



SHIRE OF TAMMIN
ANNUAL BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

LOCAL GOVERNMENT ACT 1995

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

A place for people, a place for community.

SHIRE OF TAMMIN
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2027

	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
Revenue		\$	\$	\$
Rates	2(a)	1,751,183	1,409,875	1,398,016
Grants, subsidies and contributions		970,630	1,678,005	923,530
Fees and charges	14	163,135	182,218	146,220
Interest revenue	9(a)	78,200	135,364	81,700
Other revenue		49,500	36,228	54,500
		3,012,648	3,441,690	2,603,966
Expenses				
Employee costs		(1,179,226)	(1,202,591)	(1,135,938)
Materials and contracts		(1,309,819)	(743,461)	(1,170,270)
Utility charges		(141,464)	(109,242)	(142,548)
Depreciation	6	(1,507,444)	(1,435,409)	(1,487,151)
Finance costs	9(c)	(51,296)	(197)	(296)
Insurance		(134,705)	(127,080)	(108,760)
Other expenditure		(129,776)	(103,663)	(127,476)
		(4,453,730)	(3,721,643)	(4,172,439)
		(1,441,082)	(279,953)	(1,568,473)
Capital grants, subsidies and contributions		2,631,320	702,709	882,958
Profit on asset disposals	5	141,041	0	11,000
		2,772,361	702,709	893,958
Net result for the period		1,331,279	422,756	(674,515)
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		1,331,279	422,756	(674,515)

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

SHIRE OF TAMMIN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2027

		2026/27	2025/26	2025/26
	Note	Budget	Actual	Budget
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		\$ 1,751,183	\$ 1,380,280	\$ 1,448,016
Grants, subsidies and contributions		850,630	1,828,817	1,075,239
Fees and charges		163,135	182,218	146,220
Interest revenue		78,200	135,364	81,700
Goods and services tax received		120,000	(10,561)	505,000
Other revenue		49,500	36,228	54,500
		3,012,648	3,552,346	3,310,675
Payments				
Employee costs		(1,179,226)	(1,274,902)	(1,135,938)
Materials and contracts		(1,189,819)	(658,421)	(1,195,270)
Utility charges		(141,464)	(109,242)	(142,548)
Finance costs		(51,296)	(197)	(296)
Insurance paid		(134,705)	(127,080)	(108,760)
Goods and services tax paid		(120,000)	0	(500,000)
Other expenditure		(129,776)	(103,663)	(127,476)
		(2,946,286)	(2,273,505)	(3,210,288)
Net cash provided by operating activities	4	66,362	1,278,841	100,387
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5(a)	(4,038,000)	(401,389)	(568,000)
Payments for construction of infrastructure	5(b)	(1,948,000)	(769,929)	(1,611,910)
Capital grants, subsidies and contributions		2,631,320	702,709	882,958
Proceeds from sale of property, plant and equipment	5(a)	200,000	0	18,000
Net cash (used in) investing activities		(3,154,680)	(468,609)	(1,278,952)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7(a)	(79,000)	(14,618)	(14,618)
Proceeds from new borrowings	7(a)	1,000,000	0	0
Net cash provided by (used in) financing activities		921,000	(14,618)	(14,618)
Net increase (decrease) in cash held		(2,167,318)	795,614	(1,193,183)
Cash at beginning of year		3,742,900	2,935,109	2,955,109
Cash and cash equivalents at the end of the year	4	1,575,582	3,730,723	1,761,926

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

SHIRE OF TAMMIN
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2027

OPERATING ACTIVITIES

Revenue from operating activities

	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
		\$	\$	\$
General rates	2(a)(i)	1,704,540	1,424,763	1,345,271
Rates excluding general rates	2(a)	46,643	(14,888)	52,745
Grants, subsidies and contributions		970,630	1,678,005	923,530
Fees and charges	14	163,135	182,218	146,220
Interest revenue	9(a)	78,200	135,364	81,700
Other revenue		49,500	36,228	54,500
Profit on asset disposals	5	141,041	0	11,000
		3,153,689	3,441,690	2,614,966

