>					11,927,871	0	11,927,871	11,148,315	11,014,732
Instalment plan charges							16,665	15,345	16,500
Instalment plan interest							28,000	33,448	28,000
Unpaid rates and service charge interest earned							60,000	71,352	60,000
Deffered pensioner rates interest							3,500	3,563	3,500
							108,165	123,708	108,000

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 GINGIN**  
**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)**

17th October 2025

**Option 2 (Two Instalments)**

17th October 2025

20th February 2026

**Option 3 (Four Instalments)**

17th October 2025

19th December 2025

20th February 2026

20th April 2026

<b>Instalment options</b>	<b>Date due</b>	<b>Instalment plan admin charge</b>	<b>Instalment plan interest rate</b>	<b>Unpaid rates interest rates</b>
		\$	%	%
<b>Option one</b>				
Single full payment	17th October 2025	0	0.0%	7.0%
<b>Option two</b>				
First instalment	17th October 2025	0	5.5%	7.0%
Second instalment	20th February 2026	10	5.5%	7.0%
<b>Option three</b>				
First instalment	17th October 2025	0	5.5%	7.0%
Second instalment	19th December 2025	10	5.5%	7.0%
Third instalment	20th February 2026	10	5.5%	7.0%
Fourth instalment	20th April 2026	10	5.5%	7.0%

**SHIRE OF GINGIN**  
**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)**

17th October 2025

**Option 2 (Two Instalments)**

17th October 2025

20th February 2026

**Option 3 (Four Instalments)**

17th October 2025

19th December 2025

20th February 2026

20th April 2026

<b>Instalment options</b>	<b>Date due</b>	<b>Instalment plan admin charge</b>	<b>Instalment plan interest rate</b>	<b>Unpaid rates interest rates</b>
		\$	%	%
<b>Option one</b>				
Single full payment	17th October 2025	0	0.0%	7.0%
<b>Option two</b>				
First instalment	17th October 2025	0	5.5%	7.0%
Second instalment	20th February 2026	10	5.5%	7.0%
<b>Option three</b>				
First instalment	17th October 2025	0	5.5%	7.0%
Second instalment	19th December 2025	10	5.5%	7.0%
Third instalment	20th February 2026	10	5.5%	7.0%
Fourth instalment	20th April 2026	10	5.5%	7.0%

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

**2. RATES AND SERVICE CHARGES (CONTINUED)**

**(c) Objectives and Reasons for Differential Rating**

To provide equity in the rating of properties across the Shire the following rate categories have been determined for the implementation of differential rating.

**(i) Differential general rate**

<b>Description</b>	<b>Characteristics</b>	<b>Objects</b>	<b>Reasons</b>
Rural and Rural Other (including exploration and prospecting tenements).	Where land is used predominantly for rural purposes, the rate levied shall be based upon its unimproved value (UV).	The objective of this differential rating category is to impose a differential general rate on land held or used for the purposes of rural broad acre farming, rural residential, rural industry, other non-intensive uses as determined by Council (including	It recognises that land within this category does not have the same impacts on Shire transport infrastructure as the rural intensive/mining differential rate category.
Rural Intensive/Mining (excluding exploration and prospecting tenements)	Any or a combination of the following characteristics: (a) The purpose for which the land is zoned, whether or not under a local planning scheme or improvement scheme in force under the Planning and Development Act 2005; (b) a purpose for which the land is held or used as determined by the local government; or (c) whether the land is vacant or not; or (d) any other characteristic or combination of characteristics prescribed.	The objective of this differential rating category is to impose a differential general rate on land held or used for the purposes of Agriculture Intensive, Animal Husbandry - Intensive (excluding exploration and prospecting tenements), Extractive Industry, Mining, Aquaculture, or Water.	It recognises that land within this category has higher impacts on Shire transport infrastructure and increased environmental monitoring costs.

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

**2. RATES AND SERVICE CHARGES (CONTINUED)**

**(ii) Differential Minimum Payment**

Rural and Rural Other (including exploration and prospecting tenements).	Where land is used predominantly for rural purposes, the rate levied shall be based upon its unimproved value (UV).	The objective of the proposed minimum payment of \$1,630 (from \$1,531) is to ensure that the proportion of total rate revenue derived from Rural and Rural Other UV properties is essentially consistent with the overall rate increase for this category (including	It recognises that every property receives a minimum level of benefit from works and services provided.
Rural Intensive/Mining (excluding exploration and prospecting tenements)	Any or a combination of the following (a) The purpose for which the land is zoned, whether or not under a local planning scheme or improvement scheme in force under the Planning and Development Act 2005; (b) a purpose for which the land is held or used as determined by the local government; or (c) whether the land is vacant or not; or (d) any other characteristic or combination of characteristics prescribed.	The objective of this minimum payment is to reflect the additional costs from this sector associated with the higher impact on transport infrastructure and environmental monitoring. The minimum rate of \$2,780 (from \$2,609) also ensure that the proportion of total rate revenue from Rural Intensive/Mining UV properties (excluding exploration and prospecting tenements) is essentially consistent with the overall rate increase for this category.	It recognises that land within this category has higher impacts on Shire transport infrastructure and increased environmental monitoring costs, and the capacity of property owners to pass on the rates charge as a business cost.

