CITY OF KALAMUNDA

MONTHLY FINANCIAL REPORT

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

For the period ended 31 July 2026

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

TABLE OF CONTENTS

CITY OF KALAMUNDA
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 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	**55,554,919**	(19,753)	(0.04%)	
Rates excluding general rates		282,505	282,505	**179,416**	(103,089)	(36.49%)	▼
Grants, subsidies and contributions		4,228,734	115,751	**49,167**	(66,584)	(57.52%)	▼
Fees and charges		21,141,795	16,967,649	**16,877,314**	(90,335)	(0.53%)	
Interest revenue		4,610,235	246,049	**34,528**	(211,521)	(85.97%)	▼
Other revenue		373,020	118,266	**63,612**	(54,654)	(46.21%)	▼
		87,030,230	**73,304,892**	**72,758,956**	**(545,936)**	(0.74%)	
Expenditure from operating activities							
Employee costs		(39,468,343)	(3,036,026)	**(2,496,606)**	539,420	17.77%	▲
Materials and contracts		(36,464,595)	(3,038,716)	**(1,234,679)**	1,804,037	59.37%	▲
Utility charges		(2,242,957)	(74,095)	**(51,514)**	22,581	30.48%	▲
Depreciation		(19,384,390)	(1,615,366)	**(1,622,981)**	(7,615)	(0.47%)	
Finance costs		(255,177)	(21,265)	**(38,879)**	(17,614)	(82.83%)	▼
Insurance		(808,962)	(321,757)	**(347,869)**	(26,112)	(8.12%)	
Other expenditure		(779,256)	(58,106)	**(36,717)**	21,389	36.81%	▲
Loss on asset disposals		(150,000)	(12,500)	**0**	12,500	100.00%	▲
		(99,553,680)	**(8,177,831)**	**(5,829,245)**	**2,348,586**	28.72%	
Amounts excluded from operating activities	2(c)	19,712,390	1,819,490	**1,622,981**	(196,509)	(10.80%)	▼
Amount attributable to operating activities		**7,188,940**	**66,946,551**	**68,552,692**	**1,606,141**	2.40%	
INVESTING ACTIVITIES							
Inflows from investing activities							
Proceeds from capital grants, subsidies and contributions		26,021,714	2,168,476	**0**	(2,168,476)	(100.00%)	▼
Proceeds from financial assets at amortised cost - self supporting loans		910,765	0	**0**	0		
		26,932,479	**2,168,476**	**0**	**(2,168,476)**	(100.00%)	
Outflows from investing activities							
Acquisition of property, plant and equipment		(18,934,170)	(1,577,848)	**(1,276,629)**	301,219	19.09%	▲
Acquisition of infrastructure		(24,317,099)	(2,026,425)	**(36,936)**	1,989,489	98.18%	▲
Payments for financial assets at amortised cost - self supporting loans		(900,000)	0	**0**	0		
		(44,151,269)	**(3,604,272)**	**(1,313,565)**	**2,290,707**	63.56%	
Amount attributable to investing activities		**(17,218,790)**	**(1,435,796)**	**(1,313,565)**	**122,231**	8.51%	
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	**8,154,703**	4,362,564	115.04%	▲
Amount attributable to operating activities		7,188,940	66,946,551	**68,552,692**	1,606,141	2.40%	▲
Amount attributable to investing activities		(17,218,790)	(1,435,796)	**(1,313,565)**	122,231	8.51%	▲
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**	**69,228,887**	**75,319,823**	**6,090,936**	8.80%	▲

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 July 2026, should not be read as being the City's final 31 July 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 JULY 2026

	Actual 30 June 2026	Actual as at 31 July 2025	Actual as at 31 July 2026
	$		$
CURRENT ASSETS			
Cash and cash equivalents	37,692,204	35,325,889	43,014,798
Trade and other receivables	41,318,764	67,934,482	100,102,562
Other financial assets	5,871,989	20,196,855	5,871,989
Inventories	180,515	152,976	371,092
Other assets	694,349	741,257	1,042,218
Non-current assets classified as held for sale	386,067	0	386,067
TOTAL CURRENT ASSETS	86,143,888	124,351,459	150,788,726
NON-CURRENT ASSETS			
Trade and other receivables	1,146,750	31,100,156	1,146,750
Other financial assets	332,493	159,239	332,493
Inventories	4,081,752	1,570,278	4,081,752
Property, plant and equipment	151,310,024	127,476,456	150,844,121
Infrastructure	492,304,253	488,020,762	491,864,348
Right-of-use assets	547,063	0	1,665,643
TOTAL NON-CURRENT ASSETS	649,722,335	648,326,891	649,935,107
TOTAL ASSETS	735,866,223	772,678,350	800,723,833
CURRENT LIABILITIES			
Trade and other payables	7,045,033	11,250,145	5,050,519
Other liabilities	7,449,200	6,704,092	7,449,200
Lease liabilities	232,742	199,403	232,742
Borrowings	1,338,329	(69,240)	1,264,322
Employee related provisions	6,112,256	4,530,935	6,108,676
TOTAL CURRENT LIABILITIES	22,177,560	22,615,335	20,105,459
NON-CURRENT LIABILITIES			
Trade and other payables	12,520	22,500	12,520
Lease liabilities	395,829	624,966	395,829
Borrowings	5,196,971	5,264,266	5,196,971
Employee related provisions	966,236	719,465	966,236
TOTAL NON-CURRENT LIABILITIES	6,571,556	6,631,197	6,571,556
TOTAL LIABILITIES	28,749,116	29,246,532	26,677,015
NET ASSETS	**707,117,107**	**743,431,818**	**774,046,818**
EQUITY			
Retained surplus	252,609,271	310,194,926	319,538,982
Reserve accounts	35,336,032	33,728,273	35,336,032
Revaluation surplus	419,171,804	399,508,619	419,171,804
TOTAL EQUITY	**707,117,107**	**743,431,818**	**774,046,818**