Expenditure from operating activities

Employee costs		(1,179,226)	(1,202,591)	(1,135,938)
Materials and contracts		(1,309,819)	(743,461)	(1,170,270)
Utility charges		(141,464)	(109,242)	(142,548)
Depreciation	6	(1,507,444)	(1,435,409)	(1,487,151)
Finance costs	9(c)	(51,296)	(197)	(296)
Insurance		(134,705)	(127,080)	(108,760)
Other expenditure		(129,776)	(103,663)	(127,476)
		(4,453,730)	(3,721,643)	(4,172,439)

Non cash amounts excluded from operating activities

	3(c)	1,366,403	1,436,207	1,476,151
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Amount attributable to operating activities

66,362 **1,156,254** **(81,322)**

INVESTING ACTIVITIES

Inflows from investing activities

Capital grants, subsidies and contributions		2,631,320	702,709	882,958
Proceeds from disposal of property, plant and equipment	5(a)	200,000	0	18,000
		2,831,320	702,709	900,958

Outflows from investing activities

Acquisition of property, plant and equipment	5(a)	(4,038,000)	(401,389)	(568,000)
Acquisition of infrastructure	5(b)	(1,948,000)	(769,929)	(1,611,910)
		(5,986,000)	(1,171,318)	(2,179,910)

Amount attributable to investing activities

(3,154,680) **(468,609)** **(1,278,952)**

FINANCING ACTIVITIES

Inflows from financing activities

Proceeds from new borrowings	7(a)	1,000,000	0	0
Transfers from reserve accounts	8(a)	450,000	1,556,719	1,689,719
		1,450,000	1,556,719	1,689,719

Outflows from financing activities

Repayment of borrowings	7(a)	(79,000)	(14,618)	(14,618)
Transfers to reserve accounts	8(a)	(103,025)	(1,594,765)	(1,500,188)
		(182,025)	(1,609,383)	(1,514,806)

Amount attributable to financing activities

1,267,975 **(52,664)** **174,913**

MOVEMENT IN SURPLUS OR DEFICIT

Surplus at the start of the financial year	3	1,820,343	1,185,361	1,185,361
Amount attributable to operating activities		66,362	1,156,254	(81,322)
Amount attributable to investing activities		(3,154,680)	(468,609)	(1,278,952)
Amount attributable to financing activities		1,267,975	(52,664)	174,913
Surplus/(deficit) remaining after the imposition of general rates	3	0	1,820,343	0

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

**SHIRE OF TAMMIN
FOR THE YEAR ENDED 30 JUNE 2026
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SHIRE OF TAMMIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

1. BASIS OF PREPARATION

The annual budget of the Shire of Tammin 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.

2025/26 actual balances

Balances shown in this budget as 2025/26 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 TAMMIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in dollar	Number of properties	Rateable value*	2026/27 Budgeted rate revenue	2026/27 Budgeted interim rates	2026/27 Budgeted total revenue	2025/26 Actual total revenue	2025/26 Budget total revenue
				\$	\$	\$	\$	\$	\$
(i) General rates									
Gross Rental Valuation	GRV	0.12138	88	1,051,386	127,620	0	127,620	122,713	122,713
Unimproved value	UV	0.00782	150	201,678,000	1,576,920	0	1,576,920	1,302,050	1,222,558
Total general rates			238	202,729,386	1,704,540	0	1,704,540	1,424,763	1,345,271
		Minimum							
		\$							
(ii) Minimum payment									
Gross Rental Valuation	GRV	748.00	50	36,531	37,400		37,400		35,950
Unimproved value	UV	748.00	41	1,695,200	30,668		30,668		32,355
Total minimum payments			91	1,731,731	68,068	0	68,068	0	68,305
Total general rates and minimum payments			329	204,461,117	1,772,608	0	1,772,608	1,424,763	1,413,576
(iii) Ex-gratia rates									
					9,298		9,298	8,940	8,940
					1,781,906	0	1,781,906	1,433,703	1,422,516
Discounts (Refer note 2(d))							(30,723)	(23,828)	(24,500)
Total rates					1,781,906	0	1,751,183	1,409,875	1,398,016

The Shire did not raise specified area rates for the year ended 30th June 2027.

*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 2026/27 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 TAMMIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027**

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.

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Option one				
Single full payment	17/08/2026			
Option two				
First instalment	17/08/2026			
Second instalment	17/10/2026	5	5.5%	11.0%
Third instalment	17/12/2026	5	5.5%	11.0%
Fourth instalment	17/02/2027	5	5.5%	11.0%

**SHIRE OF TAMMIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027**

2. RATES AND SERVICE CHARGES (CONTINUED)

(c) Service Charges

The Shire did not raise service charges for the year ended 30th June 2027.

