



SHIRE OF KENT

MONTHLY FINANCIAL REPORT

**(Containing the required statement of financial activity and statement of financial position)
For the period ended 31 January 2026**

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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SHIRE OF KENT
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2026

	Adopted Budget Estimates	YTD Budget Estimates	YTD Actual	Variance* \$	Variance* %	Var.
Note	(a)	(b)	(c)	(c) - (b)	((c) - (b))/(b)	
	\$	\$	\$	\$	%	
OPERATING ACTIVITIES						
Revenue from operating activities						
General rates	2,680,568	2,680,568	2,695,489	14,921	0.56%	
Grants, subsidies and contributions	1,560,696	907,628	984,963	77,335	8.52%	
Fees and charges	628,610	419,958	422,215	2,257	0.54%	
Interest revenue	373,264	199,419	102,027	(97,392)	(48.84%)	▼
Other revenue	83,400	48,629	51,296	2,667	5.48%	
Profit on asset disposals	306,656	254,761	16,392	(238,369)	(93.57%)	▼
	5,633,194	4,510,963	4,272,382	(238,581)	(5.29%)	
Expenditure from operating activities						
Employee costs	(2,850,438)	(1,686,441)	(1,558,988)	127,453	7.56%	
Materials and contracts	(1,750,238)	(1,049,969)	(793,449)	256,520	24.43%	▲
Utility charges	(202,200)	(117,607)	(71,767)	45,840	38.98%	▲
Depreciation	(2,843,200)	(725,130)	(614,635)	110,495	15.24%	▲
Finance costs	(9,872)	(5,121)	(3,394)	1,727	33.72%	
Insurance	(217,636)	(186,713)	(186,656)	57	0.03%	
Other expenditure	(88,550)	(70,813)	(60,388)	10,425	14.72%	▲
Loss on asset disposals	(49,626)	(28,945)	(112,377)	(83,432)	(288.24%)	▼
Change in revaluation of non-current assets	0	0	20,000	20,000	0.00%	
	(8,011,760)	(3,870,739)	(3,381,654)	489,085	12.64%	
Non cash amounts excluded from operating activities	2(c) 2,588,869	499,314	690,620	191,306	38.31%	▲
Amount attributable to operating activities	210,303	1,139,538	1,581,348	441,810	38.77%	
INVESTING ACTIVITIES						
Inflows from investing activities						
Proceeds from capital grants, subsidies and contributions	3,546,962	2,069,039	703,144	(1,365,895)	(66.02%)	▼
Proceeds from disposal of assets	753,300	367,000	376,630	9,630	2.62%	
	4,300,262	2,436,039	1,079,774	(1,356,265)	(55.68%)	
Outflows from investing activities						
Acquisition of property, plant and equipment	(4,152,500)	(1,707,287)	(883,734)	823,553	48.24%	▲
Acquisition of infrastructure	(4,006,180)	(2,278,626)	(902,704)	1,375,922	60.38%	▲
	(8,158,680)	(3,985,913)	(1,786,439)	2,199,474	55.18%	
Amount attributable to investing activities	(3,858,418)	(1,549,874)	(706,665)	843,209	54.41%	
FINANCING ACTIVITIES						
Inflows from financing activities						
Transfer from reserves	946,700	0	0	0	0.00%	
	946,700	0	0	0	0.00%	
Outflows from financing activities						
Repayment of borrowings	(73,733)	(36,859)	(36,859)	0	0.00%	
Transfer to reserves	(652,930)	0	(54,049)	(54,049)	0.00%	
	(726,663)	(36,859)	(90,908)	(54,049)	(146.64%)	
Amount attributable to financing activities	220,037	(36,859)	(90,908)	(54,049)	(146.64%)	
MOVEMENT IN SURPLUS OR DEFICIT						
Surplus or deficit at the start of the financial year	2(a) 3,393,128	3,393,128	3,394,427	1,299	0.04%	
Amount attributable to operating activities	210,303	1,139,538	1,581,348	441,810	38.77%	▲
Amount attributable to investing activities	(3,858,418)	(1,549,874)	(706,665)	843,209	54.41%	▲
Amount attributable to financing activities	220,037	(36,859)	(90,908)	(54,049)	(146.64%)	▼
Surplus or deficit after imposition of general rates	(34,951)	2,945,933	4,178,202	1,232,269	41.83%	▲

KEY INFORMATION

▲▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data outside the adopted materiality threshold.

▲ Indicates a variance with a positive impact on the financial position.

▼ Indicates a variance with a negative impact on the financial position.

