

KIAMA MUNICIPAL COUNCIL Consolidated Income Statement

For the Period Ending 31 August 2026



	Year to Date				Full Year		
	Actual 26-27 \$'000	Adopted Budget 26-27 \$'000	----- Variance ----- 26-27 \$'000 %		Last Year Actual 25-26 \$'000	Original Budget 26-27 \$'000	Adopted Budget 26-27 \$'000
Income							
Rates, Levies & Annual Charges	5,233	5,187	46	1%	30,332	31,287	31,287
User charges and fees	2,575	2,554	21	1%	19,144	19,729	19,729
Interest & Investment Revenue	339	297	42	14%	1,726	1,780	1,780
Other Revenue	646	782	(136)	-17%	4,148	4,774	4,786
Operating Grants and Contributions	543	427	116	27%	4,916	4,727	4,727
Capital Grants and Contributions	1,281	1,385	(104)	-8%	6,952	7,309	7,309
Other Income	-	-	-	0%	39	135	135
Net Gain / (Loss) from disposal of assets	-	-	-	0%	452	93	93
Total Income from continuing operations	10,617	10,632	(15)	0%	67,709	69,835	69,847
Expenses							
Employee Benefits	4,492	4,445	(47)	-1%	30,173	29,139	29,139
Borrowing Costs	176	20	(156)	-794%	247	667	667
Materials & Contracts	3,246	3,493	247	7%	26,286	26,300	26,277
Other Expenses	7	16	9	58%	1,594	1,040	1,040
Project costs re-classified to Operating					2,032		
Total Expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	7,920	7,973	53	1%	60,332	57,147	57,124
Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	2,697	2,659	38	1%	7,377	12,688	12,723
Depreciation & Amortisation	1,538	1,538	-	0%	9,347	9,228	9,228
Operating result from continuing operations	1,159	1,121	38	3%	(1,970)	3,460	3,494
Net Operating result before grants and contributions provided for capital purposes	(122)	(264)	142	54%	(8,923)	(3,849)	(3,815)

KIAMA MUNICIPAL COUNCIL

Blue Haven Terralong Income Statement

For the Period Ending 31 August 2026



	Year to Date				Full Year		
	Actual 26-27 \$'000	Adopted Budget 26-27 \$'000	----- Variance ----- 26-27 \$'000 %		Last Year Actual 25-26 \$'000	Original Budget 26-27 \$'000	Adopted Budget 26-27 \$'000
Income							
User charges and fees	181.892	204	(22)	-11%	1,048	1,224	1,224
Interest & Investment Revenue	1.208	-	1	100%	7	-	-
Other Revenue	356.924	494	(137)	-28%	1,962	2,964	2,964
Other Income	-	-	-	0%	-	-	-
Net Gain / (Loss) from disposal of assets	-	-	-		(283)	-	-
Internal Revenue	-	-	-	0%	-	-	-
Total Income from continuing operations	540.024	698	(158)	-23%	2,734	4,188	4,188
Expenses							
Employee Benefits	50.405	49	(1)	-3%	359	318	318
Borrowing Costs	145.000	-	(145)	-100%	(101)	275	275
Materials & Contracts	132.967	124	(9)	-7%	733	783	783
Other Expenses	-	-	-	0%	(14)	-	-
Internal Expenditure	105.251	106	1	1%	678	636	636
<i>Project costs re-classified to Operating</i>					2,600		
Total Expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	433.623	279	(155)	-55%	4,254	2,012	2,012
Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	106.401	419	(313)	-75%	(1,520)	2,176	2,176
Depreciation & Amortisation	-	-	-	0%	-	-	-
Operating result from continuing operations	106.401	419	(313)	-75%	(1,520)	2,176	2,176
Net Operating result before grants and contributions provided for capital purposes	106.401	419	(313)	-75%	(1,520)	2,176	2,176