**(d) Variation in Adopted Differential Rates to Local Public Notice**

The following rates and minimum payments were previously set out in the local public notice giving notice of the intention to charge differential rates.

<b>Differential general rate or general rate</b>	<b>Proposed Rate in \$</b>	<b>Adopted Rate in \$</b>	<b>Reasons for the difference</b>
Rural and Other UV	0.004614	0.004511	Budget adjustments and increased opening balance allowing for a reduced overall deficiency and rates increases
Rural Intensive/Mining	0.006750	0.006610	Budget adjustments and increased opening balance allowing for a reduced overall deficiency and rates increases

  

<b>Minimum payment</b>	<b>Proposed Minimum \$</b>	<b>Adopted Minimum \$</b>	<b>Reasons for the difference</b>
Rural and Other UV	1,640	1,630	Budget adjustments and increased opening balance allowing for a reduced overall deficiency and rates increases
Rural Intensive/Mining	2,815	2,780	Budget adjustments and increased opening balance allowing for a reduced overall deficiency and rates increases

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

**2. RATES AND SERVICE CHARGES (CONTINUED)**

**(e) Service Charges**

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

**(f) Waivers or concessions**

The Shire does not anticipate any waivers or concessions for the year ended 30th June 2026.

**SHIRE OF GINGIN**  
**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  
 Financial assets  
 Receivables  
 Inventories  
 Other assets

**Less: current liabilities**

Trade and other payables  
 Contract liabilities  
 Capital grant/contribution liability  
 Lease liabilities  
 Long term borrowings  
 Employee provisions

**Net current assets**

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

**Net current assets used in the Statement of Financial Activity**

**(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  
 Less: Current assets not expected to be received at end of year  
 - Current financial assets at amortised cost - self supporting loans  
 - Other loans and receivables - council advance  
 Add: Current liabilities not expected to be cleared at end of year  
 - Current portion of borrowings  
 - Current portion of lease liabilities

**Total adjustments to net current assets**

Note	2025/26 Budget 30 June 2026	2024/25 Actual 30 June 2025	2024/25 Budget 30 June 2025
	\$	\$	\$
4	10,997,067	16,344,792	9,785,461
	4,554	4,465	4,465
	1,621,743	1,181,018	1,846,149
	32,101	30,898	32,273
	276,783	276,783	23,189
	12,932,248	17,837,956	11,691,537
	(2,137,340)	(1,733,427)	(2,055,474)
	(685,584)	(685,584)	(510,028)
	(1,505,693)	(2,674,682)	(525,353)
8	(15,665)	(14,987)	(7,482)
7	(530,585)	(272,117)	(272,116)
	(997,391)	(1,065,477)	(1,041,100)
	(5,872,258)	(6,446,274)	(4,411,553)
	7,059,990	11,391,682	7,279,984
3(b)	(7,059,990)	(8,126,704)	(7,279,984)
	0	3,264,978	0

**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  
 Add: Loss on asset disposals  
 Add: Depreciation  
 Non-cash movements in non-current assets and liabilities:  
 - Other provisions

**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
	\$	\$	\$
5	(45,025)	(117,045)	(723,816)
5	92,739	109,066	79,641
6	11,002,864	10,655,716	10,655,716
	91,500	183,000	0
	11,142,078	10,830,737	10,011,541

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

**3. NET CURRENT ASSETS**

**(d) Non-cash amounts excluded from investing activities**

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

**Adjustments to investing activities**

Right of use assets recognised

**Non cash amounts excluded from investing activities**

Note	2025/26 Budget 30 June 2026	2024/25 Actual 30 June 2025	2024/25 Budget 30 June 2025
	\$	\$	\$
5(c)	15,234	22,880	0
	15,234	22,880	0

**(e) Non-cash amounts excluded from financing activities**

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

**Adjustments to financing activities**

Less: Lease liability recognised

**Non cash amounts excluded from financing activities**

Note	2025/26 Budget 30 June 2026	2024/25 Actual 30 June 2025	2024/25 Budget 30 June 2025
	\$	\$	\$
8	(15,234)	(22,880)	0
	(15,234)	(22,880)	0

