

SHIRE OF COLLIE
ANNUAL BUDGET
FOR THE YEAR ENDED 30 JUNE 2026

LOCAL GOVERNMENT ACT 1995

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The Shire of Collie a Class 3 local government conducts the operations of a local government with the following community vision:

A progressive community, rich in opportunities and as diverse as its heritage and landscape.

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

	Note	2025/26 Budget	2024/25 Actual	2024/25 Budget
Revenue		\$	\$	\$
Rates	2(a)	8,052,978	7,700,747	7,700,592
Grants, subsidies and contributions		3,437,731	1,943,967	1,489,118
Fees and charges	18	2,818,949	2,668,695	2,801,620
Interest revenue	10(a)	323,755	277,000	328,928
Other revenue		354,221	150,000	0
		14,987,634	12,740,409	12,320,258
Expenses				
Employee costs		(7,510,236)	(7,156,718)	(6,915,000)
Materials and contracts		(5,478,277)	(5,222,514)	(5,027,536)
Utility charges		(664,570)	(611,339)	(620,000)
Depreciation	6	(2,932,710)	(2,818,018)	(2,769,370)
Finance costs	10(c)	(59,965)	(52,540)	(52,540)
Insurance		(351,176)	(350,817)	(357,251)
Other expenditure		(630,199)	(53,733)	(114,780)
		(17,627,133)	(16,265,679)	(15,856,477)
		(2,639,499)	(3,525,270)	(3,536,219)
Capital grants, subsidies and contributions		1,501,421	1,554,402	1,863,612
Profit on asset disposals	5	0	7,122	7,122
		1,501,421	1,561,524	1,870,734
Net result for the period		(1,138,078)	(1,963,746)	(1,665,485)
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus		0	0	0
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		(1,138,078)	(1,963,746)	(1,665,485)

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

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

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts

	Note	2025/26 Budget	2024/25 Actual	2024/25 Budget
Rates		\$ 8,052,978	\$ 8,129,094	\$ 7,611,008
Grants, subsidies and contributions		3,437,731	2,898,391	1,451,043
Fees and charges		2,818,949	2,668,695	2,801,620
Interest revenue		323,755	277,000	328,928
Goods and services tax received		0	15,742	0
Other revenue		354,221	150,000	0
		14,987,634	14,138,922	12,192,599

Payments

Employee costs		(7,510,236)	(7,314,730)	(6,919,652)
Materials and contracts		(5,078,277)	(6,232,176)	(4,962,613)
Utility charges		(664,570)	(611,339)	(620,000)
Finance costs		(59,965)	(298,793)	(52,540)
Insurance paid		(351,176)	(350,817)	(357,251)
Other expenditure		(630,199)	(53,733)	(175,360)
		(14,294,423)	(14,861,588)	(13,087,416)

Net cash provided by (used in) operating activities 4 693,211 (722,666) (894,817)

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for financial assets at amortised cost - self supporting loans	7	0	(500,000)	(500,000)
Payments for purchase of property, plant & equipment	5(a)	(2,589,500)	(257,000)	(1,037,000)
Payments for construction of infrastructure	5(b)	(937,270)	(2,521,463)	(2,976,663)
Capital grants, subsidies and contributions		1,501,421	1,201,411	1,863,612
Proceeds from sale of property, plant and equipment	5(a)	186,600	40,000	40,000
Proceeds on financial assets at amortised cost - self supporting loans	7(a)	14,744	7,081	7,081
Proceeds on disposal of financial assets at fair values through other comprehensive income		0	18,542	(22,854)
Net cash (used in) investing activities		(1,824,005)	(2,011,429)	(2,625,824)

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of borrowings	7(a)	(213,666)	(180,094)	(210,322)
Payments for principal portion of lease liabilities	8	(37,303)	(33,502)	(33,502)
Proceeds from new borrowings	7(a)	0	500,000	500,000
Net cash provided by (used in) financing activities		(250,969)	286,404	256,176

Net (decrease) in cash held

Cash at beginning of year		5,043,545	7,491,236	6,030,657
Cash and cash equivalents at the end of the year	4	3,661,782	5,043,545	2,766,192

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

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

OPERATING ACTIVITIES

Revenue from operating activities

	Note	2025/26 Budget \$	2024/25 Actual \$	2024/25 Budget \$
General rates	2(a)(i)	5,554,856	5,452,182	5,452,027
Rates excluding general rates	2(a)	2,498,122	2,248,565	2,248,565
Grants, subsidies and contributions		3,437,731	1,943,967	1,489,118
Fees and charges	18	2,818,949	2,668,695	2,801,620
Interest revenue	10(a)	323,755	277,000	328,928
Other revenue		354,221	150,000	0
Profit on asset disposals	5	0	7,122	7,122
		14,987,634	12,747,531	12,327,380

Expenditure from operating activities

Employee costs		(7,510,236)	(7,156,718)	(6,915,000)
Materials and contracts		(5,478,277)	(5,222,514)	(5,027,536)
Utility charges		(664,570)	(611,339)	(620,000)
Depreciation	6	(2,932,710)	(2,818,018)	(2,769,370)
Finance costs	10(c)	(59,965)	(52,540)	(52,540)
Insurance		(351,176)	(350,817)	(357,251)
Other expenditure		(630,199)	(53,733)	(114,780)
		(17,627,133)	(16,265,679)	(15,856,477)

Non cash amounts excluded from operating activities	3(c)	2,940,013	2,810,896	2,762,248
Amount attributable to operating activities		300,514	(707,252)	(766,849)

INVESTING ACTIVITIES

Inflows from investing activities

Capital grants, subsidies and contributions		1,501,421	1,554,402	1,863,612
Proceeds from disposal of property, plant and equipment	5(a)	186,600	40,000	40,000
Proceeds from financial assets at amortised cost - self supporting loans	7(a)	14,744	7,081	7,081
Proceeds on disposal of financial assets at fair values through other comprehensive income		0	18,542	12,123
		1,702,765	1,620,025	1,922,816