(d) Early payment discounts

Rate, fee or charge to which discount is granted	Type	Discount %	Discount (\$)	2026/27 Budget	2025/26 Actual	2025/26 Budget	Circumstances in which discount is granted
				\$	\$	\$	
Rates discount for prompt payment	Rate	2.0%		30,723	23,828	24,500	If all rates and charges appearing on the rates notice (including arrears) are paid in full within 35 days of issue of the rate assessment notice.
				30,723	23,828	24,500	

(e) Waivers or concessions

The Shire does not anticipate any waivers or concessions for the year ended 30th June 2027.

SHIRE OF TAMMIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

3. NET CURRENT ASSETS

(a) Composition of estimated net current assets

Note	2026/27 Budget 30 June 2027	2025/26 Actual 30-Jun-26	2025/26 Budget 30-Jun-26
	\$	\$	\$
	1,575,582	3,742,900	1,761,926
	190,414	190,414	100,449
	0	0	
	1,765,996	3,933,314	1,862,375
	(236,367)	(236,367)	(192,352)
	0	0	
	(921,000)	0	
	(62,324)	(62,324)	(83,320)
	(1,219,691)	(298,691)	(275,672)
	546,305	3,634,623	1,586,703
	(546,305)	(1,814,280)	(1,586,703)
	0	1,820,343	0

Current assets

Cash and cash equivalents
Receivables
Non-current assets held for sale

Less: current liabilities

Trade and other payables
Contract 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
Add: Current liabilities not expected to be cleared at end of year
- Current portion of borrowings
- Current portion of employee benefit provisions held in reserve

Total adjustments to net current assets

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*.

Note	2026/27 Budget 30 June 2027	2025/26 Actual 30-Jun-26	2025/26 Budget 30-Jun-26
	\$	\$	\$
	(141,041)	0	(11,000)
	1,507,444	1,435,409	1,487,151
	1,366,403	1,436,207	1,476,151

Adjustments to operating activities

Less: Profit on asset disposals
Add: Depreciation

Non cash amounts excluded from operating activities

SHIRE OF TAMMIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

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 TAMMIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

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	2026/27 Budget	2025/26 Actual	2025/26 Budget
Cash at bank and on hand		\$ 24,957	\$ 1,888,440	\$ 91,903
Term deposits		1,550,625	1,854,460	1,670,023
Total cash and cash equivalents		1,575,582	3,742,900	1,761,926
Held as				
- Unrestricted cash and cash equivalents		24,957	1,845,300	91,903
- Restricted cash and cash equivalents		1,550,625	1,897,600	1,670,023
	3(a)	1,575,582	3,742,900	1,761,926
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		1,550,625	1,897,600	1,670,023
		1,550,625	1,897,600	1,670,023
The assets are restricted as a result of the specified purposes associated with the liabilities below:				
Reserve accounts	8	1,550,625	1,897,600	1,670,023
		1,550,625	1,897,600	1,670,023
Reconciliation of net cash provided by operating activities to net result				
Net result		1,331,279	422,756	(674,515)
Depreciation	6	1,507,444	1,435,409	1,487,151
(Profit)/loss on sale of asset	5	(141,041)	0	(11,000)
(Increase)/decrease in receivables		0	(41,053)	55,000
(Increase)/decrease in contract assets		0	153,000	153,000
Increase/(decrease) in payables		0	39,015	(25,000)
Increase/(decrease) in contract liabilities		0	(1,291)	(1,291)
Increase/(decrease) in employee provisions		0	(26,286)	0
Capital grants, subsidies and contributions		(2,631,320)	(702,709)	(882,958)
Net cash from operating activities		66,362	1,278,841	100,387

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 TAMMIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