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 KENT
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 JANUARY 2026

	Actual 30 June 2025	Actual as at 31 January 2026
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	3,081,308	3,346,182
Trade and other receivables	131,519	285,730
Other financial assets	5,425,742	5,479,791
Inventories	105,573	116,819
Contract assets	780,851	760,143
TOTAL CURRENT ASSETS	9,524,993	9,988,665
NON-CURRENT ASSETS		
Trade and other receivables	9,822	9,822
Other financial assets	79,620	79,620
Property, plant and equipment	26,991,659	26,912,835
Infrastructure	167,774,733	168,572,747
TOTAL NON-CURRENT ASSETS	194,855,834	195,575,024
TOTAL ASSETS	204,380,827	205,563,690
CURRENT LIABILITIES		
Trade and other payables	455,554	80,747
Other liabilities	745	1,404
Borrowings	73,734	36,875
Employee related provisions	248,521	248,521
TOTAL CURRENT LIABILITIES	778,554	367,547
NON-CURRENT LIABILITIES		
Borrowings	431,167	431,167
Employee related provisions	64,718	64,718
Other provisions	60,184	60,184
TOTAL NON-CURRENT LIABILITIES	556,069	556,069
TOTAL LIABILITIES	1,334,623	923,616
NET ASSETS	203,046,204	204,640,077
EQUITY		
Retained surplus	42,077,135	43,596,960
Reserve accounts	5,425,742	5,479,791
Revaluation surplus	155,543,327	155,563,326
TOTAL EQUITY	203,046,204	204,640,077

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

SHIRE OF KENT
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2026

1 BASIS OF PREPARATION AND 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.

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 which would have required the Shire to measure any vested improvements at zero cost.

Local Government (Financial Management) Regulations 1996, regulation 34 prescribes contents of the financial report. Supplementary information does 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.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 31 January 2026

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 financial report.

All monies held in the Trust Fund are excluded from the financial statements.

MATERIAL ACCOUNTING POLICES

Material accounting policies utilised in the preparation of these statements are as described within the 2024-25 Annual Budget. Please refer to the adopted budget document for details of these policies.

Critical accounting estimates and 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
- Measurement of employee benefits
- Measurement of provisions

SHIRE OF KENT
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2026

2 NET CURRENT ASSETS INFORMATION

	Adopted Budget Opening	Actual as at	Actual as at	
(a) Net current assets used in the Statement of Financial Activity	Note	1 July 2025	30 June 2025	31 January 2026
		\$	\$	\$
Current assets				
Cash and cash equivalents		3,082,271	3,081,308	3,346,182
Trade and other receivables		132,888	131,519	285,730
Other financial assets		5,425,742	5,425,742	5,479,791
Inventories		153,941	105,573	116,819
Contract assets		785,143	780,851	760,143
		<u>9,579,985</u>	<u>9,524,993</u>	<u>9,988,665</u>
Less: current liabilities				
Trade and other payables		(476,894)	(455,554)	(80,747)
Other liabilities		(745)	(745)	(1,404)
Borrowings		(73,733)	(73,734)	(36,875)
Employee related provisions		(248,521)	(248,521)	(248,521)
		<u>(799,893)</u>	<u>(778,554)</u>	<u>(367,547)</u>
Net current assets		8,780,092	8,746,439	9,621,118
Less: Total adjustments to net current assets	2(b)	(5,352,013)	(5,352,012)	(5,442,916)
Closing funding surplus / (deficit)		3,428,079	3,394,427	4,178,202
(b) Current assets and liabilities excluded from budgeted deficiency				
Adjustments to net current assets				
Less: Reserve accounts		(5,425,741)	(5,425,741)	(5,479,791)
Less: Current assets not expected to be received at end of year				
- Current financial assets at amortised cost - self supporting loans		(1,307)	(1,307)	0
Add: Current liabilities not expected to be cleared at the end of the year				
- Current portion of borrowings		73,733	73,734	36,875
- Current portion of employee benefit provisions held in reserve		1,302	1,302	
Total adjustments to net current assets	2(a)	(5,352,013)	(5,352,012)	(5,442,916)
(c) Non-cash amounts excluded from operating activities				
Adjustments to operating activities				
Less: Profit on asset disposals		(306,656)	(254,761)	(16,392)
Less: Movement in liabilities associated with restricted cash		(2,014)	0	0
Add: Loss on asset disposals		49,626	28,945	112,377
Add: Depreciation		2,843,200	725,130	614,635
Movement in current contract liabilities associated with restricted cash		(1,302)	0	0
Non-cash movements in non-current assets and liabilities:				
- Pensioner deferred rates		1,658	0	0
- Employee provisions		4,357	0	0
Total non-cash amounts excluded from operating activities		2,588,869	499,314	690,620

CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the local governments' operational cycle.

SHIRE OF KENT
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JANUARY 2026

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 2025-26 year is \$10,000 and 10.00% whichever is the greater.

