



Corporate & Governance
Directorate

APPENDICES

Item 12.4.1 – 12.4.3

ORDINARY COUNCIL MEETING

To Be Held

Wednesday, 27th August 2025
Commencing at 5.00pm

At

Shire of Dardanup
ADMINISTRATION CENTRE EATON
1 Council Drive - EATON

This document is available in alternative formats such as:
~ Large Print
~ Electronic Format [disk or emailed]
Upon request.

RISK ASSESSMENT TOOL								
OVERALL RISK EVENT: Change to October 2025 Council Meeting Dates RISK THEME PROFILE: 3 - Failure to Fulfil Compliance Requirements (Statutory, Regulatory) RISK ASSESSMENT CONTEXT: Operational								
CONSEQUENCE CATEGORY	RISK EVENT	PRIOR TO TREATMENT OR CONTROL			RISK ACTION PLAN (Treatment or controls proposed)	AFTER TREATMENT OR CONTROL		
		CONSEQUENCE	LIKELIHOOD	INHERENT RISK RATING		CONSEQUENCE	LIKELIHOOD	RESIDUAL RISK RATING
HEALTH	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
FINANCIAL IMPACT	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
SERVICE INTERRUPTION	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
LEGAL AND COMPLIANCE	Non-compliance with meeting procedures could lead to penalties being imposed on the Shire.	Minor (2)	Possible (3)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
REPUTATIONAL	If decisions are made without full information being available to the public, inclusive of meeting venues, it can result in considerable reputational loss. Non-compliance of advertising Meeting dates will impact on the Shire's business reputation.	Minor (2)	Possible (3)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
ENVIRONMENT	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
PROPERTY	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.



Monthly Financial Report

For the Period

1 July 2025 to 30 June 2026

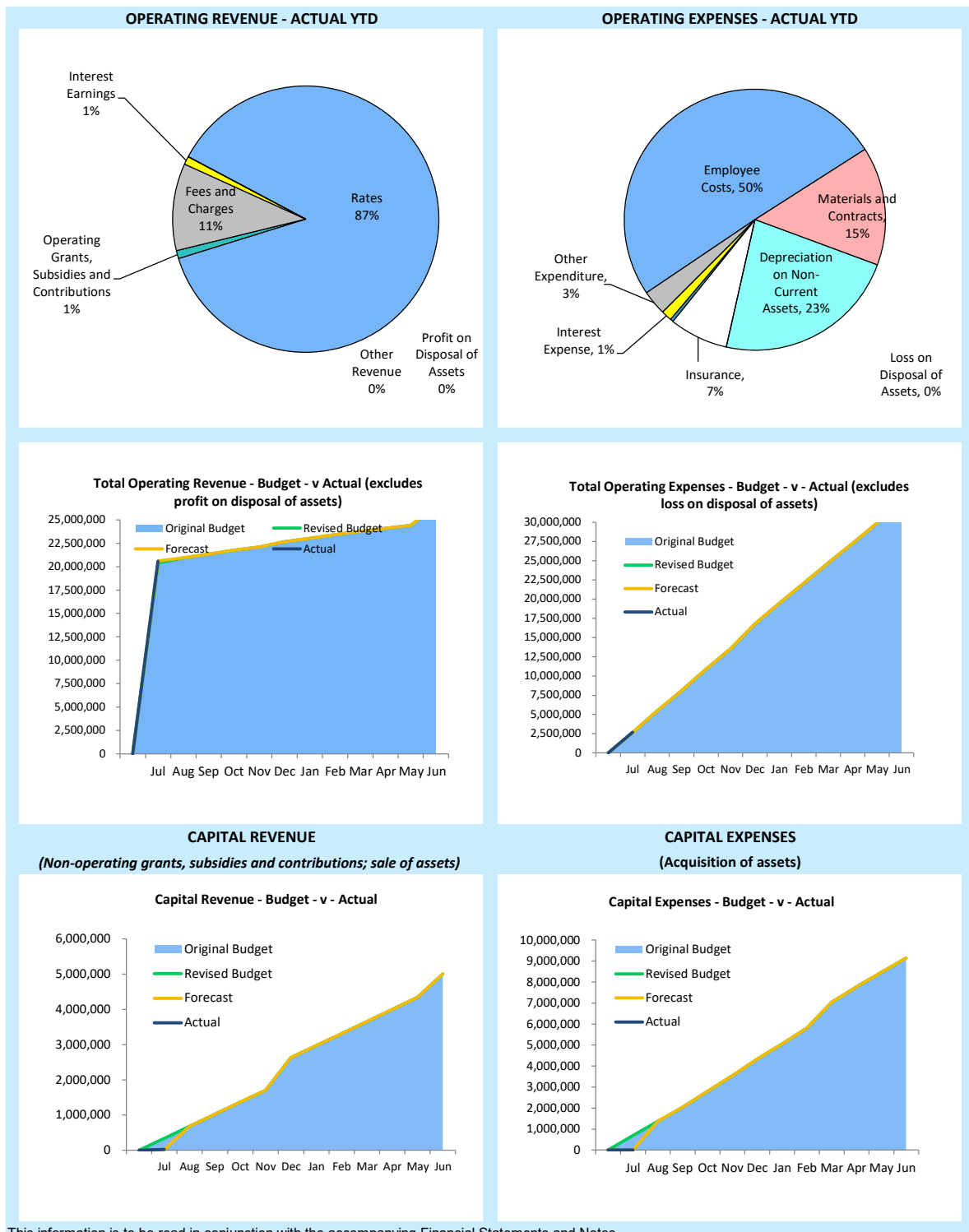
TABLE OF CONTENTS

	Page
Information Summary Graphs	2
Statement of Financial Activity by Nature	3
Net Current Assets	4
Statement of Comprehensive Income by Program	5
Statement of Financial Position	6
Note 1 Nature Classifications	7
Note 2 Explanation of Material Variances in the Statement of Financial Activity	8
Note 3 Trust Fund	11
Note 4 Reserve Accounts	11
Note 5 Municipal Liabilities	12
Note 6 Statement of Investments	13
Note 7 Accounts Receivable - Rates and Sundry Debtors	15
Note 8 Salaries and Wages	15
Note 9 Rating Information	16
Note 10 Information on Borrowings	17
Note 11 Budget Amendments	18



Monthly Financial Report
For the Period Ended 31 July 2025

SUMMARY GRAPHS



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

(Appendix ORD: 12.4.2A)



Statement of Financial Activity by Nature For the Period Ended 31 July 2025 (Covering 1 month or 8.5% of the year)