5. PROPERTY, PLANT AND EQUIPMENT

	2026/27 Budget					Additions	2025/26 Budget				
	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Disposals - Loss		Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	
(a) Property, Plant and Equipment	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Land - freehold land	0	(58,959)	200,000	141,041	0	0					
Buildings - specialised	3,963,000				0	155,472	181,000				
Furniture and equipment	0				0	6,227	32,000				
Plant and equipment	75,000				0	239,690	355,000	(7,000)	18,000	11,000	
Total	4,038,000	(58,959)	200,000	141,041	0	401,389	568,000	(7,000)	18,000	11,000	
(b) Infrastructure											
Infrastructure - roads	1,176,243				0	586,790	1,319,390				
Infrastructure - footpaths	30,000				0	114,512	40,000				
Other infrastructure	741,757				0	68,627	252,520				
Total	1,948,000	0	0	0	0	769,929	1,611,910	0	0	0	
Total	5,986,000	(58,959)	200,000	141,041	0	1,171,318	2,179,910	(7,000)	18,000	11,000	

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 TAMMIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

Budget Capex & Non Routine Opex

Project Name	Cat	Budget	Council Contribution	Grant/Contribution	Budget Source	Job	Asset Class
Purchase of Land	2	250,000	250,000	0	091402		Land
Refurbishment and Improvements of Coinda	1	10,000	10,000	0	106521		Buildings - non-specialised
New Housing X 5	1	2,500,000	1,000,000	(1,500,000)	091402		Buildings - non-specialised
Cricket Shed	1	25,000	8,333	(16,667)	113521		Buildings - non-specialised
Purchase of Tammin Hotel & redevelopment	1	1,098,000	1,098,000	0	137400		Buildings - non-specialised
Paint CWA	2	35,000	22,500	(12,500)	106521		Buildings - non-specialised
Yorkine Hall Outdoors area	2	20,000	10,000	(10,000)	111405		Buildings - non-specialised
Plant Purchase Water/ Spray Ute	1	75,000	75,000	0	123400		Plant and equipment
Bungalla North (cementry to nock) RRG	1	567,603	189,201	(378,402)	121401		Infrastructure - Roads
York Tammin road RRG	1	143,640	47,880	(95,760)	121401		Infrastructure - Roads
Underwood Road Reseal	2	65,000	65,000	0	121400		Infrastructure - Roads
R2R - Roads	1	400,000	0	(400,000)	121403		Infrastructure - Roads
Footpath Renewal - Redmond St	1	30,000	30,000	0	121407		Infrastructure - Footpaths
Tip redevelopment - Recycling	1	288,237	96,079	(192,158)	100402		Infrastructure - Other
Depot Storage	1	23,000	23,000	0	121413		Infrastructure - Other
Lighting for Bowls club	1	30,000	5,000	(25,000)	113545		Infrastructure - Other
Roaded Catchment - community paddock	1	190,520	74,320	(116,200)	113548		Infrastructure - Other
R2R Floodway Renewal	1	65,000	0	(65,000)	121406		Infrastructure - Other
Station Road Culverts	2	15,000	15,000	0	121406		Infrastructure - Other
Tamma Village new fencing & Solar Lights	2	45,000	45,000	0	084401		Infrastructure - Other
New Roof Cover on Kep	2	15,000	15,000	0	113545	KEP004	Infrastructure - Other
Hockey Lighting	3	30,000	30,000	0	113545		Infrastructure - Other
Shire Beautification and Tourism	3	30,000	30,000	0	113545		Infrastructure - Other
Tourism	3	10,000	10,000		132153		Infrastructure - Other
Sale of Shire Assets	2	(200,000)	(200,000)	0	147001		
Doors on Pavillion	opex	2,000	2,000	0	113102		
Doors at Town hall side	opex	4,000	4,000	0	111101		
Contract Verge Spraying	opex	50,000	50,000	0	122107		
Fencing	opex	20,000	20,000	0	122107		
Tammin Signage	opex	5,000	5,000	0	122108		
Tree replacement program/ Beautification	opex	5,000	5,000	0	122111		
Christmas Light Upgrade	opex	5,000	5,000	0	132101		
Office IT Upgrades	opex	5,000	5,000	0	145117		
General Consultancy	opex	100,000	100,000	0	042102		
Generator outlets houses	opex	4,000	4,000	0	91100		
Generator outlets - town hall	opex	2,000	2,000	0	111101		
Generator outlets - depot	opex	2,000	2,000		122106		
Generator outlets - donnan	opex	2,000	2,000		113102		
Tip works and Regeneration	opex	40,000	40,000	0	100101	TIPT	
Tammin Tabloid Office Refurbishment	opex	10,000	10,000	0	106107	B004	
Oval coring and topdressing	opex	17,000	17,000	0	113102	TOVM	

