

SHIRE OF CARNARVON

ANNUAL BUDGET

FOR THE YEAR ENDED 30 JUNE 2026

LOCAL GOVERNMENT ACT 1995

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The Shire of Carnarvon a Class 2 local government conducts the operations of a local government with the following community vision:

Unity, Humanity, Nature
A connected community across leaders, cultures and generations
A future for every young person
A job-rich economy, built on local strengths
A still-natural environment, looked after and used

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

	Note	2025/26 Budget	2024/25 Actual	2024/25 Budget
Revenue		\$	\$	\$
Rates	2(a)	7,772,846	7,264,318	7,311,553
Grants, subsidies and contributions		9,197,407	7,233,291	8,138,626
Fees and charges	16	3,695,402	3,436,505	3,557,520
Interest revenue	11(a)	492,000	558,265	425,000
Other revenue		322,550	407,857	438,469
		21,480,205	18,900,236	19,871,168
Expenses				
Employee costs		(11,613,172)	(9,257,626)	(9,194,215)
Materials and contracts		(10,858,217)	(7,704,776)	(13,153,197)
Utility charges		(879,208)	(893,677)	(931,595)
Depreciation	7	(8,815,610)	(8,841,856)	(8,895,780)
Finance costs	11(c)	(109,567)	(104,958)	(103,524)
Insurance		(697,887)	(701,806)	(748,544)
Other expenditure		(380,470)	(419,023)	(375,774)
		(33,354,131)	(27,923,722)	(33,402,629)
		(11,873,926)	(9,023,486)	(13,531,461)
Capital grants, subsidies and contributions		14,868,174	3,621,776	15,614,027
Profit on asset disposals	5	0	17,032	84,560
Loss on asset disposals	5	0	(8,597)	(98,870)
		14,868,174	3,630,211	15,599,717
Net result for the period		2,994,248	(5,393,275)	2,068,256
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		2,994,248	(5,393,275)	2,068,256

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

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

	Note	2025/26	2024/25	2024/25
		Budget	Actual	Budget
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts		\$	\$	\$
Rates		9,022,846	6,679,343	7,311,553
Grants, subsidies and contributions		8,479,033	6,010,307	5,868,018
Fees and charges		3,695,402	3,436,505	3,557,520
Interest revenue		492,000	558,265	425,000
Goods and services tax received		600,000	349,192	500,000
Other revenue		322,550	407,857	438,469
		22,611,831	17,441,469	18,100,560
Payments				
Employee costs		(11,613,172)	(9,374,591)	(9,194,215)
Materials and contracts		(9,858,217)	(9,861,706)	(11,653,198)
Utility charges		(879,208)	(893,677)	(931,595)
Finance costs		(109,567)	(104,958)	(103,524)
Insurance paid		(697,887)	(701,806)	(748,544)
Goods and services tax paid		(600,000)	(500,000)	(500,000)
Other expenditure		(380,470)	(419,023)	(375,774)
		(24,138,521)	(21,855,761)	(23,506,850)
Net cash (used in) operating activities	4	(1,526,690)	(4,414,292)	(5,406,290)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5(a)	(1,441,691)	(2,673,458)	(3,521,450)
Payments for construction of infrastructure	5(b)	(15,583,462)	(4,903,384)	(17,191,900)
Capital grants, subsidies and contributions		14,868,174	3,621,776	15,614,027
Proceeds from sale of property, plant and equipment	5(a)	0	174,153	170,190
Net cash (used in) investing activities		(2,156,979)	(3,774,698)	(4,929,133)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	8(a)	(464,694)	(439,956)	(439,953)
Payments for principal portion of lease liabilities	9	(121,774)	(231,095)	(162,813)
Proceeds from new borrowings	8(a)	365,000	500,000	865,000
Net cash provided by (used in) financing activities		(221,468)	(171,051)	262,234
Net (decrease) in cash held		(3,905,137)	(8,360,041)	(10,073,189)
Cash at beginning of year		5,133,147	13,493,188	13,493,188
Cash and cash equivalents at the end of the year	4	1,228,010	5,133,147	3,419,999

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

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

	Note	2025/26 Budget	2024/25 Actual	2024/25 Budget
OPERATING ACTIVITIES		\$	\$	\$
Revenue from operating activities				
General rates	2(a)(i)	7,772,846	7,264,318	7,311,553
Grants, subsidies and contributions		9,197,407	7,233,291	8,138,626
Fees and charges	16	3,695,402	3,436,505	3,557,520
Interest revenue	11(a)	492,000	558,265	425,000
Other revenue		322,550	407,857	438,469
Profit on asset disposals	5	0	17,032	84,560
		21,480,205	18,917,268	19,955,728
Expenditure from operating activities				
Employee costs		(11,613,172)	(9,257,626)	(9,194,215)
Materials and contracts		(10,858,217)	(7,704,776)	(13,153,197)
Utility charges		(879,208)	(893,677)	(931,595)
Depreciation	7	(8,815,610)	(8,841,856)	(8,895,780)
Finance costs	11(c)	(109,567)	(104,958)	(103,524)
Insurance		(697,887)	(701,806)	(748,544)
Other expenditure		(380,470)	(419,023)	(375,774)
Loss on asset disposals	5	0	(8,597)	(98,870)
		(33,354,131)	(27,932,319)	(33,501,499)
Non cash amounts excluded from operating activities	3(c)	8,815,610	8,716,456	8,910,090
Amount attributable to operating activities		(3,058,316)	(298,595)	(4,635,681)
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		14,868,174	3,621,776	15,614,027
Proceeds from disposal of property, plant and equipment	5(a)	0	174,153	170,190
		14,868,174	3,802,144	15,784,217
Outflows from investing activities				
Payments for property, plant and equipment	5(a)	(1,441,691)	(2,673,458)	(3,521,450)
Payments for construction of infrastructure	5(b)	(15,583,462)	(4,903,384)	(17,191,900)
		(17,025,153)	(7,576,842)	(20,713,350)
Amount attributable to investing activities		(2,156,979)	(3,774,698)	(4,929,133)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from new borrowings	8(a)	365,000	500,000	865,000
Proceeds from new leases - non cash	9	9,300	146,388	33,979
Transfers from reserve accounts	10(a)	1,311,260	1,967,240	2,302,369
		1,685,560	2,613,628	3,201,348
Outflows from financing activities				
Repayment of borrowings	8(a)	(464,694)	(439,956)	(439,953)
Payments for principal portion of lease liabilities	9	(131,074)	(231,095)	(162,813)
Transfers to reserve accounts	10(a)	(475,366)	(466,971)	(388,317)
		(1,071,134)	(1,138,022)	(991,083)
Non-cash amounts excluded from financing activities	3(d)	(9,300)	(146,388)	(33,979)
Amount attributable to financing activities		605,126	1,329,218	2,176,286
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus at the start of the financial year	3	4,219,463	6,963,539	7,388,528
Amount attributable to operating activities		(3,058,316)	(298,595)	(4,635,681)
Amount attributable to investing activities		(2,156,979)	(3,774,698)	(4,929,133)
Amount attributable to financing activities		605,126	1,329,218	2,176,286
Surplus/(deficit) remaining after the imposition of general rates	3	(390,707)	4,219,463	0

SHIRE OF CARNARVON
FOR THE YEAR ENDED 30 JUNE 2026
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SHIRE OF CARNARVON
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 Carnarvon which is a Class 2 local government is a forward looking document and has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the annual budget be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from *AASB 16 Leases* which would have required the Shire to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this annual budget have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the annual budget has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

The local government reporting entity

All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this annual budget.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 13 to the annual budget.

