Shire of Kulin

MONTHLY FINANCIAL REPORT

For the period ended 31 August 2026

LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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Shire of Kulin
STATEMENT OF FINANCIAL ACTIVITY
For the period ended 31 August 2026

	Ref Note	Adopted Budget (a) $	YTD Budget (b) $	YTD Actual (c) $	Variance (c) - (b) $	Variance ((c) - (b))/(b) %
OPERATING ACTIVITIES						
Revenue from operating activities						
General rates	10	2,675,172	2,675,172	2,675,171	(1)	(0%)
Rates excluding general rates	10	10,870	50,466	73,111	22,645	45%
Grants, subsidies & contributions	11	1,282,858	571,926	538,879	(33,047)	(6%)
Fees and charges		2,172,989	451,735	432,480	(19,255)	(4%)
Interest revenue		219,222	16,164	9,014	(7,150)	(44%)
Other revenue (includes land sales revenue)		182,168	63,138	60,156	(2,982)	(5%)
Profit on asset disposals	7	100,375	35	0	(35)	(100%)
		6,643,654	**3,828,636**	**3,788,810**	**(39,826)**	
Expenditure from operating activities						
Employee costs		(3,699,374)	(642,232)	(708,008)	(65,776)	10%
Materials and contracts		(2,903,877)	(541,739)	(514,584)	27,154	(5%)
Utility charges		(383,725)	(63,900)	(53,357)	10,543	(16%)
Depreciation		(4,434,065)	(738,980)	0	738,980	(100%)
Interest expenses	9	(119,057)	0	1,450	1,450	100%
Insurance		(302,080)	(146,257)	(150,741)	(4,484)	3%
Other expenditure		0	0		0	100%
Loss on asset disposals	7	(25,981)	(4,330)	0	4,330	(100%)
		(11,868,160)	**(2,137,438)**	**(1,425,240)**	**712,198**	
Non-cash amounts excluded from operating activities	2(b)	4,372,671	743,275	0	(743,275)	(100%)
Amount attributable to operating activities		**(851,835)**	**2,434,473**	**2,363,570**	**(49,724)**	
INVESTING ACTIVITIES						
Proceeds from capital grants, subsidies and contributions	11	1,961,400	376,398	124,995	(251,403)	(67%)
Proceeds from disposal of assets	7	355,000	29,583	153,461	123,878	419%
Payments for property, plant and equipment and infrastructure	7	(7,446,045)	(1,215,799)	(854,217)	361,582	(30%)
Amount attributable to investing activities		**(5,129,645)**	**(809,818)**	**(575,761)**	**234,056**	
FINANCING ACTIVITIES						
Transfers from reserves	5	1,660,952	0	0	0	0%
Proceeds from new borrowings	9	300,000	0	0	0	0%
Repayment of borrowings	9	(147,578)	0	0	0	0%
Transfers to reserves	5	(198,927)	0	0	0	0%
Amount attributable to financing activities		**1,614,448**	**0**	**0**	**0**	
MOVEMENT IN SURPLUS OR DEFICIT						
Surplus or deficit at the start of the financial year	2(a)	4,345,228	4,345,228	4,366,407	21,179	
Amount attributable to operating activities		(851,835)	2,434,473	2,363,570	(70,903)	(3%)
Amount attributable to investing activitivies		(5,129,645)	(809,818)	(575,761)	234,056	(29%)
Amount attributable to financing activities		1,614,448	0	0	0	100%
Surplus or deficit after imposition of general rates	2(a)	**(21,804)**	**5,969,884**	**6,154,216**	184,332	3%

* Refer to Note 3 for an explanation of the reasons for the variance.

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

Shire of Kulin
STATEMENT OF FINANCIAL POSITION
For the period ended 31 August 2026