**SHIRE OF GINGIN**  
**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	10,997,067	16,344,792	9,785,461	
<b>Total cash and cash equivalents</b>	10,997,067	16,344,792	9,785,461	
Held as				
- Unrestricted cash and cash equivalents	1,889,688	5,260,767	1,704,991	
- Restricted cash and cash equivalents	9,107,379	11,084,025	8,080,470	
3(a)	10,997,067	16,344,792	9,785,461	
<b>Restrictions</b>				
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	9,107,379	11,084,025	8,080,470	
	9,107,379	11,084,025	8,080,470	
The assets are restricted as a result of the specified purposes associated with the liabilities below:				
Reserve accounts	9	7,601,686	8,409,343	7,555,117
Unspent capital grants, subsidies and contribution liabilities		1,505,693	2,674,682	525,353
		9,107,379	11,084,025	8,080,470
<b>Reconciliation of net cash provided by operating activities to net result</b>				
<b>Net result</b>	(870,415)	(1,249,971)	(1,170,934)	
Depreciation	6	11,002,864	10,655,716	10,655,716
(Profit)/loss on sale of asset	5	47,714	(7,979)	(644,175)
(Increase)/decrease in receivables		(440,725)	166,192	(522,525)
(Increase)/decrease in contract assets		0	0	231,651
(Increase)/decrease in inventories		(1,203)	1,716	(11,182)
(Increase)/decrease in other assets		0	(18,271)	3,672
Increase/(decrease) in payables		403,913	(48,347)	298,890
Increase/(decrease) in contract liabilities		0	(131,224)	(198,431)
Increase/(decrease) in unspent capital grants		(1,168,989)	837,821	(1,311,508)
Increase/(decrease) in other provision		91,500	183,000	0
Increase/(decrease) in employee provisions		(68,086)	(53,436)	(151,111)
Capital grants, subsidies and contributions		(8,607,573)	(5,456,142)	(6,649,097)
<b>Net cash from operating activities</b>		389,000	4,879,075	530,966

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

**5. PROPERTY, PLANT AND EQUIPMENT**

The following assets are budgeted to be acquired and/or disposed of during the year.

	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
<b>(a) Property, Plant and Equipment</b>															
Land - freehold land	0	0	0	0	0	0	0	0	0	0	90,000	0	500,000	500,000	0
Buildings - non-specialised	0	0	0	0	0	6,830	0	0	0	0	0	0	0	0	0
Buildings - specialised	753,937	(42,015)	0	0	(42,015)	260,424	(6,890)	0	0	(6,890)	535,309	0	0	0	0
Plant and equipment	1,260,000	(113,818)	135,000	45,025	(23,843)	1,995,985	(195,353)	299,045	117,045	(13,353)	1,930,435	(175,730)	375,909	223,816	(23,637)
Vehicles	666,600	(137,873)	132,000	0	(5,873)	413,172	(66,636)	0	0	(66,636)	450,000	(66,636)	15,000	0	(51,636)
<b>Total</b>	<b>2,680,537</b>	<b>(293,706)</b>	<b>267,000</b>	<b>45,025</b>	<b>(71,731)</b>	<b>2,676,411</b>	<b>(268,879)</b>	<b>299,045</b>	<b>117,045</b>	<b>(86,879)</b>	<b>3,005,744</b>	<b>(242,366)</b>	<b>890,909</b>	<b>723,816</b>	<b>(75,273)</b>
<b>(b) Infrastructure</b>															
Infrastructure - roads	2,488,415	0	0	0	0	4,415,010	0	0	0	0	4,390,144	0	0	0	0
Infrastructure - footpaths	200,749	0	0	0	0	12,844	0	0	0	0	205,063	0	0	0	0
Infrastructure - drainage	405,770	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Infrastructure - parks and ovals	624,375	0	0	0	0	116,616	0	0	0	0	285,765	(4,368)	0	0	(4,368)
Infrastructure - other	52,000	0	0	0	0	290,962	(7,630)	0	0	(7,630)	1,032,777	0	0	0	0
Infrastructure - bridges	7,369,393	(21,008)	0	0	(21,008)	0	0	0	0	0	3,292,066	0	0	0	0
Infrastructure - landfill assets	500,000	0	0	0	0	48,848	(14,557)	0	0	(14,557)	350,000	0	0	0	0
<b>Total</b>	<b>11,640,702</b>	<b>(21,008)</b>	<b>0</b>	<b>0</b>	<b>(21,008)</b>	<b>4,884,280</b>	<b>(22,187)</b>	<b>0</b>	<b>0</b>	<b>(22,187)</b>	<b>9,555,815</b>	<b>(4,368)</b>	<b>0</b>	<b>0</b>	<b>(4,368)</b>
<b>(c) Right of Use Assets</b>															
Right-of-use assets - land and buildings	15,234	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Right of use - furniture and fittings	0	0	0	0	0	22,880	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>15,234</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22,880</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>14,336,473</b>	<b>(314,714)</b>	<b>267,000</b>	<b>45,025</b>	<b>(92,739)</b>	<b>7,583,571</b>	<b>(291,066)</b>	<b>299,045</b>	<b>117,045</b>	<b>(109,066)</b>	<b>12,561,559</b>	<b>(246,734)</b>	<b>890,909</b>	<b>723,816</b>	<b>(79,641)</b>