2024/25 actual balances

Balances shown in this budget as 2024/25 Actual are estimates as forecast at the time of preparation of the annual budget and are subject to final adjustments.

Budget comparative figures

Unless otherwise stated, the budget comparative figures shown in the budget relate to the original budget estimate for the relevant item of disclosure.

Comparative figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Rounding off figures

All figures shown in this statement are rounded to the nearest dollar.

Statement of Cashflows

Investing and financing transactions that do not require the use of cash or cash equivalents shall be excluded from a statement of cash flows. Such transactions shall be disclosed elsewhere in the financial statements in a way that provides all the relevant information about these investing and financing activities.

Initial application of accounting standards

During the budget year, the below revised Australian Accounting Standards and Interpretations are expected to be compiled, become mandatory and be applicable to its operations.

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

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

• AASB 2022-10 Amendments to Australian Accounting Standards

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

New accounting standards for application in future years

The following new accounting standards will have application to local government in future years:

- *AASB 2014-10 Amendments to Australian Accounting Standards*
 - *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- *AASB 2024-4b Amendments to Australian Accounting Standards*
 - *Effective Date of Amendments to AASB 10 and AASB 128*
[deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- *AASB 2022-9 Amendments to Australian Accounting Standards*
 - *Insurance Contracts in the Public Sector*
- *AASB 2023-5 Amendments to Australian Accounting Standards*
 - *Lack of Exchangeability*
- *AASB 18 (FP) Presentation and Disclosure in Financial Statements*
 - *(Appendix D) [for 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 CARNARVON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in dollar	Number of properties	Rateable value*	2025/26 Budgeted rate revenue	2025/26 Budgeted interim rates	2025/26 Budgeted total revenue	2024/25 Actual total revenue	2024/25 Budget total revenue
(i) General rates									
Residential	GRV	0.107975	1,420	28,646,650	3,093,123	5,000	3,098,123	2,816,932	2,823,530
Commercial/Industrial	GRV	0.120515	267	16,472,718	1,985,210	5,000	1,990,210	1,832,848	1,866,437
Special Use/Rural	GRV	0.119510	56	1,951,241	233,192	0	233,192	239,568	239,259
Mining	UV	0.281070	31	1,010,738	284,088	20,000	304,088	487,950	503,378
Pastoral	UV	0.138130	32	3,072,132	424,354	5,000	429,354	413,527	418,527
Intensive Horticultural	UV	0.028743	171	24,903,000	715,787	5,000	720,787	658,500	666,924
Total general rates			1,977	76,056,479	6,735,754	40,000	6,775,754	6,449,325	6,518,055
(ii) Minimum payment									
Residential	GRV	1,454.00	264	2,301,665	383,856	0	383,856	343,720	343,720
Commercial/Industrial	GRV	1,454.00	67	510,018	97,418	0	97,418	72,710	74,032
Special Use/Rural	GRV	1,454.00	48	441,205	69,792	0	69,792	39,660	39,660
Mining	UV	1,454.00	32	56,844	46,528	0	46,528	8,245	8,245
Pastoral	UV	1,454.00	8	20,700	11,632	0	11,632	10,576	10,576
Intensive Horticultural	UV	1,454.00	0	0	0	0	0	0	0
Total minimum payments			419	3,330,432	609,226	0	609,226	474,911	476,233
Total general rates and minimum payments			2,396	79,386,911	7,344,980	40,000	7,384,980	6,924,236	6,994,288
(iii) Specified area rates									
GRV Coral bay					375,366	0	375,366	326,343	311,100
Total specified area rates			0	0	375,366	0	375,366	326,343	311,100
(ii) Ex-gratia rates									
Dampier-Bunbury Pipeline					14,000	0	14,000	13,739	7,665
Total ex-gratia rates			0	0	14,000	0	14,000	13,739	7,665
					7,734,346	40,000	7,774,346	7,264,318	7,313,053
Concessions (Refer note 2(f))					(1,500)	0	(1,500)	0	(1,500)
Total rates					7,732,846	40,000	7,772,846	7,264,318	7,311,553
Instalment plan charges							10,000	8,059	15,000
Instalment plan interest							27,000	24,343	25,000
Late payment of rate or service charge interest							120,000	139,700	100,000
							157,000	172,102	140,000

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 CARNARVON
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.

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
Option one		\$	%	%
Single full payment	10/09/2025	0	0.0%	11.0%
Option two				
First instalment	10/09/2025	0	0.0%	11.0%
Second instalment	14/01/2026	10	5.5%	11.0%
Option three				
First instalment	10/09/2025	0	0.0%	11.0%
Second instalment	12/11/2025	10	5.5%	11.0%
Third instalment	14/01/2026	10	5.5%	11.0%
Fourth instalment	18/03/2026	10	5.5%	11.0%

(c) Objectives and Reasons for Differential Rating

Differential rating is the method of applying a different rate in the dollar to a different category of property. This is allowed for and controlled by S6.33 of the Local Government Act 1995 and the Shire applies differential rates according to property usage for GRV and UV Rated properties. Properties in the Shire of Carnarvon are valued with either a Gross Rental Value (GRV) which is used on urban properties around townsites and Unimproved Value (UV) which is predominantly used on rural properties.

The purpose of levying rates is to meet Council's budget requirements each financial year, so it can deliver facilities, services and community infrastructure. Property valuations provided by the Valuer General's Office (VGO) are used as the basis for the calculation of rates each year. Section 6.33 of the Local Government Act 1995 provides the ability to differentially rate properties based on zoning and/or land use as determined by the Shire of Carnarvon. The application of differential rating maintains equity on the rating of properties across the Shire. The Council has considered the key values contained within the Rating Policy: Differential Rates (s.6.33) released by the Department of Local Government, Sport and Cultural Industries, being: Objectivity, Fairness and Equity, Consistency and Transparency and Administrative Efficiency. Council determined the required rates yield by reviewing all revenue sources, expenditure and efficiency measures as part of its budget deliberations, and for the 2025/26 financial year a budget deficiency of \$8 million has been identified. To achieve a balanced budget the net yield from rate revenue is required to increase 8.5% – 10% from the 2024/25 adopted budget.

Our Rates Strategy aims to strike a fair balance. While a number of landowners may not access town-based facilities every day, the Shire remains responsible for ensuring: liveable and functional regional centre, roads and essential services remain functional, environmental health and safety standards are upheld, emergency services are ready when needed. All properties, regardless of location, form part of the Shire's service network. A sustainable, fair rating system must reflect not only population density, but also the cost of maintaining that network.

