



# Special Council Meeting

31 March 2026

Item FIN 04-03/26  
2025/26

Annual Budget Review Report



## **SHIRE OF IRWIN**

# **2025/26 Annual Budget Review Report (Containing the Statement of Financial Activity) For the Period Ended 31 January 2026**

**LOCAL GOVERNMENT ACT 1995**

**LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996**

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**SHIRE OF IRWIN**  
**STATEMENT OF FINANCIAL ACTIVITY BY NATURE**  
**FOR THE PERIOD ENDED 30 JUNE 2026**

	2025/26 Adopted	2025/26 Revised	January 2026	2025/26 Budget Forecast	Predicted Variance Adopted Budget Vs Forecast	Significant Var. S
	Budget \$	Budget \$	Actual \$	Budget Forecast \$	Var. %	
<b>OPERATING ACTIVITIES</b>						
<b>Revenue from operating activities</b>						
Rates	7,641,077	7,641,077	7,203,434	7,295,694	(345,383)	(5%)
Grants, Subsidies and Contributions	1,478,455	876,676	381,061	896,629	(581,826)	(39%) S
Fees and Charges	2,627,911	2,627,911	2,031,862	2,709,216	81,304	3%
Interest Earnings	212,409	212,409	124,336	212,409	0	0%
Other Revenue	338,884	338,884	297,595	488,507	149,623	44% S
Profit on Disposal of Assets	20,000	20,000	0	20,000	0	0%
	12,318,736	11,716,957	10,038,288	11,622,455	(696,281)	
<b>Expenditure from operating activities</b>						
Employee Costs	(4,184,296)	(4,184,296)	(2,977,813)	(4,192,241)	(7,945)	0%
Materials and Contracts	(4,314,707)	(4,300,282)	(2,343,193)	(4,483,920)	169,213	(4%)
Utility Charges	(561,912)	(561,912)	(254,527)	(561,912)	0	0%
Depreciation	(4,891,805)	(4,891,805)	(2,532,181)	(4,953,491)	61,686	(1%)
Finance Costs	(229,459)	(229,459)	(100,590)	(229,459)	0	0%
Insurance Expenses	(273,429)	(273,429)	(202,633)	(273,429)	0	0%
Other Expenditure	(265,028)	(178,028)	(99,928)	(176,528)	(88,500)	33% S
Loss on Disposal of Assets	0	0	(44,289)	(44,289)	44,289	100% S
	(14,720,636)	(14,619,211)	(8,555,154)	(14,915,269)	194,633	
<b>Non-cash amounts excluded from operating activities</b>						
(Profit)/Loss on Asset Disposals	(20,000)	(20,000)	44,289	24,289	(44,289)	221% S
Movement in Current Employee Benefits cash backed	5,336	5,336	3,631	5,336	0	0%
Depreciation on Assets	4,891,805	4,891,805	2,532,181	4,953,491	(61,686)	(1%)
	4,877,141	4,877,141	2,580,101	4,983,116	-105,975	
<b>Amount attributable to operating activities</b>	<b>2,475,241</b>	<b>1,974,887</b>	<b>4,063,235</b>	<b>1,690,303</b>	<b>784,938</b>	
<b>INVESTING ACTIVITIES</b>						
<b>Inflows from investing activities</b>						
Capital Grants, Subsidies and Contributions	9,525,442	9,788,819	563,216	10,216,881	(691,439)	(7%)
Proceeds from Disposal of Assets	35,000	35,000	0	35,000	0	0%
Proceeds from financial assets at amortised cost - self supporting loans	55,187	55,187	7,868	55,187	0	0%
	9,615,629	9,879,006	571,084	10,307,068	(691,439)	(7%)
<b>Outflows from investing activities</b>						
Purchase of Land and Buildings	(395,147)	(367,477)	(320,167)	(342,851)	(52,296)	13% S
Purchase of Furniture & Equipment	(139,050)	(35,763)	(15,784)	(35,763)	(103,287)	74% S
Purchase of Plant & Equipment	(787,981)	(787,981)	(429,722)	(860,624)	72,643	(9%)
Purchase of Infrastructure Assets - Roads	(1,427,063)	(1,405,063)	(528,259)	(1,691,597)	264,534	(19%) S
Purchase of Infrastructure Assets - Other	(9,679,815)	(9,727,219)	(479,547)	(9,708,129)	28,314	(0%)
	(12,429,056)	(12,323,503)	(1,773,479)	(12,638,964)	209,908	
<b>Amount attributable to investing activities</b>	<b>(2,813,427)</b>	<b>(2,444,497)</b>	<b>(1,202,395)</b>	<b>(2,331,896)</b>	<b>(481,531)</b>	
<b>FINANCING ACTIVITIES</b>						
<b>Inflows from financing activities</b>						
Proceeds from New Borrowings	1,940,000	1,940,000	0	1,800,000	140,000	7%
Transfers from Restricted Asset (Reserves)	25,000	25,000	0	25,000	0	0%
Transfers from Restricted Asset (Other)	86,246	102,916	0	102,916	(16,670)	(19%) S
	2,051,246	2,067,916	0	1,927,916	123,331	6%
<b>Outflows from financing activities</b>						
Repayment of Borrowings	(872,956)	(872,956)	(445,092)	(872,956)	(0)	0%
Payments for principal portion of lease liabilities	(35,948)	(35,948)	(23,786)	(35,948)	0	0%
Transfers to Restricted Assets (Reserves)	(35,369)	(35,369)	(24,075)	(35,369)	0	0%
	(944,273)	(944,273)	(492,953)	(944,273)	(0)	0%
	<b>1,106,973</b>	<b>1,123,643</b>	<b>(492,953)</b>	<b>983,642</b>	<b>123,330</b>	11%
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>						
Surplus or deficit at the start of the financial year	(609,744)	(683,679)	(683,679)	(683,679)	73,935	
Amount attributable to operating activities	2,475,241	1,974,887	4,063,235	1,690,303	784,938	
Amount attributable to investing activities	(2,813,427)	(2,444,497)	(1,202,395)	(2,331,896)	(481,531)	
Amount attributable to financing activities	1,106,973	1,123,643	(492,953)	983,642	123,330	
<b>Surplus or deficit at the end of the financial year</b>	<b>159,043</b>	<b>(29,647)</b>	<b>1,684,208</b>	<b>(341,630)</b>	<b>500,673</b>	