	30-Jun-26 $	31-Aug-26 $
CURRENT ASSETS		
Cash at Bank	5,145,785	4,895,678
Cash at Bank (Reserves)	4,051,360	4,051,360
Rates Receivable	35,505	2,667,112
Trade and Other Receivables	173,246	485,341
Inventories	125,298	130,976
Accrued Income & Prepayments	56,490	0
Contract Assets	0	0
TOTAL CURRENT ASSETS	**9,587,682**	**12,230,466**
CURRENT LIABILITIES		
Sundry Creditors	(278,910)	(751,634)
Accruals & Other Payables	(269,909)	(319,782)
Bonds & deposits held	(111,320)	(111,720)
Prepaid Rates	(36,589)	(10,495)
Contract Liabilities	(14,373)	(373,056)
Borrowings	(147,578)	(147,578)
Employee Provisions	(458,814)	(458,814)
TOTAL CURRENT LIABILITIES	**(1,317,493)**	**(2,173,079)**
TOTAL NET CURRENT ASSETS	**8,270,189**	**10,057,387**
NON-CURRENT ASSETS		
Shares - Kulin Community Financial Services	5,000	5,000
Units Held - Local Government House Trust	79,620	79,620
Inventories - Land for Resale	279,000	240,990
Investment in Associate - Bendering Landfill Site	41,554	41,554
Work in Progress	271,521	0
Land & Buildings	27,510,333	27,733,388
Plant & Equipment	3,494,063	3,340,602
Furniture & Equipment	205,644	224,227
Motor Vehicles	952,877	1,516,199
Infrastructure	82,127,102	82,447,881
TOTAL NON-CURRENT ASSETS	**114,966,713**	**115,629,459**
NON CURRENT LIABILITIES		
Borrowings	(1,829,426)	(1,829,426)
Employee Provisions	(49,641)	(49,641)
TOTAL NON-CURRENT LIABILITIES	**(1,879,066)**	**(1,879,066)**
NET ASSETS	**121,357,836**	**123,807,780**
Asset Revaluation - Infrastructure	(37,007,217)	(37,007,217)
Asset Revaluation - Property, Plant & Equipment	(1,417,762)	(1,417,762)
Asset Revaluation - Land & Buildings	(22,207,606)	(22,207,606)
Accumulated Reserves	(4,051,360)	(4,051,360)
Accumulated Surplus	(56,673,892)	(59,123,836)
TOTAL EQUITY	**(121,357,836)**	**(123,807,780)**

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

Shire of Kulin
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the period ended 31 August 2026

Note 1 - Basis of Preparation & Material Accounting Policies

BASIS OF PREPARATION

This prescribed financial report has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

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

Local Government (Financial Management) Regulations 1996, regulation 34 prescribes contents of the financial report. Notes 4-11 do not form part of the financial report.

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

THE LOCAL GOVERNMENT REPORTING ENTITY
All funds through which the City controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

MATERIAL ACCOUNTING POLICES
Material accounting policies utilised in the preparation of these statements are as described within the 2024-25 Annual Budget.

Critical accounting estimats & judgements
The preparation of a financial report 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 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
- Impairment losses of non-financial assets
- Expected credit losses on financial assets
- Assets held for sale
- Measurement of employee benefits
- Measurement of provisions
- Estimation uncertainties and judgements made in relation to lease accounting

Shire of Kulin
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the period ended 31 August 2026

Note 2 - Net Current Assets Information

(a) Net current assets used in Statement of Financial Activity	Adopted Budget Opening 1-Jul-26	Last Year Closing 30-Jun-26	Year to Date 31-Aug-26
Current Assets			
Cash at Bank	5,145,783	5,145,785	4,895,678
Cash at Bank - Reserves	4,051,360	4,051,360	4,051,360
Rates Receivable	35,505	35,505	2,667,112
Trade & Other Receivables	173,246	173,246	495,276
Inventories	125,298	125,298	131,587
Accrued Income & Prepayments	56,490	56,490	0
Contract Assets	0	0	0
	9,587,681	9,587,682	12,241,012
Less: Current Liabilities			
Sundry Creditors	(278,910)	(278,910)	(751,634)
Accruals & Other Payables	(269,909)	(269,909)	(329,716)
Bonds & deposits held	(111,320)	(111,320)	(111,720)
Prepaid Rates	(36,589)	(36,589)	(10,495)
Contract Liabilities	(14,373)	(14,373)	(373,056)
Employee Related Provisions	(458,813)	(458,814)	(458,814)
Borrowings	(147,578)	(147,578)	(147,578)
	(1,317,493)	(1,317,493)	(2,183,014)
Net current assets	**8,270,188**	**8,270,189**	**10,057,998**
Current assets and liabilities excluded from budgeted deficiency			
Less: Reserves	(4,051,360)	(4,051,360)	(4,051,360)
Less: Inventory - land held for resale	(13,000)	0	0
Add: Borrowings	147,579	147,578	147,578
Closing funding surplus/(deficit)	**4,353,407**	**4,366,407**	**6,154,216**

(b) Non-cash amounts excluded from operating activities	Adopted Budget Estimates 30-Jun-26	YTD Budget Estimates 31-Aug-26	YTD Actual 31-Aug-26
Less: Profit on asset disposals	100,375	35	0
Add: Inventory - land held for resale	(13,000)	(13,000)	0
Add: Loss on asset disposals	(25,981)	(4,330)	0
Add: Depreciation	(4,434,065)	(738,980)	0
Total non-cash amounts excluded from operating activities	**(4,372,671)**	**(756,275)**	**0**

Shire of Kulin
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the period ended 31 August 2026

Note 3 - Explanation of Material Variances

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date actual materially.

