



DRAFT ANNUAL BUDGET

FOR THE YEAR ENDED 30 JUNE 2027

LOCAL GOVERNMENT ACT 1995

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The Town of Claremont a Class 3 local government conducts the operations of a local government with the following community vision:

The Town is progressive, respectful, sustainable local government supporting flourishing community.

TOWN OF CLAREMONT
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2027

	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
Revenue				
Rates	2(a)	\$ 19,696,610	\$ 18,692,536	\$ 18,678,635
Grants, subsidies and contributions		454,682	1,087,583	845,906
Fees and charges	14	4,371,343	4,310,220	4,327,730
Service charges	2(f)	0	0	0
Interest revenue	10(a)	893,570	883,592	852,918
Other revenue		44,015	192,656	68,809
		25,460,220	25,166,587	24,773,998
Expenses				
Employee costs		(11,484,185)	(10,147,962)	(10,203,477)
Materials and contracts		(10,770,144)	(10,352,698)	(10,522,263)
Utility charges		(733,596)	(638,367)	(731,634)
Depreciation	6	(4,654,265)	(4,116,546)	(4,562,885)
Finance costs	10(c)	(164,535)	(276,226)	(216,752)
Insurance		(317,565)	(295,985)	(318,763)
Other expenditure		(796,071)	(954,634)	(979,898)
		(28,920,361)	(26,782,418)	(27,535,672)
		(3,460,141)	(1,615,831)	(2,761,674)
Capital grants, subsidies and contributions		529,333	644,178	736,286
Profit on asset disposals	5	23,000	0	0
Loss on asset disposals	5	0	0	0
Fair value adjustments to financial assets at fair value through profit or loss		0	0	0
Fair value adjustments to investment property		0	0	0
Share of net profit of associates accounted for using the equity method	11	0	0	0
Reversal of prior year loss on revaluation of assets		0	0	0
Loss on revaluation of non current assets		0	0	0
		552,333	644,178	736,286
Net result for the period		(2,907,808)	(971,653)	(2,025,388)
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
Changes in asset revaluation surplus arising from a change in liabilities				
Share of comprehensive income of associates accounted for using the equity method		0	0	0
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		(2,907,808)	(971,653)	(2,025,388)

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

TOWN OF CLAREMONT
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2027

	Note	2026/27 Budget	2025/26 Actual	2025/26 Budget
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	2(a)(i)	\$ 17,389,378	\$ 15,818,646	15,804,745
Rates excluding general rates	2(a)	2,307,232	2,873,890	2,873,890
Grants, subsidies and contributions		454,682	1,087,583	845,906
Fees and charges	14	4,371,343	4,310,220	4,327,730
Interest revenue	10(a)	893,570	883,592	852,918
Other revenue		44,015	192,656	68,809
Profit on asset disposals	5	23,000	0	0
		25,483,220	25,166,587	24,773,998
Expenditure from operating activities				
Employee costs		(11,484,185)	(10,147,962)	(10,203,477)
Materials and contracts		(10,770,144)	(10,352,698)	(10,522,263)
Utility charges		(733,596)	(638,367)	(731,634)
Depreciation	6	(4,654,265)	(4,116,546)	(4,562,885)
Finance costs	10(c)	(164,535)	(276,226)	(216,752)
Insurance		(317,565)	(295,985)	(318,763)
Other expenditure		(796,071)	(954,634)	(979,898)
		(28,920,361)	(26,782,418)	(27,535,672)
Non cash amounts excluded from operating activities	3(c)	4,647,094	4,116,546	4,562,885
Amount attributable to operating activities		1,209,953	2,500,715	1,801,211
INVESTING ACTIVITIES				
Inflows from investing activities				
Proceeds from capital grants, subsidies and contributions		529,333	644,178	736,286
Proceeds from disposal of property, plant and equipment	5(a)	50,000	0	212,300
Proceeds from disposal financial assets at amortised cost - term deposits		(316,911)		
		262,422	644,178	948,586
Outflows from investing activities				
Acquisition of property, plant and equipment	5(a)	(896,000)	(1,143,194)	(905,000)
Acquisition of infrastructure	5(b)	(3,586,600)	(3,010,535)	(4,680,045)
Payments for financial assets at amortised cost - term deposits		0	0	0
		(4,482,600)	(4,153,729)	(5,585,045)
Non-cash amounts excluded from investing activities	3(d)	336,925	0	0
Amount attributable to investing activities		(3,883,253)	(3,509,551)	(4,636,459)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from new leases - non cash	7	0	0	12,000
Transfers from reserve accounts	9(a)	4,406,455	2,964,500	2,827,637
		4,406,455	2,964,500	2,839,637
Outflows from financing activities				
Repayment of borrowings	8(a)	(3,525,734)	(824,044)	(480,607)
Payments for principal portion of lease liabilities	7	(12,632)	(10,000)	(17,607)
Transfers to reserve accounts	9(a)	(838,279)	(2,325,437)	(1,281,009)
		(4,376,645)	(3,159,481)	(1,779,223)
Non-cash amounts excluded from financing activities	3(e)	0	0	(12,000)
Amount attributable to financing activities		29,810	(194,981)	1,048,414
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus remaining at the start of the financial year	3	2,643,490	3,847,308	1,786,834
Amount attributable to operating activities		1,209,953	2,500,715	1,801,211
Amount attributable to investing activities		(3,883,253)	(3,509,551)	(4,636,459)
Amount attributable to financing activities		29,810	(194,981)	1,048,414
Surplus remaining after the imposition of general rates	3	0	2,643,490	0