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 13 August 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 JULY 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 July 2026
Current assets		$	$	$
Cash and cash equivalents		52,219,395	37,692,204	43,014,798
Trade and other receivables		8,745,828	41,318,764	100,102,562
Other financial assets		17,010,189	5,871,989	5,871,989
Inventories		176,010	180,515	371,092
Other assets		531,158	694,349	1,042,218
Assets classified as held for sale		0	386,067	386,067
		78,682,580	86,143,888	150,788,726
Less: current liabilities				
Trade and other payables		(8,038,842)	(7,045,033)	(5,050,519)
Other liabilities		(11,888,726)	(7,449,200)	(7,449,200)
Lease liabilities		(106,163)	(232,742)	(232,742)
Borrowings		(1,215,705)	(1,338,329)	(1,264,322)
Employee related provisions		(5,178,352)	(6,112,256)	(6,108,676)
Other provisions		(6,315)	0	0
		(26,434,103)	(22,177,560)	(20,105,459)
Net current assets		52,248,477	63,966,328	130,683,267
Less: Total adjustments to net current assets	2(b)	(52,224,660)	(55,811,625)	(55,363,444)
Closing funding surplus / (deficit)		**23,817**	**8,154,703**	**75,319,823**

(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 July 2026
Adjustments to net current assets				
Less: Reserve accounts		(53,546,528)	(35,336,035)	(35,336,032)
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	232,742
- Current portion of borrowings		1,215,705	1,338,329	1,264,322
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	3,139,583	3,139,583
- Current portion of employee benefit provisions		0	6,023,129	6,054,156
Total adjustments to net current assets	2(a)	**(52,224,660)**	**(55,811,625)**	**(55,363,444)**

(c) Amounts excluded from operating activities

	Adopted Budget Estimates 30 June 2027	YTD Budget Estimates 31 July 2026	YTD Actual 31 July 2026
	$	$	$
Add: Loss on disposal of assets	150,000	12,500	0
Add: Depreciation	19,384,390	1,628,990	1,622,981
Non-cash movements in non-current assets and liabilities:			
- Pensioner deferred rates	100,000	100,000	0
- Employee provisions	78,000	78,000	0
Total amounts excluded from operating activities	**19,712,390**	**1,819,490**	**1,622,981**

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.

3 EXPLANATION OF MATERIAL VARIANCES

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date actual materially.
The material variance adopted by Council for the 2026-27 year is $100,000 or 10.00% whichever is the greater.

Description	Var. $	Var. %	
	$	%	
Revenue from operating activities			
Rates excluding general rates	(103,089)	(36.49%)	▼
Timing of DBGP which is due in March 2027		Timing	
Grants, subsidies and contributions	(66,584)	(57.52%)	▼
Timing of operational grants not yet received		Timing	
Interest revenue	(211,521)	(85.97%)	▼
Timing of funds invested. Rates 1st instalment due in August 2026.		Timing	
Other revenue	(54,654)	(46.21%)	▼
Delays in issuance of billings for some leased facilities.		Timing	
Expenditure from operating activities			
Employee costs	539,420	17.77%	▲
Vacancies and provisions for leave pending finalisation		Timing	
Materials and contracts	1,804,037	59.37%	▲
Timing of maintenance and waste related services		Timing	
Utility charges	22,581	30.48%	▲
Parks billings under budget		Timing	
Finance costs	(17,614)	(82.83%)	▼
Lower demand for financing for fleet and plant		Timing	
Other expenditure	21,389	36.81%	▲
Below threshold		Timing	
Loss on asset disposals	12,500	100.00%	▲
Amounts excluded from operating activities	(196,509)	(10.80%)	▼
The variance is due to reason that there is no difference in the closing balance (30/06/2026) and the balance as at 31/07/2026 in deferred rates and employee provisions (non-current).		Timing	
Inflows from investing activities			
Proceeds from capital grants, subsidies and contributions	(2,168,476)	(100.00%)	▼
Timing of acquittal of projects		Timing	
Outflows from investing activities			
Acquisition of property, plant and equipment	301,219	19.09%	▲
Timing of projects		Timing	
Acquisition of infrastructure	1,989,489	98.18%	▲
Timing of projects		Timing	
Surplus or deficit at the start of the financial year	4,362,564	115.04%	▲
The final surplus for the year ended 30 June 2026 is being finalised. Once final surplus finalised, it will be included in the budget opening surplus.		Timing	
Surplus or deficit after imposition of general rates	6,090,936	8.80%	▲
The explanations are given above.			