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

**6. DEPRECIATION**

	<b>2025/26 Budget</b>	<b>2024/25 Actual</b>	<b>2024/25 Budget</b>
	\$	\$	\$
<b>By Class</b>			
Buildings - non-specialised	37,213	35,829	35,740
Buildings - specialised	841,009	834,187	889,631
Furniture and equipment	17,171	14,032	17,171
Plant and equipment	614,374	438,703	376,054
Vehicles	155,599	229,090	155,599
Infrastructure - roads	6,927,907	6,891,595	6,815,684
Infrastructure - footpaths	122,598	149,286	119,690
Infrastructure - drainage	49,464	47,653	45,908
Infrastructure - parks and ovals	775,574	653,441	728,672
Infrastructure - other	511,523	470,276	518,631
Infrastructure - bridges	257,216	196,303	257,217
Infrastructure - landfill assets	670,667	665,229	670,667
Right-of-use assets - land and buildings	7,607	7,616	7,616
Right of use - furniture and fittings	14,942	22,476	17,436
	<b>11,002,864</b>	<b>10,655,716</b>	<b>10,655,716</b>
<b>By Program</b>			
Law, order, public safety	60,262	287,147	228,666
Health	26,678	15,185	25,043
Education and welfare	105,964	59,325	68,629
Housing	41,832	45,659	41,832
Community amenities	755,860	705,451	760,882
Recreation and culture	1,583,777	1,438,199	1,536,722
Transport	7,398,733	7,327,533	7,280,046
Economic services	172,431	154,849	172,431
Other property and services	857,327	622,368	541,465
	<b>11,002,864</b>	<b>10,655,716</b>	<b>10,655,716</b>

**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 - non-specialised	25 to 50 years
Buildings - specialised	25 to 50 years
Furniture and equipment	3 to 50 years
Plant and equipment	5 to 20 years
Vehicles	1 to 5 years
Infrastructure - roads	20 to 50 years
Infrastructure - footpaths	15 to 25 years
Infrastructure - drainage	20 to 50 years
Infrastructure - parks and ovals	10 to 30 years
Infrastructure - other	10 to 75 years
Infrastructure - bridges	2 to 100 years
Infrastructure - landfill assets	6 to 40 years
Right-of-use assets - land and buildings	Based on the remaining lease
Right of use - furniture and fittings	Based on the remaining lease

**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 GINGIN  
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 1 July 2025	Budget New Loans	Budget Principal Repayments	Principal outstanding 30 June 2026	Budget Interest Repayments		Principal 1 July 2024	Actual New Loans	Actual Principal Repayments	Principal outstanding 30 June 2025		Actual Interest Repayments	Principal 1 July 2024	Budget New Loans	Budget Principal Repayments
Wannamal West Road - Tip Rationalisation	111	WATC*	6.49%	327,742	0	(25,903)	301,839	(20,857)	352,042	0	(24,300)	327,742	(21,851)	352,042	0	(24,300)	327,742	(22,460)
Guilderton Country Club	114	WATC*	7.14%	163,579	0	(50,749)	112,830	(10,790)	210,889	0	(47,310)	163,579	(13,842)	210,889	0	(47,310)	163,579	(14,228)
Regional Hardcourt Facility	120	WATC*	6.68%	136,850	0	(30,918)	105,932	(8,634)	165,802	0	(28,952)	136,850	(10,537)	165,802	0	(28,952)	136,850	(10,600)
Lot 44 Weld Street	123	WATC*	6.96%	74,674	0	(23,209)	51,465	(4,800)	96,348	0	(21,674)	74,674	(6,022)	96,348	0	(21,674)	74,674	(6,335)
Regional Hardcourt Facility	124A	WATC*	4.13%	140,192	0	(25,794)	114,398	(5,526)	164,953	0	(24,761)	140,192	(6,484)	164,953	0	(24,761)	140,192	(6,560)
Swimming Pool Tiling	126	WATC*	3.10%	17,160	0	(17,160)	0	(400)	33,800	0	(16,640)	17,160	(708)	33,800	0	(16,640)	17,160	(919)
Seabird Sea Wall	127	WATC*	2.51%	35,582	0	(23,573)	12,009	(746)	58,575	0	(22,993)	35,582	(1,079)	58,575	0	(22,992)	35,583	(1,327)
Altus Financials Suite Software Upgrade	131	WATC*	1.94%	120,036	0	(9,891)	110,145	(2,279)	129,737	0	(9,701)	120,036	(2,461)	129,737	0	(9,702)	120,035	(2,468)
Gingin Outdoor Activity Space	132	WATC*	1.43%	109,215	0	(17,559)	91,656	(1,501)	126,526	0	(17,311)	109,215	(1,741)	126,526	0	(17,311)	109,215	(1,750)
Cunliffe Street Redevelopment	133	WATC*	4.56%	208,583	0	(22,151)	186,432	(9,256)	229,758	0	(21,175)	208,583	(10,206)	229,758	0	(21,175)	208,583	(10,232)
Land for Future Gingin Sporting Precinct	134	WATC*	5.33%	724,388	0	(22,780)	701,608	(38,340)	746,000	0	(21,612)	724,388	(39,358)	746,000	0	(21,612)	724,388	(39,508)
Guilderton Caravan Park Upgrade Stage 1	N/A			0	0	0	0	0	0	0	0	0	0	1,000,000	0	0	1,000,000	0
				2,058,001	0	(269,687)	1,788,314	(103,129)	2,314,430	0	(256,429)	2,058,001	(114,289)	2,314,430	1,000,000	(256,429)	3,058,001	(116,387)
<b>Self Supporting Loans</b>																		
Ledge Point Country Club Coolroom	130	WATC*	2.2%	10,039	0	(2,430)	7,609	(204)	12,417	0	(2,378)	10,039	(250)	12,417	0	(2,378)	10,039	(255)
				10,039	0	(2,430)	7,609	(204)	12,417	0	(2,378)	10,039	(250)	12,417	0	(2,378)	10,039	(255)
				2,068,040	0	(272,117)	1,795,923	(103,333)	2,326,847	0	(258,807)	2,068,040	(114,539)	2,326,847	1,000,000	(258,807)	3,068,040	(116,642)