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

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

1 BASIS OF PREPARATION

The annual budget of the Town of Claremont 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 Town 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 Town 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 11 to the annual budget.

2025/26 actual balances

Balances shown in this budget as 2025/26 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 2026-1 Amendments to Australian Accounting Standards – Disclosures about Uncertainties in the Financial Statements*
- *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*
- *AASB 2025-1 Amendments to Australian Accounting Standards – Contracts Referencing Nature-dependent Electricity*

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

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]*

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

- *AASB 18 Presentation and Disclosure in Financial Statements*
- *AASB 18 (NFP/super) Presentation and Disclosure in Financial Statements – (Appendix D) [for not-for-profit and superannuation entities]*

These accounting standards will materially change the presentation of the annual financial report and 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.

The annual budget is a forward-looking statement and is comprised of management estimates. As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the annual budget.

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

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

2. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in dollar	Number of properties	Rateable value*	2026/27 Budgeted rate revenue	2026/27 Budgeted interim rates	2026/27 Budgeted total revenue	2025/26 Actual total revenue	2025/26 Budget total revenue
				\$	\$	\$	\$	\$	\$
(i) General rates									
General rates	Gross rental valuation	0.05297870	4,178	221,367,290	11,727,751	52,804	11,780,555	10,425,451	10,411,550
Commercial rates	Gross rental valuation	0.07742760	274	72,439,582	5,608,823	0	5,608,823	5,393,195	5,393,195
Total general rates			4,452	293,806,872	17,336,574	52,804	17,389,378	15,818,646	15,804,745
(ii) Minimum payment									
		Minimum							
		\$							
General rates	Gross rental valuation	1,643.30	1,314	255,400	2,159,296	0	2,159,296	2,727,410	2,727,410
Commercial rates	Gross rental valuation	1,643.30	17	33,273,620	27,936	0	27,936	26,480	26,480
Total general rates and minimum payments			5,783	327,335,892	19,523,806	52,804	19,576,610	18,572,536	18,558,635
(iii) Specified area rates									
Claremont Town Centre	Gross rental valuation	0.00231380	108	51,863,437	120,000	0	120,000	120,000	120,000
Total rates					19,643,806	52,804	19,696,610	18,692,536	18,678,635
Instalment plan charges							85,000	79,898	75,000
Instalment plan interest							160,000	101,270	104,000
Late payment of rate or service charge interest							62,200	61,576	60,200
							307,200	242,744	239,200

*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 2026/27 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.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

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.