Description	Var. \$	Var. %	
	\$	%	
Revenue from operating activities			
Interest revenue	(97,392)	(48.84%)	▼
Interest budget spread equally across the year, reserve interest received upon maturity		Timing	
Profit on asset disposals	(238,369)	(93.57%)	▼
Budgeted profit not realised following fair value adjustments post budget		Permanent	
Expenditure from operating activities			
Materials and contracts	256,520	24.43%	▲
Contingencies and planned contract work on housing not yet expended		Timing	
Annual subscriptions fully paid		Timing	
Utility charges	45,840	38.98%	▲
Cycle of electricity and water accounts		Timing	
Depreciation	110,495	15.24%	▲
Depreciation less than anticipated		Timing	
Other expenditure	10,425	14.72%	▲
Minimal sundry expenses to date			
Loss on asset disposals	(83,432)	(288.24%)	▼
Budgeted profit not realised following fair value adjustments post budget		Permanent	
Non cash amounts excluded from operating activities	191,306	38.31%	▲
Higher loss on asset disposals & lower profit on asset disposal to budget		Permanent	
Lower depreciation to budget		Timing	
Inflows from investing activities			
Proceeds from capital grants, subsidies and contributions	(1,365,895)	(66.02%)	▼
Partial RRG funding received, no R2R received, SLIP not yet confirmed		Timing	
Grant for Nyabing Pavilion denied		Permanent	
Outflows from investing activities			
Acquisition of property, plant and equipment	823,553	48.24%	▲
Capital works projects not yet commenced, plant underway		Timing	
Acquisition of infrastructure	1,375,922	60.38%	▲
Outflow for capital roads projects		Timing	
Surplus or deficit after imposition of general rates	1,232,269	41.83%	▲
Due to variances described above			

SHIRE OF KENT
SUPPLEMENTARY INFORMATION
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BASIS OF PREPARATION - SUPPLEMENTARY INFORMATION

Supplementary information is presented for information purposes. The information does not comply with the disclosure requirements of the Australian Accounting Standards.

not comply with the disclosure requirements of the Australian Accounting Standards.

SHIRE OF KENT
 SUPPLEMENTARY INFORMATION
 FOR THE PERIOD ENDED 31 JANUARY 2026

1 KEY INFORMATION

Funding Surplus or Deficit Components

Funding surplus / (deficit)				
	Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
Opening	\$3.39 M	\$3.39 M	\$3.39 M	\$0.00 M
Closing	(\$0.03 M)	\$2.95 M	\$4.18 M	\$1.23 M

Refer to Statement of Financial Activity

Cash and cash equivalents		
	\$8.83 M	% of total
Unrestricted Cash	\$3.35 M	37.9%
Restricted Cash	\$5.48 M	62.1%

Refer to 3 - Cash and Financial Assets

Payables		\$0.08 M	% Outstanding
Trade Payables	\$0.00 M		
0 to 30 Days			0.0%
Over 30 Days			0.0%
Over 90 Days			0.0%

Refer to 9 - Payables

Receivables		
	\$0.05 M	% Collected
Rates Receivable	\$0.24 M	91.3%
Trade Receivable	\$0.05 M	% Outstanding
Over 30 Days		102.7%
Over 90 Days		85.0%

Refer to 7 - Receivables

Key Operating Activities

Amount attributable to operating activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$0.21 M	\$1.14 M	\$1.58 M	\$0.44 M

Refer to Statement of Financial Activity

Rates Revenue		
YTD Actual	\$2.70 M	% Variance
YTD Budget	\$2.68 M	0.6%

Grants and Contributions		
YTD Actual	\$0.98 M	% Variance
YTD Budget	\$0.91 M	8.5%

Refer to 12 - Grants and Contributions

Fees and Charges		
YTD Actual	\$0.42 M	% Variance
YTD Budget	\$0.42 M	0.5%

Refer to Statement of Financial Activity

Key Investing Activities

Amount attributable to investing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
(\$3.86 M)	(\$1.55 M)	(\$0.71 M)	\$0.84 M

Refer to Statement of Financial Activity

Proceeds on sale		
YTD Actual	\$0.38 M	%
Adopted Budget	\$0.75 M	(50.0%)

Refer to 6 - Disposal of Assets

Asset Acquisition		
YTD Actual	\$0.90 M	% Spent
Adopted Budget	\$4.01 M	(77.5%)

Refer to 5 - Capital Acquisitions

Capital Grants		
YTD Actual	\$0.70 M	% Received
Adopted Budget	\$3.55 M	(80.2%)

Refer to 5 - Capital Acquisitions

Key Financing Activities

Amount attributable to financing activities			
Adopted Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)
\$0.22 M	(\$0.04 M)	(\$0.09 M)	(\$0.05 M)

Refer to Statement of Financial Activity

Borrowings	
Principal repayments	(\$0.04 M)
Interest expense	(\$0.00 M)
Principal due	\$0.47 M