\*Western Australian Treasury Corporation

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

**7. BORROWINGS**

**(b) New borrowings - 2025/26**

The Shire does not intend to undertake any new borrowings for the year ended 30th June 2026

**(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**

	<b>2025/26 Budget</b>	<b>2024/25 Actual</b>	<b>2024/25 Budget</b>
	\$	\$	\$
<b>Undrawn borrowing facilities credit standby arrangements</b>			
Bank overdraft limit	500,000	500,000	500,000
Bank overdraft at balance date	0	0	0
Credit card limit	32,000	32,000	27,000
Credit card balance at balance date	0	8,287	0
<b>Total amount of credit unused</b>	<b>532,000</b>	<b>540,287</b>	<b>527,000</b>
<b>Loan facilities</b>			
Loan facilities in use at balance date	1,795,923	2,068,040	3,068,040

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

**8. LEASE LIABILITIES**

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease	2025/26 Budget	2025/26 Budget	Budget Lease	2025/26 Budget	Actual	2024/25 Actual	2024/25 Actual	2024/25 Actual	Budget	2024/25 Budget	2024/25 Budget	Budget Lease	2024/25 Budget	
					Principal 1 July 2025	New Leases	Lease Principal Repayments	Principal outstanding 30 June 2026	Lease Interest Repayments	Principal 1 July 2024	New Leases	Lease repayments	Principal outstanding 30 June 2025	Lease repayments	Principal 1 July 2024	New Leases	Lease repayments	Principal outstanding 30 June 2025	Lease Interest repayments
Lancelin Administration - Building	1A	LJ Hughes	5.3%	24	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,813	\$ 0	\$ (7,813)	\$ 0	\$ (222)	\$ 7,813	\$ 0	\$ (7,812)	\$ 1	\$ (221)
Lancelin Administration - Building	1B	LJ Hughes	4.1%	24	0	15,234	(7,421)	7,813	(229)	0	0	0	0	0	0	0	0	0	0
Gingin Administration - Photocopier	2A	QPC Group	4.6%	36	18,054	0	(7,506)	10,548	0	0	22,880	(4,826)	18,054	(618)	0	0	0	0	0
Gingin Administration - IT	3	Dell Financial Se	1.3%	60	7,481	0	(7,481)	0	(229)	25,273	0	(17,792)	7,481	(222)	25,273	0	(17,792)	7,481	(222)
					25,535	15,234	(22,408)	18,361	(458)	33,086	22,880	(30,431)	25,535	(1,062)	33,086	0	(25,604)	7,482	(443)

**MATERIAL ACCOUNTING POLICIES**

**LEASES**

At the inception of a contract, the Shire assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and a lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

**LEASE LIABILITIES**

The present value of future lease payments not paid at the reporting date discounted using the incremental borrowing rate where the implicit interest rate in the lease is not readily determined.