**REVENUE**

**RATES**

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

**OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS**

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

**NON-OPERATING 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.

**PROFIT ON ASSET DISPOSAL**

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

**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 these as television and radio broadcasting, underground electricity and neighbourhood surveillance services. Exclude rubbish removal charges. 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 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 etc.

**EXPENSES**

**EMPLOYEE COSTS**

All costs associate 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, consultancy, maintenance agreements, communication expenses, 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, rental or lease expenditures.

**UTILITIES (GAS, ELECTRICITY, WATER, ETC.)**

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 expense raised on all classes of assets.

**INTEREST EXPENSES**

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 State taxes. Donations and subsidies made to community groups.

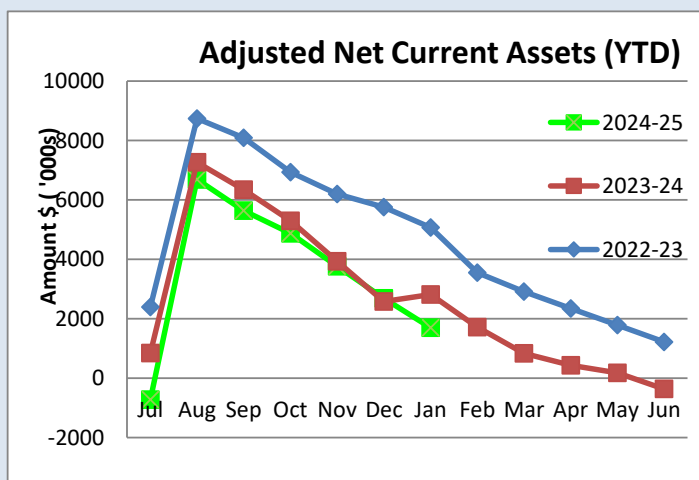
ADJUSTED NET CURRENT ASSETS

Adjusted Net Current Assets	Last Years Closing 30/06/2025	This Time Last Year 31/01/2026	Year to Date Actual 31/01/2026	Estimated Year End Amount at 30/06/2026
	\$	\$	\$	\$
<b>Current Assets</b>				
Cash Unrestricted	776,448	2,879,134	2,820,021	858,895
Cash Restricted - Reserves	1,028,900	1,332,367	1,052,974	1,059,979
Cash Restricted - General	373,935	373,935	373,935	373,935
Cash Restricted - Bonds & Deposits	244,731	245,502	251,367	251,367
Receivables - Rates	207	990,829	1,131,694	450,000
Receivables - Other	577,130	359,168	408,801	200,000
Inventories	29,087	35,881	29,087	19,000
	235,572	0	235,572	235,572
	3,266,010	6,216,816	6,303,451	3,448,748
<b>Less: Current Liabilities</b>				
Payables	(557,714)	(379,106)	(945,078)	(800,000)
Contract Liabilities	(1,039,428)	(1,519,608)	(1,302,408)	(882,338)
Financial Liabilities	(31,331)	(31,331)	(31,331)	(140,508)
Bonds & Deposits	(244,731)	(245,502)	(251,367)	(251,367)
Loan and Lease Liability	(897,739)	(302,367)	(428,861)	(897,739)
Provisions	(782,938)	(793,228)	(782,938)	(400,000)
	(3,553,882)	(3,271,142)	(3,741,982)	(3,371,951)
Less: Cash Reserves	(1,028,900)	(1,332,367)	(1,052,974)	(1,059,979)
Add Back: Component of Leave Liability not Required to be funded	155,227	179,334	158,859	163,688
Add Back: Loan and Lease Liability	897,739	302,367	428,861	897,739
Less : Loan Receivable - clubs/institutions	(45,939)	(27,286)	(38,071)	(45,939)
Less : Restricted Cash General	(373,935)	(373,935)	(373,935)	(373,935)
<b>Net Current Funding Position</b>	<b>(683,679)</b>	<b>1,693,787</b>	<b>1,684,208</b>	<b>(341,630)</b>

SIGNIFICANT ACCOUNTING POLICIES

Please see Note 1(a) for information on significant accounting policies relating to Net Current Assets.

The amount of the adjusted net current assets at the end of the period represents the actual surplus (or deficit if the figure is a negative) as presented on the Rate Setting Statement.



<b>This Year YTD</b>
<b>Surplus(Deficit)</b>
<b>\$1.68 M</b>
<b>Last Year YTD</b>
<b>Surplus(Deficit)</b>
<b>\$1.69 M</b>