Outflows from investing activities

Acquisition of property, plant and equipment	5(a)	(2,589,500)	(257,000)	(1,037,000)
Acquisition of infrastructure	5(b)	(937,270)	(2,521,463)	(2,976,663)
Payments for financial assets at amortised cost - self supporting loans	7(a)	0	(500,000)	(500,000)
		(3,526,770)	(3,278,463)	(4,513,663)

Amount attributable to investing activities		(1,824,005)	(1,658,438)	(2,590,847)
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FINANCING ACTIVITIES

Inflows from financing activities

Proceeds from new borrowings	7(a)	0	500,000	500,000
Transfers from reserve accounts	9(a)	2,142,602	97,500	897,500
		2,142,602	597,500	1,397,500

Outflows from financing activities

Repayment of borrowings	7(a)	(213,666)	(180,094)	(210,322)
Payments for principal portion of lease liabilities	8	(37,303)	(33,502)	(33,502)
Transfers to reserve accounts	9(a)	(427,071)	(853,929)	(778,929)
		(678,040)	(1,067,525)	(1,022,753)

Amount attributable to financing activities		1,464,562	(470,025)	374,747
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MOVEMENT IN SURPLUS OR DEFICIT

Surplus at the start of the financial year	3	94,740	2,930,455	3,009,447
Amount attributable to operating activities		300,514	(707,252)	(766,849)
Amount attributable to investing activities		(1,824,005)	(1,658,438)	(2,590,847)
Amount attributable to financing activities		1,464,562	(470,025)	374,747
Surplus/(deficit) remaining after the imposition of general rates	3	35,811	94,740	26,498

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

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

1. BASIS OF PREPARATION

The annual budget of the Shire of Collie which is a Class 3 local government is a forward looking document and has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

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

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

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

The local government reporting entity

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 15 to the annual budget.

2024/25 actual balances

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

Budget comparative figures

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

Comparative figures

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

Rounding off figures

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

Statement of Cashflows

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

Initial application of accounting standards

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

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

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

- *AASB 2022-10 Amendments to Australian Accounting Standards*
 - *Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*, became mandatory during the budget year. Amendments to *AASB 13 Fair Value Measurement* impacts the future determination of fair value when revaluing assets using the cost approach. Timing of future revaluations is defined by regulation 17A of *Local Government (Financial Management) Regulations 1996*. Impacts of this pronouncement are yet to be quantified and are dependent on the timing of future revaluations of asset classes. No material impact is expected in relation to the 2025-26 statutory budget.

New accounting standards for application in future years

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

- *AASB 2014-10 Amendments to Australian Accounting Standards*
 - *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- *AASB 2024-4b Amendments to Australian Accounting Standards*
 - *Effective Date of Amendments to AASB 10 and AASB 128*
[deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- *AASB 2022-9 Amendments to Australian Accounting Standards*
 - *Insurance Contracts in the Public Sector*
- *AASB 2023-5 Amendments to Australian Accounting Standards*
 - *Lack of Exchangeability*
- *AASB 18 (FP) Presentation and Disclosure in Financial Statements*
 - *(Appendix D) [for for-profit entities]*
- *AASB 18 (NFP/super) Presentation and Disclosure in Financial Statements*
 - *(Appendix D) [for not-for-profit and superannuation entities]*
- *AASB 2024-2 Amendments to Australian Accounting Standards*
 - *Classification and Measurement of Financial Instruments*
- *AASB 2024-3 Amendments to Australian Accounting Standards*
 - *Standards – Annual Improvements Volume 11*

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

Critical accounting estimates and judgements

The preparation of the annual budget in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment
 - Infrastructure
- Expected credit losses on financial assets
- Assets held for sale
- Impairment losses of non-financial assets
- Investment property
- Estimated useful life of intangible assets
- Measurement of employee benefits
- Measurement of provisions

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

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in dollar	Number of properties	Rateable value*	2025/26 Budgeted rate revenue	2025/26 Budgeted interim rates	2025/26 Budgeted total revenue	2024/25 Actual total revenue	2024/25 Budget total revenue
				\$	\$	\$	\$	\$	\$
(i) General rates									
GRV - Developed	Gross rental valuation	0.084694	2,287	57,273,651	4,850,735		4,850,735	4,734,830	4,734,830
GRV - Vacant	Gross rental valuation				0		0	42,900	42,900
Unimproved	Unimproved valuation	0.005288	294	132,209,000	699,121		699,121	674,452	674,452
Interim & Back Rates					0	5,000	5,000	0	(155)
Total general rates			2,581	189,482,651	5,549,856	5,000	5,554,856	5,452,182	5,452,027
		Minimum							
		\$							
(ii) Minimum payment									
GRV - Developed	Gross rental valuation	1,291.50	1,702		2,198,133		2,198,133	1,777,350	1,777,350
GRV - Vacant	Gross rental valuation				0		0	186,496	186,496
Unimproved	Unimproved valuation	1,041.60	287		298,939		298,939	283,712	283,712
Total minimum payments			1,989	0	2,497,072	0	2,497,072	2,247,558	2,247,558
Total general rates and minimum payments			4,570	189,482,651	8,046,928	5,000	8,051,928	7,699,740	7,699,585
(iii) Ex-gratia rates									
Dampier Bunbury Pipeline			0	0	1,050		1,050	1,007	1,007
Total rates					8,047,978	5,000	8,052,978	7,700,747	7,700,592
Instalment plan charges							38,221	12,500	12,500
Instalment plan interest							21,735	21,000	25,000
Late payment of rate or service charge interest							100,000	130,000	130,000
							159,956	163,500	167,500

The Shire did not raise specified area rates for the year ended 30th June 2026.

*Rateable Value at time of adopting budget.

All rateable properties within the district used predominately for non-rural purposes are rated according to their Gross Rental Valuation (GRV), all other properties are rated according to their Unimproved Valuation (UV).

The general rates detailed for the 2025/26 financial year have been determined by Council on the basis of raising the revenue required to meet the estimated deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than general rates and also considering the extent of any increase in rating over the level adopted in the previous year.

The minimum payments have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of local government services/facilities.