The material variance adopted by Council for the 2026/27 year is $10,000 and 10.00%.

Revenue from operating activities	Var $	Var %	Explanation
General Rates	(1)	0%	Under $10,000 and 10% threshold
Rates excluding general rates	22,645	45%	Timing difference for discount & write offs
Grants, subsidies and contributions	(33,047)	-6%	Under $10,000 and 10% threshold
Fees and charges	(19,255)	-4%	Under $10,000 and 10% threshold
Interest earnings	(7,150)	-44%	Under $10,000 and 10% threshold
Other revenue	(2,982)	-5%	Under $10,000 and 10% threshold
Profit on asset disposals	(35)	-100%	Under $10,000 and 10% threshold
Expenditure from operating activities	Var $	Var %	Explanation
Employee costs	(65,776)	10%	Most of this variance relates to the timing of road maintenance with winter grading in full swing. Large amount of leave has already been taken by works staff compared to budget (which is spread evenly through year).
Materials and contracts	27,154	-5%	Under $10,000 and 10% threshold
Utility charges	10,543	-16%	$6k relates to Aquatic Centre electricity costs - budgeted throughout year with little cost incurred so far this year.
Depreciation	738,980	-100%	Depreciation will not be recorded until the 2025/26 Annual Report has been adopted and asset register has been rolled over.
Interest expenses	1,450	100%	Under $10,000 and 10% threshold
Insurance	(4,484)	3%	Under $10,000 and 10% threshold
Other expenditure	0	100%	Under $10,000 and 10% threshold
Loss on asset disposals	4,330	-100%	Under $10,000 and 10% threshold
Investing activities	Var $	Var %	Explanation
Proceeds from capital grants, subsidies and contributions	(251,403)	-67%	Income recognised to match project expenditure. Refer to Note 11 Grants
Proceeds from disposal of assets	123,878	419%	Refer to Assets note
Payments for property, plant and equipment and infrastructure	361,582	-30%	Refer to Assets note for breakdown in project expenditure.
Financing actvities	Var $	Var %	Explanation
Transfer from reserves	0	0%	
Repayment of borrowings	0	0%	
Transfer to reserves	0	0%	
Surplus or (deficit) at the start of the financial year	21,179	100%	Supplier invoices relating to 2025/26 received after budget adopted.

Shire of Kulin
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the period ended 31 August 2026

Note 4 - Cash & Financial Assets

	General Ledger Balance	Bank Statement Balance
Cash at Bank - Unrestricted	**31-Aug-26**	**31-Aug-26**
Municipal Funds	1,076,157	131,519
Freebairn Recreation Centre	36,480	4,907
Trust (restricted muni funds)	111,720	111,720
Investments	3,667,721	3,667,721
Till Float	3,100	-
Petty Cash	500	-
	4,895,678	**3,915,867**
Cash at Bank - Restricted		
Reserve Funds	4,051,360	4,051,360
	4,051,360	**4,051,360**

