CITY OF KALAMUNDA

MONTHLY FINANCIAL REPORT

(Containing the required statement of financial activity and statement of financial position)

For the period ended 31 August 2026

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

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CITY OF KALAMUNDA
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2026

	Note	Adopted Budget Estimates (a)	YTD Budget Estimates (b)	YTD Actual (c)	Variance* $ (c) - (b)	Variance* % ((c) - (b))/(b)	Var.
		$	$	$	$	%	
OPERATING ACTIVITIES							
Revenue from operating activities							
General rates		56,393,941	55,574,672	**55,555,834**	(18,838)	(0.03%)	
Rates excluding general rates		282,505	282,505	**179,416**	(103,089)	(36.49%)	▼
Grants, subsidies and contributions		4,228,734	460,031	**97,146**	(362,885)	(78.88%)	▼
Fees and charges		21,141,795	17,299,695	**17,333,543**	33,848	0.20%	
Interest revenue		4,610,235	715,462	**253,545**	(461,917)	(64.56%)	▼
Other revenue		373,020	236,532	**239,192**	2,660	1.12%	
Profit on asset disposals		0	0	**11,544**	11,544		▲
		87,030,230	**74,568,897**	**73,670,220**	**(898,677)**	(1.21%)	
Expenditure from operating activities							
Employee costs		(39,468,343)	(6,831,059)	**(4,739,950)**	2,091,109	30.61%	▲
Materials and contracts		(36,464,595)	(6,077,433)	**(3,162,895)**	2,914,538	47.96%	▲
Utility charges		(2,242,957)	(148,190)	**(123,437)**	24,753	16.70%	▲
Depreciation		(19,384,390)	(3,230,732)	**(3,245,963)**	(15,231)	(0.47%)	
Finance costs		(255,177)	(42,530)	**(71,825)**	(29,296)	(68.88%)	▼
Insurance		(808,962)	(351,512)	**(347,869)**	3,643	1.04%	
Other expenditure		(779,256)	(116,212)	**(78,124)**	38,088	32.77%	▲
Loss on asset disposals		(150,000)	(25,000)	**0**	25,000	100.00%	▲
		(99,553,680)	**(16,822,667)**	**(11,770,063)**	**5,052,604**	30.03%	
Amounts excluded from operating activities	2(c)	19,712,390	3,460,980	**3,304,419**	(156,561)	(4.52%)	▼
Amount attributable to operating activities		**7,188,940**	**61,207,210**	**65,204,576**	**3,997,366**	6.53%	
INVESTING ACTIVITIES							
Inflows from investing activities							
Proceeds from capital grants, subsidies and contributions		26,021,714	4,336,952	**14,000**	(4,322,952)	(99.68%)	▼
Proceeds from financial assets at amortised cost - self supporting loans		910,765	0	**0**	0		
		26,932,479	**4,336,952**	**14,000**	**(4,322,952)**	(99.68%)	
Outflows from investing activities							
Acquisition of property, plant and equipment		(18,934,170)	(3,155,695)	**(2,851,885)**	303,810	9.63%	▲
Acquisition of infrastructure		(24,317,099)	(4,052,850)	**(528,180)**	3,524,670	86.97%	▲
Payments for financial assets at amortised cost - self supporting loans		(900,000)	0	**0**	0		
		(44,151,269)	**(7,208,545)**	**(3,380,066)**	**3,828,479**	53.11%	
Amount attributable to investing activities		**(17,218,790)**	**(2,871,593)**	**(3,366,066)**	**(494,473)**	(17.22%)	
FINANCING ACTIVITIES							
Inflows from financing activities							
Proceeds from new borrowings		2,539,000	0	**0**	0		
Transfer from reserves		11,398,055	0	**0**	0		
		13,937,055	**0**	**0**	**0**		
Outflows from financing activities							
Repayment of borrowings		(1,340,723)	(74,007)	**(74,007)**	0	0.00%	
Payments for principal portion of lease liabilities		(229,389)	0	**0**	0		
Transfer to reserves		(6,105,414)	0	**0**	0		
		(7,675,527)	**(74,007)**	**(74,007)**	**0**	0.00%	
Amount attributable to financing activities		**6,261,528**	**(74,007)**	**(74,007)**	**0**	0.00%	
MOVEMENT IN SURPLUS OR DEFICIT							
Surplus or deficit at the start of the financial year	2(a)	3,792,139	3,792,139	**8,155,617**	4,363,478	115.07%	▲
Amount attributable to operating activities		7,188,940	61,207,210	**65,204,576**	3,997,366	6.53%	▲
Amount attributable to investing activities		(17,218,790)	(2,871,593)	**(3,366,066)**	(494,473)	(17.22%)	▼
Amount attributable to financing activities		6,261,528	(74,007)	**(74,007)**	0	0.00%	
Surplus or deficit after imposition of general rates		**23,817**	**62,053,749**	**69,920,120**	**7,866,371**	12.68%	▲