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

2. RATES AND SERVICE CHARGES (CONTINUED)

(b) Interest Charges and Instalments - Rates and Service Charges

The following instalment options are available to ratepayers for the payment of rates and service charges.

Option 1 (Full Payment)

29 August 2025

Option 3 (Four Instalments)

29 August 2025

31 October 2025

9 January 2026

13 March 2026

Instalment options		Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
			\$	%	%
Option one					
Single full payment	29 August 2025		0	N/A	10.0%
Option two					
First instalment					
Second instalment					
Option three					
First instalment	29 August 2025		0	5.0%	10.0%
Second instalment	31 October 2025		18	5.0%	10.0%
Third instalment	9 January 2026		18	5.0%	10.0%
Fourth instalment	13 March 2026		18	5.0%	10.0%

(c) Objectives and Reasons for Differential Rating

To provide equity in the rating of properties across the Shire the following rate categories have been determined for the implementation of differential rating.

(i) Differential general rate

Description	Characteristics	Objects	Reasons

(ii) Differential Minimum Payment

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

2. RATES AND SERVICE CHARGES (CONTINUED)

(d) Service Charges

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

(e) Waivers or concessions

Rate, fee or charge to which the waiver or concession is granted	Type	Waiver/Concession	Discount %	Discount (\$)	2025/26 Budget	2024/25 Actual	2024/25 Budget	Circumstances in which the waiver or concession is granted	Objects and reasons of the waiver or concession
					\$	\$	\$		
A987 - Ngalang Boodja Corporation	Rate	Waiver	100.00%	3,260	0	0	0	Community Benefit	Charitable Organisation
A4295, A5219, A5833 & A5838 Alliance Housing	Rate	Waiver	100.00%	4,678	0	0	0	Community Benefit	Charitable Organisation
A3977 - RSL Collie	Rate	Waiver	100.00%	1,105	0	0	0	Community Benefit	Community Benefit
A3990 - Country Women's Association	Rate	Waiver	100.00%	1,120	0	0	0	Community Benefit	Community Benefit
A4337 & A5321 - Riverview Residence	Rate	Waiver	100.00%	49,529	0	0	0	Community Benefit	Community Benefit
A4779- North Collie Hall	Rate	Waiver	100.00%	1,120	0	0	0	Community Benefit	Community Benefit
A150 - Collie Pioneer Lodge	Rate	Waiver	100.00%	1,120	0	0	0	Community Benefit	Community Benefit
A5043 - Collie Italian Club	Rate	Waiver	100.00%	10,036	0	0	0	Community Benefit	Community Benefit
A995 - Energy West Hall	Rate	Waiver	100.00%	2,517	0	0	0	Community Benefit	Community Benefit
A4813 - Red Cross	Rate	Waiver	100.00%	1,945	0	0	0	Community Benefit	Community Benefit
A1880 - Agencies for South West Accommodation	Rate	Waiver	100.00%		0	0	0	Community Benefit	Community Benefit
					0	0	0		

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

3. NET CURRENT ASSETS

(a) Composition of estimated net current assets

Current assets

Cash and cash equivalents
Financial assets
Receivables
Contract assets
Inventories
Other assets
Non-current assets held for sale

Less: current liabilities

Trade and other payables
Contract liabilities
Capital grant/contribution liability
Lease liabilities
Long term borrowings
Employee provisions
Other provisions

Net current assets

Less: Total adjustments to net current assets

Net current assets used in the Statement of Financial Activity

(b) Current assets and liabilities excluded from budgeted deficiency

The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

Adjustments to net current assets

Less: Cash - reserve accounts
Less: Current assets not expected to be received at end of year
- Current financial assets at amortised cost - self supporting loans
Add: Current liabilities not expected to be cleared at end of year
- Current portion of borrowings
- Current portion of lease liabilities
- Current portion of contract liability held in reserve

Total adjustments to net current assets

Note	2025/26 Budget 30 June 2026	2024/25 Actual 30 June 2025	2024/25 Budget 30 June 2025
	\$	\$	\$
4	3,661,782	5,043,545	2,766,192
	63,597	78,341	123,943
	2,504,672	2,504,672	2,141,889
	0	0	54,892
	19,321	19,321	23,760
	750,000	1,150,000	34,260
	0	0	0
	6,999,372	8,795,879	5,144,936
	(1,414,389)	(1,414,389)	(835,624)
	(1,592,105)	(1,592,105)	(335,075)
	(824,616)	(824,616)	(256,046)
8	(9,500)	(37,303)	(33,205)
7	(217,007)	(213,666)	(408,907)
	(759,871)	(759,871)	(323,462)
	(50,000)	(50,000)	(50,000)
	(4,867,488)	(4,891,950)	(2,242,319)
	2,131,884	3,903,929	2,902,617
3(b)	(2,096,073)	(3,809,189)	(2,876,119)
	35,811	94,740	26,498
9	(2,445,402)	(4,160,933)	(3,285,933)
	14,744		(7,081)
	217,007	213,666	408,907
	9,500	37,303	33,205
	108,078	100,775	(25,217)
	(2,096,073)	(3,809,189)	(2,876,119)

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

Items excluded from calculation of budgeted deficiency

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

(c) Non-cash amounts excluded from operating activities

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

Adjustments to operating activities

Less: Profit on asset disposals
Add: Depreciation
Movement in current contract liabilities associated with restricted cash
Non-cash movements in non-current assets and liabilities:
- Pensioner deferred rates
- Employee provisions

Note	2025/26 Budget 30 June 2026	2024/25 Actual 30 June 2025	2024/25 Budget 30 June 2025
	\$	\$	\$
5	0	(7,122)	(7,122)
6	2,932,710	2,818,018	2,769,370
	7,303	48,272	
	0	(62,468)	
	0	13,694	

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

3. NET CURRENT ASSETS

- Other provisions

Non cash amounts excluded from operating activities

0	502	
2,940,013	2,810,896	2,762,248

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

3. NET CURRENT ASSETS

(d) MATERIAL ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operational cycle. In the case of liabilities where the Shire does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Shire's intentions to release for sale.

TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

PREPAID RATES

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises revenue for the prepaid rates that have not been refunded.

INVENTORIES

General

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

SUPERANNUATION

The Shire contributes to a number of superannuation funds on behalf of employees. All funds to which the Shire contributes are defined contribution plans.

INVENTORY - LAND HELD FOR RESALE

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

Inventory - land held for resale is classified as current except where it is held as non-current based on the Shire's intentions to release for sale.

GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

CONTRACT LIABILITIES

Contract liabilities represent the Shire's obligation to transfer goods or services to a customer for which the Shire has received consideration from the customer.

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

TRADE AND OTHER RECEIVABLES

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

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

Trade receivables are held with the objective to collect the contractual cashflows and therefore the Shire measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

The Shire applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

PROVISIONS

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

EMPLOYEE BENEFITS

Short-term employee benefits

Provision is made for the Shire's obligations for short-term employee benefits. Short term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the determination of the net current asset position.

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the determination of the net current asset position.

Other long-term employee benefits

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

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

4. RECONCILIATION OF CASH

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Estimated cash at the end of the reporting period is as follows:

	Note	2025/26 Budget	2024/25 Actual	2024/25 Budget
Cash at bank and on hand		\$ 3,661,782	\$ 5,043,545	\$ 2,766,192
Total cash and cash equivalents		3,661,782	5,043,545	2,766,192
Held as				
- Unrestricted cash and cash equivalents		414,264	80,496	(775,787)
- Restricted cash and cash equivalents		3,247,518	4,963,049	3,541,979
	3(a)	3,661,782	5,043,545	2,766,192
Restrictions				
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
- Cash and cash equivalents		3,247,518	4,963,049	3,541,979
- Restricted financial assets at amortised cost - term deposits		22,500	22,500	
		3,270,018	4,985,549	3,541,979
The assets are restricted as a result of the specified purposes associated with the liabilities below:				
Reserve accounts	9	2,445,402	4,160,933	3,285,933
Unspent capital grants, subsidies and contribution liabilities		824,616	824,616	256,046
		3,270,018	4,985,549	3,541,979
Reconciliation of net cash provided by operating activities to net result				
Net result		(1,138,078)	(1,963,746)	(1,665,485)
Depreciation	6	2,932,710	2,818,018	2,769,370
(Profit)/loss on sale of asset	5	0	(7,122)	(7,122)
(Increase)/decrease in receivables		0	554,276	(186,734)
(Increase)/decrease in inventories		0	(1,700)	(2,520)
(Increase)/decrease in other assets		400,000	(256,306)	0
Increase/(decrease) in payables		0	(1,199,597)	76,473
Increase/(decrease) in contract liabilities		0	844,237	(1,505)
Increase/(decrease) in unspent capital grants		0	(975,304)	(22,854)
Increase/(decrease) in other provision		0	(2,303)	(13,682)
Increase/(decrease) in employee provisions		0	43,676	0
Capital grants, subsidies and contributions		(1,501,421)	(576,795)	(1,840,758)
Net cash from operating activities		693,211	(722,666)	(894,817)

MATERIAL ACCOUNTING POLICES

CASH AND CASH EQUIVALENTS

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

Bank overdrafts are shown as short term borrowings in current liabilities in Note 3 - Net Current Assets.

FINANCIAL ASSETS AT AMORTISED COST

The Shire classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

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

5. PROPERTY, PLANT AND EQUIPMENT

	2025/26 Budget			2024/25 Actual				2024/25 Budget			
	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit
(a) Property, Plant and Equipment	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Buildings - specialised	796,000			94,500				74,500			
Furniture and equipment	50,500			0				0			
Plant and equipment	10,000			0				0			
Motor vehicles	1,733,000	(186,600)	186,600	162,500	(32,878)	40,000	7,122	962,500	(32,878)	40,000	7,122
Total	2,589,500	(186,600)	186,600	257,000	(32,878)	40,000	7,122	1,037,000	(32,878)	40,000	7,122
(b) Infrastructure											
Infrastructure - roads	796,020			1,775,054				2,185,254			
Infrastructure - footpaths	0			394,785				394,785			
Infrastructure - drainage	21,250			125,000				125,000			
Infrastructure - parks and ovals	0			226,624				226,624			
Infrastructure - waste facilities	60,000										
Other infrastructure - other	0			0				45,000			
Other infrastructure - bridges	60,000										
Total	937,270	0	0	2,521,463	0	0	0	2,976,663	0	0	0
Total	3,526,770	(186,600)	186,600	2,778,463	(32,878)	40,000	7,122	4,013,663	(32,878)	40,000	7,122

MATERIAL ACCOUNTING POLICIES

RECOGNITION OF ASSETS

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Financial Management Regulation 17A (5)*. These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

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

6. DEPRECIATION

By Class

Buildings - specialised
Furniture and equipment
Plant and equipment
Infrastructure - roads
Infrastructure - footpaths
Infrastructure - drainage
Infrastructure - parks and ovals
Other infrastructure - other
Other infrastructure - bridges

By Program

Governance
General purpose funding
Law, order, public safety
Health
Education and welfare
Housing
Community amenities
Recreation and culture
Transport
Economic services
Other property and services

2025/26 Budget	2024/25 Actual	2024/25 Budget
\$	\$	\$
360,153	346,068	340,094
20,257	19,465	19,129
560,742	538,813	529,511
1,529,285	1,469,478	1,444,110
93,787	90,119	88,563
98,557	94,703	93,068
158,507	152,308	149,679
37,025	35,577	34,963
74,397	71,487	70,253
2,932,710	2,818,018	2,769,370
52,271	50,503	40,503
0	0	0
139,725	135,000	94,236
500	0	0
49,174	47,511	0
0	0	0
70,531	68,146	68,146
579,647	545,010	607,556
1,719,929	1,661,767	1,661,767
34,722	33,548	33,548
286,211	276,533	263,614
2,932,710	2,818,018	2,769,370

MATERIAL ACCOUNTING POLICIES

DEPRECIATION

The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Major depreciation periods used for each class of depreciable asset are:

Buildings - specialised	30 to 70 years
Furniture and equipment	4 to 15 years
Plant and equipment	5 to 15 years
Sealed roads and streets	
- formation	not depreciated
- pavement	65 years
- seal	
- bitumous seals	20 years
- asphalt surfaces	25 years
Gravel roads	
- formation	not depreciated
- pavement	65 years
- gravel sheet	12 years
- bitumous seals	20 years
- asphalt surfaces	25 years
Formed roads	
- formation	not depreciated
- pavement	50 years
Footpaths - slab	50 years
Sewerage piping	100 years
Water supply piping and drainage	90 to 100 years
Bridges	90 to 100 years
Others	10 to 50 years
Parks and Ovals	7 to 44 years

AMORTISATION

The depreciable amount of all intangible assets with a finite useful life, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

The assets residual value of intangible assets is considered to be zero and useful live and amortisation method are reviewed at the end of each financial year.