Note 5 - Reserve Accounts

	Full year Budget				Budget - YTD				Actual - YTD			
Reserve	**Opening Balance**	**Transfer to**	**Transfer from**	**Closing Balance**	**Opening Balance**	**Transfer to**	**Transfer from**	**Closing Balance**	**Opening Balance**	**Transfer to**	**Transfer from**	**Closing Balance**
Leave	444,729	17,783	(42,757)	419,755	444,729	-	0	444,729	444,729	0	0	444,729
Plant	930,405	18,603	(650,000)	299,008	930,405	-	0	930,405	930,405	0	0	930,405
Building	960,825	19,212	(780,000)	200,037	960,825	-	0	960,825	960,825	0	0	960,825
Admin Equipment	201,966	8,077	(10,000)	200,043	201,966	-	0	201,966	201,966	0	0	201,966
Natural Disaster	98,721	1,974	(100,695)	0	98,721	-	0	98,721	98,721	0	0	98,721
Joint Venture Housing	49,430	1,976	(35,000)	16,406	49,430	-	0	49,430	49,430	0	0	49,430
FRC Surface & Equipment	51,333	2,053	0	53,386	51,333	-	0	51,333	51,333	0	0	51,333
Medical Services	138,030	5,519	0	143,549	138,030	-	0	138,030	138,030	0	0	138,030
Fuel Facility	53,026	12,120	0	65,146	53,026	-	0	53,026	53,026	0	0	53,026
Sportsperson Scholarship	16,352	654	0	17,006	16,352	-	0	16,352	16,352	0	0	16,352
Freebairn Rec Centre	277,692	11,136	0	288,828	277,692	-	0	277,692	277,692	0	0	277,692
Bendering Tip Reserve	148,083	12,899	0	160,982	148,083	-	0	148,083	148,083	0	0	148,083
Short Stay Accommodation	322,595	5,921	0	328,516	322,595	-	0	322,595	322,595	0	0	322,595
Independent Water	58,173	12,326	0	70,499	58,173	-	0	58,173	58,173	0	0	58,173
Tourism & Visitor Services	80,000	3,200	0	83,200	80,000	-	0	80,000	80,000	0	0	80,000
Land Development	220,000	8,800	(42,500)	186,300	220,000	-	0	220,000	220,000	0	0	220,000
Infrastructure & Public Building Development Reserve	0	56,674		56,674	0	-	0	0	0	0	0	0
	4,051,360	**198,927**	**(1,660,952)**	**2,589,335**	**4,051,360**	**0**	**0**	**4,051,360**	**4,051,360**	**0**	**0**	**4,051,360**

Reserve Name	**Purpose of the Reserve**
Leave Reserve	To fund annual and long service leave requirements
Plant Reserve	To fund the purchase of plant.
Building Reserve	To fund the construction of staff housing
Administration Equipment Reserve	To fund the replacement of administration equipment.
Natural Disaster Reserve	To assist in the funding of preparations following a natural disaster
Joint Venture Housing Reserve	To fund the upkeep of JV housing with the Department of Housing
FRC Surface & Equipment Replacement Reserve	To fund the replacement of equipment and sports surfaces at the FRC
Land Development Reserve	To fund future land development projects in the Shire
Medical Services Reserve	To fund the upgrade of medical facilities & costs related to the recruitment of a doctor for the Shire
Fuel Facility Reserve	To fund the replacement of the equipment at the fuel facility. Net profit from the sale of fuel is transferred to this reserve.
Freebairn Sportsperson Scholarship Reserve	To fund scholarships for local sportspersons
Freebairn Recreation Centre Reserve	To fund the ongoing asset management of the FRC
Short Stay Accommodation Reserve	To fund the construction of short stay accommodation units
Bendering Tip Reserve	To fund the rehabilitation of the Bendering Tip site
Independent Water Reserve	To fund the replacement and maintenance of water infrastructure within the Shire
Tourism & Visitor Services Reserve	To fund projects related to visitor and tourist services in the Shire
Infrastructure & Public Building Development Reserve	To provide funds fo rthe planning, construction, renewal and upgrade of Shire infrastructure, including roads, footpaths, public builidngs and community facilities.

Shire of Kulin
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the period ended 31 August 2026