KEY INFORMATION

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

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

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

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

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

This Financial Report albeit for the period ending 31 August 2026, should not be read as being the City's final 31 August 2026 financial position as the closing balances for the 30 June 2026 are still to be finalised and audited.

CITY OF KALAMUNDA
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 AUGUST 2026

	Actual 30 June 2026	Actual as at 31 August 2025	Actual as at 31 August 2026
	$		$
CURRENT ASSETS			
Cash and cash equivalents	43,530,822	65,309,214	45,920,468
Trade and other receivables	41,318,873	34,104,867	67,668,519
Other financial assets	0	20,317,707	30,871,989
Inventories	180,515	158,080	213,392
Other assets	694,349	1,396,311	1,952,598
Non-current assets classified as held for sale	386,067	0	386,067
TOTAL CURRENT ASSETS	86,110,626	121,286,179	147,013,033
NON-CURRENT ASSETS			
Trade and other receivables	1,146,750	31,066,820	1,076,750
Other financial assets	332,493	159,239	332,493
Inventories	4,081,752	1,570,278	4,081,752
Property, plant and equipment	151,162,063	128,117,148	150,267,428
Infrastructure	492,063,977	487,873,006	491,235,972
Right-of-use assets	547,063	0	2,857,312
TOTAL NON-CURRENT ASSETS	649,334,098	648,786,491	649,851,707
TOTAL ASSETS	735,444,724	770,072,670	796,864,740
CURRENT LIABILITIES			
Trade and other payables	7,045,032	12,570,465	3,664,811
Other liabilities	7,415,024	6,704,093	10,501,312
Lease liabilities	232,742	186,423	179,841
Borrowings	1,338,329	1,035,009	1,178,033
Employee related provisions	6,112,256	4,825,081	6,108,676
TOTAL CURRENT LIABILITIES	22,143,383	25,321,071	21,632,673
NON-CURRENT LIABILITIES			
Trade and other payables	12,520	23,466	12,520
Lease liabilities	395,829	624,966	395,829
Borrowings	5,196,971	4,160,017	5,196,971
Employee related provisions	966,236	719,465	966,236
TOTAL NON-CURRENT LIABILITIES	6,571,556	5,527,914	6,571,556
TOTAL LIABILITIES	28,714,939	30,848,985	28,204,229
NET ASSETS	**706,729,785**	**739,223,685**	**768,660,511**
EQUITY			
Retained surplus	252,256,124	303,262,879	314,185,237
Reserve accounts	35,301,857	36,452,187	35,301,857
Revaluation surplus	419,171,804	399,508,619	419,171,804
TOTAL EQUITY	**706,729,785**	**739,223,685**	**768,658,898**

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

1 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

BASIS OF PREPARATION

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

Local Government Act 1995 requirements
Section 6.4(2) of the Local Government Act 1995 read with the *Local Government (Financial Management) Regulations 1996,* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied with exception to the following:

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

Local Government (Financial Management) Regulations 1996, regulation 34 prescribes contents of the financial report. Supplementary information does not form part of the financial report.