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

Description	Characteristics	Objects	Reasons
GRV Residential	GRV RESIDENTIAL rate applies to all GRV Valued properties in the Shire where the property is designated Residential during the Landgate valuation process and for properties where the predominant use of the land is for housing.	This rating category consisting of 1,684 properties located within the townsite boundaries and is the base rate by which all other GRV differentially rated properties are assessed. The rate in the dollar for GRV Residential is set to support the Shire's ability to efficiently deliver a broad range of essential services, community programs and urban infrastructure that underpin the quality of life in developed residential areas. Council is focused on sustainably managing its community and infrastructure assets through the funding of renewal and replacement asset programs. These programs include but are not limited to: Investment in the resealing of roads, replacement and development of footpath networks, refurbishing public assets and buildings, providing community events, providing funding to community groups, funding and stimulating community activation, maintaining street lighting.	
GRV Special Use/Rural	GRV Special use/Rural rate applies to all GRV Valued properties in the Shire where the property is designated Special use/Rural during the Landgate valuation process and for properties where the predominant use of the larger blocks of land is for minor rural pursuits, including stock, horses, etc. and contained within the greater townsite	The Shire of Carnarvon recognises a cost for providing services to the 104 special use/rural properties in the Shire is based on the Uniform General Rate. The Uniform General Rate is calculated on the requirements for the Rate Revenue needed to finance the operations of the Shire and is supported by the anticipated projects for the year and the efficiency measures that have been implemented along with the identified direction provided by the Strategic Community Plan and the Corporate Business Plan. The application of differential rating to maintain equity on the rating of properties across the Shire also influences the Uniform General Rate.	
GRV Commercial/Industrial	GRV Commercial/Industrial rate applies to all GRV Valued properties in the Shire where the property is designated Commercial/Industrial as opposed to GRV Residential or GRV Special Use/Rural during the Landgate valuation process and for properties where the predominant use of the land is for a commercial or industrial purpose.	This rating category consists of 334 properties used for commercial, town centre or industrial purposes. The objective of the rate for this category is to raise revenue to fund the costs associated with the higher level of service provided to properties in this category. GRV Commercial recognises and captures the additional operational and infrastructure commitments involved in servicing this category, such as: Economic development, maintaining vehicle parking infrastructure, landscaping, environmental health, light industrial area infrastructure and other additional required amenities.	

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

2. RATES AND SERVICE CHARGES (CONTINUED)

UV Mining	UV Mining rate applies to all UV Valued properties in the Shire where the predominant use of the land is for mining related purposes or for other general-purpose leases. These properties are usually a result of a mining tenement with common land uses including explorations, mining and prospecting.	This rating category consists of 63 properties used for mining, exploration or prospecting purposes. The object of this differential category is to apply a differential rate to mining related properties in the Shire in order to raise additional revenue to offset the costs associated with the increased maintenance and renewal of assets and infrastructure required by the impact of heavy mining and vehicles using extensive lengths of Shire roads throughout the year. The reason this category is rated higher than the other two UV rates is to reflect these higher road infrastructure maintenance costs, and the relatively low total contribution from this sector to the overall total
UV Pastoral	UV Pastoral rate applies to all UV Valued properties in the Shire where there is a pastoral lease in place and for properties where the predominant use of the land is for a rural purpose.	This rating category applies to 40 UV Valued properties in the Shire where there is a pastoral lease in place and for properties where the predominant use of the land is for rural purpose. The Shire of Carnarvon recognises a high cost for providing services to pastoral and rural purpose properties within the Shire boundaries compared to properties located closer to townsites. The Shire incurs higher costs for infrastructure maintenance and service provision to UV Pastoral properties as a result of extra vehicle movements on the Shire's Road network due to the location and commercial nature of these properties outside of the town site. The object of this differential category is to apply a differential rate to pastoral and rural purpose properties in the Shire in order to raise additional revenue to offset the cost of providing and maintaining infrastructure and other Shire services. These properties tend to have a higher valuation than UV Mining properties due to the location and size of the properties. By applying the proposed rate in the dollar to this category, Council takes these associated costs and higher valuation levels into consideration.
UV Intensive Horticulture (Plantations)	UV Intensive Horticulture (Plantation) rating applies to all plantation properties on unimproved land use, used for the growth and development of horticultural crops such as fruit, vegetables, vines, or flowers, where the land use is classified as rural	Consisting of 171 rateable properties, UV Intensive Horticulture raises revenue to fund the additional costs of servicing these properties. Many of Carnarvon's plantations sit on the Gascoyne River's floodplain, land that is both fertile and vulnerable. The Shire invests in and maintains flood protection infrastructure such as: Levee banks (Approximately 17km), Drainage systems and Riverbank reinforcement. The above assets directly protect horticultural properties, and the cost of maintenance, inspections and emergency response increases with the scale and value of what is being protected. While primary regulation sits with State agencies, the compliance and coordination burden often falls to the local government to support, liaise and respond quickly. Although it is recognised horticulture is a vital economic contributor, it also receives Shire planning support for expansion, water infrastructure and land use approvals, Advocacy and representation with the State on worker accommodation and water access, Strategic planning and facilitation roles tied to food security, regional employment and export support. All of these efforts demand officer time, policy work and operational expenditure to enable the industry to thrive in a sustainable and regulated way. UV Intensive Horticulture properties benefit from use and drive demand for more of the Shire's services than other rural properties, especially in road maintenance, flood protection and workforce impact. The differential rate ensures they contribute equitably to the costs associated with these needs, while recognising the sector's major value to the region. Valuations applied to the intensive horticulture properties tend to be higher than those within the other UV rated categories, and to ensure equity in rates contribution across all categories, Council takes these associated costs and valuation levels into consideration by applying a lower rate in the dollar

(ii) Differential Minimum Payment

As part of the annual budget process, Council must determine the minimum payment for differential rating categories in the 2025/26 financial year. The setting of minimum rates within rating categories recognises that every property receives a minimum level of benefit from the Shire's works and services, which is shared by all properties regardless of size, value and use. A minimum payment of \$1,454 is proposed for all rating categories in 2025/26 to support equity across land uses and to simplify the minimum rating structure. This includes UV Mining, which has historically had a lower minimum but now aligns with other categories to reflect the increasing infrastructure burden of that sector.

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

2. RATES AND SERVICE CHARGES (CONTINUED)

(d) Specified Area Rate

Specified area rate	Budgeted rate applied to costs	Budgeted rate set aside to reserve	Reserve Amount to be applied to costs	Purpose of the rate	Area or properties rate is to be imposed on
	\$	\$	\$		
GRV Coral Bay	375,366	375,366	(375,366)	This rate is raised to contribute to the maintenance and future deliberations of the Coral Bay Refuse Site. The rate will be applied in full to the Coral Bay Refuse Site. Any surplus is required to be transferred to a specific purpose reserve. A surplus is not anticipated.	All properties in Coral Bay based on GRV at \$0.08419 rate in the dollar.
	375,366	375,366	(375,366)		

(e) Service Charges

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

(f) Waivers or concessions

Rate, fee or charge to which the waiver or concession is granted	Type	Waiver/Concession	Discount %	Discount (\$)	2025/26 Budget	2024/25 Actual	2024/25 Budget	Circumstances in which the waiver or concession is granted	Objects and reasons of the waiver or concession
					\$	\$	\$		
OTC Dish rates levied	Rate	Waiver	100.0%		1,500	0	1,500	Upon application to Council	To assist an entities ability to refurbish a Council owned asset as per lease agreement.
					1,500	0	1,500		