	2025/26 Adopted Budget \$	2025/26 Revised Budget \$	2025/26 Y-T-D Revised Budget \$	2025/26 Y-T-D Actual \$	Variance Y-T-D		2025/26 Forecast \$	2024/25 Last Year Actual \$
					Actual to Revised Budget \$	Actual to Revised Budget %		
OPERATING ACTIVITIES								
Operating revenue								
Rates	18,372,417	18,372,417	18,190,478	18,248,295	57,817	0.3%	18,372,417	17,260,271
Grants, subsidies & contributions (other than capital grants, subsidies and contributions)	2,609,938	2,609,938	73,027	79,766	6,739	9.2%	2,609,938	1,874,192
Fees and charges	4,637,847	4,637,847	2,078,483	2,210,981	132,498	6.4%	4,637,847	4,656,507
Interest earnings	913,828	913,828	57,340	63,519	6,179	10.8%	913,828	1,215,636
Other revenue	13,250	13,250	0	0	0	0.0%	13,250	16,051
Profit on asset disposal	0	0	0	0	0	0.0%	0	90,113
Total Operating Revenue	26,547,280	26,547,280	20,399,328	20,602,562	203,234	1.0%	26,547,280	25,112,770
Operating expenses								
Employee costs	(14,075,900)	(14,075,900)	(1,279,948)	(1,348,508)	(68,560)	(5.4%)	(14,075,900)	(12,745,391)
Materials and contracts	(9,181,203)	(9,181,203)	(570,997)	(393,443)	177,554	31.1% ▲	(9,181,203)	(7,605,313)
Utility charges	(693,118)	(693,118)	(56,875)	(10,545)	46,330	81.5%	(693,118)	(679,238)
Depreciation on non-current assets	(7,346,244)	(7,346,244)	(612,193)	(612,189)	4	0.0%	(7,346,244)	(7,118,508)
Finance costs	(557,363)	(557,363)	(46,448)	(35,080)	11,368	24.5%	(557,363)	(497,902)
Insurance expenses	(453,165)	(453,165)	(109,123)	(194,946)	(85,823)	(78.6%)	(453,165)	(417,451)
Other expenses	(538,640)	(538,640)	(20,605)	(81,725)	(61,120)	(296.6%)	(538,640)	(451,993)
Loss on asset disposals	0	0	0	0	0	0.0%	0	(68,290)
Total operating expenditure	(32,845,633)	(32,845,633)	(2,696,189)	(2,676,436)	19,753	0.7%	(32,845,633)	(29,584,086)
Adjustments of non cash items								
(Profit)/Loss on Asset Disposals	0	0	0	0	0	0.0%	0	(21,823)
Movement in non-current assets and liabilities	0	0	0	0	0	0.0%	0	(38,422)
Movement in contract liabilities held in Reserves	0	0	0	0	0	0.0%	0	0
Depreciation on Assets	7,346,244	7,346,244	612,193	612,189	(4)	(0.0%)	7,346,244	7,118,509
Non-cash amounts excluded from operating activities	7,346,244	7,346,244	612,193	612,189	(4)	(0.0%)	7,346,244	7,058,264
Adjusted net operating activities	1,047,891	1,047,891	18,315,332	18,538,315	222,983	1.2%	1,047,891	2,586,948
INVESTING ACTIVITIES								
Capital grants, subsidies & contributions	4,756,404	4,756,404	321,080	10,902	(310,178)	(96.6%) ▼	4,756,404	1,058,648
Proceeds from disposal of assets	248,098	248,098	20,675	9,341	(11,334)	(54.8%)	248,098	1,120,940
Payments for land and buildings	(1,923,665)	(1,923,665)	(160,306)	0	160,306	(100.0%) ▲	(1,923,665)	(2,255,430)
Payments for transport infrastructure	(5,327,471)	(5,327,471)	(443,958)	(907)	443,051	(99.8%) ▲	(5,327,471)	(829,485)
Payments for parks and reserves infrastructure	(392,523)	(392,523)	(32,710)	0	32,710	(100.0%)	(392,523)	(647,086)
Payments for motor vehicles	(940,170)	(940,170)	0	0	0	0.0%	(940,170)	(1,069,658)
Payments for plant & equipment	(10,000)	(10,000)	(833)	0	833	(100.0%)	(10,000)	(10,902)
Payments for furniture & fittings	(550,227)	(550,227)	(45,853)	0	45,853	(100.0%)	(550,227)	(171,367)
Amount attributable to investing activities	(4,139,554)	(4,139,554)	(341,905)	19,336	361,241	105.7%	(4,139,554)	(2,804,340)
Non-cash amounts excluded from investing activities								
Movement in non-current developer contributions	0	0	0	0	0	0.0%	0	0
Movement in non-current other provisions	0	0	0	0	0	0.0%	0	0
Movement in non-operating grants and contributions associated with restricted cash	0	0	0	0	0	0.0%	0	0
Adjusted amount attributable to investing activities	(4,139,554)	(4,139,554)	(341,905)	19,336	361,241	105.7%	(4,139,554)	(2,804,340)
FINANCING ACTIVITIES								
Proceeds from borrowings	0	0	0	0	0	0.0%	0	1,600,000
Transfers from reserves	7,920,353	7,920,353	0	862,401	862,401	100.0% ▲	7,920,353	4,757,105
Principal repayment	(594,447)	(594,447)	(36,490)	(94,718)	(58,228)	159.6% ▼	(594,447)	(502,125)
Principal portion of lease liabilities	(63,253)	(63,253)	0	0	0	0.0%	(63,253)	(67,046)
Transfers to reserves	(4,933,105)	(4,933,105)	0	(19,129)	(19,129)	0.0%	(4,933,105)	(5,560,464)
Amount attributable to financing activities	2,329,548	2,329,548	(36,490)	748,554	785,044	(2151.4%)	2,329,548	227,470
FUNDING SOURCES								
Surplus/(Deficit) July 1 B/Fwd	936,114	936,114	936,114	694,671	(241,443)	(25.8%)	936,114	684,593
CLOSING FUNDS (A+B+C+D)	173,999	173,999	18,873,051	20,000,876	1,127,825	6.0%	173,999	694,671

KEY INFORMATION

▲ ▼ Indicates a significant variance between Year-to-Date (YTD) Revised Budget and YTD Actual data as per the adopted materiality threshold.

▲ indicates a positive impact on the surplus/deficit position. ▼ indicates a negative impact on the surplus/deficit position.

Refer to Note 2 for an explanation of the reasons for the variance.