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Option one				
Single full payment	28/08/2026	0	N/A	0.0%
Option two				
First instalment	28/08/2026		5.5%	11.0%
Second instalment	30/10/2026		5.5%	11.0%
Third instalment	8/01/2027		5.5%	11.0%
Fourth instalment	12/03/2027		5.5%	11.0%

(c) Objectives and Reasons for Differential Rating

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

Differential general rate

Description	Characteristics	Objects	Reasons
General rate	Properties used for residential purposes and vacant land.	The purpose of imposing a GRV differential rating for residential is to obtain a fair and equitable form of revenue raising from the categories of properties in the Town.	The rate in the dollar and minimum payment have been set on the basis that ratepayers make a reasonable contribution to the cost of all services and facilities.
Commercial rate	Non residential and non vacant land used for other purpose.	The purpose of imposing a GRV differential rating for commercial is to obtain a fair and equitable form of revenue raising from the categories of properties in the Town.	The Claremont Town Centre and Stirling Highway corridor is the main location for commercial and industrial development and has large volumes of traffic and a higher impact on the Town's resources including health, planning, civil maintenance, and building works. The rate in the dollar and minimum payment have been set to provide a reasonable contribution towards these costs.

(d) Differential Minimum Payment

Description	Characteristics	Objects	Reasons
General rate	Properties used for residential purposes and vacant land	The purpose of imposing a GRV differential rating for residential is to obtain a fair and equitable form of revenue raising from the categories of properties in the Town	he rate in the dollar and minimum payment have been set on the basis that ratepayers make a reasonable contribution to the cost of all services and

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027**

2. RATES AND SERVICE CHARGES (CONTINUED)

Commercial rate	Non residential and non vacant land used for other purpose.	The purpose of imposing a GRV differential rating for commercial is to obtain a fair and equitable form of revenue raising from the categories of properties in the Town.	The Claremont Town Centre and Stirling Highway corridor is the main location for commercial and industrial development and has large volumes of traffic and a higher impact on the Town's resources including health, planning, civil maintenance, and building works. The rate in the dollar and minimum payment have been set to provide a reasonable contribution towards these
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**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027**

2. RATES AND SERVICE CHARGES (CONTINUED)

(e) Specified Area Rate

	Budgeted rate applied to costs	Budgeted rate set aside to reserve	Reserve Amount to be applied to costs	Purpose of the rate	Area or properties rate is to be imposed on
Specified area rate	\$	\$	\$		
Claremont Town Centre	120,000	0	(120,000)	Promotion of Claremont Town Centre	Commercial properties within the Claremont Town Centre
	120,000	0	(120,000)		

(f) Service Charges

The Town did not raise service charges for the year ended 30th June 2027.

(g) Waivers or concessions

The Town does not anticipate any waivers or concessions for the year ended 30th June 2027.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

3. NET CURRENT ASSETS

(a) Composition of estimated net current assets

Current assets

Cash and cash equivalents
Financial assets
Receivables
Inventories
Other assets

Less: current liabilities

Trade and other payables
Capital grant/contributions liabilities
Lease liabilities
Long term borrowings
Employee provisions

Net current assets

Less: Total adjustments to net current assets

Net current assets used in the Statement of Financial Activity

Note	2026/27 Budget 30 June 2027 Carried forward	2025/26 Actual 30 June 2026 Carried forward	2025/26 Budget 30 June 2026 Carried forward
	\$	\$	\$
4	(4,740,365)	1,824,055	4,259,750
	14,824,998	14,508,087	7,767,266
	1,578,583	1,578,583	1,862,048
	14,915	14,915	127,282
	60,586	60,586	10,783
	11,738,717	17,986,226	14,027,129
	(2,511,083)	(2,546,926)	(2,607,251)
	(75,077)	(75,077)	0
7	0	(12,632)	(12,000)
8	0	(3,525,734)	(490,000)
	(1,094,991)	(1,094,991)	(701,701)
	(3,681,151)	(7,255,360)	(3,810,952)
	8,057,566	10,730,866	10,216,177
3(b)	(8,057,566)	(8,087,376)	(10,216,177)
	0	2,643,490	0