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

**9. 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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restricted by council</b>												
LSL, Annual, Sick Leave and Staff Contingency	476,067	8,492	0	484,559	455,700	20,367	0	476,067	455,699	14,462	0	470,161
Plant and Equipment Reserve	1,267,543	22,610	(658,000)	632,153	1,380,281	157,374	(270,112)	1,267,543	1,380,281	43,803	(510,226)	913,858
Land and Buildings Reserve	715,041	12,754	(307,950)	419,845	714,103	31,917	(30,979)	715,041	714,103	522,661	(216,954)	1,019,810
Guilderton Caravan Park Reserve	209,708	3,741	0	213,449	105,014	104,694	0	209,708	105,014	103,333	0	208,347
Shire Recreation Development Reserve	277,141	4,943	(185,000)	97,084	377,899	16,890	(117,648)	277,141	377,898	11,993	(115,860)	274,031
Redfield Park Reserve	34,867	622	0	35,489	33,375	1,492	0	34,867	33,375	1,059	0	34,434
Ocean Farm Recreation Reserve	34,525	616	0	35,141	33,048	1,477	0	34,525	33,048	1,049	0	34,097
Tip Rationalisation Reserve	2,912,246	351,947	(598,390)	2,665,803	2,247,611	713,483	(48,848)	2,912,246	2,247,610	418,320	(350,000)	2,315,930
Lancelin Community Sport and Recreation Reserve	158,961	31,093	0	190,054	135,553	34,317	(10,909)	158,961	135,553	32,560	0	168,113
Community Infrastructure Reserve	88,925	216,579	0	305,504	50,661	38,264	0	88,925	50,660	13,608	0	64,268
Staff Housing	6,362	113	0	6,475	6,090	272	0	6,362	6,090	193	0	6,283
Future Infrastructure Reserve	586,461	10,461	0	596,922	561,370	25,091	0	586,461	561,370	17,815	0	579,185
Guilderton Country Club Reserve	9,286	8,398	0	17,684	30,544	10,042	(31,300)	9,286	30,544	9,798	(10,000)	30,342
Coastal Management Reserve - Coastal Inundation	448,523	108,000	(228,734)	327,789	411,495	118,392	(81,364)	448,523	411,494	113,059	(45,000)	479,553
Guilderton Foreshore Reserve	452,867	370,889	(96,950)	726,806	326,964	128,953	(3,050)	452,867	326,964	114,453	(50,000)	391,417
Seniors Housing Reserve	78,053	33,492	(77,585)	33,960	151,326	31,764	(105,037)	78,053	151,327	29,802	(152,622)	28,507
Gingin Railway Station Reserve	6,367	114	0	6,481	6,095	272	0	6,367	6,095	193	0	6,288
Contributions to Roads Reserve - Cullalla Road Intersection	50,001	892	0	50,893	47,862	2,139	0	50,001	47,862	1,519	0	49,381
Contributions to Roads Reserve - Chitna Road	3,333	59	0	3,392	3,190	143	0	3,333	3,191	101	0	3,292
Contributions to Roads Reserve - Balance of Muni Funds	171,699	3,063	0	174,762	21,496	304,133	(153,930)	171,699	21,496	682	0	22,178
Community Infrastructure Reserve - Lower Coastal Fire Control	28,002	499	0	28,501	26,804	1,198	0	28,002	26,804	851	0	27,655
Community Infrastructure Reserve - Gingin Logo Plates	10,396	485	0	10,881	9,473	923	0	10,396	9,473	601	0	10,074
Community Infrastructure Reserve - Gingin Ambulance	72,075	7,286	0	79,361	63,248	8,827	0	72,075	63,248	8,007	0	71,255
Community Infrastructure Reserve - Lancelin Ambulance	38,513	18,687	0	57,200	19,635	18,878	0	38,513	19,637	18,623	0	38,260
Public Open Space Reserve	72,265	1,289	(55,000)	18,554	69,173	3,092	0	72,265	69,174	2,195	0	71,369
Guilderton Trailer Parking Reserve	47,126	5,758	0	52,884	39,609	7,517	0	47,126	39,609	7,233	0	46,842
Gingin Outdoor Activity Space Reserve	5,857	104	0	5,961	5,628	229	0	5,857	5,628	179	0	5,807
Community Resilience Reserve	24,615	439	0	25,054	13,750	10,865	0	24,615	13,750	10,686	0	24,436
Contribution to Roads Reserve - Aurisch Road Maintenance	24,480	12,937	(12,500)	24,917	12,500	13,059	(1,079)	24,480	12,500	12,897	(12,500)	12,897
Community Infrastructure - Development Reserve Fund Lot 601												
Brockman Street (Brookview Estate)	98,038	98,133	0	196,171	45,600	52,438	0	98,038	45,600	49,447	0	95,047
Community Facilities Fund	0	66,848	0	66,848	0	0	0	0	0	52,000	0	52,000
Maritime Facilities Fund	0	11,109	0	11,109	0	0	0	0	0	0	0	0
	8,409,343	1,412,452	(2,220,109)	7,601,686	7,405,097	1,858,502	(854,256)	8,409,343	7,405,097	1,613,182	(1,463,162)	7,555,117