This statement to be read in conjunction with the accompanying Financial Statements and Notes

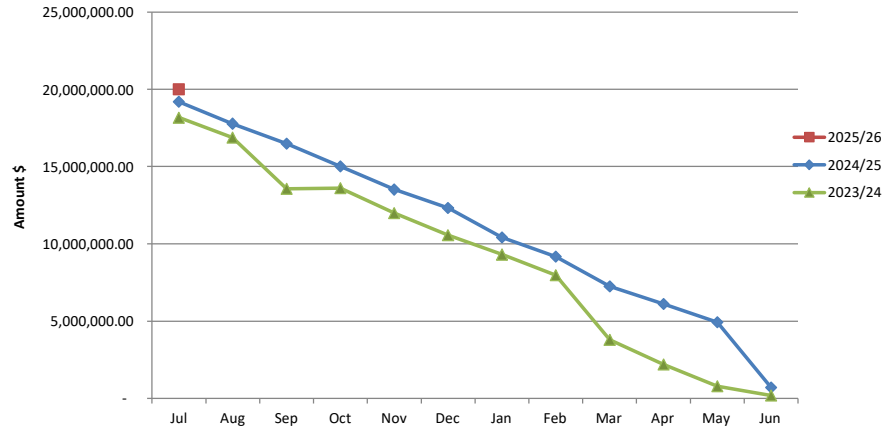
(Appendix ORD: 12.4.2A)



Statement of Financial Activity by Nature For the Period Ended 31 July 2025 NET CURRENT ASSETS

Note	Year to Date Actual 31-Jul-2025 \$	Same Time Last Year' Actual 31-Jul-2024	Last Year Closing 30-Jun-2025 \$
Represented By:			
CURRENT ASSETS			
Cash and cash equivalents	18,889,671	16,959,359	20,641,918
Trade and other receivables	20,708,410	19,429,085	995,535
Other financial assets	0	0	0
Inventories	39,901	40,325	39,900
Other assets	207,724	309,059	171,339
TOTAL CURRENT ASSETS	39,845,706	36,737,828	21,848,692
CURRENT LIABILITIES			
Trade and other payables	(2,221,756)	(1,327,055)	(2,592,122)
Other liabilities	(1,879,409)	(1,693,325)	(1,996,322)
Lease liabilities	(84,009)	(141,270)	(84,009)
Borrowings	(500,462)	(410,689)	(521,102)
Employee related provision	(1,706,898)	(1,697,960)	(1,671,657)
Other provisions	0	0	(173,565)
TOTAL CURRENT LIABILITIES	(6,392,534)	(5,270,299)	(7,038,777)
NET CURRENT ASSETS	33,453,172	31,467,529	14,809,915
Less: Restricted Assets / Reserve Funds	(14,176,847)	(12,947,230)	(15,020,119)
Add: Current - Leased Transfer - Leases			173,565
Add: Current Portion - Borrowings	500,462	410,689	521,102
Add/Less: Current - Contract Liabilities held in Reserve accounts	140,081	117,177	126,199
Add: Current - Contract Liabilities - Leases	84,009	141,270	84,009
NET CURRENT ASSETS AS PER STATEMENT OF FINANCIAL ACTIVITY	20,000,876	19,189,435	694,671

Liquidity Over The Year



(Appendix ORD: 12.4.2A)



Statement of Comprehensive Income by Program For the Period Ended 31 July 2025 (Covering 1 month or 8.5% of the year)

	2025/26 Adopted Budget \$	2025/26 Revised Budget \$	2025/26 Y-T-D Revised Budget \$	2025/26 Y-T-D Actual \$	Variance Y-T-D		2025/26 Forecast \$	2024/25 Last Year Actual \$
					Actual to Revised Budget \$	Actual to Revised Budget %		
Revenue								
General Purpose Funding	20,851,367	20,851,367	17,945,143	19,075,760	1,130,617	6.3%	20,851,367	19,305,692
Governance	800	800	67	1,268	1,201	1792.5%	800	13,243
Law, Order, Public Safety	344,219	344,219	67,590	68,982	1,392	2.1%	344,219	516,803
Health	29,300	29,300	2,437	1,611	(826)	(33.9%)	29,300	25,682
Education and Welfare	11,114	11,114	0	0	0	0.0%	11,114	78,939
Community Amenities	2,651,329	2,651,329	2,020,114	2,105,030	84,916	4.2%	2,651,329	2,331,084
Recreation and Culture	1,962,251	1,962,251	286,856	285,655	(1,201)	(0.4%)	1,962,251	2,038,499
Transport	217,655	217,655	417	300	(117)	(28.1%)	217,655	223,233
Economic Services	210,492	210,492	55,872	117,016	61,144	109.4%	210,492	222,732
Other Property and Services	271,253	271,253	20,832	21,135	303	1.5%	271,253	266,749
	<u>26,549,780</u>	<u>26,549,780</u>	<u>20,399,328</u>	<u>21,676,756</u>	<u>1,277,428</u>	<u>6.3%</u>	<u>26,549,780</u>	<u>25,022,656</u>
Expenses								
General Purpose Funding	(607,714)	(607,714)	(38,728)	(4,397)	34,331	88.6%	(607,714)	(648,600)
Governance	(1,985,162)	(1,985,162)	(148,204)	(35,949)	112,255	75.7%	(1,985,162)	(1,601,296)
Law, Order, Public Safety	(2,417,128)	(2,417,128)	(212,698)	(94,159)	118,539	55.7%	(2,417,128)	(2,134,748)
Health	(778,972)	(778,972)	(63,142)	(33,593)	29,549	46.8%	(778,972)	(669,944)
Education and Welfare	(1,304,597)	(1,304,597)	(101,938)	(46,103)	55,835	54.8%	(1,304,597)	(1,034,619)
Community Amenities	(5,253,807)	(5,253,807)	(314,732)	(172,826)	141,906	45.1%	(5,253,807)	(4,215,593)
Recreation & Culture	(11,146,781)	(11,146,781)	(899,397)	(816,729)	82,668	9.2%	(11,146,781)	(9,977,519)
Transport	(8,481,012)	(8,481,012)	(702,504)	(652,288)	50,216	7.1%	(8,481,012)	(8,381,104)
Economic Services	(644,758)	(644,758)	(41,307)	(17,687)	23,620	57.2%	(644,758)	(599,945)
Other Property and Services	(228,202)	(228,202)	(173,539)	(1,181,651)	(1,008,112)	(580.9%)	(228,202)	(252,427)
	<u>(32,848,133)</u>	<u>(32,848,133)</u>	<u>(2,696,189)</u>	<u>(3,055,383)</u>	<u>(359,194)</u>	<u>(13.3%)</u>	<u>(32,848,133)</u>	<u>(29,515,795)</u>
Operational Surplus / (Deficit)	(6,298,353)	(6,298,353)	17,703,139	18,621,373	918,234	(5.2%)	(6,298,353)	(4,493,139)
Grants & Contributions for the Development of Assets	4,756,404	4,756,404	321,080	10,902	(310,178)	(96.6%)	4,756,404	1,058,648
Profit on Asset Disposals	0	0	0	0	0	0.0%	0	90,113
Loss on Asset Disposals	0	0	0	0	0	0.0%	0	(68,290)
	<u>4,756,404</u>	<u>4,756,404</u>	<u>321,080</u>	<u>10,902</u>	<u>(310,178)</u>	<u>96.6%</u>	<u>4,756,404</u>	<u>1,080,471</u>
NET RESULT	(1,541,949)	(1,541,949)	18,024,219	18,632,275	608,056	3.4%	(1,541,949)	(3,412,668)
Other Comprehensive Income								
Changes on Revaluation of Non-Current Assets	0	0	0	0	0	0.0%	0	0
TOTAL COMPREHENSIVE INCOME	<u>(1,541,949)</u>	<u>(1,541,949)</u>	<u>18,024,219</u>	<u>18,632,275</u>	<u>608,056</u>	<u>(3.4%)</u>	<u>(1,541,949)</u>	<u>(3,412,668)</u>