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income.

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

7. BORROWINGS

(a) Borrowing repayments

Movement in borrowings and interest between the beginning and the end of the current financial year.

Purpose	Loan Number	Institution	Interest Rate	Budget Principal 1 July 2025	2025/26 Budget New Loans	2025/26 Budget Principal Repayments	Budget Principal outstanding 30 June 2026	2025/26 Budget Interest Repayments	Actual Principal 1 July 2024	2024/25 Actual New Loans	2024/25 Actual Principal Repayments	Actual Principal outstanding 30 June 2025	2024/25 Actual Interest Repayments	Budget Principal 1 July 2024	2024/25 Budget New Loans	2024/25 Budget Principal Repayments	Budget Principal outstanding 30 June 2025	2024/25 Budget Interest Repayments
Loan 117 Shire Depot Relocation	117	WA Treasury	3.96%	\$ 475,200	\$ 0	\$ (87,808)	\$ 387,392	\$ (20,643)	\$ 559,664	\$	\$ (84,464)	\$ 475,200	\$ (26,119)	\$ 559,664	\$	\$ (84,464)	\$ 475,200	\$ (26,119)
Loan 118 Truck Bay Toilet (Throssell St) & Caravan Park Facilities	118	WA Treasury	3.14%	28,981	0	(9,363)	19,618	(986)	38,059		(9,078)	28,981	(1,445)	38,059		(9,078)	28,981	(1,445)
Loan 119 Weighbridge Modifications, Irrigation Audit and Bore Development Strategy, Open Space Strategy & Roche Park Wall Stabilisation	119	WA Treasury	1.97%	58,872	0	(14,290)	44,582	(1,421)	72,886		(14,014)	58,872	(1,966)	72,886		(14,014)	58,872	(1,966)
Loan 120 Roche Park Court 3 timber overlay and floor treatment	120	WA Treasury	1.54%	54,513	0	(10,571)	43,942	(1,125)	64,923		(10,410)	54,513	(1,486)	64,923		(10,410)	54,513	(1,486)
Loan 121 Construction of Venn Street River Stop	121	WA Treasury	1.26%	118,610	0	(23,130)	95,480	(2,131)	141,451		(22,841)	118,610	(2,859)	141,451		(22,841)	118,610	(2,859)
Loan 122 Building Capital Works	122	WA Treasury	0.95%	201,729	0	(30,517)	171,212	(2,606)	201,729		0	201,729	(3,449)	201,729		(30,228)	171,501	(3,449)
Loan 123 Solar Panels	123	WA Treasury	0.50%	9,102	0	(9,102)	0	(23)	27,238		(18,136)	9,102	(431)	27,238		(18,136)	9,102	(431)
Loan 124 Server Upgrade	124	WA Treasury	0.50%	14,140	0	(14,141)	(1)	(80)	28,210		(14,070)	14,140	(419)	28,210		(14,070)	14,140	(419)
				961,147	0	(198,922)	762,225	(29,015)	1,134,160	0	(173,013)	961,147	(38,174)	1,134,160	0	(203,241)	930,919	(38,174)
Self Supporting Loans																		
Loan 125 Collie Golf Club	125	WA Treasury	5.42%	492,919	0	(14,744)	478,175	(30,124)	0	500,000	(7,081)	492,919	(13,542)	0	500,000	(7,081)	492,919	(13,542)
				492,919	0	(14,744)	478,175	(30,124)	0	500,000	(7,081)	492,919	(13,542)	0	500,000	(7,081)	492,919	(13,542)
				1,454,066	0	(213,666)	1,240,400	(59,139)	1,134,160	500,000	(180,094)	1,454,066	(51,716)	1,134,160	500,000	(210,322)	1,423,838	(51,716)

All borrowing repayments, other than self supporting loans, will be financed by general purpose revenue.
The self supporting loan(s) repayment will be fully reimbursed.

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

7. BORROWINGS

(b) New borrowings - 2025/26

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
				%	\$	\$	\$	\$
Nil					0			0
					0	0	0	0

The Shire does not intend to undertake any new borrowings for the year ended 30th June 2026.

(c) Unspent borrowings

The Shire had no unspent borrowing funds as at 30th June 2025 nor is it expected to have unspent borrowing funds as at 30th June 2026.

(d) Credit Facilities

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	\$	\$	\$
Undrawn borrowing facilities			
credit standby arrangements			
Bank overdraft limit	0	0	0
Bank overdraft at balance date	0	0	0
Credit card limit	15,000	15,000	5,000
Credit card balance at balance date			
Total amount of credit unused	15,000	15,000	5,000
Loan facilities			
Loan facilities in use at balance date	1,240,400	1,454,066	1,423,838

MATERIAL ACCOUNTING POLICIES

BORROWING COSTS

The Shire has elected to recognise borrowing costs as an expense when incurred regardless of how the borrowings are applied.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

Borrowings fair values are based on discounted cash flows using a current borrowing rate.