Summary of Proposed Capital Expenditure (by Asset Class)

Land	\$250,000	4%
Buildings - non-specialised	\$3,688,000	62%
Plant and equipment	\$75,000	1%
Furniture and equipment	\$0	0%
Infrastructure - Roads	\$1,176,243	20%
Infrastructure - Footpaths	\$30,000	1%
Infrastructure - Other	\$741,757	12%
	\$5,961,000	

Capital Grants & Contributions

RRG	(\$474,162)
R2R	(\$465,000)
Club Contributions	(\$64,167)
DWER	(\$308,358)
State/Federal Grant	(\$1,500,000)
	(\$2,811,687)

Summary of Proposed Capital Expenditure (by Asset Type)

Purchase property, plant and equipment	\$4,013,000	67%
Purchase and construction of infrastructure	\$1,948,000	33%
	\$5,961,000	

SHIRE OF TAMMIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

6. DEPRECIATION

By Class

Buildings - non-specialised
Furniture and equipment
Plant and equipment
Infrastructure - roads
Infrastructure - footpaths
Other infrastructure

By Program

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

2026/27 Budget	2025/26 Actual	2025/26 Budget
\$	\$	\$
151,878	140,453	139,636
12,020	11,215	12,004
121,559	142,193	121,524
1,105,867	1,038,558	1,103,787
23,221	16,652	17,721
92,898	86,337	92,479
1,507,444	1,435,409	1,487,151
185	165	180
28,885	26,418	28,285
19,162	17,565	18,725
20,132	18,442	20,097
162,792	152,080	159,576
1,190,581	1,140,867	1,183,001
4,812	4,026	4,392
80,895	75,847	72,895
1,507,444	1,435,409	1,487,151

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:

Asset Class	Useful life
Buildings - non-specialised	20 - 90 years
Furniture and equipment	5 years
Plant and equipment	4 - 50 years
Infrastructure - footpaths	40 - 80 years
Other infrastructure	10 - 90 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 life 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.

DEPRECIATION (Continued)

Asset Class	Useful life
Sealed roads and streets	
* clearing and earthworks	not depreciated
* construction/road base	24 years
* kerbing	60 years
original surfacing and major re-surfacing	
* bituminous seals	14 years
* asphalt surfaces	14 years
Gravel roads	
* clearing and earthworks	not depreciated
* construction/road base	24 years
* gravel sheet	12 years
Formed roads (unsealed)	
* clearing and earthworks	not depreciated
* construction/road base	24 years

SHIRE OF TAMMIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

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 Principal 1 July 2026	2026/27	2026/27	Budget	2026/27	Actual Principal 1 July 2025	2025/26	2025/26	Actual	2025/26	Budget Principal 1 July 2025	2025/26	2025/26	Budget	2025/26	Actual Principal 30-Jun-26	2025/26	2025/26	Budget	2025/26		
					Budget New Loans	Budget Principal Repayments	Principal outstanding 30 June 2027	Budget Interest Repayments		Actual New Loans	Actual Principal Repayments	Principal outstanding 30-Jun-26	Actual Interest Repayments		Budget New Loans	Budget Principal Repayments	Principal outstanding 30-Jun-26	Budget Interest Repayments							
Synthetic Bowling Green	81		2.7%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 14,618	\$ 0	\$ (14,618)	\$ 0	\$ (197)	\$ 14,618	\$ 0	\$ (14,618)	\$ 0	\$ 0	\$ 0	\$ (197)	\$ 14,618	\$ 0	\$ (14,618)	\$ 0	\$ (296)
Housing Project	TBA		5.2%	0	1,000,000	(79,000)	921,000	(51,296)																	
				0	1,000,000	(79,000)	921,000	(51,296)	14,618	0	(14,618)	0	(197)	14,618	0	(14,618)	0	0	(197)	14,618	0	(14,618)	0	(296)	

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 TAMMIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

7. BORROWINGS

(b) New borrowings - 2026/27

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
				%	\$	\$	\$	\$
Housing Project	WATC	Loan	10	5.2%	1,000,000	51,000	1,000,000	0
					1,000,000	51,000	1,000,000	0

(c) Unspent borrowings

The Shire had no unspent borrowing funds as at 30th June 2026 nor is it expected to have unspent borrowing funds as at 30th June 2027.