Assets	Adopted	Amended	Total YTD	Total Forecast	Variance (Under)/Over
	Annual Budget	Annual Budget			
	\$	\$	\$	\$	\$
<b>Other Health</b>					
DONGARA MEDICAL CENTRE	(5,000)	(5,000)	0	0	(5,000)
<b>Total - Other Health</b>	<b>(5,000)</b>	<b>(5,000)</b>	<b>0</b>	<b>0</b>	<b>(5,000)</b>
BUILDING - THE VILLAGE - RENEWAL	(20,000)	(20,000)	(11,144)	(20,000)	0
<b>Total - Housing</b>	<b>(20,000)</b>	<b>(20,000)</b>	<b>(11,144)</b>	<b>(20,000)</b>	<b>0</b>
<b>Community Amenities</b>					
<b>Recreation And Culture</b>					
DONGARA PUBLIC TOWN HALL	(239,477)	(239,477)	(276,041)	(276,041)	36,564
IRWIN REC CENTRE ROOF UPGRADE - PARTIALLY GRANT FUNDED	(70,000)	(70,000)	(41,311)	(41,311)	(28,689)
MUSEUM - OLD POLICE STATION	(8,000)	(8,000)	0	0	(8,000)
DENISON HOUSE - CAPITAL RENEWAL WORKS	(25,000)	(25,000)	(5,500)	(5,500)	(19,500)
<b>Total - Recreation And Culture</b>	<b>(342,477)</b>	<b>(342,477)</b>	<b>(322,852)</b>	<b>(322,852)</b>	<b>(19,625)</b>
<b>Transport</b>					
DEPO FENCING	(27,670)	0	0	0	(27,670)
<b>Total - Transport</b>	<b>(27,670)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(27,670)</b>
<b>Total - Buildings</b>	<b>(395,147)</b>	<b>(367,477)</b>	<b>(333,997)</b>	<b>(342,852)</b>	<b>(52,295)</b>
<b>Plant &amp; Equipment</b>					
<b>Fire Prevention</b>					
CCTV	(160,000)	(160,000)	(49,529)	(160,000)	0
CESM STORAGE	(12,550)	(12,550)	(3,497)	(3,497)	(9,053)
<b>Total - Fire Prevention</b>	<b>(172,550)</b>	<b>(172,550)</b>	<b>(53,025)</b>	<b>(163,497)</b>	<b>(9,053)</b>
<b>Health</b>					
DOCTORS VEHICLES	(68,431)	(68,431)	0	(68,257)	(174)
<b>Total - Health</b>	<b>(68,431)</b>	<b>(68,431)</b>	<b>0</b>	<b>(68,257)</b>	<b>(174)</b>
<b>TV RADIO - PLANT AND EQUIPMENT RENEWAL (CAPITAL)</b>					
TV TOWER ANTENNA RENEWAL	(37,000)	(37,000)	(35,570)	(37,000)	0
<b>Total - TV RADIO - PLANT AND EQUIPMENT RENEWAL (CAPITAL)</b>	<b>(37,000)</b>	<b>(37,000)</b>	<b>(35,570)</b>	<b>(37,000)</b>	<b>0</b>
<b>Recreation &amp; Culture</b>					
DRIVE IN PROJECTOR	0	0	0	(231,000)	231,000
<b>Total - Recreation &amp; Culture</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(231,000)</b>	<b>231,000</b>