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

8. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease Principal	2025/26 Budget New Leases	2025/26 Budget Lease Principal Repayments	Budget Lease Principal outstanding 30 June 2026	2025/26 Budget Lease Interest Repayments	Actual Principal	2024/25 Actual New Leases	2024/25 Actual Lease Principal repayments	Actual Lease Principal outstanding 30 June 2025	2024/25 Actual Lease Interest repayments	Budget Principal	2024/25 Budget New Leases	2024/25 Budget Lease Principal repayments	Budget Lease Principal outstanding 30 June 2025	2024/25 Budget Lease Interest repayments
					1 July 2025	\$	\$	\$	\$	1 July 2024	\$	\$	\$	\$	\$	\$	\$	\$	\$
Admin Plotter	5	SOS Finance	2.20%	60	3,078		(6,097)	(3,019)	(83)	9,175		(6,097)	3,078	(83)	9,175		(6,097)	3,078	(83)
Computer	6	BOQ Finance	2.20%	15	0		(21,060)	(21,060)	(201)	21,060		(21,060)	0	(201)	21,060		(21,060)	0	(201)
Admin Colour Photocopier	1	3E Advantage	1.30%	60	30,057		(4,066)	25,991	(326)	34,123		(4,066)	30,057	(326)	34,123		(4,066)	30,057	(326)
CESM-Vehicle	9	SG Fleet	2.20%	36	0		(3,801)	(3,801)	0	0	0	0	0	0	0	0	0	0	0
Roche Park Photocopier	7	DLL Financial	2.20%	60	0		(314)	(314)	(1)	314		(314)	0	(1)	314		(314)	0	(1)
Depot Photocopier	8	DLL Financial	2.20%	60	4,168		(1,965)	2,203	(215)	6,133		(1,965)	4,168	(213)	6,133		(1,965)	4,168	(213)
					37,303	0	(37,303)	0	(826)	70,805	0	(33,502)	37,303	(824)	70,805	0	(33,502)	37,303	(824)

MATERIAL ACCOUNTING POLICIES

LEASES

At the inception of a contract, the Shire assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and a lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

LEASE LIABILITIES

The present value of future lease payments not paid at the reporting date discounted using the incremental borrowing rate where the implicit interest rate in the lease is not readily determined.

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

9. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2025/26 Budget				2024/25 Actual				2024/25 Budget			
	Opening Balance	Transfer to	Transfer (from)	Closing Balance	Opening Balance	Transfer to	Transfer (from)	Closing Balance	Opening Balance	Transfer to	Transfer (from)	Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Cash-in-lieu of public open space reserve Restricted by council	0	0	0	0	0	0	0	0	0	0	0	0
(b) Leave reserve	367,208	11,439	(10,000)	368,647	354,517	12,691	0	367,208	354,517	12,691	0	367,208
(c) Building Reserve	807,258	35,146	(246,000)	596,404	662,271	144,987	0	807,258	662,271	119,987	0	782,258
(d) Plant Reserve	1,061,319	108,060	(1,115,000)	54,379	761,166	397,653	(97,500)	1,061,319	761,166	372,653	(497,500)	636,319
(e) Waste Reserve	690,943	21,523	(500,000)	212,466	598,204	92,739	0	690,943	598,204	67,739	(400,000)	265,943
(f) Revaluation Reserve	57,721	61,755	(24,102)	95,374	46,330	11,391	0	57,721	46,330	11,391	0	57,721
(g) Airport Reserve	34,199	6,065	0	40,264	23,494	10,705	0	34,199	23,494	10,705	0	34,199
(h) Election Reserve	9,556	20,298	(25,000)	4,854	4,331	5,225	0	9,556	4,331	5,225	0	9,556
(i) River Rehabilitation Reserve	110,135	3,431	0	113,566	87,602	22,533	0	110,135	87,602	22,533	0	110,135
(j) Roche Park Reserve	129,131	4,022	0	133,153	86,533	42,598	0	129,131	86,533	42,598	0	129,131
(k) Legal Reserve	182,681	8,191	(2,500)	188,372	177,360	5,321	0	182,681	177,360	5,321	0	182,681
(l) Collie Mineworkers Swimming Pool Reserve	128,360	3,998	(65,000)	67,358	95,342	33,018	0	128,360	95,342	33,018	0	128,360
(m) Parks & Ovals Reserve	268,532	8,365	0	276,897	231,735	36,797	0	268,532	231,735	36,797	0	268,532
(n) New Initiative Reserve	290,968	9,064	(15,000)	285,032	254,821	36,147	0	290,968	254,821	36,147	0	290,968
(o) Information & Communication Technology R	22,922	25,714	(40,000)	8,636	20,798	2,124	0	22,922	20,798	2,124	0	22,922
(p) Unspent Grants Reserve	0	50,000	(50,000)	0	0	0	0	0	0	0	0	0
(q) Carried Forward Projects Reserve	0	50,000	(50,000)	0	0	0	0	0	0	0	0	0
	4,160,933	427,071	(2,142,602)	2,445,402	3,404,504	853,929	(97,500)	4,160,933	3,404,504	778,929	(897,500)	3,285,933