(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: Reserve accounts
Add: Current liabilities not expected to be cleared at end of year
- Current portion of borrowings
- Current portion of lease liabilities

Total adjustments to net current assets

9	(8,057,566)	(11,625,742)	(10,718,177)
	0	3,525,734	490,000
	0	12,632	12,000
	(8,057,566)	(8,087,376)	(10,216,177)

EXPLANATION OF DIFFERENCE IN 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) Amounts excluded from operating activities

Less: Profit on asset disposals
Add: Depreciation
Movement in current liabilities associated funds held in reserve account:
- Current portion of employee benefit provisions

Non cash amounts excluded from operating activities

Note	2026/27 Budget 30 June 2027 Carried forward	2025/26 Actual 30 June 2026 Carried forward	2025/26 Budget 30 June 2026 Carried forward
	\$	\$	\$
5	(23,000)	0	0
6	4,654,265	4,116,546	4,562,885
	15,829		
	4,647,094	4,116,546	4,562,885

(d) Amounts excluded from investing activities

Movement in current liabilities associated with restricted cash:
- Other provisions
Reconciling item - movement between current assets:
- Financial assets at amortised cost - term deposits

Non cash amounts excluded from investing activities

	20,014	0	0
	316,911	0	0
	336,925	0	0

(e) Amounts excluded from financing activities

Less: Lease liability recognised

Non cash amounts excluded from financing activities

7	0	0	(12,000)
	0	0	(12,000)

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027**

3. NET CURRENT ASSETS (CONTINUED)

(f) 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 Town's operational cycle. In the case of liabilities where the Town does not have the 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 Town's intentions to release for sale.

TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services provided to the Town prior to the end of the financial year that are unpaid and arise when the Town 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 Town 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.

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 Town's intentions to release for sale.

SUPERANNUATION

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

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 Town's obligation to transfer goods or services to a customer for which the Town 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 Town 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 Town 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 Town 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 Town'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 Town'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 Town'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 Town's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Town 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.

CONTRACT ASSETS

Contract assets primarily relate to the Town's right to consideration for work completed but not billed at the end of the period.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

5. PROPERTY, PLANT AND EQUIPMENT

	2026/27 Budget				2025/26 Actual	2025/26 Budget			
	Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	Disposals - Profit		Additions	Disposals - Net Book Value	Disposals - Sale Proceeds	
(a) Property, Plant and Equipment	\$	\$	\$	\$	\$	\$	\$	\$	
Buildings - specialised	652,000	0	0	0	881,790	700,000	0	0	
Furniture and equipment	0	0	0	0	261,404	10,000	0	0	
Plant and equipment	165,000	(27,000)	50,000	23,000	0	115,000	(212,300)	212,300	
Electronic Equipment	79,000	0	0	0	0	80,000			
Total	896,000	(27,000)	50,000	23,000	1,143,194	905,000	(212,300)	212,300	
(b) Infrastructure									
Infrastructure - roads & right of ways	1,923,600	0	0	0	1,631,252	2,118,824	0	0	
Infrastructure - paths	331,000	0	0	0	920,080	830,937	0	0	
Infrastructure - drainage	420,000	0	0	0	166,507	340,000	0	0	
Infrastructure - parks and reserves	642,000	0	0	0	269,676	833,284	0	0	
Infrastructure - public art collection	0	0	0	0	0	60,000	0	0	
Infrastructure - others	220,000	0	0	0	23,020	187,000	0	0	
Infrastructure - Aquatic Centre	0	0	0	0	0	310,000	0	0	
Infrastructure - streetlights	50,000	0	0	0	0	0	0	0	
Total	3,586,600	0	0	0	3,010,535	4,680,045	0	0	
Total	4,482,600	(27,000)	50,000	23,000	4,153,729	5,585,045	(212,300)	212,300	

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.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