SHIRE OF CARNARVON
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
 Receivables
 Inventories
 Other assets
 Non-current assets held for sale

Less: current liabilities

Trade and other payables
 Contract liabilities
 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

Note	2025/26		2024/25	
	Budget	30 June 2026	Actual	Budget
		30 June 2025	30 June 2025	
4	\$	\$	\$	\$
	1,228,010	5,133,147	3,419,999	
	814,012	2,264,011	2,170,699	
	83,988	83,988	54,227	
	0	0	0	176,990
	0	0	0	0
	2,392,259	7,747,395	5,821,915	
	(1,140,569)	(140,569)	(3,766,709)	
	0	(918,373)	0	
9	(9,300)	(131,074)	(18,901)	
8	(365,000)	(464,694)	0	
	(916,119)	(916,119)	(992,491)	
	(2,430,988)	(2,570,829)	(4,778,101)	
	(38,729)	5,176,566	1,043,814	
3(b)	(351,977)	(957,102)	(1,043,814)	0
	(390,707)	4,219,464		0

(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	10	(1,633,096)	(2,468,989)	(2,055,206)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings		365,000	464,694	0
- Current portion of lease liabilities		0	131,074	18,901
- Current employee benefit provisions		916,119	916,119	992,491
Total adjustments to net current assets		(351,977)	(957,102)	(1,043,814)

EXPLANATION OF DIFFERENCE IN NET CURRENT ASSETS AND SURPLUS/(DEFICIT)

Items excluded from calculation of budgeted deficiency

When calculating the budget deficiency for the purpose of Section 6.2 (2)(c) of the *Local Government Act 1995* the following amounts have been excluded as provided by *Local Government (Financial Management) Regulation 32* which will not fund the budgeted expenditure.

(c) Non-cash amounts excluded from operating activities

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

Adjustments to operating activities

Less: Profit on asset disposals	5	0	(17,032)	(84,560)
Add: Loss on asset disposals	5	0	8,597	98,870
Add: Depreciation	7	8,815,610	8,841,856	8,895,780
Movement in current employee provisions associated with restricted cash		0	(116,965)	0
Non cash amounts excluded from operating activities		8,815,610	8,716,456	8,910,090

(d) 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	9	\$ (9,300)	\$ (146,388)	\$ (33,979)
Non cash amounts excluded from financing activities		(9,300)	(146,388)	(33,979)

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

3. NET CURRENT ASSETS

(e) 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 CARNARVON
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		\$ 1,228,010	\$ 5,133,147	\$ 3,419,999
Term deposits		0	(0)	0
Total cash and cash equivalents		1,228,010	5,133,147	3,419,999
Held as				
- Unrestricted cash and cash equivalents		(405,086)	2,664,158	1,364,793
- Restricted cash and cash equivalents		1,633,096	2,468,989	2,055,206
	3(a)	1,228,010	5,133,147	3,419,999
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		1,633,096	2,468,989	2,055,206
		1,633,096	2,468,989	2,055,206
The assets are restricted as a result of the specified purposes associated with the liabilities below:				
Reserve accounts	10	1,633,096	2,468,989	2,055,206
		1,633,096	2,468,989	2,055,206
Reconciliation of net cash provided by operating activities to net result				
Net result		2,994,248	(5,393,275)	2,068,256
Depreciation	7	8,815,610	8,841,856	8,895,780
(Profit)/loss on sale of asset	5	0	(8,435)	14,310
(Increase)/decrease in receivables		1,449,999	(607,502)	250,000
(Increase)/decrease in contract assets		0	37,078	0
(Increase)/decrease in inventories		0	(29,760)	0
Increase/(decrease) in payables		1,000,000	(2,127,170)	1,499,999
Increase/(decrease) in contract liabilities		(918,373)	(1,388,343)	(2,520,608)
Increase/(decrease) in employee provisions		0	(116,965)	0
Capital grants, subsidies and contributions		(14,868,174)	(3,621,776)	(15,614,027)
Net cash from operating activities		(1,526,690)	(4,414,292)	(5,406,290)

MATERIAL ACCOUNTING POLICIES

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

5. PROPERTY, PLANT AND EQUIPMENT

	2025/26 Budget					2024/25 Actual					2024/25 Budget					
	Disposals - Net Book Value		Disposals - Sale Proceeds		Disposals - Profit	Disposals - Loss	Disposals - Net Book Value		Disposals - Sale Proceeds		Disposals - Profit	Disposals - Loss	Disposals - Net Book Value		Disposals - Sale Proceeds	
	Additions						Additions						Additions			
(a) Property, Plant and Equipment																
Buildings - non-specialised	\$ 880,331	0	0	0	0	0	\$ 1,518,124	0	0	0	0	0	\$ 2,090,681	0	0	0
Furniture and equipment	141,360	0	0	0	0	0	46,922	0	0	0	0	0	75,000	0	0	0
Plant and equipment	420,000	0	0	0	0	0	1,108,412	(16,362)	174,153	17,032	(8,597)		1,355,769	(184,500)	170,190	84,560
Total	1,441,691	0	0	0	0	0	2,673,458	(16,362)	174,153	17,032	(8,597)		3,521,450	(184,500)	170,190	84,560
(b) Infrastructure																
Infrastructure - roads	4,093,069	0	0	0	0	0	2,033,926	0	0	0	0	0	4,026,353	0	0	0
Infrastructure - footpaths	75,000	0	0	0	0	0	273,956	0	0	0	0	0	220,000	0	0	0
Infrastructure - drainage	40,790	0	0	0	0	0	90,491	0	0	0	0	0	136,000	0	0	0
Other infrastructure - airport	8,000,000	0	0	0	0	0	5,260	0	0	0	0	0	8,010,000	0	0	0
Other infrastructure	3,374,603	0	0	0	0	0	2,499,751	0	0	0	0	0	4,799,547	0	0	0
Total	15,583,462	0	0	0	0	0	4,903,384	0	0	0	0	0	17,191,900	0	0	0
Total	17,025,153	0	0	0	0	0	7,576,842	(16,362)	174,153	17,032	(8,597)		20,713,350	(184,500)	170,190	84,560

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.

6. CAPITAL ACQUISITION DETAILED

(a)