Refer to 10 - Borrowings

Reserves	
Reserves balance	\$5.48 M
Net Movement	\$0.05 M

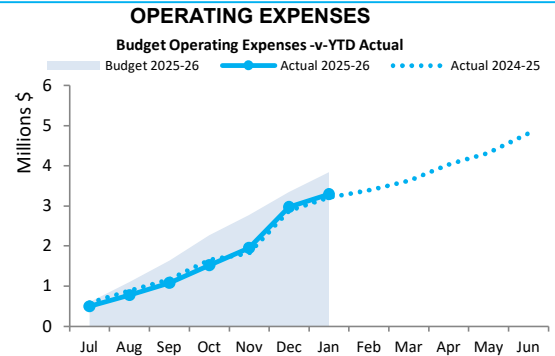
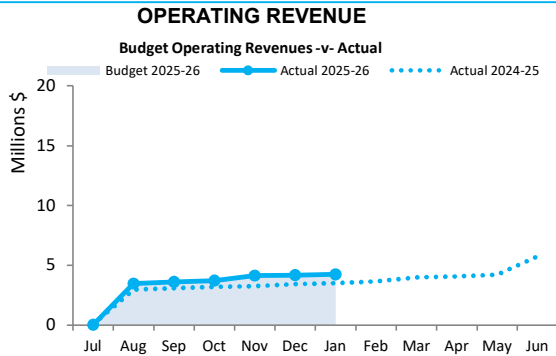
Refer to 4 - Cash Reserves

This information is to be read in conjunction with the accompanying Financial Statements and notes.

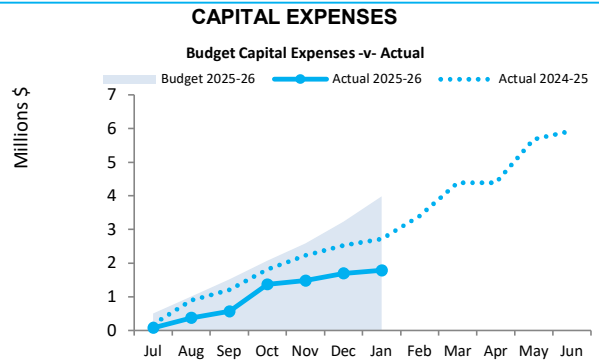
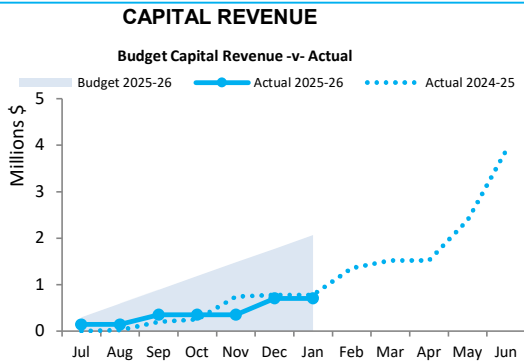
**SHIRE OF KENT
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JANUARY 2026**

2 KEY INFORMATION - GRAPHICAL

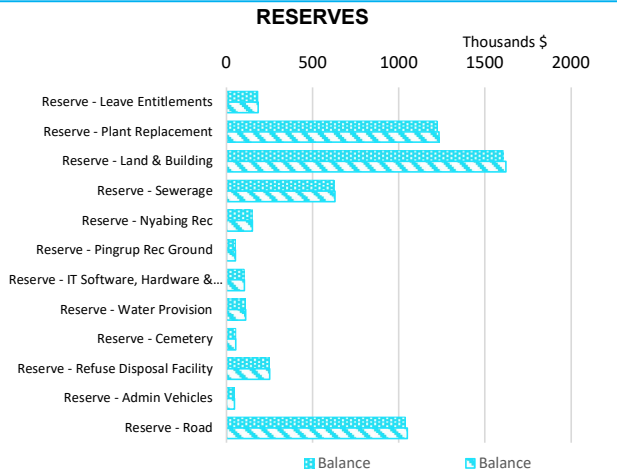
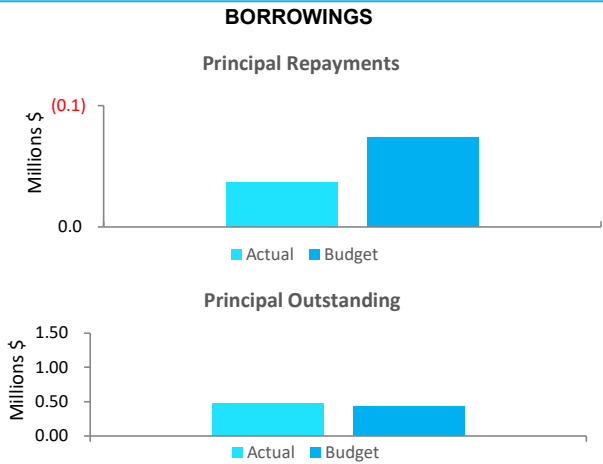
OPERATING ACTIVITIES



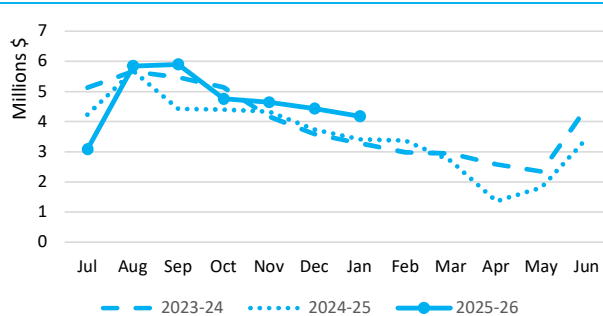
INVESTING ACTIVITIES



FINANCING ACTIVITIES



Closing funding surplus / (deficit)



This information is to be read in conjunction with the accompanying Financial Statements and Notes.