6. DEPRECIATION

By Class

Buildings - non-specialised
Buildings - specialised
Furniture and equipment
Plant and equipment
Electronic Equipment
Infrastructure - roads & right of ways
Infrastructure - paths
Infrastructure - drainage
Infrastructure - parks and reserves
Infrastructure - public art collection
Infrastructure - car parks
Infrastructure - streetlights
Right of use - plant and equipment

By Program

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

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	\$	\$	\$
Buildings - non-specialised	35,701	31,576	35,000
Buildings - specialised	941,824	833,013	923,333
Furniture and equipment	55,643	49,215	54,551
Plant and equipment	248,412	219,713	243,535
Electronic Equipment	192,612	170,359	188,830
Infrastructure - roads & right of ways	1,543,024	1,364,752	1,512,727
Infrastructure - paths	657,147	581,225	644,245
Infrastructure - drainage	65,542	57,970	64,255
Infrastructure - parks and reserves	653,037	577,590	640,216
Infrastructure - public art collection	15,747	13,928	15,438
Infrastructure - car parks	116,596	103,126	114,307
Infrastructure - streetlights	126,475	111,863	123,992
Right of use - plant and equipment	2,505	2,216	2,456
	4,654,265	4,116,546	4,562,885
Governance	423,522	374,592	415,207
Law, order, public safety	41,065	36,321	40,259
Health	23,157	20,481	22,702
Education and welfare	47,859	42,329	46,919
Community amenities	65,573	57,998	64,286
Recreation and culture	1,310,604	1,159,186	1,284,872
Transport	2,573,234	2,275,942	2,522,712
Economic services	95,701	84,644	93,822
Other property and services	73,550	65,053	72,106
	4,654,265	4,116,546	4,562,885

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.

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.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

7. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease	2026/27 Budget	Budget Lease	2026/27 Budget	Actual Principal	2025/26 Actual	Actual Lease	2025/26 Actual	Budget Principal	2025/26 Budget	Budget Lease	Budget Lease	2025/26 Budget	2025/26 Budget	
					Principal 1 July 2026	2026/27 Budget New Leases	2026/27 Budget Lease Principal Repayments	Budget Lease Principal outstanding 30 June 2027		2026/27 Budget Lease Interest Repayments	Principal 1 July 2025	2025/26 Actual New Leases		2025/26 Actual Lease repayments	2025/26 Actual Lease repayments	2025/26 Budget New Leases	2025/26 Budget Lease repayments	Budget Lease Principal outstanding 30 June 2026	2025/26 Budget Lease repayments
Printer & copiers	EL228	Kyocera	2.1%	4 years	\$ (4,846)	\$ 0	\$ (12,632)	\$ (17,478)	\$ (5,000)	\$ 5,154	\$ 0	\$ (10,000)	\$ (4,846)	\$ 0	\$ 5,154	\$ 0	\$ (5,607)	\$ (453)	\$ (14,648)
Wide area network	BLD54	TPG	1.7%	10 years	33,289	0	0	33,289	0	33,289	0	0	33,289	0	18,177	0	0	18,177	0
Coffee machine	PE459	Gesha Coffee Co.	0.7%	3 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(10)
Parking bays - Bunnings	EL225	Charter Hall	3.0%	Not applicable	(1)	0	0	(1)	0	(1)	0	0	(1)	0	0	12,000	(12,000)	0	0
					28,442	0	(12,632)	15,810	(5,000)	38,442	0	(10,000)	28,442	0	23,331	12,000	(17,607)	17,724	(14,658)

MATERIAL ACCOUNTING POLICIES

LEASES

At the inception of a contract, the Town 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 Town 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.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