(Appendix ORD: 12.4.2A)



Statement of Financial Position as at 31 July 2025

	Current Year \$	30-Jun-25 \$
CURRENT ASSETS		
Cash and cash equivalents	18,889,671	20,641,917
Trade and other receivables	20,708,410	918,068
Other financial assets	0	0
Inventories	39,901	39,901
Other assets	207,724	171,340
TOTAL CURRENT ASSETS	39,845,706	21,771,226
NON-CURRENT ASSETS		
Trade and other receivables	0	159,549
Other financial assets	79,620	79,620
Property, plant and equipment	62,438,844	61,448,394
Infrastructure	210,663,687	208,462,432
Right-of-use assets	81,765	91,431
TOTAL NON-CURRENT ASSETS	273,263,916	270,241,426
TOTAL ASSETS	313,109,623	292,012,652
CURRENT LIABILITIES		
Trade and other payables	2,221,756	3,014,999
Other liabilities	1,879,409	1,495,979
Lease liabilities	84,009	84,009
Borrowings	500,462	595,179
Employee related provisions	1,706,898	1,671,657
Other provisions	0	173,565
TOTAL CURRENT LIABILITIES	6,392,534	7,035,388
NON-CURRENT LIABILITIES		
Other Liabilities	0	0
Lease liabilities	11,724	11,724
Borrowings	10,302,629	10,302,629
Employee related provisions	200,371	200,371
Other provisions	0	0
TOTAL NON-CURRENT LIABILITIES	10,514,725	10,514,724
TOTAL LIABILITIES	16,907,259	17,550,112
NET ASSETS	296,202,364	274,462,540
EQUITY		
Retained surplus	82,619,768	60,036,672
Reserve accounts	14,176,847	15,020,119
Revaluation surplus	199,405,749	199,405,749
TOTAL EQUITY	296,202,364	274,462,540



Notes to the Statement of Financial Activity For the Period Ended 31 July 2025

1. NATURE CLASSIFICATIONS

REVENUE

Rates

All rates levied under the *Local Government Act 1995*. Includes general, differential, specified area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts and concessions offered. Excludes administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

Grants, subsidies & contributions (other than capital grants, subsidies and contributions)

Refers to all amounts received as grants, subsidies and contributions that are not non-operating grants.

Capital grants, subsidies & contributions

Amounts received specifically for the acquisition, construction of new or the upgrading of identifiable non financial 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, and other fees and charges.

Service Charges

Service charges imposed under *Division 6 of Part 6 of the Local Government Act 1995. Regulation 54 of the Local Government (Financial Management) Regulations 1996* identifies these as television and radio broadcasting, underground electricity, water and neighbourhood surveillance services. Exclude rubbish removal charges.

Interest on Earnings

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 can not be classified under the above headings, includes dividends, discounts, rebates, reimbursements etc.

Profit on Asset Disposal

Excess of assets received over the net book value for assets on their disposal.

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.

Materials and Contracts

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, 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

Shortfall between the value of assets received over the net book value for assets on their disposal.

Depreciation on Non-Current Assets

Depreciation expense raised on all classes of assets. Excluding Land.

Finance Cost

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation, leasing and refinancing expenses.

Other Expenditure

Statutory fees, taxes, allowance for impairment of assets, member's fees or State taxes. Donations and subsidies made to community groups.



**Notes to the Statement of Financial Activity
For the Period Ended 31 July 2025**

2. EXPLANATION OF MATERIAL VARIANCES IN THE STATEMENT OF FINANCIAL ACTIVITY

The material variances adopted by the Shire of Dardanup for reporting in the 2025/26 year is 10% or \$50,000, whichever is the greater.
All variances are between Year-to-Date Actual and Year-to-Date Revised Budget values.

	2025/26 Y-T-D Revised Budget \$	2025/26 Y-T-D Actual \$	Variance to Y-T-D Revised Budget \$	Variance to Y-T-D Revised Budget %	Timing / Permanent	Material Variance - Explanation
OPERATING ACTIVITIES						
Revenue						
Rates	18,190,478	18,248,295	57,817	0.3%		
Grants, subsidies & contributions (other than capital grants, subsidies and contributions)	73,027	79,766	6,739	9.2%		
 Fees and charges	 2,078,483	 2,210,981	 132,498	 6.4%		
Interest earnings	57,340	63,519	6,179	10.8%		
Other revenue	0	0	0	0.0%		
Profit on asset disposal	0	0	0	0.0%		
Total Operating Revenue	20,399,328	20,602,562	203,234	1.0%		
Operating Expenses						
Employee costs	(1,279,948)	(1,348,508)	(68,560)	(5.4%)		
Materials and contracts	(570,997)	(393,443)	177,554	31.1%	▲ Timing	Material and contracts are related to timing of works and projects carried out in the current year.
Utility charges	(56,875)	(10,545)	46,330	81.5%		
Depreciation on non-current assets	(612,193)	(612,189)	4	0.0%		
Finance costs	(46,448)	(35,080)	11,368	24.5%		
Insurance expenses	(109,123)	(194,946)	(85,823)	(78.6%)	▼ Timing	50% of annual insurance premium paid in July whereas the Budget has most of the buildings and bridge insurance cost budgets evenly spread over the year.
Other expenses	(20,605)	(81,725)	(61,120)	(296.6%)	▼ Timing	The variance is primarily due to a donation payment made to Ferguson Valley Marketing in July for the operational grant and the Lost and Found event, while the budget allocation is scheduled for August.
Loss on asset disposals	0	0	0	100.0%		
Total Operating Expenditure	(2,696,189)	(2,676,436)	19,753	(0.7%)		
Net Operating Activities	17,703,139	17,926,126	222,987	1.3%		

(continued next page)