Account Description	2024/25 Adopted Budget					Adopted Budget 2024/25 Funding					Budget 2025/26 Funding					
	Revised Budget	2024/25 Actual	Purchase Orders Outstanding	2024/25 Total Actual	Reserves	Grants	Contract Liability Funds	Loans	Own Sources	24/25 Carry Over	2025/26 Budget	Reserves	Grants	Contract Liability Funds	Loans	Own Sources
Land & Buildings																
Admin Building Roof Replacement	146,000	114,700	112,180	0	112,180	0	124,000	0	0	22,000	No	0	0	0	0	0
Washbay For Trucks	75,000	80,000	19,815	0	19,815	0	0	0	0	75,000	No	0	0	0	0	0
4 Yardi Quays - Capital	10,040	0	0	0	0	0	0	0	0	10,040	No	0	0	0	0	0
Shire Residences	20,000	21,540	17,855	3,635	21,489	0	0	0	0	20,000	No	0	0	0	0	0
Library - Solar Panels	15,000	15,000	14,605	0	14,605	0	0	0	0	15,000	No	0	0	0	0	0
Depot Improvements - Roller Door Replacement.	10,000	10,000	8,401	0	8,401	0	0	0	0	10,000	No	0	0	0	0	0
Old Terminal Building	18,000	18,000	18,589	0	18,589	0	0	0	0	18,000	No	0	0	0	0	0
Housing Development Northwater	1,365,920	1,370,920	926,583	304,541	1,231,124	678,000	187,000	0	500,000	920	Yes	494,337	446,337	48,000	0	0
Shire Buildings	10,000	10,000	0	0	0	0	0	0	0	10,000	Yes	10,000	0	0	0	10,000
Civic Centre Refurbishment	420,721	420,721	44,735	354,821	399,556	0	0	420,721	0	0	Yes	375,994	0	0	375,994	0
	294,040	2,060,881	1,162,764	662,997	1,825,761	0	124,000	0	0	170,040		880,331	446,337	48,000	375,994	0
Furniture & Equipment																
Cctv Server & Security Upgrades	25,000	35,000	0	47,295	47,295	0	0	0	0	25,000	Yes	85,000	0	0	0	85,000
Admin Internet Fibre	10,000	0	2,298	0	2,298	0	0	0	0	10,000	No	0	0	0	0	0
Admin Ups	15,000	12,616	12,616	0	12,616	0	0	0	0	15,000	No	0	0	0	0	0
Miscellaneous Office Furniture - Desks, Partions Etc.	10,000	10,000	7,286	0	7,286	0	0	0	0	10,000	No	0	0	0	0	0
New Local Government Software	15,000	0	0	0	0	0	0	0	0	15,000	No	0	0	0	0	0
Shire Firewall Upgrades	0	0	0	0	0	0	0	0	0	0	No	20,000	0	0	0	20,000
Council Chambers Video Conferencing Hardware Refresh	0	0	0	0	0	0	0	0	0	0	No	30,000	0	0	0	30,000
Canon Large Format Printer/Scanner	0	0	0	0	0	0	0	0	0	0	No	6,360	0	0	0	6,360
	75,000	57,616	22,199	47,295	69,494	0	0	0	0	75,000		141,360	0	0	0	141,360
Plant & Equipment																
Landfill Compactor	737,769	737,769	737,769	0	737,769	737,769	0	0	0	0	No	0	0	0	0	0
Plant - Kubota Zero Turn Mower	28,000	28,000	27,310	0	27,310	28,000	0	0	0	0	No	0	0	0	0	0
Toro Gm360 Mower & Catcher	40,000	40,000	39,450	381	39,832	40,000	0	0	0	0	No	0	0	0	0	0
Isuzu D-Max Litter Collection Ute	35,000	35,000	36,916	0	36,916	35,000	0	0	0	0	No	0	0	0	0	0
Isuzu/Rosmech Street Sweeper	365,000	365,000	0	0	0	0	0	0	365,000	0	Yes	365,000	0	0	0	365,000
Caterpillar 289D Skid Steer Loader	85,000	70,000	70,000	0	70,000	85,000	0	0	0	0	No	0	0	0	0	0
Isuzu D-Max Infra	65,000	65,000	65,046	0	65,046	65,000	0	0	0	0	No	0	0	0	0	0
P330 Toyota Hilux Purchase	0	25,000	25,455	0	25,455	0	0	0	0	0	No	0	0	0	0	0
Leased Utility P339	0	12,720	0	0	0	0	0	0	0	0	No	0	0	0	0	0
Fuso Canter Truck	0	0	106,465	0	106,465	0	0	0	0	0	No	0	0	0	0	0
Fod*Boss Runway Sweeper	0	0	0	0	0	0	0	0	0	0	No	25,000	0	0	0	25,000
Canopy For Ranger Ute P379	0	0	0	0	0	0	0	0	0	0	No	30,000	0	0	0	30,000
	1,355,769	1,378,489	1,108,412	381	1,108,793	990,769	0	0	365,000	0		420,000	0	0	0	365,000
																55,000