**SHIRE OF KENT
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JANUARY 2026**

3 CASH AND FINANCIAL ASSETS AT AMORTISED COST

Description	Classification	Unrestricted	Reserve Accounts	Total	Trust	Institution	Interest Rate	Maturity Date
		\$	\$	\$	\$			
Municipal Account	Cash and cash equivalents	333,902		333,902		CBA	3.50%	n/a
Municipal Term Deposit	Cash and cash equivalents	2,000,000		2,000,000		CBA	4.25%	8/11/2025
Business online Saver	Cash and cash equivalents	1,012,280		1,012,280		CBA	4.15%	n/a
Trust	Cash and cash equivalents	0			3,416	CBA	3.00%	n/a
Term Deposit	Financial assets at amortised cost	0	5,479,791	5,479,791		CBA	4.04%	27/9/2025
Total		3,346,183	5,479,791	8,825,974	3,416			
Comprising								
Cash and cash equivalents		3,346,182	0	3,346,182	3,416			
Financial assets at amortised cost - Term Deposits		0	5,479,791	5,479,791	0			
		3,346,183	5,479,791	8,825,973	3,416			

KEY INFORMATION

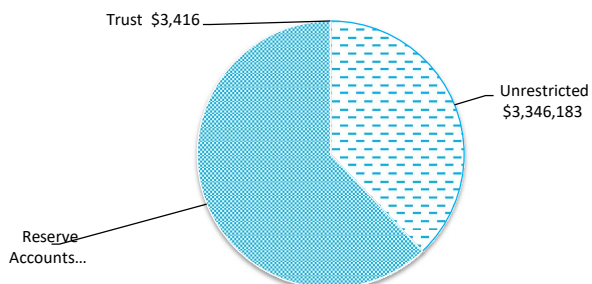
Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of net current assets.

The local government 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.

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 8 - Other assets.



**SHIRE OF KENT
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JANUARY 2026**

4 RESERVE ACCOUNTS

Reserve account name	Budget					Actual			
	Opening Balance	Transfers In (+)	Transfers Out (-)	Budget Review	Closing Balance	Opening Balance	Transfers In (+)	Transfers Out (-)	Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Reserve accounts restricted by Council									
Reserve - Leave Entitlements	181,131	37,337			218,468	181,131	1,804		182,935
Reserve - Plant Replacement	1,221,170	99,462	(368,700)		951,932	1,221,170	12,165		1,233,335
Reserve - Land & Building	1,605,084	210,012	(550,000)	(20,000)	1,245,096	1,605,084	15,989		1,621,073
Reserve - Sewerage	623,937	55,272			679,209	623,937	6,215		630,152
Reserve - Nyabing Rec	147,780	11,986			159,766	147,780	1,472		149,252
Reserve - Pingrup Rec Ground	50,962	8,064			59,026	50,962	508		51,470
Reserve - IT Software, Hardware & Development	102,460	29,150			131,610	102,460	1,021		103,481
Reserve - Water Provision	109,491	42,892			152,383	109,491	1,091		110,582
Reserve - Cemetery	52,171	2,113			54,284	52,171	520		52,691
Reserve - Refuse Disposal Facility	248,061	20,047			268,108	248,061	2,471		250,532
Reserve - Admin Vehicles	44,904	21,819	(28,000)		38,723	44,904	447		45,351
Reserve - Road	1,038,592	114,776			1,153,368	1,038,591	10,346		1,048,937
	5,425,742	652,930	(946,700)	(20,000)	5,111,972	5,425,742	54,049	0	5,479,791

5 CAPITAL ACQUISITIONS

Capital acquisitions	Adopted		YTD Actual	YTD Variance
	Budget	YTD Budget		
	\$	\$	\$	\$
Land - freehold land	0	58,331	23,010	(35,321)
Buildings - non-specialised	1,157,500	500,206	0	(500,206)
Buildings - specialised	1,530,000	294,169	0	(294,169)
Furniture and equipment	0	0	0	0
Plant and equipment	1,465,000	854,581	860,724	6,143
Acquisition of property, plant and equipment	4,152,500	1,707,287	883,734	(823,553)
Infrastructure - roads	3,506,180	2,045,288	875,332	(1,169,956)
Infrastructure -Other	500,000	233,338	27,372	(205,966)
Acquisition of infrastructure	4,006,180	2,278,626	902,704	(1,375,922)
Total capital acquisitions	8,158,680	3,985,913	1,786,439	(2,199,474)
Capital Acquisitions Funded By:				
Capital grants and contributions	3,546,962	2,069,039	703,143	(1,365,896)
Other (disposals & C/Fwd)	753,300	367,000	376,630	9,630
Reserve accounts				
Reserve - Plant Replacement	368,700	0	0	0
Reserve - Land & Building	550,000	0	0	0
Reserve - Admin Vehicles	28,000	0	0	0
Reserve - Road	0	0	0	0
Contribution - operations	2,911,718	1,549,874	706,666	(843,208)
Capital funding total	8,158,680	3,985,913	1,786,439	(2,199,474)

KEY INFORMATION

Initial recognition

An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost.

Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, plus costs incidental to the acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition.

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 *Local Government (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.

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the Shire's revaluation policy, are recognised at cost and disclosed as being at reportable value.

Measurement after recognition

Plant and equipment including furniture and equipment and right-of-use assets (other than vested improvements) are measured using the cost model as required under *Local Government (Financial Management) Regulation 17A(2)*. Assets held under the cost model are carried at cost less accumulated depreciation and any impairment losses being their reportable value.

Reportable Value

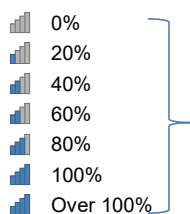
In accordance with *Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are land and buildings classified as property, plant and equipment, investment properties, infrastructure or vested improvements that the local government controls.

Reportable value is for the purpose of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date minus (to the extent applicable) the accumulated depreciation and any accumulated impairment losses in respect of the non-financial asset subsequent to its last valuation date.

5 CAPITAL ACQUISITIONS (CONTINUED) - DETAILED

Capital expenditure total

Level of completion indicators

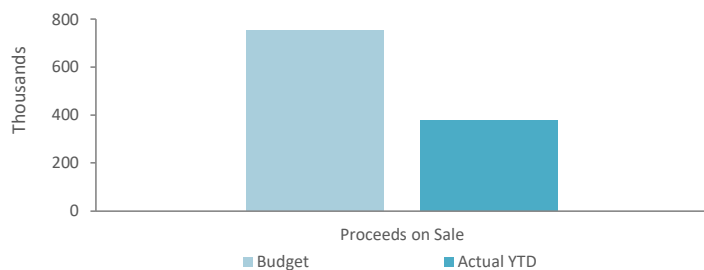


Percentage Year to Date Actual to Annual Budget expenditure where the expenditure over budget highlighted in red.

	Account Description	Adopted		YTD Actual	Variance (Under)/Over
		Budget	YTD Budget		
		\$	\$	\$	\$
04983	Capital Admin Building Upgrades	50,000	29,169	0	29,169
09976	Construction of 2x1, 15 Aspendale Street	550,000	175,000	0	175,000
09977	Construction of 2x1, 15 Aspendale Street	550,000	320,831	0	320,831
09987	CAPITAL HOUSING UPGRADES	7,500	4,375	0	4,375
11986	Nyabing Pavilion - Capital Upgrades	1,500,000	250,000	0	250,000
11972	Solar pump upgrades	20,000	11,669	13,596	(1,927)
11973	Pingrup Lions Park Upgrade	15,000	8,750	0	8,750
11990	Memorial Park Upgrade	50,000	29,169	0	29,169
11991	Burston Park Upgrade - Pingrup	50,000	29,169	0	29,169
12800	Own Source Construction	825,885	481,768	0	481,768
12801	Roads To Recovery	743,563	433,748	529,054	(95,306)
12802	Regional Road Group	700,000	408,345	346,278	62,067
12805	Local Road & Community Infrastructure Program	824,470	480,942	0	480,942
12806	Great Southern Secondary Freight (GSSF)	412,262	240,485	0	240,485
12951	Purchase of Plant and Vehicles	1,465,000	854,581	860,724	(6,143)
13972	Reline Water Tank - Rasmussen	15,000	8,750	11,716	(2,966)
13978	Capital Townscape Projects	250,000	145,831	2,060	143,771
13990	Urban Regeneration	100,000	58,331	23,010	35,321
		8,128,680	3,970,913	1,786,439	2,184,474