Notes to the Statement of Financial Activity
For the Period Ended 31 July 2025

2. EXPLANATION OF MATERIAL VARIANCES IN THE STATEMENT OF FINANCIAL ACTIVITY (continued)

	2025/26 Y-T-D Revised Budget \$	2025/26 Y-T-D Actual \$	Variance to Y-T-D Revised Budget \$	Variance to Y-T-D Revised Budget %	Timing / Permanent	Material Variance - Explanation
ADJUSTMENTS OF NON CASH ITEMS						
(Profit)/Loss on Asset Disposals	0	0	0	0.0%		
Fair value adjustment to financial assets	0	0	0	0.0%		
Depreciation on non-current assets	612,193	612,189	(4)	(0.0%)		
Adjusted Net Operating Activities	18,315,332	18,538,315	222,983	1.2%		
INVESTING ACTIVITIES						
Revenue						
Capital grants, subsidies & contributions	321,080	10,902	(310,178)	(96.6%) ▼	Timing	Grant revenue is recognised in proportion to the related expenditure on asset acquisition or construction. To date, only minimal costs have been incurred, as most of the capital works are still in the early stages.
Proceeds from disposal of assets	20,675	9,341	(11,334)	(54.8%)		
Payments for land and buildings	(160,306)	0	160,306	100.0% ▲	Timing	The upgrade of the Ferguson Bushfire Station is pending commencement.
Payments for transport infrastructure assets	(443,958)	(907)	443,051	99.8% ▲	Timing	There have been no significant payments to date for the upgrade and renewal of capital works related to roads, bridges, drainage, and pathways.
Payments for parks infrastructure assets	(32,710)	0	32,710	100.0% ▲	Timing	No significant payments to date on upgrade and renewal of parks infrastructure assets.
Payments for motor vehicles	0	0	0	0.0%		
Payments for plant & equipment	(833)	0	833	100.0%		
Payments for furniture & fittings	(45,853)	0	45,853	100.0%		
Net investing activities	(341,905)	19,336	361,241	105.7%		
Non-cash amounts excluded from investing activities						
Movement in non-operating grants and contributions associated with restricted cash	0	0	0	0.0%		
Adjusted net investing activities	(341,905)	19,336	361,241	105.7%		

(continued next page)



**Notes to the Statement of Financial Activity
For the Period Ended 31 July 2025**

2. EXPLANATION OF MATERIAL VARIANCES IN THE STATEMENT OF FINANCIAL ACTIVITY (continued)

	2025/26 Y-T-D Revised Budget \$	2025/26 Y-T-D Actual \$	Variance to Y-T-D Revised Budget \$	Variance to Y-T-D Revised Budget %	Timing / Permanent	
FINANCING ACTIVITIES						
Revenue						
Proceeds from new debentures	0	0	0	0.0%		
Transfers from reserves	0	862,401	862,401	100.0%	▲ Timing	The variance is primarily due to the early receipt of the 2025/26 FAGS grant in June 2025, which was transferred from the Unspent Grants reserve in July. However, the budget allocation is scheduled for March 2026.
Repayment of debentures	(36,490)	(94,718)	(58,228)	(159.6%)	▼	The variance is mainly due to the early payment of Loan No. 66 and 71, which was made in July but was originally due and budgeted for in August.
Principal portion of lease liabilities	0	0	0	0.0%		
Transfers to Reserves	0	(19,129)	(19,129)	0.0%		
Total financing activities	(36,490)	748,554	785,044	(2151.4%)		
FUNDING SOURCES						
Surplus/(Deficit) July 1 B/Fwd	936,114	694,671	(241,443)	(25.8%)		
CLOSING FUNDS (A+B+C+D)	18,873,051	20,000,876	1,127,825	6.0%		

(Appendix ORD: 12.4.2A)



Notes to the Statement of Financial Activity For the Period Ended 31 July 2025

3. TRUST FUNDS

Funds held at reporting date over which the Shire has no control and which are not included in the financial statements are as follows:

NAME	BALANCE 1 JULY	RECEIPTS	INTEREST	PAYMENTS	ADJUSTMENTS (TRANSFERS)	CLOSING BALANCE
	\$	\$	\$	\$	\$	\$
Ross & Deborah Bevan	44,458	0	0	0	0	44,458
Public Open Space	569,196	0	0	0	0	569,196
Dept Communities Grant - Auspicing for Goodstart Eaton Child Care Centre	0	0	0	0	0	0
Accrued Interest	0	0	1,841	0	0	1,841
Plus: Outstanding Creditors	0	0	0	0	0	0
Less: Outstanding Debtors	0	0	0	0	0	0
TOTAL	613,654	0	1,841	0	0	615,495

4. RESERVES - CASH BACKED

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash backed.

NAME	BALANCE 1 JULY	RECEIPTS	INTEREST	PAYMENTS	ADJUSTMENTS (TRANSFERS)	CLOSING BALANCE
	\$	\$	\$	\$	\$	\$
<i>Council Restricted</i>						
Executive & Compliance Vehicles Reserve	491,237	0	0	0	0	491,237
Plant & Engineering Equipment Reserve	1,110,437	0	0	0	0	1,110,437
Eaton Recreation Centre - Equipment Reserve	446,406	0	0	0	0	446,406
Building Maintenance Reserve	1,420,572	0	0	0	0	1,420,572
Employee Relief Reserve	305,017	0	0	0	0	305,017
Employee Leave Entitlements Reserve	59,176	0	0	0	0	59,176
Refuse Site Environmental Works Reserve	189,814	0	0	0	0	189,814
Information Technology Reserve	1,225,603	0	0	0	0	1,225,603
Roadwork Construction & Major Maintenance Reserve	2,005,518	0	0	0	0	2,005,518
Accrued Salaries Reserve	561,047	0	0	0	0	561,047
Tourism Reserve	12,829	0	0	0	0	12,829
Recycling Education Reserve	86,805	0	0	0	0	86,805
Road Safety Programs Reserve	38,788	0	0	0	0	38,788
Council Land Development Reserve	40,167	0	0	0	0	40,167
Carried Forward Projects Reserve	588,417	0	0	0	0	588,417
Election Expenses Reserve	77,276	0	0	0	0	77,276
Town Planning Consultancy Reserve	67,780	0	0	0	0	67,780
Parks & Reserves Upgrades Reserve	421,418	0	0	0	0	421,418
Strategic Planning Studies Reserve	114,479	0	0	0	0	114,479
Pathways Reserve	332,557	0	0	0	0	332,557
Asset / Rates Revaluation Reserve	354,600	0	0	0	0	354,600
Refuse & Recycling Bin Replacement Reserve	80,943	0	0	0	0	80,943
Sale of Land Reserve	275,246	0	0	0	0	275,246
Storm Water Reserve	191,253	0	0	0	0	191,253
	10,497,386	0	0	0	0	10,497,386
<i>Statute Restricted</i>						
Contribution to Works Reserve	1,023,330	0	0	0	0	1,023,330
Eaton Drive - Access Construction Reserve	64,658	0	0	0	0	64,658
Eaton Drive - Scheme Construction Reserve	100,423	0	0	0	0	100,423
Fire Control Reserve	12,629	0	0	0	0	12,629
Collie River (Eaton Drive) Bridge Construction Reserve	69,960	0	0	0	0	69,960
Unspent Grants Reserve	1,020,126	0	0	(862,401)	0	157,725
Swimming Pool Inspection Reserve	9,620	0	0	0	0	9,620
Burekup - Public Open Space	79,139	0	0	0	0	79,139
Unspent Specified Area Rate - Bulk Waste Collection Reserve	78,926	0	0	0	0	78,926
Unspent Specified Area Rate - Eaton Landscaping Reserve	38,582	0	0	0	0	38,582
Unspent Loans Reserve	2,025,341	0	0	0	0	2,025,341
Dardanup Expansion Developer Contribution Plan Reserve	0	0	0	0	0	0
	4,522,733	0	0	(862,401)	0	3,660,332
Interest	0	0	19,129	0	0	19,129
Less: Outstanding Debtors	0	0	0	0	0	0
TOTAL	15,020,119	0	19,129	(862,401)	0	14,176,847