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

PREPARATION TIMING AND REVIEW
Date prepared: All known transactions up to 14 September 2026

The local government reporting entity
All funds through which the City controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

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

Material accounting policies
Material accounting policies utilised in the preparation of these statements are as described within the 2026-27 Annual Budget. Please refer to the adopted budget document for details of these policies.

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

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

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

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:
- Fair value measurement of assets carried at reportable value including:
  - Property, plant and equipment
  - Infrastructure
- Impairment losses of non-financial assets
- Expected credit losses on financial assets
- Assets held for sale
- Investment property
- Estimated useful life of intangible assets
- Measurement of employee benefits
- Measurement of provisions
- Estimation uncertainties and judgements made in relation to lease accounting

CITY OF KALAMUNDA
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 AUGUST 2026

2 NET CURRENT ASSETS INFORMATION

(a) Net current assets used in the Statement of Financial Activity

	Note	Adopted Budget Opening 1 July 2026	Actual as at 30 June 2026	Actual as at 31 August 2026
		$	$	$
Current assets				
Cash and cash equivalents		52,219,395	43,530,822	45,920,468
Trade and other receivables		8,745,828	41,318,873	67,668,519
Other financial assets		17,010,189	0	30,871,989
Inventories		176,010	180,515	213,392
Other assets		531,158	694,349	1,952,598
Assets classified as held for sale		0	386,067	386,067
		78,682,580	86,110,626	147,013,033
Less: current liabilities				
Trade and other payables		(8,038,842)	(7,045,032)	(3,664,811)
Other liabilities		(11,888,726)	(7,415,024)	(10,501,312)
Lease liabilities		(106,163)	(232,742)	(179,841)
Borrowings		(1,215,705)	(1,338,329)	(1,178,033)
Employee related provisions		(5,178,352)	(6,112,256)	(6,108,676)
Other provisions		(6,315)	0	0
		(26,434,103)	(22,143,383)	(21,632,673)
Net current assets		52,248,477	63,967,243	125,380,360
Less: Total adjustments to net current assets	2(b)	(52,224,660)	(55,811,626)	(55,460,240)
Closing funding surplus / (deficit)		**23,817**	**8,155,617**	**69,920,120**

(b) Current assets and liabilities excluded from budgeted deficiency

	Note	Adopted Budget Opening 1 July 2026	Actual as at 30 June 2026	Actual as at 31 August 2026
Adjustments to net current assets				
Less: Reserve accounts		(53,546,528)	(35,301,860)	(35,301,857)
Less: Current assets not expected to be received at end of year				
- Movement into receivable from EMRC		0	(30,718,215)	(30,718,215)
Add: Current liabilities not expected to be cleared at the end of the year				
- Current portion of lease liabilities		106,163	232,742	179,841
- Current portion of borrowings		1,215,705	1,338,329	1,178,033
Add: Current liabilities covered by funds held in reserve account				
- Current portion of contract liabilities		0	(491,158)	0
- Current portion of capital grant/contributions liabilities		0	3,105,407	3,105,408
- Current portion of employee benefit provisions		0	6,023,129	6,096,550
Total adjustments to net current assets	2(a)	**(52,224,660)**	**(55,811,626)**	**(55,460,240)**

(c) Amounts excluded from operating activities

	Adopted Budget Estimates 30 June 2027	YTD Budget Estimates 31 August 2026	YTD Actual 31 August 2026
	$	$	$
Add: Loss on disposal of assets	150,000	25,000	0
Add: Depreciation	19,384,390	3,257,980	3,245,963
Non-cash movements in non-current assets and liabilities:			
- Pensioner deferred rates	100,000	100,000	70,000
- Employee provisions	78,000	78,000	0
Total amounts excluded from operating activities	**19,712,390**	**3,460,980**	**3,304,419**

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