Note 6 - Asset information

Note 6 (a) - Asset Acquisitions

	Description	Original Budget	YTD Budget	YTD Actual	Category	Renewal/ Replace	New Asset
E041100	AV equipment for meeting room	10,441	10,441	9,292	F&E		Y
E042400	Photocopier	10,000	-	-	F&E	Y	
E092201	Housing Construction - 4 Residences	2,699,781	449,960	28,357	L&B		Y
E091104	19 Wright Street house renovation	91,976	15,326	15,242	L&B	Y	
E091107	Unit 4 Johnston St Units patio and paving	9,771	1,626	-	L&B	Y	
E091114	6 Bowey Way - patio, fencing, lawn & reticulation	28,514	4,750	6,650	L&B	Y	
E091115	14 Stewart Street - Asbestos removal	13,514	2,250	-	L&B	Y	
E107131	Kulin Cemetery Niche Wall	15,000	2,500	-	Inf		Y
E107150	Kulin Public Toilets Upgrades	39,312	-	-	L&B	Y	
E101100	Transfer Station- Oil Bunding & Fencing	28,761	4,788	-	Inf	Y	
E112101	Aquatic Centre - Splashdown pool	50,000	8,332	4,330	Inf	Y	
E112100	Aquatic Centre - Plant room	50,000	8,332	-	Inf	Y	
E113940	FRC Mobile BBQ	15,000	-	-	P&E		Y
E113940	Generator	60,000	-	-	Inf		Y
E113905	Generator - SMSB	140,000	23,332	-	Inf		Y
E123100	Bulldozer	555,000		-	P&E	Y	
E123100	Roller	245,000	135,000	-	P&E	Y	
E123100	Sundry Plant	10,000		-	P&E		Y
E123105	Ford Everest (CEO) (PMV27)	80,000		74,730	MV	Y	
E123105	Ford Everest (Works Manager) (PMV30)	75,000	114,150	68,052	MV	Y	
E123105	Mitsubishi Fuso 4T Single Cab (PMV81)	110,000		-	MV	Y	
E123105	Primemover	419,900		420,540	MV	Y	
E121500	RRG Road Construction	1,129,139	188,184	81,850	Inf	Y	
E121520	R2R Road Construction	1,114,157	185,656	101,199	Inf	Y	
E121550	Own Resource Road Construction	251,331	41,874	24,177	Inf	Y	
E121580	Footpath Construction	90,818	15,132	-	Inf	Y	
E122220	BMO & Gardeners Shed Improvements	15,000	2,500	-	L&B		Y
E122221	Crib Room AV Equipment	10,000	1,666	9,292	F&E		Y
E132700	Tourism signage & Macrocarpa Trail Gazebo & seating	18,630	-	10,509	Inf		Y
E121605	Tourism signage	50,000	-	-	Inf		Y
E134500	Visitor Centre Fit Out	10,000	-	-	L&B	Y	
E136045	Pingaring Rainwater Tank & Standpipe	-	-	-	P&E		Y
		7,446,045	**1,215,799**	**854,217**			
Add: WIP at 30 June 2026 (Projects not completed at year end)							
	Housing Construction Project			4,837			
	19 Wright Street Renovation			107,690			
	6 Bowey Way Landscaping & Patio Project			60,279			
	Gravel sheeting Traysurin West Road			16,779			
	Gravel sheeting Allen Rocks Road			21,334			
	Pingaring Rainwater Tank & Standpipe			60,602			
				271,521			
Assets added to fixed asset register in 2026/27				**1,125,738**			

Note 6 (b) - Disposal of Assets	Budgeted WDV	Amened Budgeted Proceeds	Budgeted Profit/(loss) on sale	Actual WDV	Actual Proceeds	Actual Profit/(loss) on Sale
PE100 - Cat D6R Bulldozer*	84,822	180,000	95,178	98,768	19,500	79,268
PE41 - Bomag BW25RH Multityred Roller	42,285	20,000	(22,285)			
MV16 - Mitsubishi Fuso Dual Cab Truck	24,872	30,000	5,128			
MV27 - Ford Everest Platinum (MV207)	64,931	65,000	69	67,931	68,366	435
MV30 - Ford Everest Tremor (MV212)	63,697	60,000	(3,697)	66,734	65,595	(1,139)
	280,607	**355,000**	**74,393**	**233,433**	**153,461**	**78,564**
* 10% Deposit received for bulldozer						
Residential Land Sales (Inventory)						
29 Ellson Stree, Kulin	13,000	39,218	26,218	13,000	38,621	25,621
	13,000	39,218	26,218	13,000	38,621	25,621

Shire of Kulin
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the period ended 31 August 2026

Note 7 - Receivables

Rates receivable	30-Jun-26	31-Aug-26
	$	$
Opening arrears previous years	35,179	(1,085)
Levied this year	2,774,064	2,915,172
Less - collections to date	(2,799,145)	(257,466)
Less - write offs	(11,183)	(5)
Equals current outstanding	**(1,085)**	**2,656,616**
Net rates collectable	**(1,085)**	**2,656,616**
% Collected	100.04%	

Trade Receivables	Credit	Current	30 Days	60 Days	90+ Days	Total
	$	$	$	$	$	$
Receivables - general	(302)	72,761	325,980	3,346	65	401,849
Percentage	-0.1%	18.1%	81.1%	0.8%	0.0%	
Balance per trial balance						401,849
Allowance for impairment of receivables						0
Total receivables general outstanding						**401,849**
Amounts shown above include GST (where applicable)						

KEY INFORMATION
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for impairment of receivables is raised when there is objective evidence that they will not be collectible.