FOR THE YEAR ENDED 30 JUNE 2026

6. CAPITAL ACQUISITION DETAILED

(a)	Account Description	Adopted Budget 2024/25 Funding								Budget 2025/26 Funding								
		2024/25 Adopted Budget	Revised Budget	2024/25 Actual	Purchase Orders Outstanding	2024/25 Total Actual	Reserves	Grants	Contract Liability Funds	Loans	Own Sources	24/25 Carry Over	2025/26 Budget	Reserves	Grants	Contract Liability Funds	Loans	Own Sources
Roads																		
Temporary Budget Job No - Roads To Recovery (Coa 3740)	611,686	386,686	0	0	0	0	0	611,686	0	0	0	Yes	476,710	0	476,710	0	0	0
Quobba-Gnaraloo Road - Roads To Recovery	0	225,000	149,531	59,440	208,972	0	0	0	0	0	0	No	0	0	0	0	0	0
Quobba Gnaraloo	806,508	988,055	689,709	407,091	1,096,800	0	0	537,672	0	0	268,836	Yes	1,076,006	0	717,337	0	0	358,669
Minilya/Lyndon Road	806,508	806,508	806,223	0	806,223	0	0	537,672	0	0	268,836	No	0	0	0	0	0	0
Water Bore Installation	60,000	30,000	23,974	0	23,974	60,000	0	0	0	0	0	No	0	0	0	0	0	0
Minilya Lyndon Road - Blackspot	551,000	551,000	0	0	0	0	0	551,000	0	0	0	No	367,000	0	367,000	0	0	0
Minilya Lyndon Road - Roads To Recovery	0	0	0	0	0	0	0	0	0	0	0	No	184,000	0	184,000	0	0	0
Speedway Road A - Black Spot	590,651	590,651	7,806	0	7,806	0	0	533,000	57,651	0	0	No	377,845	0	377,845	0	0	0
Speedway Road - Roads To Recovery	0	0	0	0	0	0	0	0	0	0	0	No	205,000	0	205,000	0	0	0
French Street - Roads To Recovery	0	0	0	0	0	0	0	0	0	0	0	No	200,000	0	200,000	0	0	0
French Street Blackspot	600,000	600,000	0	0	0	0	0	600,000	0	0	0	No	400,000	0	400,000	0	0	0
Wahroonga Pimbee Road (Rrg)	0	0	0	0	0	0	0	0	0	0	0	No	806,508	0	537,672	0	0	268,836
	4,026,353	4,177,900	1,677,242	466,532	2,143,774	60,000	3,371,030	57,651	0	537,672	4,093,069	0	3,465,564	0	0	0	627,505	
Footpaths																		
Kerbing & Footpath Replacement	150,000	150,000	221,844	0	221,844	0	0	150,000	0	0	0	No	75,000	0	0	0	0	75,000
Footpath - Lewer Rd To Robinson St	70,000	70,000	52,113	0	52,113	0	0	70,000	0	0	0	No	0	0	0	0	0	0
	220,000	220,000	273,956	0	273,956	0	0	220,000	0	0	0	No	75,000	0	0	0	0	75,000
Drainage																		
Skipworth Street Storm Water Pump Upgrades	6,000	4,782	9,781	0	9,781	0	0	0	0	6,000	No	0	0	0	0	0	0	0
Pump Station Upgrades	130,000	130,000	80,710	40,790	121,500	0	0	0	0	130,000	Yes	40,790	0	0	0	0	0	40,790
	136,000	134,782	90,491	40,790	131,281	0	0	0	0	136,000	40,790	0	0	0	0	0	0	40,790
Airport																		
Carnarvon Airport Upgrade Q400	8,000,000	200,000	1,216	0	1,216	0	0	7,611,013	0	0	388,987	Yes	8,000,000	388,987	7,611,013	0	0	0
Airport - Safety Equipment	10,000	10,000	4,044	0	4,044	0	0	0	0	10,000	No	0	0	0	0	0	0	0
	8,010,000	210,000	5,260	0	5,260	0	0	7,611,013	0	0	398,987	0	8,000,000	388,987	7,611,013	0	0	0
Other Infrastructure																		
Pioneer Cemetery - Fencing	162,500	212,000	276,280	0	276,280	162,500	0	0	0	0	No	0	0	0	0	0	0	0
Nursery At Airport	0	31,165	31,356	0	31,356	0	0	0	0	0	No	0	0	0	0	0	0	0
Browns Range Cemetery Extension	25,000	0	0	0	0	0	0	0	0	25,000	No	0	0	0	0	0	0	0
Upgrades To Swimming Pool Bowl	164,000	158,140	158,140	0	158,140	0	0	0	0	164,000	No	0	0	0	0	0	0	0
Fascine Jetties Renewal	100,000	100,000	123,573	192	123,764	100,000	0	0	0	0	No	0	0	0	0	0	0	0
Waste Water Ponds - Pumps	15,000	17,000	16,957	0	16,957	0	0	0	0	15,000	No	0	0	0	0	0	0	0
Facine Wall Capping Beam Replacement	832,705	907,333	907,332	0	907,332	0	651,506	181,199	0	No	0	0	0	0	0	0	0	0
Blowholes Stairs Upgrade	90,377	100,217	100,217	0	100,217	0	0	0	0	90,377	No	0	0	0	0	0	0	0
Dump Points - Bush Bay & New Beach Renewal	10,000	0	0	0	0	0	0	0	0	10,000	No	0	0	0	0	0	0	0
Artesian Pipeline Extension To Town Oval	150,000	0	0	0	0	0	100,000	0	0	50,000	No	0	0	0	0	0	0	0
Tramway Bridge Improvements	844,041	540,453	291,685	63,135	354,820	0	506,425	337,616	0	0	No	0	0	0	0	0	0	0
Aquatic Centre Other Infrastructure Improvements	50,000	50,000	50,482	0	50,482	0	0	0	0	50,000	No	0	0	0	0	0	0	0
Cap Design & Project Management	309,128	309,128	223,303	177,229	400,533	0	309,128	0	0	0	No	0	0	0	0	0	0	0
Carnarvon Activation Plan	1,805,563	1,805,563	309,827	537,827	847,654	0	1,526,738	0	0	278,825	Yes	3,357,603	0	3,357,603	0	0	0	0
Coral Bay Cenotaph	20,000	20,000	3,178	0	3,178	0	0	0	10,000	0	10,000	Yes	17,000	0	0	10,000	0	7,000
	4,578,314	4,250,999	2,492,331	778,382	3,270,713	262,500	3,093,797	528,815	0	693,202	3,374,603	0	3,357,603	10,000	0	0	0	7,000
Landfill																		
New Refuse Site Development At Coral Bay	221,233	221,233	7,421	0	0	0	0	0	0	221,233	No	0	0	0	0	0	0	0
	221,233	221,233	7,421	0	0	0	0	0	0	221,233	0	0	0	0	0	0	0	0
TOTALS	18,916,709	12,711,900	6,840,075	1,996,377	8,829,032	1,313,269	14,419,840	586,466	365,000	2,232,134	17,025,153	835,324	14,482,180	385,994	365,000	956,655		

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

7 DEPRECIATION

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	\$	\$	\$
By Class			
Buildings - non-specialised	1,037,800	1,035,791	1,014,000
Furniture and equipment	56,100	55,840	51,000
Plant and equipment	446,900	501,267	367,100
Infrastructure - roads	3,623,200	3,619,831	3,926,000
Infrastructure - footpaths	229,500	229,273	224,000
Infrastructure - bridges	128,200	128,025	134,000
Infrastructure - drainage	1,023,000	1,022,032	995,000
Infrastructure - parks and ovals	1,800	1,730	0
Infrastructure - levee	248,700	248,406	248,000
Other infrastructure - airport	1,060,000	1,058,934	1,058,000
Other infrastructure - carparks	44,300	44,122	35,000
Other infrastructure	825,500	824,143	752,450
Right of use - plant and equipment	16,000	15,613	29,000
Right of use - furniture and fittings	74,610	56,851	62,230
	8,815,610	8,841,856	8,895,780
By Program			
Governance	235,510	217,376	211,230
General purpose funding	115,900	115,586	105,000
Law, order, public safety	6,900	6,815	7,000
Health	66,800	66,700	66,000
Education and welfare	14,300	14,230	14,000
Housing	366,300	365,678	359,000
Community amenities	1,423,100	1,420,817	1,353,100
Recreation and culture	6,242,100	6,235,533	6,495,450
Transport	11,700	11,618	10,000
Economic services	333,000	387,505	275,000
	8,815,610	8,841,856	8,895,780

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	20 - 90 years
Furniture and Equipment	5 years
Plant and Equipment	4 - 50 years
Footpaths	40 - 80 years
Other Infrastructure	10 - 90 years
Right of use - plant and equipment	Based on the remaining lease
Right of use - furniture and fittings	Based on the remaining lease
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

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

8. 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 2025	2025/26	2025/26	Budget	2025/26	Actual	2024/25	2024/25	Actual	2024/25	2024/25	2024/25	2024/25		
					Budget New Loans	Budget Principal Repayments	Principal outstanding 30 June 2026	Budget Interest Repayments	1 July 2024	Actual New Loans	Actual Principal Repayments	Principal outstanding 30 June 2025	Actual Interest Repayments	1 July 2024	Budget New Loans	Budget Principal Repayments	Principal outstanding 30 June 2025	Budget Interest Repayments
Airport Corrective Works	216	WATC	3.1%	76,480	0	(50,601)	25,880	(1,950)	125,573	0	(49,093)	76,480	(3,063)	125,573	0	(49,091)	76,482	(3,063)
Plant and Equipment	217	WATC	3.5%	1,224,905	0	(254,589)	970,317	(44,072)	1,470,105	0	(245,200)	1,224,905	(50,566)	1,470,105	0	(245,199)	1,224,906	(50,566)
Heavy Plant	219	WATC	4.3%	664,888	0	(99,280)	565,608	(27,764)	760,000	0	(95,112)	664,888	(29,751)	760,000	0	(95,112)	664,888	(24,730)
Light Fleet	220	WATC	4.3%	192,688	0	(45,174)	147,515	(7,725)	236,000	0	(43,312)	192,688	(2,370)	236,000	0	(43,311)	192,689	(7,392)
Housing (RED House)	221	WATC	5.2%	492,759	0	(15,052)	477,708	(25,521)	0	500,000	(7,241)	492,759	(13,046)	0	500,000	(7,240)	492,760	(13,047)
Plant	TBA			0	365,000	0	365,000	0	0	0	0	0	0	0	365,000	0	365,000	0
				2,651,722	365,000	(464,694)	2,552,027	(107,031)	2,591,678	500,000	(439,956)	2,651,722	(98,796)	2,591,678	865,000	(439,953)	3,016,725	(98,797)

All borrowing repayments, other than self supporting loans, will be financed by general purpose revenue.