KIAMA MUNICIPAL COUNCIL

Holiday Parks Income Statement

For the Period Ending 31 August 2026



	Year to Date				Full Year		
	Actual 26-27 \$'000	Adopted Budget 26-27 \$'000	Variance 26-27 \$'000 %		Last Year Actual 25-26 \$'000	Original Budget 26-27 \$'000	Adopted Budget 26-27 \$'000
Income							
User charges and fees	1,299.779	1,308	(8)	-1%	12,000	12,157	12,157
Other Revenue	0.337	0	0	10%	2	2	2
Operating Grants and Contributions	-	-	-	0%	(0)	-	-
Net Gain / (Loss) from disposal of assets	-	-	-		-	-	-
Internal Revenue	-	-	-	0%	5	-	-
Total Income from continuing operations	1,300.116	1,308	(8)	-1%	12,007	12,159	12,159
Expenses							
Employee Benefits	80.505	77	(3)	-4%	499	500	500
Borrowing Costs	7.144	6	(1)	-17%	49	37	37
Materials & Contracts	904.049	974	70	7%	6,397	6,585	6,585
Other Expenses	-	-	-	0%	471	471	471
Internal Expenditure	248.194	262	14	5%	1,593	1,571	1,571
Total Expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	1,239.892	1,319	79	6%	9,009	9,164	9,164
Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	60.224	(11)	71	661%	2,999	2,995	2,995
Depreciation & Amortisation	88.637	89	-	0%	493	532	532
Operating result from continuing operations	- 28.413	(99)	71	71%	2,505	2,464	2,464
Net Operating result before grants and contributions provided for capital purposes	- 28.413	(99)	71	71%	2,505	2,464	2,464

KIAMA MUNICIPAL COUNCIL The Pavilion Income Statement

For the Period Ending 31 August 2026



	Year to Date				Full Year		
	Actual 26-27 \$'000	Adopted Budget 26-27 \$'000	Variance 26-27 \$'000 %		Last Year Actual 25-26 \$'000	Original Budget 26-27 \$'000	Adopted Budget 26-27 \$'000
Income							
User charges and fees	50.670	66	(15)	-23%	558	587	587
Net Gain / (Loss) from disposal of assets	-	-	-	-	-	-	-
Internal Revenue	7.795	3	5	181%	26	17	17
Total Income from continuing operations	58.464	68	(10)	-14%	584	603	603
Expenses							
Employee Benefits	43.068	44	1	3%	276	286	286
Materials & Contracts	38.957	49	11	21%	367	297	297
Internal Expenditure	106.473	107	1	1%	645	659	642
Total Expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	188.498	201	12	6%	1,289	1,242	1,225
Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	- 130.033	(132)	2	2%	(705)	(639)	(622)
Depreciation & Amortisation	-	-	-	0%	-	-	-
Operating result from continuing operations	- 130.033	(132)	2	2%	(705)	(639)	(622)
Net Operating result before grants and contributions provided for capital purposes	- 130.033	(132)	-	0%	(705)	(639)	(622)

KIAMA MUNICIPAL COUNCIL

Leisure Centre Income Statement

For the Period Ending 31 August 2026



	Year to Date				Full Year		
	Actual 26-27 \$'000	Adopted Budget 26-27 \$'000	Variance 26-27 \$'000 %		Last Year Actual 25-26 \$'000	Original Budget 26-27 \$'000	Adopted Budget 26-27 \$'000
Income							
User charges and fees	431.479	466	(34)	-7%	2,619	2,796	2,796
Other Revenue	0.309	-	0	100%	-	-	-
Capital Grants and Contributions	-	-	-	0%	5	-	-
Net Gain / (Loss) from disposal of assets	-	-	-		-	-	-
Internal Revenue	-	-	-	0%	-	-	-
Total Income from continuing operations	431.788	466	(34)	-7%	2,623	2,796	2,796
Expenses							
Employee Benefits	348.145	332	(16)	-5%	2,160	2,078	2,078
Borrowing Costs	2.889	0	(3)	-5530%	9	0	0
Materials & Contracts	77.767	113	35	31%	745	785	785
Internal Expenditure	143.518	143	(0)	0%	873	860	860
Total Expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	572.319	589	16	3%	3,787	3,724	3,724
Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	- 140.531	(123)	(18)	-14%	(1,164)	(928)	(928)
Depreciation & Amortisation	-	-	-	0%	-	-	-
Operating result from continuing operations	- 140.531	(123)	(18)	-14%	(1,164)	(928)	(928)
Net Operating result before grants and contributions provided for capital purposes	- 140.531	(123)	(18)	-14%	(1,164)	(928)	(928)