(d) Credit Facilities

	2026/27 Budget	2025/26 Actual	2025/26 Budget
Undrawn borrowing facilities credit standby arrangements	\$	\$	\$
Bank overdraft limit	100,000		100,000
Bank overdraft at balance date	0		0
Credit card limit	20,000		20,000
Credit card balance at balance date	(10,000)		(1,500)
Total amount of credit unused	110,000	0	118,500
Loan facilities			
Loan facilities in use at balance date	921,000	0	0

Overdraft details	Purpose overdraft was established	Year overdraft established	Amount b/fwd 1 July 2026	2026/27 Budgeted Increase/ (Decrease)	Amount as at 30th June 2027
			\$	\$	\$
NAB	Cashflow - to be closed with NAB accounts		100,000	0	100,000
CBA	Cashflow	2026	100,000	0	100,000
			200,000	0	200,000

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 TAMMIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

8. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2026/27 Budget				2025/26 Actual				2025/26 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) Leave reserve	135,054	0	0	135,054	96,589	38,465	0	135,054	96,589	38,465	0	135,054
(b) Plant Replacement reserve	537,014	103,025	0	640,039	248,792	344,753	(56,531)	537,014	248,792	344,753	(189,531)	404,014
(c) Information & Technology	124,104	0	0	124,104	13,985	110,119	0	124,104	13,985	110,119	0	124,104
(d) Tamma Village Upgrade & Improvements	0	0	0	0	23,608	0	(23,608)	0	23,608	0	(23,608)	0
(e) Sports, Recreation Facilities Upgrades Rese	0	0	0	0	935,994	0	(935,994)	0	935,994	0	(935,994)	0
(f) Bowling Green Replacement Reserve	0	0	0	0	2,348	0	(2,348)	0	2,348	0	(2,348)	0
(g) Property & Building Reserve	0	0	0	0	538,238	0	(538,238)	0	538,238	0	(538,238)	0
(h) Waste Asset Management and Renewal	134,563	0	0	134,563	0	134,563	0	134,563	0	134,563	0	134,563
(i) Asset Management and Renewal	362,278	0	0	362,278	0	362,278	0	362,278	0	362,278	0	362,278
(j) Asset Development	604,587	0	(450,000)	154,587	0	604,587	0	604,587	0	510,010	0	510,010
	1,897,600	103,025	(450,000)	1,550,625	1,859,554	1,594,765	(1,556,719)	1,897,600	1,859,554	1,500,188	(1,689,719)	1,670,023

(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 legislation		
Restricted by council		
(a) Leave reserve	Ongoing	- To fund annual and long service leave requirements.
(b) Plant Replacement reserve	Ongoing	- To purchase major plant and machinery.
(c) Information & Technology	Ongoing	- To fund IT requirements.
(d) Tamma Village Upgrade & Improvements	Closed	- For maintenance and upgrades of Tamma Village units.
(e) Sports, Recreation Facilities Upgrades Rese	Closed	- For improvements of Tammin's sport, recreation & community facilities.
(f) Bowling Green Replacement Reserve	Closed	- For replacement of the synthetic playing surface at the end of its useful life.
(g) Property & Building Reserve	Closed	- For future development of Shire properties including urgent maintenance and construction of Council buildings.
(h) Waste Asset Management and Renewal	Ongoing	- For future management, development and renewal of waste management assets
(i) Asset Management and Renewal	Ongoing	- For renewal and urgent maintenance of Shire properties and infrastructure.
(j) Asset Development	Ongoing	- For future development of Shire properties and infrastructure.

SHIRE OF TAMMIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

9. OTHER INFORMATION

The net result includes as revenues

(a) Interest earnings

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	\$	\$	\$
Investments	70,000	124,981	73,500
Late payment of fees and charges *	8,200	10,383	8,200
	<u>78,200</u>	<u>135,364</u>	<u>81,700</u>

* The Shire has resolved to charge interest under section 6.13 for the late payment of any amount of money at 11%.