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

8. BORROWINGS

(b) New borrowings - 2025/26

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
Heavy Plant (Street Sweeper)	WATC	Debenture	7	5.22%	\$ 365,000	\$ 150,109	\$ 365,000	\$ 0
					\$ 365,000	\$ 150,109	\$ 365,000	\$ 0

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.

(c) Credit Facilities

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	\$	\$	\$
Undrawn borrowing facilities			
credit standby arrangements			
Bank overdraft limit	200,000	200,000	200,000
Bank overdraft at balance date	0	0	0
Credit card limit	20,000	13,000	13,000
Credit card balance at balance date	(5,000)	(5,101)	(5,000)
Total amount of credit unused	215,000	207,899	208,000
Loan facilities			
Loan facilities in use at balance date	2,552,027	2,651,722	3,016,725
Overdraft details	Purpose overdraft was established	Year overdraft established	Amount b/fwd 1 July 2025
			\$
ANZ	Cashflow		200,000
			0
			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 CARNARVON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

9. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget	2025/26	Budget	2025/26	Budget	2024/25	Actual	2024/25	Budget	2024/25	Budget	2024/25		
					1 July 2025	Budget New Leases	Budget Principal Repayments	Lease Principal outstanding 30 June 2026	Budget Lease Interest Repayments	1 July 2024	Actual New Leases	Actual Principal repayments	Lease Principal outstanding 30 June 2025	Actual Interest repayments	1 July 2024	Budget New Leases	Budget Principal repayments	Lease Principal outstanding 30 June 2025
Copier					1,851	2,800	(4,651)	(0)	(294)	6,201	0	(4,350)	1,851	(126)	6,201	0	(4,350)	1,851 (126)
IT Equipment					66,692	6,500	(73,192)	0	(1,823)	137,051	0	(70,359)	66,692	(3,675)	137,051	0	(70,359)	66,692 (3,675)
Fleet		Various			53,231	0	(53,231)	0	(420)	63,229	146,388	(156,386)	53,231	(2,360)	73,026	33,979	(88,104)	18,901 (926)
					121,774	9,300	(131,074)	0	(2,537)	206,481	146,388	(231,095)	121,774	(6,162)	216,278	33,979	(162,813)	87,444 (4,727)

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 CARNARVON

NOTES TO AND FORMING PART OF THE BUDGET

FOR THE YEAR ENDED 30 JUNE 2026

10. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

		2025/26				2024/25				2024/25			
		Budget		Actual		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 legislation													
(a)	Specified area rate reserve	78,683	375,366	(375,366)	78,683	75,397	314,386	(311,100)	78,683	75,397	312,620	(311,100)	76,917
		78,683	375,366	(375,366)	78,683	75,397	314,386	(311,100)	78,683	75,397	312,620	(311,100)	76,917
Restricted by council													
(b)	Leave Reserve	383,647	0	(100,570)	283,077	367,628	16,019	0	383,647	367,628	7,410	0	375,038
(c)	Plant Reserve	65,356	0	0	65,356	1,010,457	27,154	(972,255)	65,356	1,010,457	20,366	(990,769)	40,054
(d)	Waste Disposal Reserve	166,684	0	0	166,684	159,724	6,960	0	166,684	159,724	3,219	0	162,943
(e)	Mosquito Management Reserve	11,118	0	0	11,118	10,653	465	0	11,118	10,653	215	0	10,868
(f)	Airport Renewal and Upgrade Reserve	64,413	0	0	64,413	61,723	2,690	0	64,413	61,723	1,244	0	62,967
(g)	Asset Upgrades and Renewal Reserve	278,512	0	(194,494)	84,019	470,095	20,417	(212,000)	278,512	470,095	9,475	(162,500)	317,070
(h)	Emergency Management Reserve	289,779	0	0	289,779	300,659	13,094	(23,974)	289,779	300,659	6,060	(60,000)	246,719
(i)	Fascine Upgrade and Renewal Reserve	263,476	0	0	263,476	410,949	17,855	(165,328)	263,476	410,949	8,283	(100,000)	319,232
(j)	Strategic Projects Reserve	723,119	0	(640,831)	82,289	963,792	41,910	(282,583)	723,119	963,792	19,425	(678,000)	305,217
(k)	Blowholes Reserve Management Funds	144,202	0	0	144,202	138,181	6,021	0	144,202	138,181	0	0	138,181
(l)	Enterprise Resource Planning System	0	100,000	0	100,000	0	0	0	0	0	0	0	0
		2,390,306	100,000	(935,894)	1,554,413	3,893,861	152,585	(1,656,140)	2,390,306	3,893,861	75,697	(1,991,269)	1,978,289
		2,468,989	475,366	(1,311,260)	1,633,096	3,969,258	466,971	(1,967,240)	2,468,989	3,969,258	388,317	(2,302,369)	2,055,206

(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		
(a)	Specified area rate reserve	Ongoing
Restricted by council		
(b)	Leave Reserve	Ongoing
(c)	Plant Reserve	Ongoing
(d)	Waste Disposal Reserve	Ongoing
(e)	Mosquito Management Reserve	Ongoing
(f)	Airport Renewal and Upgrade Reserve	Ongoing
(g)	Asset Upgrades and Renewal Reserve	Ongoing
(h)	Emergency Management Reserve	Ongoing
(i)	Fascine Upgrade and Renewal Reserve	Ongoing
(j)	Strategic Projects Reserve	Ongoing
(k)	Blowholes Reserve Management Funds	Ongoing
(l)	Enterprise Resource Planning System	2029
To be used for maintenance and capital costs associated with Coral Bay Refuse Site. Annual transfer being revenue as raised by Specified Area Rate raised less expenditure at Coral Bay Waste facility and services, (excludes depreciation).		
To fund the current annual and long service leave requirements.		
To fund the acquisition of new plant as per the Plant Replacement program.		
To be used for maintenance or capital expenditure at Browns Range Refuse Site. Annual transfer being revenue as raised by waste charge, less actual expenditure (excluding depreciation) on Carnarvon waste management facilities and service .		
To be used for the purpose of delivering services to assist in mosquito management within the Shire of Carnarvon, which includes funding from the Department of Health.		
To fund upgrades and renewal at the Carnarvon Airport.		
To fund the upgrade and renewal of existing assets.		
To be used in the preparation for and providing immediate assistance, relief and recovery to the community in response to an emergency within the Shire of Carnarvon.		
To fund the upgrades and renewal of Fascine Infrastructure.		
To fund development of strategic projects and new infrastructure.		
To fund the implementation of the Blowholes Reserve management plan		
To fund the replacement of the Shire's current Enterprise Resource Planning System as the current system will no longer be supported by 2029		