8. 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	2026/27	2026/27	Budget	2026/27	Actual	2025/26	2025/26	Actual	2025/26	Budget	2025/26	2025/26	Budget	2025/26
				Principal 1 July 2026	Budget New Loans	Budget Principal Repayments	Principal outstanding 30 June 2027	Interest Repayments	Principal 1 July 2025	Actual New Loans	Actual Principal Repayments	Principal outstanding 30 June 2026	Actual Interest Repayments	Principal 1 July 2025	Budget New Loans	Budget Principal Repayments	Principal outstanding 30 June 2026	Interest Repayments
Aquatic Centre Refurbishment	1	WATC	6.34%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 407,518	\$ 0	\$ (407,518)	\$ 0	\$ (98,968)	\$ 407,518	\$ 0	\$ (64,082)	\$ 343,436	\$ (24,836)
Purchase of 331 Stirling Highway	2C	WATC	4.17%	3,459,323	0	(3,459,323)	0	(140,415)	3,812,297	0	(352,974)	3,459,323	(155,279)	3,812,296	0	(352,974)	3,459,322	(155,279)
Purchase of 327 Stirling Highway	3	WATC	4.45%	446,068	0	(66,411)	379,657	(19,120)	509,620	0	(63,552)	446,068	(21,979)	509,620	0	(63,551)	446,069	(21,979)
				3,905,391	0	(3,525,734)	379,657	(159,535)	4,729,435	0	(824,044)	3,905,391	(276,226)	4,729,434	0	(480,607)	4,248,827	(202,094)

All borrowing repayments, other than self supporting loans, will be financed by general purpose revenue.

* WATC refers to Western Australia Treasury Corporation

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027**

8. BORROWINGS (CONTINUED)

(b) New borrowings - 2026/27

The Town does not intend to undertake any new borrowings for the year ended 30th June 2027

(c) Unspent borrowings

The Town had no unspent borrowing funds as at 30th June 2026 nor is it expected to have unspent borrowing funds as at 30th June 2027.

(d) Credit Facilities

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	\$	\$	\$
Undrawn borrowing facilities credit standby arrangements			
Bank overdraft limit	0	0	0
Bank overdraft at balance date	0	0	0
Credit card limit	150,000	150,000	150,000
Credit card balance at balance date	55,000	9,969	55,000
Total amount of credit unused	205,000	159,969	205,000
Loan facilities			
Loan facilities in use at balance date	379,657	3,905,391	4,248,827

MATERIAL ACCOUNTING POLICIES

BORROWING COSTS

The Town 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.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

9. RESERVE ACCOUNTS

(a) Reserve Accounts - Movement

	2026/27 Budget				2025/26 Actual				2025/26 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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by legislation												
(a) NEP developer contributions fund reserve	0	0	0	0	494,200	621,915	(1,116,115)	0	494,200	621,915	(1,116,115)	0
(b) Cash lieu of parking reserve	627,104	20,014	0	647,118	603,699	23,405	0	627,104	603,699	23,405	0	627,104
(c) Claremont Town Centre - Specified area rate reserve	213,785	0	(120,000)	93,785	205,806	7,979	0	213,785	205,806	7,979	0	213,785
	840,889	20,014	(120,000)	740,903	1,303,705	653,299	(1,116,115)	840,889	1,303,705	653,299	(1,116,115)	840,889
Restricted by council												
(d) Pool upgrade reserve	594,518	15,829	0	610,347	945,690	200,298	(551,470)	594,518	945,690	298	(450,000)	495,988
(e) Plant replacement reserve	200,000	0	(25,000)	175,000	185,000	200,000	(185,000)	200,000	185,000	0	(185,000)	0
(f) Irrigation and drainage reserve	569,440	18,174	(164,157)	423,457	608,187	21,253	(60,000)	569,440	608,187	21,253	(60,000)	569,440
(g) Public Art reserve	220,618	5,126	0	225,744	214,623	5,995	0	220,618	214,623	5,995	(60,000)	160,618
(h) Parking reserve	1,302,604	41,573	(50,000)	1,294,177	1,253,988	48,616	0	1,302,604	1,253,988	48,616	0	1,302,604
(i) Building reserve	621,086	16,630	(150,000)	487,716	501,638	119,448	0	621,086	501,638	19,448	0	521,086
(j) Future fund reserve	5,441,601	248,805	(3,682,298)	2,008,108	5,196,405	600,589	(355,393)	5,441,601	5,196,405	256,161	(300,000)	5,152,566
(k) Claremont joint venture reserve	1,035,685	34,330	0	1,070,015	1,095,538	40,147	(100,000)	1,035,685	1,095,538	40,147	(60,000)	1,075,685
(l) Heritage grant reserve	71,108	2,269	(15,000)	58,377	83,454	2,654	(15,000)	71,108	83,454	2,654	(15,000)	71,108
(m) Employee entitlement reserve	435,902	7,529	0	443,431	562,553	254,871	(381,522)	435,902	562,553	54,871	(381,522)	235,902
(n) Western Suburb Alliance (WSA) reserve	292,291	178,000	(200,000)	270,291	314,024	178,267	(200,000)	292,291	314,024	178,267	(200,000)	292,291
(o) Workforce planning reserve	0	250,000	0	250,000	0	0	0	0	0	0	0	0
	10,784,853	818,265	(4,286,455)	7,316,663	10,961,100	1,672,138	(1,848,385)	10,784,853	10,961,100	627,710	(1,711,522)	9,877,288
	11,625,742	838,279	(4,406,455)	8,057,566	12,264,805	2,325,437	(2,964,500)	11,625,742	12,264,805	1,281,009	(2,827,637)	10,718,177