<b>Transport</b>					
NEW PRIME MOVER	(370,000)	(370,000)	(341,127)	(341,127)	(28,873)
OTHER EQUIPMENT	0	0	0	(19,388)	19,388
SIDE TIPPING SEMI TRAILER	(140,000)	(140,000)	0	0	(140,000)
<b>Total - Transport</b>	<b>(510,000)</b>	<b>(370,000)</b>	<b>(341,127)</b>	<b>(591,515)</b>	<b>(149,485)</b>
<b>Total - Plant &amp; Equipment</b>	<b>(787,981)</b>	<b>(647,981)</b>	<b>(429,722)</b>	<b>(860,269)</b>	<b>72,288</b>
<b>Furniture &amp; Equipment</b>					
<b>Recreation &amp; Culture</b>					
REC CENTRE GYM MASTER	(20,000)	0	0	0	(20,000)
STREET FURNITURE	(10,000)	0	0	0	(10,000)
<b>Total - Recreation &amp; Culture</b>	<b>(30,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(30,000)</b>
<b>Other Property &amp; Services</b>					
INFORMATION TECHNOLOGY HARDWARE >\$5K	(30,000)	(15,000)	(15,784)	(15,000)	(15,000)
E-LOCKING SYSTEM	(37,525)	0	0	0	(37,525)
CLEANING EQUIPMENT	(41,525)	(20,763)	0	(20,763)	(20,762)
<b>Total - Other Property &amp; Services</b>	<b>(109,050)</b>	<b>(35,763)</b>	<b>(15,784)</b>	<b>(35,763)</b>	<b>(73,287)</b>
<b>Total - Furniture &amp; Equipment</b>	<b>(139,050)</b>	<b>(35,763)</b>	<b>(15,784)</b>	<b>(35,763)</b>	<b>(103,287)</b>
<b>Roads</b>					
POINT LEANDER DVE FOOTPATH	(89,800)	(89,800)	(89,629)	(89,800)	0
MOUNT ADAMS INTERSECTION	0	0	0	(252,000)	252,000
R2R - WARRADONG SPRINGS ROAD	(364,129)	(364,129)	0	(383,068)	18,939
R2R-BURMA ROAD	(180,728)	(180,728)	0	(196,423)	15,695
R2R - WATER SUPPLY ROAD -SLK 5 - 11KM	(196,169)	(196,169)	(130,186)	(196,423)	254
RRG- WARRADONG SPRING SLK 0.46 - SLK 5.24 4.78KM	(280,255)	(280,255)	(67,063)	(280,255)	0
RRG- BURMA RD SOUTH SLK 17.5 -SLK 23.99 6.49KM	(293,982)	(293,982)	(242,097)	(293,982)	0
<b>Total - Transport</b>	<b>(1,405,063)</b>	<b>(1,405,063)</b>	<b>(528,975)</b>	<b>(1,691,951)</b>	<b>286,888</b>
<b>Total - Roads</b>	<b>(1,405,063)</b>	<b>(1,405,063)</b>	<b>(528,975)</b>	<b>(1,691,951)</b>	<b>286,888</b>
<b>Housing</b>					
THE VILLAGE - SOAKWELLS & DOWNPIPES	(20,000)	(20,000)	0	(20,000)	0
TWO HENRY ROAD - LANDSCAPING	(18,000)	(18,000)	(4,600)	(18,000)	0