(b) Reserve Accounts - Purposes

In accordance with Council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Reserve name	Anticipated date of use	Purpose of the reserve
Restricted by legislation		
(a) Cash-in-lieu of public open space reserve Restricted by council		This reserve holds public open space funds received on or after 12 September 2020.
(b) Leave reserve		To assist in the funding of annual leave and long service leave along with temporary appointment to cover leave periods.
(c) Building Reserve		To facilitate renewals and replacement of Council owned buildings and infrastructure associated with a building. This is to ensure financial capacity to sustain building assets and ultimate replacement where required.
(d) Plant Reserve		To facilitate the purchase of new plant and plant replacements established in Council's plant replacement program. This is to enable plant changover at the optimal time to achieve high trade-in values, maximise usage and retain the provision of safe and reliable plant.
(e) Waste Reserve		To facilitate the renewal and replacement of plant, buildings and infrastructure, along with landfill closure and remediation obligations.
(f) Revaluation Reserve		Established to minimise the impact of the Valuer General's cost associated with rates revaluations every 3-4 years, and to facilitate the conducting of Asset Revaluations required every 3-5 years.
(g) Airport Reserve		To facilitate renewal, replacement, or upgrade of all airport related assets.
(h) Election Reserve		Established to minimise the impact of the cost of Local Government Election. This reserve is to ensure the impact is spread over the years.
(i) River Rehabilitation Reserve		To facilitate the activities for the Collie River Revitalisation.
(j) Roche Park Reserve		To facilitate renewals and replacement of buildings and infrastructure associated with Roche Park Recreation Centre.
(k) Legal Reserve		Established to minimise the financial impact of legal advice and representation.
(l) Collie Mineworkers Swimming Pool Reserve		To facilitate the renewal and replacement of buildings and infrastructure associated with the Collie Mineworkers Swimming pool.
(m) Parks & Ovals Reserve		To support renewals, replacement and upgrade of major parks, gardens and sport and recreation infrastructure.
(n) New Initiative Reserve		To facilitate the funding of new strategic initiatives identified in Council's Strategic Community Plan.
(o) Information & Communication Technology Reserve		To facilitate the capital renewal and replacement of information and communication technology equipment, including the SynergySoft Enterprise Resource Planning (ERP) system.
(p) Unspent Grants Reserve		This Reserve is established to identify unexpended grants and special projects funding. This Reserve is an Operational Reserve and not all movements to and from the Reserve are included in the annual budget due to the timing of projects and known expenditure, but are authorised in advance by Council through the establishment of the Reserve Purpose.
(q) Carried Forward Projects Reserve		Established to hold unspent project funds to be carried forward into future financial years. Project funds that are not expended within 2 financial years of their initial allocation to this reserve are to be reallocated to the Municipal Fund. This Reserve is an Operational Reserve and not all movements to and from the Reserve are included in the annual budget due to the timing of projects and known expenditure, but are authorised in advance by Council through the establishment of the Reserve Purpose.

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

10. OTHER INFORMATION

	2025/26 Budget	2024/25 Actual	2024/25 Budget
The net result includes as revenues	\$	\$	\$
(a) Interest earnings			
Investments	202,020	126,000	173,928
Other interest revenue	121,735	151,000	155,000
	323,755	277,000	328,928
The net result includes as expenses			
(b) Auditors remuneration			
Audit services	74,499	60,000	60,000
	74,499	60,000	60,000
(c) Interest expenses (finance costs)			
Borrowings (refer Note 7(a))	59,139	51,716	51,716
Interest on lease liabilities (refer Note 8)	826	824	824
	59,965	52,540	52,540
(d) Write offs			
General rate	3,550	0	0
	3,550	0	0

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

11. COUNCIL MEMBERS REMUNERATION

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	\$	\$	\$
President's			
President's allowance	22,763	8,320	8,320
Meeting attendance fees	15,612	9,152	9,152
Annual allowance for ICT expenses	1,925	686	686
Superannuation contribution payments	0	0	0
	40,300	18,158	18,158
Deputy President's			
Deputy President's allowance	10,347	2,080	2,080
Meeting attendance fees	10,084	9,152	9,152
Annual allowance for ICT expenses	1,925	686	686
Superannuation contribution payments	0	0	0
	22,356	11,918	11,918
Council member 1			
Meeting attendance fees	10,084	9,152	9,152
Annual allowance for ICT expenses	1,925	686	686
Superannuation contribution payments	0	0	0
	12,009	9,838	9,838
Council member 2			
Meeting attendance fees	10,084	9,152	9,152
Annual allowance for ICT expenses	1,925	686	686
Superannuation contribution payments	0	0	0
	12,009	9,838	9,838
Council member 3			
Meeting attendance fees	10,084	9,152	9,152
Annual allowance for ICT expenses	1,925	686	686
Superannuation contribution payments	0	0	0
	12,009	9,838	9,838
Council member 4			
Meeting attendance fees	10,084	9,152	9,152
Annual allowance for ICT expenses	1,925	686	686
Superannuation contribution payments	0	0	0
	12,009	9,838	9,838
Council member 5			
Meeting attendance fees	10,084	9,152	9,152
Annual allowance for ICT expenses	1,925	686	686
Superannuation contribution payments	0	0	0
	12,009	9,838	9,838
Council member 6			
Meeting attendance fees	10,084	9,152	9,152
Annual allowance for ICT expenses	1,925	686	686
Superannuation contribution payments	0	0	0
	12,009	9,838	9,838
Council member 7			
Meeting attendance fees	10,084	9,152	9,152
Child care expenses	1,400	0	0
Other expenses	100	0	0
Annual allowance for ICT expenses	1,925	686	686
Superannuation contribution payments	0	0	0
	13,509	9,838	9,838
Council member 8			
Meeting attendance fees	0	9,152	9,152
Annual allowance for ICT expenses	0	686	686
Superannuation contribution payments	0	0	0
	0	9,838	9,838
Total Council Member Remuneration	148,219	108,780	108,780
President's allowance	22,763	8,320	8,320
Deputy President's allowance	10,347	2,080	2,080
Meeting attendance fees	96,284	91,520	91,520
Child care expenses	1,400	0	0
Other expenses	100	0	0
Annual allowance for ICT expenses	17,325	6,860	6,860
Superannuation contribution payments	0	0	0
	148,219	108,780	108,780

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

12. MAJOR LAND TRANSACTIONS

It is not anticipated any major land transactions will occur in 2025/26.

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

13. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

It is not anticipated any trading undertakings and major trading undertakings will occur in 2025/26.

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

14. INVESTMENT IN ASSOCIATES

(a) Investment in associate

It is not anticipated the Shire will be party of any joint venture arrangement during 2025/26.

Reconciliation to carrying amounts

MATERIAL ACCOUNTING POLICIES

Investments in associates

An associate is an entity over which the Shire has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Shire's share of net assets of the associate. In addition, the Shire's share of the profit or loss of the associate is included in the Shire's profit or loss, recognised.