The net result includes as expenses

(b) Auditors remuneration

Audit services	39,200	36,295	38,000
Other services	10,000	2,580	40,000
	<u>49,200</u>	<u>38,875</u>	<u>78,000</u>

(c) Interest expenses (finance costs)

Borrowings (refer Note 7(a))	51,296	197	296
	<u>51,296</u>	<u>197</u>	<u>296</u>

SHIRE OF TAMMIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

10. COUNCIL MEMBERS REMUNERATION

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	\$	\$	\$
President's			
President's allowance	12,000	8,000	8,000
Meeting attendance fees	4,161	4,020	3,927
Other expenses	3,333	2,400	3,333
Annual allowance for travel and accommodation expenses	100	100	101
	19,594	14,520	15,362
Deputy President's			
Deputy President's allowance	3,000	2,000	3,000
Meeting attendance fees	4,161	4,020	3,927
Other expenses	3,333	2,400	3,333
Annual allowance for travel and accommodation expenses	100	100	101
	10,594	8,520	10,362
Council member 1			
Meeting attendance fees	4,161	4,020	3,927
Other expenses	3,333	2,400	3,333
Annual allowance for travel and accommodation expenses	100	100	101
	7,594	6,520	7,362
Council member 2			
Meeting attendance fees	4,161	4,020	3,927
Other expenses	3,333	2,400	3,333
Annual allowance for travel and accommodation expenses	100	100	101
	7,594	6,520	7,362
Council member 3			
Meeting attendance fees	4,161	4,020	
Other expenses	3,333	2,400	3,333
Annual allowance for travel and accommodation expenses	100	100	101
	7,594	6,520	3,435
Council member 4			
Meeting attendance fees	4,161	4,020	3,927
Other expenses	3,333	2,400	3,333
Annual allowance for travel and accommodation expenses	100	100	101
	7,594	6,520	7,362
Total Council Member Remuneration	60,564	49,123	51,243
President's allowance	12,000	8,000	8,000
Deputy President's allowance	3,000	2,000	3,000
Meeting attendance fees	24,966	24,120	19,636
Other expenses	19,998	14,403	20,000
Annual allowance for travel and accommodation expenses	600	600	607
	60,564	49,123	51,243

SHIRE OF TAMMIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

11. MAJOR LAND TRANSACTIONS

Purchase of Tammin Tavern

(a) Details

Purchase of Strategic Land asset for provision of shortstay accommodation, town center butification and activation

(b) Current year transactions

Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
	\$	\$	\$
Capital expenditure			
Purchase	(450,000)		
Outfit & Repair	(648,000)	(300,000)	0
	(1,098,000)	(300,000)	0

(c) Expected future cash flows

	2026/27	2027/28	2028/29	2029/30	2030/31	Total
	\$	\$	\$	\$	\$	\$
Cash outflows						
Maintaince & Cleaning	(15,000)	(130,000)	(136,500)	(143,325)	(150,491)	(575,316)
	(15,000)	(130,000)	(136,500)	(143,325)	(150,491)	(575,316)
Cash Inflows						
Rental Income	50,000	250,000	262,500	275,625	289,406	1,127,531
	50,000	250,000	262,500	275,625	289,406	1,127,531
Net cash flows	35,000	120,000	126,000	132,300	138,915	552,215

SHIRE OF TAMMIN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

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.

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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:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	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	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	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	On entry to facility
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	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	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	Output method based on goods

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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 to 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, provision of meat inspection services, noise control and waste disposal compliance.

Education and welfare

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

Maintenance of Tamma Village. Provision of senior and youth services.

Housing

To provide housing to staff.

Staff housing, provision of general rental accommodation when buildings not required by staff.

Community amenities

To provide services required by the community.

Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of 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 resources which help the social well being of the community.

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

Transport

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

Construction and maintenance of roads, streets, footpaths, depots, cycleways and parking facilities.

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. Building control.

Other property and services

To monitor and control Council's overhead operating accounts.

Private works operation, plant repair and operation costs, housing and engineering operation costs.

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14. FEES AND CHARGES

	2026/27 Budget	2025/26 Actual	2025/26 Budget
3	\$	\$	\$
By Program:			
Governance	100	0	100
Law, order, public safety	2,430	1,591	2,430
Health	300	501	600
Education and welfare	65,000	60,788	65,000
Housing	35,000	30,031	16,000
Community amenities	37,865	37,774	39,176
Recreation and culture	6,790	13,848	7,164
Transport	5,450	5,186	5,450
Economic services	1,600	1,125	1,700
Other property and services	8,600	31,373	8,600
	163,135	182,218	146,220

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