6 DISPOSAL OF ASSETS

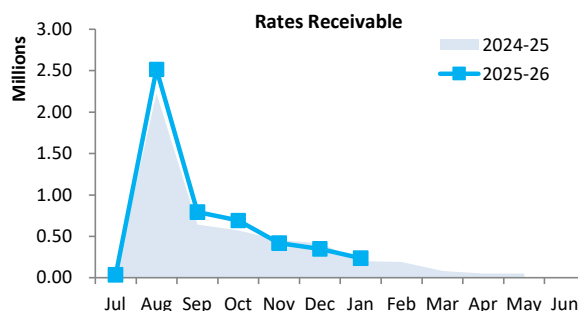
Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
Buildings									
110/490	5 George Street, Nyabing	27,135	230,000	202,865	0	334,434	230,000	0	(104,434)
Plant and equipment									
2360	2022 Fuso Prime Mover (KT045)	168,987	136,300	0	(32,687)			0	0
2343	2010 Roadwest A-trailer (KT2481)	22,099	50,000	27,901	0	21,776	34,986	13,210	0
2178	Isuzu 550 Fuel Truck (KT012)	13,809	30,000	16,191	0			0	0
2038	2004 HP Tandem Axle Side tipper (dog) (KT2292)	7,500	60,000	52,500	0			0	0
2345	Toyota Hilux SR5 CEM (KT000)	51,605	40,000	0	(11,605)			0	0
2368	Mitsubishi 4x4 S/Cab (KT017)	21,054	20,000	0	(1,054)			0	0
2311	Mitsubishi 4x4 tipper/crane- T/ldr (KT004)	15,000	20,000	5,000	0	15,000	18,182	3,182	0
2400	Toyota Prado GXL - CEO (Mar)	70,780	67,000	0	(3,780)	71,404	69,998	0	(1,406)
2401	Toyota Fortuner GXL DCEO (Mar)	50,500	50,000	0	(500)			0	0
2392	Toyota Fortuner GXL MI (Dec)	47,801	50,000	2,199	0			0	0
937	1996 Cat 428C Backhoe Loader (KT016)	0	0	0	0	30,000	23,464	0	(6,536)
		496,270	753,300	306,656	(49,626)	472,614	376,630	16,392	(112,376)



7 RECEIVABLES

Rates receivable

	30 June 2025	31 Jan 2026
	\$	\$
Opening arrears previous year	48,989	46,999
Levied this year	2,602,348	2,695,489
Less - collections to date	(2,604,337)	(2,504,260)
Gross rates collectable	46,999	238,228
Net rates collectable	46,999	238,228
% Collected	98.2%	91.3%



Receivables - general

	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Receivables - general	(507)	0	51	3,317	16,172	19,033
Percentage	(2.7%)	0.0%	0.3%	17.4%	85.0%	
Balance per trial balance						
Trade receivables						19,033
Rates Debtors - ESL						4,746
GST receivable						8,273
Receivables for employee related provisions						19,555
Allowance for impairment of receivables from contracts with customers						(7,917)
Pensioner Rebates Suspense						3,610
Accrued Interest Receivable						202
Total receivables general outstanding						47,502

Amounts shown above include GST (where applicable)

KEY INFORMATION

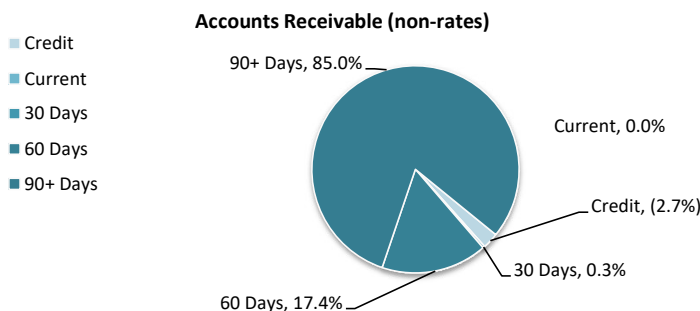
Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectable amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

Trade and other 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.



8 OTHER CURRENT ASSETS

	Opening Balance 1 July 2025	Asset Increase	Asset Reduction	Closing Balance 31 January 2026
	\$	\$	\$	\$
Other current assets				
Financial assets at amortised cost	5,425,742	54,049	0	5,479,791
Inventory				
Fuel & materials	105,573	166,656	(155,410)	116,819
Contract assets				
Contract assets	780,851	0	(20,708)	760,143
Total other current assets	6,312,166	220,705	(176,118)	6,356,753

Amounts shown above include GST (where applicable)

KEY INFORMATION

Inventory

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.

Contract assets

A contract asset is the right to consideration in exchange for goods or services the entity has transferred to a customer when that right is conditioned on something other than the passage of time.

9 PAYABLES

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	0	0	0	0	0
Percentage	0.0%	0.0%	0.0%	0.0%	0.0%	
Balance per trial balance						
Sundry creditors						0
Accrued salaries and wages						0
ATO liabilities						56,201
GST Payable						2,425
GST on Employee Contributions (NL)						0
GST Suspense						148
Excess Rates Receipts						16,794
Time in Lieu - accrued						(2,133)
Other accrued expenses						0
Accrued Interest - loans						5,213
Novated Leasing (NL)						2,099
Total payables general outstanding						80,747

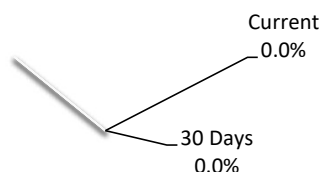
Amounts shown above include GST (where applicable)

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.

- Credit
- Current
- 30 Days
- 60 Days
- 90+ Days

Aged Payables



10 BORROWINGS

Repayments - borrowings

Information on borrowings Particulars	Loan No.	New Loans			Principal Repayments		Principal Outstanding		Interest Repayments	
		1 July 2025	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Teacher Housing	94	504,545	0	0	(36,859)	(73,733)	467,686	430,812	(3,394)	(9,872)
Total		504,545	0	0	(36,859)	(73,733)	467,686	430,812	(3,394)	(9,872)
Current borrowings		73,733					36,875			
Non-current borrowings		430,812					430,811			
		504,545					467,686			

All debenture repayments were financed by general purpose revenue.