(Appendix ORD: 12.4.2A)



Notes to the Statement of Financial Activity For the Period Ended 31 July 2025

5. MUNICIPAL LIABILITIES

Funds held at reporting date for bonds and deposits not required to be held in the Trust Fund and classified as restricted to recognise that they are owed to developers/hirers and others. These are now classified as Municipal Liabilities as follows:

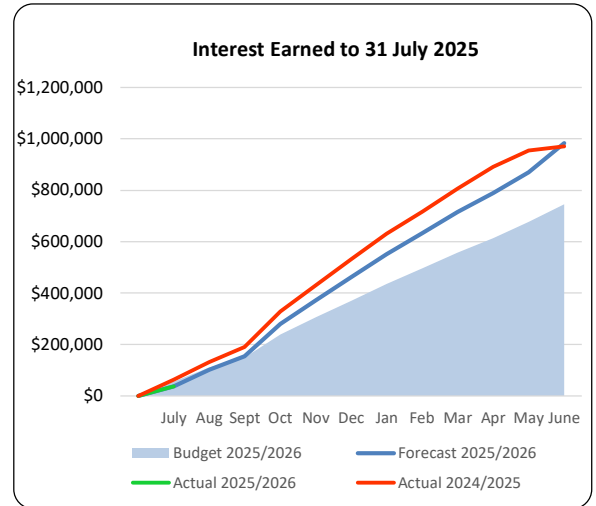
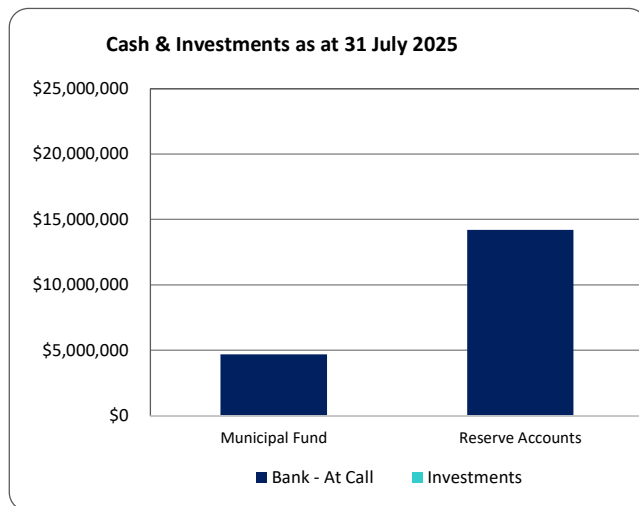
	BALANCE 1 JULY	RECEIPTS	INTEREST	PAYMENTS	ADJUSTMENTS (TRANSFERS)	CLOSING BALANCE
	\$	\$	\$	\$	\$	\$
Total - Retention Bonds	280,116	0	0	(13,815)	0	266,301
Total - Construction Contract Retention	0	0	0	0	0	0
Total - Extractive Industry Rehabilitation Bonds	153,159	0	0	0	0	153,159
Total - Sundry Deposits	48,806	0	0	0	0	48,806
Election Deposits	0	0	0	0	0	0
Key Bonds	820	160	0	(120)	0	860
Hire Bonds	3,050	3,040	0	(2,490)	0	3,600
Kerb Bonds	3,346	0	0	0	0	3,346
Construction Training Fund	3,286	72,283	0	(0)	0	75,569
Building Services Levy	7,761	60,113	0	0	0	67,874
Development Assessment Panel	0	0	0	0	0	0
Less Outstanding Debtors	0	0	0	0	0	0
TOTAL	500,344	135,597	0	(16,426)	0	619,515



Notes to the Statement of Financial Activity
For the Period Ended 31 July 2025

6. STATEMENT OF INVESTMENTS

BANK	TYPE	AMOUNT	RATE	DAYS	COMMENCE	MATURITY	ESTIMATED INTEREST	INTEREST CREDITED 2025-2026
MUNICIPAL FUND								
CBA	Municipal Fund Bank Account	\$ 236,439.60	3.65%					\$ 1,197.07
CBA	Municipal - Business Online Saver	\$ 4,450,020.62	3.70%					\$ 14,633.82
	Interest received on matured deposits	<u>\$ 4,686,460.22</u>					\$ -	\$ 15,830.89
TRUST FUND								
CBA	Trust Fund Bank Account	<u>\$ 615,495.45</u>	3.65%					\$ 1,840.96
		<u>\$ 615,495.45</u>						\$ 1,840.96
RESERVE ACCOUNTS								
CBA	Reserve Bank Account	\$ 18,627.18	3.65%					\$ 57.74
CBA	Reserve - Business Online Saver	\$ 14,180,383.91	3.70%					\$ 47,031.77
	Interest received on matured deposits	<u>\$ 14,199,011.09</u>					\$ -	\$ 47,089.5
Total Interest Received								\$ 64,761.4





Notes to the Statement of Financial Activity
For the Period Ended 31 July 2025

6. STATEMENT OF INVESTMENTS (continued)

Total Funds Invested

Total Funds Invested as at Reporting Date -

Municipal Fund Investment Portfolio	\$	-
Trust Fund Investment Portfolio	\$	-
Reserve Fund Investment Portfolio	\$	-
	\$	-

Investment Policy - Portfolio Risk Exposure

Council's investment policy provides a framework to manage the risks associated with financial investments.

Portfolio - Terms of Maturity

Limits are placed on the term to maturity thereby reducing the impact of any significant change in interest rate markets and to provide liquidity.

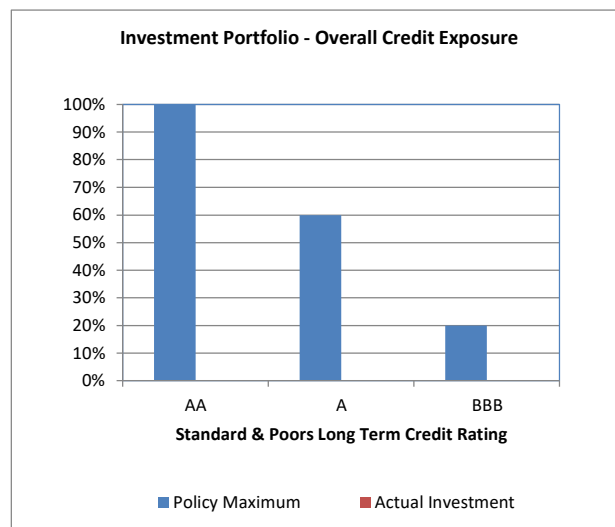
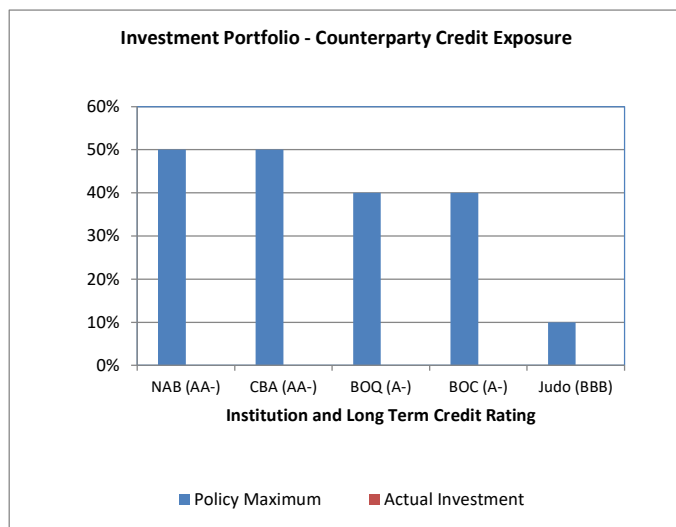
Counterparty Credit Exposure

Exposure to an individual authorised deposit-taking institution (ADI) counterparty will be restricted by their credit rating so that single entity exposure is limited.