## 9. RESERVE ACCOUNTS

### (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
<b>Restricted by legislation</b>		
<b>Restricted by council</b>		
LSL, Annual, Sick Leave and Staff Contingency	As required	Used to fund annual leave, long service leave, sick leave, redundancy/retirement and staff contingency.
Plant and Equipment Reserve	As required	Used for the purchase of major plant and equipment.
Land and Buildings Reserve	As required	Used for the replacement and/ or acquisition of land and buildings.
Guilderton Caravan Park Reserve	As required	Used for the development of Guilderton Caravan Park facilities.
Shire Recreation Development Reserve	As required	Used for the development of Shire Recreation facilities.
Redfield Park Reserve	As required	Used for the development of Public Open Space within the Redfield Park subdivision.
Ocean Farm Recreation Reserve	As required	Used for the development of recreation and community facilities with the Ocean Farm
Tip Rationalisation Reserve	As required	Used for rationalisation of rubbish tip facilities within the Shire.
Lancelin Community Sport and Recreation Reserve	As required	Used in developing building and other associated infrastructure at the Lancelin Community Sporting Club and are to be spent
Community Infrastructure Reserve	As required	Used to assist in financing of community facilities.
Staff Housing	As required	To be used to fund Staff housing infrastructure additions and/ or replacement.
Future Infrastructure Reserve	As required	To be used to fund future infrastructure construction, purchase, additions and/or renewals.
Guilderton Country Club Reserve	As required	To be used to fund the development of the Guilderton Country Club and are to be spent upon request from the Club, and
Coastal Management Reserve - Coastal Inundation	As required	For the purpose of funding coastal erosion mitigation and inundation works.
Guilderton Foreshore Reserve	As required	For the purpose to upgrade facilities and amenity within the Guilderton foreshore area.
Seniors Housing Reserve	As required	For the purpose of repairs, improvements, extensions or construction of seniors housing.
Gingin Railway Station Reserve	As required	For the purpose of improving and maintaining the Gingin Railway Station.
Contributions to Roads Reserve - Cullalla Road Intersection	As required	For the purpose of funding future road works
Contributions to Roads Reserve - Chitna Road	As required	For the purpose of funding future road works
Contributions to Roads Reserve - Balance of Muni Funds	As required	For the purpose of funding future road works
Community Infrastructure Reserve - Lower Coastal Fire Control	As required	Used to assist in the financing of community facilities.
Community Infrastructure Reserve - Gingin Logo Plates	As required	Used to assist in the financing of community facilities.
Community Infrastructure Reserve - Gingin Ambulance	As required	Used to assist in the financing of community facilities.
Community Infrastructure Reserve - Lancelin Ambulance	As required	Used to assist in the financing of community facilities.
Public Open Space Reserve	As required	For the purpose of funding development of public open space.
Guilderton Trailer Parking Reserve	As required	For the purpose of future trailer park bay maintenance at Guilderton Foreshore.
Gingin Outdoor Activity Space Reserve	As required	Used for the development of Shire Recreation facilities.
Community Resilience Reserve	As required	To be used in delivering of Resilience Plan as set out in funding agreement.
Contribution to Roads Reserve - Aurisch Road Maintenance	As required	For the purpose of funding future road works
Community Infrastructure - Development Reserve Fund Lot 601 Brockman Street (Brookview Estate)	As required	Used to assist in the financing of community facilities.
Community Facilities Fund	As required	For the purpose of construction and /or maintenance of community facilities to service each of the Lancelin South Structure Plan area.
Maritime Facilities Fund	As required	For the purpose of construction and / or maintenance by the Shire of maritime facilities in the upper coastal area.

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

**10. OTHER INFORMATION**

	<b>2025/26 Budget</b>	<b>2024/25 Actual</b>	<b>2024/25 Budget</b>
<b>The net result includes as revenues</b>	\$	\$	\$
<b>(a) Interest earnings</b>			
Investments	310,868	678,809	355,000
Other interest revenue	91,769	108,363	91,856
	<u>402,637</u>	<u>787,172</u>	<u>446,856</u>
<b>The net result includes as expenses</b>			
<b>(b) Auditors remuneration</b>			
Audit services	42,700	40,000	40,000
Other services	8,325	7,800	5,062
	<u>51,025</u>	<u>47,800</u>	<u>45,062</u>
<b>(c) Interest expenses (finance costs)</b>			
Borrowings (refer Note 7(a))	103,333	114,539	116,642
Interest on lease liabilities (refer Note 8)	458	1,062	443
Unwinding of discount *	91,500	183,000	0
	<u>195,291</u>	<u>298,601</u>	<u>117,085</u>