(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) NEP developer contributions fund reserve	Ongoing	To accumulate funds to cover the Town's contribution to NEP Development arising from ownership of Lot 11578 Claremont Crescent.
(b) Cash lieu of parking reserve	Ongoing	To provide for the purchase of land for car parking in accordance with Clause 33(2)
(c) Claremont Town Centre - Specified area rate reserve	Ongoing	To fund promotion and publicity of Claremont Town Centre
Restricted by council		
(d) Pool upgrade reserve	Ongoing	To fund major maintenance of the Claremont Aquatic Centre
(e) Plant replacement reserve	Ongoing	To provide for the replacement of major items of heavy plant
(f) Irrigation and drainage reserve	Ongoing	To provide funds for the replacement, renewal and upgrade of irrigation and drainage
(g) Public Art reserve	Ongoing	To assist with the programmed purchase and development of Public Art assets throughout the Town
(h) Parking reserve	Ongoing	To provide for the purchase, upgrade or renewal of parking infrastructure.
(i) Building reserve	Ongoing	To provide for building renewal in accordance with the Town's Asset Management Plans
(j) Future fund reserve	Ongoing	To provide for the future planning and undertaking of capital and infrastructure works in the Town
(k) Claremont joint venture reserve	Ongoing	To provide for traffic modifications/road works within the Town Centre zone and the surrounding roads
(l) Heritage grant reserve	Ongoing	To assist with funding of the Town's heritage grant maintenance program
(m) Employee entitlement reserve	Ongoing	To fund annual and long service leave requirements
(n) Western Suburb Alliance (WSA) reserve	Ongoing	To fund the Western Suburbs Regional Organisation of Councils projects and initiatives and hold funds contributed by each member council.
(o) Workforce planning reserve	Ongoing	To provide for organisational structure review for the Town

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027**

10. OTHER INFORMATION

	2026/27 Budget	2025/26 Actual	2025/26 Budget
The net result includes as revenues			
	\$	\$	\$
(a) Interest earnings			
Investments	671,370	720,746	688,718
Other interest revenue	222,200	162,846	164,200
	893,570	883,592	852,918
The net result includes as expenses			
(b) Auditors remuneration			
Audit services	100,000	97,057	99,000
Other services	90,000	2,672	0
	190,000	99,729	99,000
(c) Interest expenses (finance costs)			
Borrowings (refer Note 8(a))	159,535	276,226	202,094
Interest on lease liabilities (refer Note 7)	5,000	0	14,658
	164,535	276,226	216,752