Note 8 - Payables

Payables - general	Current	30 Days	60 Days	90+ Days	Total
	$	$	$	$	$
Sundry Creditors	750,723	758	560	(407)	751,634
Percentage	99.9%	0.1%	0.1%	-0.1%	
Balance per trial balance					751,634
Other Accruals & Payables	320,262				320,262
Total payables general outstanding					**1,071,896**
Amounts shown above include GST (where applicable)					

KEY INFORMATION
Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the period 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.

Note 9 - Borrowings

	Budget					Actual				
	Principal 01/07/2026	New loans	Principal Repayments	Principal 30/06/2027	Interest Repayments	Principal 01/07/2026	New loans	Principal Repayments	Principal 30/06/2027	Interest Repayments
Loan 1 Administration Building	577,004	0	(108,601)	468,403	20,659	577,004	0	0	577,004	(1,504)
Loan 2 Housing Construction	1,400,000	300,000	(38,977)	1,661,023	98,398	1,400,000	0	0	1,400,000	54
	1,977,004	**300,000**	**(147,578)**	**2,129,426**	**119,057**	**1,977,004**	**0**	**0**	**1,977,004**	**(1,450)**

KEY INFORMATION
Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

Fair values of borrowings are not materiallly 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. Non-current borrowings fair values are based on discounted cash flows using a current borrowing rate.

Shire of Kulin
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the period ended 31 August 2026

Note 10 - Rate Revenue

Rate Type	Rate in $	Number of properties	Rateable Value	Budgeted Rate Revenue	Actual Rate Revenue
General Rate					
Gross Rental Value					
Residential	0.12015	140	1,418,860	170,476	170,476
Industrial	0.12015	12	115,440	13,870	13,870
Commercial	0.12015	28	432,482	51,963	51,963
Rural	0.12015	11	117,052	14,064	14,064
Unimproved Value					
Rural	0.00432	348	561,296,000	2,424,799	2,424,799
Mining	0.00432	0	-	-	-
Sub-total		**539**	**563,379,834**	**2,675,171**	**2,675,171**
Minimum Payment					
Gross Rental Value					
Residential	589.10	14	16,015	8,247	8,247
Industrial	589.10	5	11,455	2,946	2,946
Commercial	589.10	5	9,545	2,946	2,946
Rural	589.10	9	8,435	5,302	5,301.90
Unimproved Value					
Rural	589.10	24	1,958,870	14,138	14,138
Mining	589.10	19	125,824	11,193	11,193
		76	**2,130,144**	**44,772**	**44,772**
		615	**565,509,978**	**2,719,943**	**2,719,943**
Discount				(56,674)	(5,687)
Concessions/Write-offs				(11,259)	(5)
Total raised from general rates				**2,652,010**	**2,714,251**
Ex-Gratia Rates				34,031	34,031
Total Rates				**2,686,041**	**2,748,282**

All land (other than exempt land) in the Shire of Kulin is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Shire of Kulin.

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 deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also considering the extent of any increase in rating over the level adopted in the previous year.

The minimum rates 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 Kulin
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the period ended 31 August 2026

Note 11 - Grants

Operating Grants

Grant Source	Purpose	Original Budget	YTD Budget	YTD Actual
Grants Commission	Federal financial assistance grants	689,068	172,267	144,596
DFES	Emergency Services Levy Operating Grant	50,990	12,747	12,748
DFES	ESL Admin Contribution	4,000	666	-
Kulin Retirement Homes	Contribution toward KRH administration	2,000	332	-
Kulin Bush Races	Contribution toward KCCC shade & equipment	11,849	1,974	-
Kulin Bush Races	Contribution toward Tennis Club BBQ & Water fountain	5,000	832	-
Main Roads	State Direct Grant (Untied Road Funding)	342,542	342,542	342,542
Services Australia	Contribution toward Centrelink Agency	40,409	6,734	6,735
Department of Primary Industries & Regional Development	Community Resource Centre Funding	132,000	33,000	32,259
Other CRC Grants & Contributions	Kulin Triathlon & Other sponsorships	5,000	832	-
		1,282,858	**571,926**	**538,879**

Capital Grants

Grant Source	Purpose	Original Budget	YTD Budget	YTD Actual (Income recognised)	Grant income received
State Government	FRC Generator	100,000	-	-	-
Main Roads - Regional Road Group	Road Construction	752,797	376,398	54,567	293,125
Federal - Roads to Recovery	Road Construction	1,108,603	-	70,428	201,851
Wheatbelt Development Commission- Drought Resilience Program	Pingaring Rainwater Standpipe & Tank	-	-		-
		1,961,400	**376,398**	**124,995**	**494,976**