\*Unwinding of finance costs on provision for landfill remediation

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

**11. COUNCIL MEMBERS REMUNERATION**

	<b>2025/26 Budget</b>	<b>2024/25 Actual</b>	<b>2024/25 Budget</b>
	\$	\$	\$
<b>President's</b>			
President's allowance	16,000	15,780	16,000
Meeting attendance fees	15,600	15,386	15,600
Annual allowance for ICT expenses	2,500	2,466	2,500
Travel and accommodation expenses	2,723	891	2,723
	<b>36,823</b>	<b>34,522</b>	<b>36,823</b>
<b>Deputy President's</b>			
Deputy President's allowance	4,000	1,250	4,000
Meeting attendance fees	8,320	2,600	8,320
Annual allowance for ICT expenses	2,500	781	2,500
Travel and accommodation expenses	2,723	0	2,723
	<b>17,543</b>	<b>4,631</b>	<b>17,543</b>
<b>Council member 1</b>			
Meeting attendance fees	8,320	8,320	8,320
Annual allowance for ICT expenses	2,500	2,500	2,500
Travel and accommodation expenses	2,722	292	2,722
	<b>13,542</b>	<b>11,112</b>	<b>13,542</b>
<b>Council member 2</b>			
Meeting attendance fees	8,320	8,320	8,320
Annual allowance for ICT expenses	2,500	2,500	2,500
Travel and accommodation expenses	2,722	733	2,722
	<b>13,542</b>	<b>11,553</b>	<b>13,542</b>
<b>Council member 3</b>			
Meeting attendance fees	8,320	8,320	8,320
Annual allowance for ICT expenses	2,500	2,500	2,500
Travel and accommodation expenses	2,722	2,050	2,722
	<b>13,542</b>	<b>12,870</b>	<b>13,542</b>
<b>Council member 4</b>			
Meeting attendance fees	8,320	8,320	8,320
Annual allowance for ICT expenses	2,500	2,500	2,500
Travel and accommodation expenses	2,722	1,492	2,722
	<b>13,542</b>	<b>12,312</b>	<b>13,542</b>
<b>Council member 5</b>			
Meeting attendance fees	8,320	8,320	8,320
Annual allowance for ICT expenses	2,500	2,500	2,500
Travel and accommodation expenses	2,722	0	2,722
	<b>13,542</b>	<b>10,820</b>	<b>13,542</b>
<b>Council member 6</b>			
Meeting attendance fees	8,320	5,855	8,320
Annual allowance for ICT expenses	2,500	1,759	2,500
Travel and accommodation expenses	2,722	0	2,722
	<b>13,542</b>	<b>7,614</b>	<b>13,542</b>
<b>Council member 7</b>			
Meeting attendance fees	8,320	8,320	8,320
Annual allowance for ICT expenses	2,500	2,500	2,500
Travel and accommodation expenses	2,722	2,040	2,722
	<b>13,542</b>	<b>12,860</b>	<b>13,542</b>
<b>Total Council Member Remuneration</b>	<b>149,160</b>	<b>118,294</b>	<b>149,160</b>
President's allowance	16,000	15,780	16,000
Deputy President's allowance	4,000	1,250	4,000
Meeting attendance fees	82,160	73,761	82,160
Annual allowance for ICT expenses	22,500	20,006	22,500
Travel and accommodation expenses	24,500	7,498	24,500
	<b>149,160</b>	<b>118,294</b>	<b>149,160</b>

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

**12. 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 GINGIN**  
**NOTES TO AND FORMING PART OF THE BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2026**

**12. 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 GINGIN  
NOTES TO AND FORMING PART OF THE BUDGET  
FOR THE YEAR ENDED 30 JUNE 2026**

**12. 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:

<b>Revenue Category</b>	<b>Nature of goods and services</b>	<b>When obligations typically satisfied</b>	<b>Payment terms</b>	<b>Returns/Refunds / Warranties</b>	<b>Determination of transaction price</b>	<b>Allocating transaction price</b>	<b>Measuring obligations for returns</b>	<b>Timing of Revenue recognition</b>
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 if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	Adopted by council annually	Applied fully on timing of landing/take-off	Not applicable	On landing/departure event
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements 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
Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods

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

**13. 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**

To provide a decision making process for the efficient allocation of scarce resources

Includes the activities of members of Council and the administrative support available to the Council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific Council services.

**General purpose funding**

To collect revenue to allow for the provision of services

Rates, general purpose government grants and interest revenue.

**Law, order, public safety**

To provide services to help ensure a safer and environmentally conscious community

Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.

**Health**

To provide an operational framework for environmental and community health

Inspection of food outlets and their control, noise control and waste disposal compliance. Support of primary health provision.

**Education and welfare**

To provide services to disadvantaged persons, the elderly, children and youth

Maintenance of playgroup centre and Wangaree Community Centre. Provision and maintenance of youth services.

**Housing**

To provide and maintain staff and other housing

Provision and maintenance of staff, community, and other housing.

**Community amenities**

To provide services required by the community

Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.

**Recreation and culture**

To establish and effectively manage infrastructure and resource which will help the social well being of the community

Maintenance of public halls, civic centres, aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library and other cultural facilities.

**Transport**

To provide safe, effective and efficient transport services to the community

Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc

**Economic services**

To help promote the shire and its economic wellbeing

Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes.

**Other property and services**

To monitor and control Shire's overheads operating accounts

Private works operation, plant repair and operation costs and engineering operation costs, administration costs allocated and other unclassified works and services.

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

**14. FEES AND CHARGES**

	<b>2025/26 Budget</b>	<b>2024/25 Actual</b>	<b>2024/25 Budget</b>
	\$	\$	\$
<b>By Program:</b>			
General purpose funding	16,665	15,678	16,500
Law, order, public safety	70,118	114,618	67,835
Health	59,590	53,716	59,000
Education and welfare	5,500	5,998	5,500
Housing	163,871	141,407	137,406
Community amenities	2,585,747	2,351,123	2,254,317
Recreation and culture	112,374	100,381	115,708
Transport	133,290	116,551	128,000
Economic services	1,945,736	2,201,470	1,962,064
Other property and services	45,935	52,631	44,000
	<b>5,138,826</b>	<b>5,153,573</b>	<b>4,790,330</b>

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