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

11. OTHER INFORMATION

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	\$	\$	\$
The net result includes as revenues			
(a) Interest earnings			
Bank Account and Investments - Muni	200,000	228,027	220,000
Bank Account and Investments - Reserves	120,000	155,871	80,000
Rates - Late payment Interest	145,000	150,024	100,000
Rates - Instalment Interest	27,000	24,343	25,000
	492,000	558,265	425,000
The net result includes as expenses			
(b) Auditors remuneration			
Audit services	63,375	64,975	50,000
Other services	0	0	700
	63,375	64,975	50,700
(c) Interest expenses (finance costs)			
Borrowings (refer Note 8(a))	107,031	98,796	98,797
Interest on lease liabilities (refer Note 9)	2,537	6,162	4,727
	109,567	104,958	103,524
(d) Write offs			
General rate	0	0	0
Provision for doubtful debtors and doubtful rates	0	195,909	0

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

12. COUNCIL MEMBERS REMUNERATION

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	\$	\$	\$
President's allowance	51,492	49,752	49,752
Deputy President's allowance	12,876	12,438	12,438
Meeting attendance fees	159,900	155,125	155,885
Other expenses (Training)	10,000	0	27,500
Travel and accommodation expenses	10,000	2,221	5,000
Superannuation contribution payments	20,187	0	0
Total Council Member Remuneration	264,455	219,536	250,575

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

13. TRUST FUNDS

Funds held at balance date which are required by legislation to be credited to the trust fund and which are not included in the financial statements are as follows:

Detail	Balance	Estimated	Estimated	Estimated balance 30 June 2026
	1 July 2025	amounts received	amounts paid	
Private Works	138,034	0	(138,034)	0
Public Open Space Deposits	140,374	0	0	140,374
	278,407	0	(138,034)	140,374

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

14. 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.

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 CARNARVON
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14. REVENUE AND EXPENDITURE

(b) Revenue Recognition

Recognition of revenue from contracts with customers is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/ Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of Revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Specified area rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
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
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	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
Grants with no contractual commitments	General appropriations and contributions with no specific contractual commitments	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
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 collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
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 CARNARVON
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15. PROGRAM INFORMATION

(a) 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.	Administration and operations of facilities and services to members of Council. Other costs which relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific council services.
General purpose funding To collect general revenue to allow for the provision of services.	Rates activity, general purpose grants, banking costs and interest revenue.
Law, order, public safety To provide services to help ensure a safer community.	Supervision of various local laws, fire prevention, emergency services, CBD security, administration of the Crime Prevention Plan.
Health To provide an operational framework for good community health.	Food quality and pest control, inspections and infant health. This function also provides for the implementation of the Healthy Lifestyles model.
Education and welfare To meet the needs of the community in these areas.	Support pre-school facilities and assistance of seniors and retirement villages. This function also provides for Youth Strategy and the accounting of the Carnarvon Youth Co-ordinating Networks finance as part of the agreement.
Housing To meet the needs of the Shire of Carnarvon Staff.	Staff Housing including rent, maintenance and utilities and construction of residential housings for rent
Community amenities To provide sanitary and essential services required by the community. To provide land development strategies and to process land development activities. Environmental sustainability.	Refuse collection services, operation of refuse site, administration of town planning scheme, cemetery services and maintenance, environmental protection services and land development services.
Recreation and culture To establish and effectively manage infrastructure and resources which will help the social well being of the community.	Operations of the Civic Centre (Camel Lane), aquatic centre and beach areas, regional library service, cultural and heritage services and facilities, reserves, parks and gardens.
Transport To provide safe, effective and efficient transport services to the community.	Maintenance of streets, roads, footpaths, street lighting, airport. Agency for Department of Planning and Infrastructure's on line vehicle licensing services.
Economic services To help promote and market the Shire of Carnarvon to the world and improve the economic well being. To ensure building development regulations are adhered to.	Noxious weed control, tourism and area promotion, building control and services.
Other property and services To ensure works programs are operating efficiently.	Private works operations, public works operations and plant operations.

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

15 PROGRAM INFORMATION (Continued)

(b) Income and expenses

	2025/26	2024/25	2024/25
	Budget	Actual	Budget
Income excluding grants, subsidies and contributions			
Governance	10,100	52,033	34,000
General purpose funding	7,974,680	7,545,338	7,510,453
Law, order, public safety	54,501	84,260	54,330
Health	20,402	20,341	20,820
Education and welfare	5,000	11,498	70,000
Housing	42,000	16,566	5,000
Community amenities	2,286,819	2,126,950	2,259,100
Recreation and culture	186,220	135,343	188,800
Transport	1,212,442	1,359,843	1,135,060
Economic services	460,635	362,903	443,500
Other property and services	30,000	107,934	96,039
	12,282,799	11,823,009	11,817,102
Grants, subsidies and contributions			
Governance	104,360	40,000	0
General purpose funding	2,869,019	4,193,561	683,930
Law, order, public safety	260,082	346,586	478,093
Health	3,000	2,180	5,200
Education and welfare	693,247	528,557	581,442
Community amenities	570,324	133,254	938,963
Recreation and culture	329,256	379,925	368,266
Transport	4,594,947	1,439,142	5,017,732
Economic services	599,385	28,748	65,000
	10,023,620	7,091,953	8,138,626
Capital grants, subsidies and contributions			
Governance	0	125,642	124,000
Law, order, public safety	0	100,993	0
Housing	48,000	144,000	187,000
Recreation and culture	3,743,597	1,501,467	4,043,333
Transport	10,250,363	1,758,109	11,259,694
	14,041,960	3,630,211	15,614,027
Total Income	36,348,379	22,545,173	35,569,755
Expenses			
Governance	(2,036,566)	(1,611,638)	(1,784,425)
General purpose funding	(512,842)	(380,005)	(278,656)
Law, order, public safety	(1,805,717)	(1,753,728)	(1,231,980)
Health	(661,780)	(611,326)	(563,532)
Education and welfare	(1,840,709)	(1,284,192)	(1,842,278)
Housing	(593,428)	(112,994)	(185,003)
Community amenities	(3,617,349)	(2,774,632)	(3,639,070)
Recreation and culture	(6,520,848)	(5,370,703)	(6,205,472)
Transport	(12,255,250)	(11,075,663)	(15,985,118)
Economic services	(3,104,223)	(1,309,086)	(1,688,142)
Other property and services	(405,419)	(1,654,481)	(97,823)
Total expenses	(33,354,131)	(27,938,448)	(33,501,499)
Net result for the period	2,994,248	(5,393,275)	2,068,256

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

16. FEES AND CHARGES

By Program:	2025/26 Budget	2024/25 Actual	2024/25 Budget
	\$	\$	\$
Governance	100	10,115	0
General purpose funding	81,200	55,422	81,000
Law, order, public safety	29,500	22,945	37,700
Health	20,402	20,341	20,820
Education and welfare	5,000	0	0
Community amenities	1,898,453	1,791,093	1,948,000
Recreation and culture	85,020	77,304	153,100
Transport	1,207,242	1,172,712	1,044,800
Economic services	368,485	271,253	237,100
Other property and services	0	15,320	35,000
	3,695,402	3,436,505	3,557,520

Fees and Charges to be imposed by the Shire were adopted by Council at the Ordinary Council Meeting on 24th June 2025. Details of Fees and Charges can be found within the Fees and Charges document on the Shire's website.