Assets	Adopted	Amended	Total YTD	Total Forecast	Variance (Under)/Over
	Annual Budget	Annual Budget			
	\$	\$			
<b>Total - Housing</b>	<b>(38,000)</b>	<b>(38,000)</b>	<b>(4,600)</b>	<b>(38,000)</b>	<b>0</b>
<b>Recreation And Culture</b>					<b>0</b>
BOAT RAMP	(715,000)	(715,000)	(48,449)	(715,000)	0
UPGRADE OVAL LIGHTING - PORT DENISON OVAL	(20,000)	(20,000)	0	(20,000)	0
SHADE SAILS - PARKS	(15,000)	(15,000)	(8,985)	(15,000)	0
TOWN PARK CARPARK	(36,090)	(36,090)	0	0	(36,090)
FORESHORE - PRECINCT	(4,766,000)	(4,766,000)	(66,826)	(4,766,000)	0
<b>Total - Recreation And Culture</b>	<b>(5,552,090)</b>	<b>(5,552,090)</b>	<b>(124,261)</b>	<b>(5,516,000)</b>	<b>(36,090)</b>
<b>Transport</b>					
SKATE PARK PRECINCT	0	(109,835)	(44,346)	(109,835)	109,835
DRAINAGE, KERBING & FOOTPATH RENEWAL	(44,862)	(22,431)	0	(22,431)	(22,431)
LINE MARKING	(22,000)	0	0	0	(22,000)
PT LEANDER BRIDGE	(10,000)	(10,000)	0	0	(10,000)
TECHNICAL STUDIES - INFRASTRUCTURE RENEWAL	(102,500)	(77,500)	(50,966)	(104,500)	2,000
MILO CROSSING UPGRADE	(3,917,363)	(3,917,363)	(240,830)	(3,917,363)	0
MILO CROSSING UPGRADE	0	0			
<b>Total - Transport</b>	<b>(4,096,725)</b>	<b>(4,137,129)</b>	<b>(336,142)</b>	<b>(4,154,129)</b>	<b>57,404</b>
<b>Economic Services</b>					
ENTRY STATEMENT - LARRY LOBSTER	(15,000)	0	0	0	(15,000)
<b>Total - Economic Services</b>	<b>(15,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(15,000)</b>
<b>Total - Infrastructure - Other</b>	<b>(9,701,815)</b>	<b>(9,727,219)</b>	<b>(465,003)</b>	<b>(9,708,129)</b>	<b>6,314</b>
<b>Grand Total</b>	<b>(12,429,056)</b>	<b>(12,183,503)</b>	<b>(1,773,480)</b>	<b>(12,638,964)</b>	<b>209,908</b>

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SHIRE OF IRWIN

NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY

2025-26 ANNUAL BUDGET REVIEW

EXPLANATION OF SIGNIFICANT VARIANCES

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

The material variance adopted by Council for the 2025/26 year is \$10,000 and 10%.

Reporting Nature or Type	Var. \$	Var. %	Significant		Timing/ Permanent	Explanation of Variance
			Var. ▲▼	Var. S		
<b>Revenue from operating activities</b>						
Rates	(345,383)	5%	▼		Permanent	Rates revenue is projected to be lower than original budget due to the delay in processing the Transient Workers Accommodation rating application by the Department of Local Government.
Operating Grants, Subsidies and Contributions	(581,826)	(39%)	▼	S	Permanent	The Shire expects to receive lower Road Maintenance grants than originally budgeted.
Other Revenue	149,623	44%	▲	S	Timing	Other Revenue is forecast to be \$150k higher than original budget. This is mostly due to the receipt of unbudgeted insurance reimbursements for the Drive In , Rec Centre Repairs and workers compensation.
<b>Expenditure from operating activities</b>						
Other Expenditure	(88,500)	33%	▲	S	Timing	The Shire had originally budgeted to fund a local community to assist with repairs and maintenance, however this has been postponed, resulting in the \$89k variance within Other Expenditure.
Loss on Disposal of Assets	(44,289)	(100%)	▼	S	Permanent	Some obsolete assets were disposed as part of data migration clean up, in preparation for the new finance system.
<b>Investing Activities</b>						
Land and Buildings	(52,296)	13%	▲	S	Timing	Works relating to the Old Police Station Museum, the Depo and Denison House have been postponed.
Furniture and Equipment	(103,287)	74%	▲	S	Timing	Some purchases have been postponed which includes Rec Centre software, Street Furniture, Information Technology Hardware and Cleaning Equipment.
Infrastructure Assets - Roads	288,207	19%	▲	S	Timing	The variance is a result of a new project for the Mount Adams intersection, which is part funded by Main Roads and Industry.
Infrastructure Assets - Other	(16,117)	(18%)	▼	S	Timing	The variance reflects a net position of differed works and new works introduced after budget adoption. Deferred works include Line Marking, Point Leander Bridge, Entry Statement and Town Park Carpark while new works relate to the Skate Park.
<b>Financing Activities</b>						
Transfer from Restricted Cash - Other	16,670	16%	▲	S	Permanent	The Shire expects to transfer an additional \$16k from the Youth Trust to part fund Skate Park Works.