Overall Credit Exposure

To control the credit quality on the entire portfolio, limits are placed on the percentage exposed to any particular credit rating category.

The following charts demonstrate the current portfolio diversity and risk compliance with the policy framework.





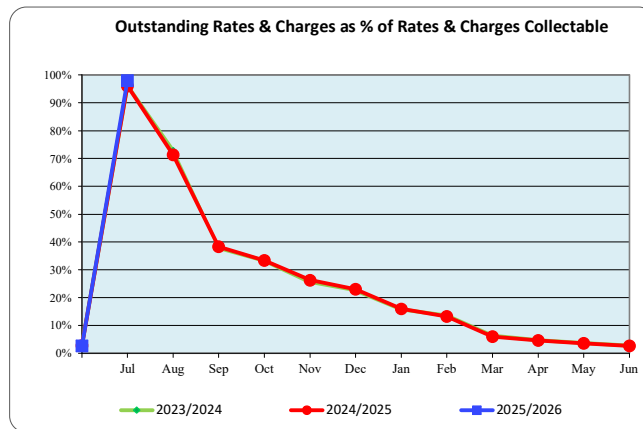
**Notes to the Statement of Financial Activity
For the Period Ended 31 July 2025**

7. Accounts Receivable as at 31 July 2025

Rates and Charges Outstanding

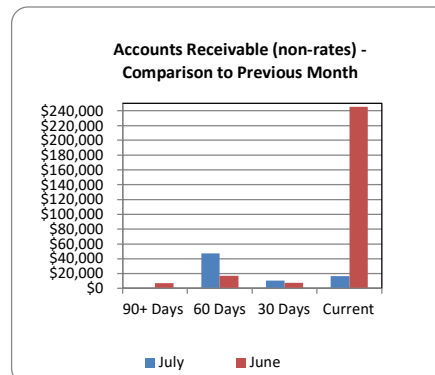
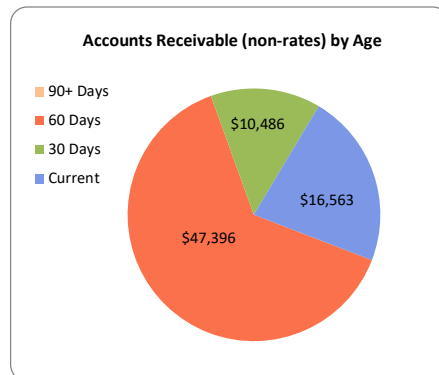
2025/26 annual rates were raised on 31 July 2025 and were due 10 September 2025 for payment in full or for the first of four instalments. The final instalment is due on 18 March 2026.

As at the reporting date, total outstanding rates and charges (including pensioner deferred rates) is \$20,329,647. This represents 97.98% of the rates and charges collectible and is an improvement compared to previous years. It is the objective of management to achieve less than 4% of rates and charges outstanding by 30 June.



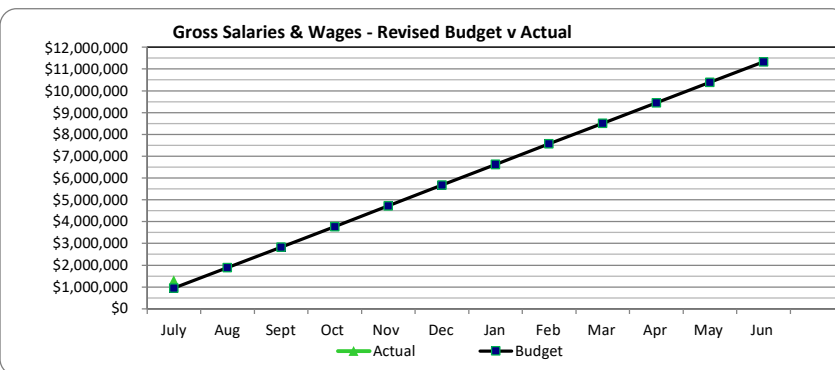
Sundry Debtors Outstanding (non-rates)

As at the reporting date, the total outstanding Sundry Debtors amount to \$74,443.76. There are no significant outstanding debts.



8. Salaries and Wages to 31 July 2025

At the reporting date, total salaries and wages expenditure is \$1,303,118 (11.50%) of the annual budget of \$11,333,405 for the 2025/26 financial year.





**Notes to the Statement of Financial Activity
For the Period Ended 31 July 2025**

9. RATING INFORMATION

RATE TYPE	Rate in	Number of properties	Rateable value	2025/26 Budget rate revenue	2025/26 Budget interim rates	2025/26 Budget back rates	2025/26 Budget total revenue	2025/26 Actual total revenue	2024/25 Actual total revenue	2024/25 Budget total revenue
	\$		\$	\$	\$	\$	\$		\$	\$
<u>Differential general rate or general rate</u>										
Gross rental valuations										
Residential (including residential vacant)	0.081460	5,078	126,382,898	10,295,151	201,207	0	10,496,358	11,107,553	9,608,322	9,560,498
Commercial (including commercial vacant)	0.112180	68	16,086,221	1,804,488	0	0	1,804,488	1,817,277	1,702,172	1,706,020
Industrial (including industrial vacant)	0.115950	119	12,244,204	1,313,289	0	0	1,313,289	1,337,040	1,137,874	1,148,399
Rural residential (including rural residential vacant)	0.081260	524	12,504,021	1,016,102	0	0	1,016,102	1,248,131	1,075,582	1,082,858
Accommodation	0.115950	2	460,980	53,452	0	0	53,452	53,452	50,922	50,922
UV Rural (including UV1, UV2, UV3 and Mining)	0.005520	644	388,400,235	2,143,581	0	0	2,143,581		181,980	2,005,967
				0	0	0	0	2,375,610	1,824,748	
				0	0	0	0		87,129	
				0	0	0	0			
Sub-Totals		6,435	556,078,559	16,626,063	201,207	0	16,827,270	17,939,062	15,668,729	15,554,664
<u>Minimum payment</u>										
	\$									
Gross rental valuations										
Residential (including residential vacant)	1,724.00	451	5,754,233	777,524	0	0	777,524		516,750	830,375
Commercial (including commercial vacant)	1,827.00	7	54,438	12,789	0	0	12,789		8,610	12,054
Industrial (including industrial vacant)	1,827.00	13	189,750	23,751	0	0	23,751		12,054	79,212
Rural residential (including rural residential vacant)	1,827.00	127	1,276,080	232,029	0	0	232,029		20,664	136,038
Accommodation	1,827.00	0	0	0	0	0	0			0
UV Rural (including UV1, UV2, UV3 and Mining)	1,827.00	127	23,381,567	232,029	0	0	232,029		12,054	220,416
0				0	0	0	0		173,922	0
0				0	0	0	0		34,440	0
0				0	0	0	0		494,726	0
Sub-Totals		725	30,656,068	1,278,122	0	0	1,278,122	0	1,273,220	1,278,095
		7,160	586,734,627	17,904,185	201,207	0	18,105,392	17,939,062.00	16,941,949	16,832,759
Concession on general rates							(41,500)	0	(18,414)	(20,596)
Rates write-off								0	(1,141)	
Total amount raised from general rates							18,063,892	17,939,062	16,922,394	16,812,163
Specified area rates - bulk waste collection	0.001186	4,872	130,899,663	155,247			155,247	155,627	110,918	147,869
Specified area rates - Eaton landscaping	0.001130	4,648	135,644,248	153,278			153,278	153,605	268,148	186,017
Total specified area and ex gratia rates							308,525	309,233	379,066	333,886
Interim Back Rates										
Total rates							18,372,417	18,248,295	17,301,460	17,146,049