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Shire's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Investments in associates (continued)

Profits and losses resulting from transactions between the Shire and the associate are eliminated to the extent of the Shire's interest in the associate. When the Shire's share of losses in an associate equals or exceeds its interest in the associate, the Shire discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Shire will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

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

15. TRUST FUNDS

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

Detail	Balance 30 June 2025	Estimated amounts received	Estimated amounts paid	Estimated balance 30 June 2026
	\$	\$	\$	\$
Public Open Space	47,687	0	0	47,687
Non Council Control	0	0	0	0
	47,687	0	0	47,687

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

16. REVENUE AND EXPENDITURE

(a) Revenue and Expenditure Classification

REVENUES

RATES

All rates levied under the *Local Government Act 1995*. Includes general, differential, specific area rates, minimum payment, interim rates, back rates, ex-gratia rates, less discounts offered.

Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

GRANTS, SUBSIDIES AND CONTRIBUTIONS

All amounts received as grants, subsidies and contributions that are not capital grants.

CAPITAL GRANTS, SUBSIDIES AND CONTRIBUTIONS

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised when the local government satisfies its performance obligations under the contract.

FEES AND CHARGES

Revenues (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

SERVICE CHARGES

Service charges imposed under *Division 6 of Part 6 of the Local Government Act 1995*. Regulation 54 of the *Local Government (Financial Management) Regulations 1996* identifies the charges which can be raised. These are television and radio broadcasting, underground electricity and neighbourhood surveillance services and water.

Exclude rubbish removal charges which should not be classified as a service charge. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

INTEREST REVENUE

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

OTHER REVENUE / INCOME

Other revenue, which cannot be classified under the above headings, includes dividends, discounts, rebates etc.

PROFIT ON ASSET DISPOSAL

Gain on the disposal of assets including gains on the disposal of long-term investments.

EXPENSES

EMPLOYEE COSTS

All costs associated with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefit tax, etc.

Note AASB 119 *Employee Benefits* provides a definition of employee benefits which should be considered.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses (such as telephone and internet charges), advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc.

Local governments may wish to disclose more detail such as contract services, consultancy, information technology and rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER)

Expenditures made to the respective agencies for the provision of power, gas or water.

Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

LOSS ON ASSET DISPOSAL

Loss on the disposal of fixed assets.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation and amortisation expenses raised on all classes of assets.

FINANCE COSTS

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

OTHER EXPENDITURE

Statutory fees, taxes, provision for bad debts, member's fees or levies including DFES levy and State taxes. Donations and subsidies made to community groups.

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

16. REVENUE AND EXPENDITURE

(b) Revenue Recognition

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of Revenue recognition
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	On payment and issue of the licence, registration or approval
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Output method based on provision of service or completion of works
Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Output method based on goods

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

17. PROGRAM INFORMATION

Key Terms and Definitions - Reporting Programs

In order to discharge its responsibilities to the community, Council has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the Shire's Community Vision, and for each of its broad activities/programs.

OBJECTIVE

Governance

- Members of Council
- Other Governance

ACTIVITIES

Provision of financial, administration and compliance services to the Shire. The costs and revenues associated with this function are those associated with the governing of the Shire. The financial and administration services have been allocated to other functions, recognising that these services are attributable to a range of Shire functions.

General Purpose Funding

- Rates
- Other General Purpose Funding

This function records the revenues raised and expenditures incurred resultant from the levying of land rates and grants received from the State Government through the Local Government Grants Commission. These grants relate to both local roads and untied grant funds.

Law, Order, Public Safety

- Fire Prevention
- Fire Prevention (ESL)
- Animal Control
- Other Law, Order & Public Safety

The Shire is committed to providing excellent service in the provision of animal and bushfire control. The Shire has two full time rangers to service the animal control for Collie, while our community has seven active Bushfire Brigades which the Shire has a proven dedication to assisting.

Health

- Maternal & Infant Health
- Meat Inspection
- Health Administration & Inspections
- Pest Control
- Other Health

The Shire places an emphasis on proactive health services within our community. The Shire's Health Officer has implemented many new strategies, such as the State Government food safe program, which encourages local food handling businesses to meet compliance standards set and display this fact on their premises.

Education and welfare

- Other Education
- Aged & Disabled
- Other Welfare

The Shire assists in the building maintenance of the Collie Margaretta Wilson Centre, which provides services to a range of residents in our community from the aged, youth and disadvantaged.

Housing

- Other Housing

The provision and maintenance of Shire owned property.

Community amenities

- Sanitation - Household
- Sanitation - Other & Sewerage
- Protection of Environment
- Town Planning & Regional Development
- Other Community Amenities

Comprised of the Shire's waste management, planning and environmental functions. In recent years, major focuses include the river revitalisation and waste pickup contracts

Recreation and culture

- Public Halls, Civic Centres
- Parks, Gardens, Reserves
- Other Recreation & Sport - Recreation Centre
- Libraries
- Other Culture

This function incorporates activities such as library services, public swimming pool, recreational facilities, parks and gardens.

Transport

- Streets, Roads, Bridges, Depots
- Road Plant Purchases
- Traffic Control & Parking Facilities

This function covers the area of road constructions and maintenance. The Shire has utilised software package known as ROMAN, which is widely used in the Local Government sector. This package takes the guess work out of deciding which roads should be included on the Annual Construction Program

Economic services

- Tourism & Area Promotion
- Building Control
- Other Economic Services

This function of the Shire provides for statutory building services as well as tourism services.

Other property and services

- Private Works
- Administration Overheads
- Public Works Overheads
- Plant Operation
- Salaries & Wages
- Unclassified

This function covers the cost of engineering and plant administration. These costs are fully allocated throughout the various schedules as overheads on Shire works.

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

18. FEES AND CHARGES

	2025/26 Budget	2024/25 Actual	2024/25 Budget
	\$	\$	\$
By Program:			
Governance	49,000	33,000	49,000
General Purpose Funding	44,505	43,000	43,000
Law, Order, Public Safety	84,091	78,500	76,000
Health	20,130	18,000	18,000
Education and Welfare	1,500	0	0
Housing	6,293	6,080	6,080
Community Amenities	2,250,493	2,122,580	2,286,222
Recreation and Culture	241,950	248,735	228,318
Transport	500	0	0
Economic Services	117,587	114,000	94,000
Other Property and Services	2,900	4,800	1,000
	2,818,949	2,668,695	2,801,620

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