KIAMA MUNICIPAL COUNCIL

Income Statement by Program & Service

For the Period Ending 31 August 2026



PROGRAM & SERVICE	REVENUE			EXPENDITURE			OPERATING RESULT FROM CONTINUING OPERATIONS		
	Actual	Budget	Variance \$	Actual	Budget	Variance \$	Actual	Budget	Variance \$
	26/27 \$'000	26/27 \$'000	26/27 \$'000	26/27 \$'000	26/27 \$'000	26/27 \$'000	26/27 \$'000	26/27 \$'000	26/27 \$'000
Business Operations									
Kendall Beach Holiday Park	251	188	63	212	260	48	39	(72)	111
Kiama Harbour Cabins	172	187	(15)	223	249	26	(51)	(62)	11
Seven Mile Beach Holiday Park	244	385	(140)	287	323	36	(43)	62	(104)
Surf Beach Holiday Park	195	202	(7)	233	281	48	(38)	(79)	41
Werri Beach Holiday Park	438	347	91	362	283	(79)	76	64	12
Leisure Centre	432	466	(34)	574	589	15	(142)	(123)	(20)
The Pavilion	58	68	(10)	215	227	12	(156)	(159)	2
Blue Haven - Terralong ILU	540	698	(158)	434	279	(155)	106	419	(313)
Business Operations	2,330	2,541	(210)	2,540	2,491	(49)	(209)	50	(259)
Core Council Administration	5,928	5,856	72	2,891	2,753	(139)	3,036	3,103	(67)
Regulatory	508	454	54	790	885	94	(283)	(431)	148
Public Services & Amenities	2,966	2,988	(22)	4,176	4,276	101	(1,210)	(1,289)	79
Other Community Services	270	156	114	445	468	23	(175)	(312)	137
Total Council	12,002	11,993	8	10,842	10,872	30	1,160	1,121	38

Key:

Favourable

Unfavourable

*Details on the specific services contained under each program can be found on the following page.

KIAMA MUNICIPAL COUNCIL

Programs & Services



Contained below is a list of Kiama Council's main programs and the associated services which are provided under each.

Core Council Administration

Property Administration
Office of the CEO
Finance
Corporate Savings
Training & Development
Rates & Charges
Records Management
Fleet & Plant Administration
Supply & Store
Communications
Civic Activities
Information Technology
Geographic Information Systems
Customer Service
TechnologyOne Implementation and Maintenance
Corporate Planning
Governance
Human Resources
Organisational development
Risk Management
Operating Management

Business Operations

Kendalls Beach Holiday Park
Kiama Harbour Cabins
Seven Mile Beach Holiday Park
Showground Camping Ground
Surf Beach Holiday Park
Werri Beach Holiday Park
The Pavilion
Blue Haven ILU Terralong
Commercial Waste Services
Leisure Centre

Regulatory

Lifeguards
Internal Audit
Bushfire Services (RFS)
Building Development
Compliance
Environmental Administration
Environmental Health
Strategic Planning

Public Services & Amenities

Depreciation
Building Services & Maintenance
Construction & Works
Engineering & Works Administration
Design Project Contract Management
Asset Management
Engineering Assessment & Approvals
Parks Services
Tree Preservation & Management
Kiama Works Depot
Library Services
Domestic Waste Services
Cleaning Services

Other Community Services

Road Safety
Community Development
Cultural Development
Youth Services
Tourism & Events
Visitor Information Centre
Economic Development

KIAMA MUNICIPAL COUNCIL**Consolidated****Statement of Financial Position****For the Period Ended 31 August 2026**

		YTD Actual 31 August 2026 2026/27 \$'000	Last Year YTD Actual 31 August 2025 2025/26 \$'000
	Notes		
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	14,903	15,848
Investments	C1-2	24,000	18,000
Receivables	C1-4	25,304	24,836
Inventories	C1-5	345	356
Contract assets and contract cost assets	C1-6	2,125	513
Current assets classified as 'held for sale'	C1-7	-	945
Other		2,753	1,604
Total current assets		69,430	62,101
Non current assets			
Investments	C1-2	1,504	2,465
Receivables	C1-4	2,896	2,952
Infrastructure, property, plant and equipment	C1-8	587,821	580,799
Investment property	C1-9	88,239	85,960
Right of use assets	C2-1	311	280
Total non current assets		680,771	672,456
Total assets		750,202	734,557
LIABILITIES			
Current liabilities			
Payables	C3-1	96,151	65,490
Contract liabilities	C3-2	4,102	4,940
Lease liabilities	C2-1	138	77
Borrowings	C3-3	2,435	2,519
Employee benefit provisions	C3-4	6,563	5,923
Total current liabilities		109,389	78,950
Non current liabilities			
Lease liabilities	C2-1	211	226
Borrowings	C3-3	5,594	8,029
Employee benefit provisions	C3-4	585	513
Total non current liabilities		6,390	8,768
Total Liabilities		115,778	87,719
Net Assets		634,424	646,838
EQUITY			
Retained earnings		149,650	151,619
Revaluation reserves		483,615	472,534
Current Year Net Earnings		1,159	22,685
Total equity		634,424	646,838