**Notes to the Statement of Financial Activity
For the Period Ended 31 July 2025**

10. INFORMATION ON BORROWINGS

Debenture Repayments

		Principal Opening Balance 1 July 2025	New Loans 2025/26		Principal Repayments 2025/26		Interest Repayments 2025/26		Principal Outstanding 31 July 2025	
Particulars	Loan No.		Actual	Adopted Budget	Actual	Adopted Budget	Actual	Adopted Budget	Actual	Adopted Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Community Amenities										
Wanju/Waterloo Industrial Park										
Developer Contribution Plans	70	462,850	0	0	0	74,401	0	6,400	462,850	537,251
Waste Bins (3 Bin System)	71	188,051	0	0	22,732	45,681	1,795	3,375	165,319	233,733
Recreation and Culture										
Glen Huon Oval Club Rooms	69	743,005	0	0	24,663	49,799	14,266	28,058	718,342	792,804
Eaton Oval Club Rooms	72	655,320	0	0	11,828	23,930	15,257	30,238	643,493	679,251
Transport										
Depot Land	66	184,848	0	0	35,495	71,713	3,762	6,801	149,353	256,561
Economic Services										
Gravel Pit Land - Panizza Road	61	0	0	0	0	0	0	0	0	0
Other Property and Services										
Library / Adminstration Centre (#1)	73	5,607,473	0	0	0	209,501	0	245,299	5,607,473	5,816,974
Library / Adminstration Centre (#2)	74	1,456,260	0	0	0	46,077	0	76,209	1,456,260	1,502,337
ERP	75	1,600,000	0	0	0	73,345	0	80,360	1,600,000	1,673,345
		10,897,809	0	0	94,718	594,447	35,080	476,740	10,803,091	11,492,256

All debenture repayments are financed by general purpose revenue.

(Appendix ORD: 12.4.2A)



Notes to the Statement of Financial Activity For the Period Ended 31 July 2025

11. BUDGET AMENDMENTS

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

GL/JOB Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Revised Budget Running Balance
				\$	\$	\$	\$
	Budget Adoption		Opening Surplus (Budgeted)				173,999
							173,999
			<i>Note: No Budget Amendments to report as at 31 July 2025.</i>				173,999
							173,998
							<u>173,998</u>

RISK ASSESSMENT TOOL**OVERALL RISK EVENT:** Monthly Statement of Financial Activity for the Period Ended on the 31st July 2025**RISK THEME PROFILE:**

3 - Failure to Fulfil Compliance Requirements (Statutory, Regulatory)

RISK ASSESSMENT CONTEXT: Operational

CONSEQUENCE CATEGORY	RISK EVENT	PRIOR TO TREATMENT OR CONTROL			RISK ACTION PLAN (Treatment or controls proposed)	AFTER TREATMENT OR CONTROL		
		CONSEQUENCE	LIKELIHOOD	INHERENT RISK RATING		CONSEQUENCE	LIKELIHOOD	RESIDUAL RISK RATING
HEALTH	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
FINANCIAL IMPACT	Not monitoring ongoing financial performance would increase the risk of a negative impact on the financial position.	Moderate (3)	Unlikely (2)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
SERVICE INTERRUPTION	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
LEGAL AND COMPLIANCE	Non-compliance with the legislative requirements that results in a qualified audit.	Minor (2)	Unlikely (2)	Low (1 - 4)	Not required.	Not required.	Not required.	Not required.
REPUTATIONAL	Non-compliance that results in a qualified audit can lead stakeholders to question the Council's ability to manage finances effectively.	Insignificant (1)	Unlikely (2)	Low (1 - 4)	Not required.	Not required.	Not required.	Not required.
ENVIRONMENT	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.

(Appendix ORD: 12.4.3)

RISK ASSESSMENT TOOL								
OVERALL RISK EVENT: Schedule of Paid Accounts as at the 31th July 2025 RISK THEME PROFILE: 3 - Failure to Fulfil Compliance Requirements (Statutory, Regulatory) 6 - Community Engagement RISK ASSESSMENT CONTEXT: Operational								
CONSEQUENCE CATEGORY	RISK EVENT	PRIOR TO TREATMENT OR CONTROL			RISK ACTION PLAN (Treatment or controls proposed)	AFTER TREATMENT OR CONTROL		
		CONSEQUENCE	LIKELIHOOD	INHERENT RISK RATING		CONSEQUENCE	LIKELIHOOD	RESIDUAL RISK RATING
HEALTH	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
FINANCIAL IMPACT	Not monitoring ongoing financial performance would increase the risk of a negative impact on the financial position.	Moderate (3)	Unlikely (2)	Moderate (5 - 11)	Not required.	Not required.	Not required.	Not required.
SERVICE INTERRUPTION	: No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
LEGAL AND COMPLIANCE	Non-compliance with the legislative requirements that results in a qualified audit.	Minor (2)	Unlikely (2)	Low (1 - 4)	Not required.	Not required.	Not required.	Not required.
REPUTATIONAL	Non-compliance that results in a qualified audit can lead stakeholders to question the Council's ability to manage finances effectively.	Insignificant (1)	Unlikely (2)	Low (1 - 4)	Not required.	Not required.	Not required.	Not required.
ENVIRONMENT	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.
PROPERTY	No risk event identified for this category.	Not Required - No Risk Identified	N/A	N/A	Not required.	Not required.	Not required.	Not required.