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

11. COUNCIL MEMBERS REMUNERATION

	2026/27 Budget	2025/26 Actual	2025/26 Budget
	\$	\$	\$
President			
President's allowance	42,837	41,388	41,388
Meeting attendance fees	29,379	28,385	28,385
Annual allowance for ICT expenses	3,500	3,500	3,500
Superannuation contribution payments	6,619	5,387	5,387
	82,335	78,660	78,660
Deputy President			
Deputy President's allowance	10,709	10,347	10,347
Meeting attendance fees	18,977	18,620	18,620
Annual allowance for ICT expenses	3,500	3,500	3,500
Superannuation contribution payments	3,711	3,896	3,896
	36,897	36,363	36,363
Council member 3			
Meeting attendance fees	18,977	18,620	18,620
Annual allowance for ICT expenses	3,500	3,500	3,500
Superannuation contribution payments	2,810	2,654	2,654
	25,287	24,774	24,774
Council member 4			
Meeting attendance fees	18,977	18,620	18,620
Annual allowance for ICT expenses	3,500	3,500	3,500
Superannuation contribution payments	2,810	2,654	2,654
	25,287	24,774	24,774
Council member 5			
Meeting attendance fees	18,977	18,620	18,620
Annual allowance for ICT expenses	3,500	3,500	3,500
Superannuation contribution payments	2,810	2,654	2,654
	25,287	24,774	24,774
Council member 6			
Meeting attendance fees	18,977	18,620	18,620
Annual allowance for ICT expenses	3,500	3,500	3,500
Superannuation contribution payments	2,810	2,654	2,654
	25,287	24,774	24,774
Council member 7			
Meeting attendance fees	18,977	18,620	18,620
Annual allowance for ICT expenses	3,500	3,500	3,500
Superannuation contribution payments	2,810	2,654	2,654
	25,287	24,774	24,774
Council member 8			
Meeting attendance fees	18,977	18,620	18,620
Annual allowance for ICT expenses	3,500	3,500	3,500
Superannuation contribution payments	2,810	2,654	2,654
	25,287	24,774	24,774
Council member 9			
Meeting attendance fees	18,977	18,620	18,620
Annual allowance for ICT expenses	3,500	3,500	3,500
Superannuation contribution payments	2,810	2,654	2,654
	25,287	24,774	24,774
Total Council Member Remuneration	296,241	288,441	288,441
President's allowance	42,837	41,388	41,388
Deputy President's allowance	10,709	10,347	10,347
Meeting attendance fees	181,195	177,345	177,345
Annual allowance for ICT expenses	31,500	31,500	31,500
Superannuation contribution payments	30,000	27,861	27,861
	296,241	288,441	288,441

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

12. 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

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.

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027**

12. REVENUE AND EXPENDITURE (CONTINUED)

(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	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	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	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	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	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	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	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	Adopted by council annually	Applied fully on timing of landing/take-off	Not applicable	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	Adopted by council annually	Applied fully based on timing of provision	Not applicable	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	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027**

13. 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 Town's Community Vision, and for each of its broad activities/programs.

OBJECTIVE

ACTIVITIES

Governance

Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the tasks of assisting elected members and ratepayers on matters which concern specific council services
Rates, general purpose government grants and interest revenue.

General purpose funding

Law, order, public safety

Supervision and enforcement of various local laws relating to parking, fire prevention, animal control, emergency services, and other aspects of public safety

Health

Inspection of food outlets and their control provision of meat inspection services, noise control and waste disposal compliance.

Education and welfare

Housing

Community amenities

Claremont Aquatic Centre
Lake Claremont Golf Course
Lake Claremont
Parks & Environment
Leased Premises
Community Recreation
Youth activities
Claremont Community Hub and Library
Bay View Community Centre
Claremont Museum and heritage
Heritage Services

Recreation and culture

Transport

Streets, Roads, Bridges and Depot maintenance. Footpaths, cycle ways, right of way, drainage, road verges, median strips, street lighting, street cleaning, street trees, traffic surveys, parking services, traffic management and underground power

Economic services

Community events and tourism, building services, commercial leases, strategic planning and activities involving the Claremont Town Centre, and Anzac Cottage

Other property and services

Building maintenance, plant/vehicle operations, private works and other property.