Item 14.2

Enclosure 1

KIAMA MUNICIPAL COUNCIL

Consolidated Cashflow Statement

For the Period Ending 31 August 2026



	Year to Date	Full Year
	Actual	Adopted Budget
	26-27	26-27
	\$'000	\$'000
Operating result from continuing operations	1,159	3,494
Cash Adjustments		
Depreciation	1,538	9,228
Cost of Assets Sold - Plant & Equipment	-	870
Cost of Assets Sold - Property	-	4,151
Cost of Assets Sold - Other	-	-
Capital Works Program	(2,822)	(26,672)
Purchase of Investment Property	-	(1,933)
Loan Repayments	(125)	(679)
Blue Haven Terralong Loan	-	5,000
Deferred Management fees	(357)	(2,958)
Aged Care Bonds Movements	(760)	10,608
Net Movement in Debtors/Creditors	(1,883)	3,000
Net Inc/(Dec) in Funds before Transfers	(3,250)	4,110
Net Reserve Movements		
Externally Restricted	(525)	(4,328)
Unexpended Grants	(1,034)	(2,070)
Crown Land	(77)	(2,569)
Blue Haven Terralong ILU Maintenance Levy	184	-
Domestic waste management	(27)	1,444
Stormwater Levy	68	(217)
Security bonds, Deposits & Retentions	232	-
Developer contributions (Unexpended)	130	(916)
Internally Restricted	(28)	5,118
Blue Haven ILU Prudential Cover	-	-
Terralong ILU Capital Works	-	-
Plant Replacement	-	1,064
Employee Leave Entitlements	-	-
Land Development	-	4,151
Risk Improvement Incentive	(28)	(15)
Temporary Funding Disaster Recovery Funding Agreement Works	-	(83)
Total Net Reserve Movements	(553)	790
Net Inc/(Dec) in Unrestricted Funds	(2,697)	3,320
Net Inc/(Dec) in Unrestricted Funds excluding one-off sales	(2,697)	(831)

Item 14.2

Enclosure 1

KIAMA MUNICIPAL COUNCIL

Key Performance Ratios

For the Period Ending 31 August 2026



Category	Ratio	Purpose	Formula	YTD Actual	Benchmark (Regional Towns/Cities)	Status
Operating Sustainability	Operating Performance Ratio	Measures whether ongoing operating revenue covers ongoing operating costs.	$(\text{Operating Revenue Excl. Capital Grants \& Contributions} - \text{Operating Expenses}) \div \text{Operating Revenue Excl. Capital Grants \& Contributions}$	-1%	> 0.0%	●
Operating Sustainability*	Operating Performance Ratio (Excl. Depreciation)	Measures whether ongoing operating revenue can fund ongoing operating costs before non-cash depreciation expenses.	$(\text{Operating Revenue Excl. Capital Grants \& Contributions} - \text{Operating Expenses} + \text{Depreciation, Amortisation \& Impairment}) \div \text{Operating Revenue Excl. Capital Grants \& Contributions}$	15%	> 20.0%	●
Operating Sustainability	Own Source Revenue Ratio	Measures Council's reliance on its own revenue sources.	$\text{Operating Revenue Excl. All Grants \& Contributions} \div \text{Total Operating Revenue}$	83%	> 60.0%	●
Liquidity	Unrestricted Current Ratio	Measures Council's ability to meet short-term obligations.	$(\text{Current Assets} - \text{External Restrictions}) \div (\text{Current Liabilities} - \text{Specific Purpose Liabilities})$	3.6	> 1.5x	●
Liquidity	Rates & Annual Charges Outstanding Ratio	Measures the effectiveness of rates and charges collection.	$\text{Rates \& Annual Charges Outstanding} \div \text{Rates \& Annual Charges Collectable}$	75%	< 10.0%	●
Liquidity	Unrestricted Cash Expense Cover Ratio	Measures how long Council can fund operations from unrestricted cash.	$(\text{Cash} + \text{Investments} - \text{External Restrictions}) \div (\text{Operating Expenses} - \text{Depreciation} - \text{Interest Expense}) \times 12$	0.7	> 3.0 months	●
Leverage	Leverage Ratio	Measures debt relative to Council's operating earning capacity.	$\text{Total Borrowings} \div \text{EBITDA}$	2.8	< 3.0x	●
Leverage*	Debt Service Cover Ratio	Measures Council's ability to meet debt repayment obligations from operating earnings.	$\text{EBITDA} \div (\text{Principal Repayments} + \text{Borrowing Costs})$	9.6	> 2.0x	●
Developer Contributions	Contributions Expenditure Performance Ratio	Measures how effectively developer contributions are converted into infrastructure delivery.	$\text{Contributions Expenditure} \div (\text{Opening Contributions Balance} + \text{Contributions Revenue} + \text{Interest Income})$	0%	≥ 20.0%	●