KEY INFORMATION

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.

11 OTHER CURRENT LIABILITIES

Other current liabilities	Note	Opening Balance 1 July 2025 \$	Liability transferred from/(to) non current \$	Liability Increase \$	Liability Reduction \$	Closing Balance 31 January 2026 \$
Other liabilities						
Department of Transport Clearing		745	0	190,771	(190,472)	1,044
Bond Administration Clearing		0	0	2,840	(2,480)	360
Total other liabilities		745	0	193,611	(192,952)	1,404
Employee Related Provisions						
Provision for annual leave		153,173	0	0	0	153,173
Provision for long service leave		95,348	0	0	0	95,348
Total Provisions		248,521	0	0	0	248,521
Total other current liabilities		249,266	0	193,611	(192,952)	249,925

Amounts shown above include GST (where applicable)

A breakdown of contract liabilities and associated movements is provided on the following pages at Note

KEY INFORMATION

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 Related Provisions

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 calculation of net current assets.

Other long-term employee benefits

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as employee related provisions in the statement of financial position.

Long-term employee benefits 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 liabilities

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.

Capital grant/contribution liabilities

Grants to acquire or construct recognisable non-financial assets to identified specifications be constructed to be controlled by the Shire are recognised as a liability until such time as the Shire satisfies its obligations under the agreement.

12 GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Grants, subsidies and contributions revenue					YTD
	Adopted Budget Revenue	YTD Budget	Annual Budget	Budget Variations	Expected	Revenue Actual
	\$	\$	\$	\$	\$	\$
Grants and subsidies						
Grants - General Purpose	728,177	364,089	728,177	0	728,177	374,745
Grants - Untied Roads	459,019	229,510	459,019	0	459,019	246,343
LGGS Operational Grant	96,000	48,000	96,000	0	96,000	39,366
Other Emergency Management Funding	0	0	0	0	0	7,678
Other Welfare	12,000	7,000	12,000	0	12,000	0
Direct Grant	250,000	250,000	250,000	0	250,000	275,490
	1,545,196	898,598	1,545,196	0	1,545,196	943,621
Contributions						
Reimbursement - Debt Collection Expenses	2,000	1,162	2,000	0	2,000	0
Members of Council	0	0	0	0	0	1,328
Members of Council - No GST	0	0	0	0	0	1,685
Administration General	1,500	875	1,500	0	1,500	1,959
Other Emergency Management Funding	0	0	0	0	0	22,547
Staff Housing	0	0	0	0	0	1,437
Revenue - Other Housing	1,000	581	1,000	0	1,000	1,114
Other Recreation & Sport	6,000	3,500	6,000	0	6,000	0
Public Works Overhead	5,000	2,912	5,000	0	5,000	13
Public Works Overhead - No GST	0	0	0	0	0	11,211
Plant Operation (revenue)	0	0	0	0	0	47
	15,500	9,030	15,500	0	15,500	41,342
TOTALS	1,560,696	907,628	1,560,696	0	1,560,696	984,963

13 CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS

Provider	Capital grant/contribution liabilities					Capital grants, subsidies and		
	Liability	Increase in	Decrease in	Liability	Current	Adopted	YTD	YTD
	1 July 2025	Liability	Liability	31 Jan 2026	Liability	Budget	Budget	Revenue
	\$	\$	(As revenue)	\$	\$	\$	\$	\$
Capital grants and subsidies								
Grants - Federal				0		1,100,000	641,662	0
Grants R 2 R				0		743,563	433,741	0
Grants Regional Road Group				0		466,667	272,216	373,334
Local Road & Community Infrastructure Program				0		824,470	480,935	0
Grants Great Southern Secondary Freight Network (GSSF)				0		412,262	240,485	329,810
		0	0	0	0	3,546,962	2,069,039	703,144

**SHIRE OF KENT
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JANUARY 2026**

14 TRUST FUND

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:

Description	Opening Balance 1 July 2025	Amount Received	Amount Paid	Closing Balance 31 January 2026
	\$	\$	\$	\$
Beasts in the Bush	3,416			3,416
	3,416	0	0	3,416

**SHIRE OF KENT
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JANUARY 2026**

15 BUDGET AMENDMENTS

Amendments to original budget since budget adoption. Surplus/(Deficit)

Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
			\$	\$	\$	\$
Land and Building Reserve transfer	OCM2526/048	Capital expenses		10,000		10,000
2B Coates Close internal paint	OCM2526/048	Capital expenses			(10,000)	0
Land and Building Reserve transfer	OCM2526/048	Capital expenses		10,000		10,000
2/3 Gaby Street internal paint	OCM2526/048	Capital expenses			(10,000)	0
				20,000	(20,000)	0