* Indicates new ratio/proposed change to existing local government performance ratio

Level 1 – Budget Control Improvements

Adopted Savings Initiative	Progress Status	Target Savings	Comments
Increase Terralong DMF Income due to new higher prices for future residents	Implemented	720,000	Implemented - however, realisation of this item will depend on filling vacant units
Procurement efficiencies	In Progress	660,000	Procurement team undertaking analysis to identify opportunities for supplier consolidation
Blue Haven Terralong Materials & Contracts reduction from original submission	Implemented	500,000	Implemented - lower budgets in place
Review IT subscriptions to eliminate non-essential software; re-phase programs	Implemented	300,000	Implemented - lower budgets in place – reviewing subscriptions
Legal cost reduction reflecting improvement in governance and controls	Implemented	225,000	Implemented - lower budgets in place
Additional Interest Revenue relating to Property Divestment	Implemented	210,000	Implemented - budget includes \$4.1m property sales, which generates \$210k interest, noting sale is expected in November
Gain/losses on revaluation of investment property	Implemented	135,035	Implemented - assumes 2.29% increase in land value for \$6M property Shoalhaven St – EOFY process
Introduce annual cap on leaseback of Council light vehicle fleet, transition to novated leases (grandparenting provisions per Award)	Not Commenced	62,500	Grandparenting provisions, benefit re-calculated over two years
Increase Terralong recurrent fees (Maintenance Levy) due to higher occupancy and increased fee for new residents	Implemented	102,500	Implemented - new fees published (but will also require filling vacant units)
Conduct more service reviews internally to reduce consultant costs	Implemented	100,000	Implemented - Rather than doing internally, planning to do 2 external reviews FY27; internal resources for recommendations
Align training & developments budget in line with FY25 actuals	Implemented	88,992	Implemented - FY27 budget aligned to FY26 actuals
Rationalise consulting budget	Implemented	45,000	Implemented reduction in budget
Additional rates revenue from Housing Growth strategy	In Progress	33,187	
Reduce budget for uninsured property loss - small claims	Implemented	30,000	Implemented - budget reduced for this item
Banking tender review - investigate offerings of other banks to reduce merchant fees	Not Commenced	30,000	

Increase motor vehicle leaseback contributions	Implemented	24,000	Implemented
Increase financial services fee to ISJO	In Progress	20,000	KMC liaising with ISJO to confirm quantum of increase.
Reductions in Councillor training budget in line with KMC reductions for staff (other than for Australian Local Government Association and Local Government NSW Association Conferences)	Implemented	15,000	Includes additional \$10K versus 07/04 (more accurate calculation of the savings)
Pay out TCorp loan early (currently in restricted reserve)	In Progress	8,000	Liaising with TCorp
TCorp Interest	In Progress	(275,000)	Budget assumes full year interest on \$5M loan at 5.5%. Loan application submitted. Some savings will occur due to later drawdown
Rates (updated parameters)	Implemented	(185,700)	Implemented
Council bi-election costs	Implemented	(250,000)	Budget includes \$250K; risk from additional election cost.
Total – Level 1		2,598,515	

Level 2 – Discretionary Services

Adopted Savings Initiative	Progress Status	Target Savings	Comments
Higher Holiday Park rates over & above CPI net of Commission	Implemented	154,387	Implemented - Updated fees & charges already included
Exit Commercial Waste - implement Service Review (net of internal costs)	Implemented	148,000	Implemented - exited out of Commercial services. Savings expected from lower O/T and external services
Cost recovery of Sports field maintenance	Implemented	67,500	KDSA have agreed cost
Cease KDSA donations - Property	Implemented	60,000	Donation ceased
Leisure Centre - Fees and Charges effective 5% increase to reflect costs	Implemented	58,967	Implemented - Updated fees & charges already included
Cemetery Income Increase	Implemented	51,000	
Peer review of Blue Haven Terralongs Condition Report	In progress	(40,000)	Included in budget. Peer review being scoped
Total – Level 2		499,854	