



ANNUAL REPORT 2024-25

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Introduction

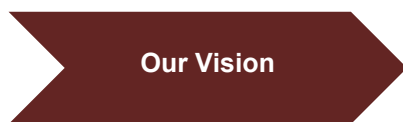
Welcome to the Shire of Wagin. Our employees and councillors are proud to call Wagin home.

Wagin offers its residents a safe, well-appointed town with a real sense of community and it has been heartening to welcome new residents to our community in recent years who are choosing to move to our town.

The Local Government Act 1995 requires local governments to produce an Annual Report by 31 December each year.

This document provides an overview of the Shire of Wagin's financial status and performance for the 2024-25 financial year. This report is a public document that provides the disclosure requirements outlined in the State Government of Western Australia Local Government Act 1995.

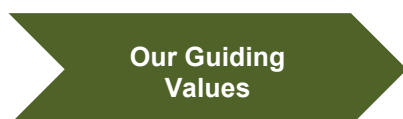
The following graphic summarises the Shire of Wagin's mandate to the community as stated in its Strategic Community Plan.



Wagin is a community where individuals, families and businesses can invest and prosper, preserving the safe, affordable and inclusive country lifestyle and ensuring that Wagin is a place people like to live in and visit.



The Shire of Wagin is a focussed local government providing progressive and innovative leadership that builds a sustainable future while supporting a vibrant, healthy and caring community.



- ❖ Governance and Leadership
- ❖ Honesty and Integrity
- ❖ Innovation and Creativity
- ❖ Community Focused
- ❖ Environmentally Aware



- ❖ Economic Development
- ❖ Buildings and Infrastructure
- ❖ Community Services and Social Environment
- ❖ Town and Natural Environment
- ❖ Council Leadership

A digital version of this report is available on our website.

Shire President's Report

(s. 5.53(2)(a) Local Government Act 1995)

It is my pleasure to present the Shire of Wagin's Annual Report for the year 2024-25.

On 24 January 2025, officially the hottest day of Wagin's summer, a fire broke out on the border of the Shires of West Arthur and Wagin. Fanned by gusty winds, it spread rapidly across properties in Wedgecarrup, tragically causing damage to homes and farmland.



The response from our Volunteer Emergency Services—Bush Fire Brigades, State Emergency Service, and Volunteer Fire & Rescue Services—was exceptional and extraordinary. Their efforts contained and controlled the fire, saving both properties and lives.

The response to the fire exemplified many of the best qualities of our community: selflessness, resilience, and adaptability. I was honoured to present the Wagin Bushfire Brigades with the Community Organisation of the Year Award at the Australia Day breakfast. The recognition of their efforts came while the fire was still being contained.

This fighting spirit was also present throughout the year as the Shire's Giant Ram was adorned with the 'Keep the Sheep' message. The Shire is a rural community and is proud to stand with our farmers.

The development of large-scale renewable energy projects promises to change not only the Shire of Wagin but much of the Wheatbelt. The Shire has made strong representations to the State Government and proponents about the importance of planning for the cumulative impacts of these developments and ensuring that community benefit is delivered to all. We will continue to advocate for our community to ensure that we are better—not worse—off as a result of the State Government's policy changes.

In August 2024, the Shire of Wagin's Homecare Service received a perfect eight out of eight in an assessment by the Commonwealth Government's Aged Care Quality and Safety Commission. These results reflect the investment the Shire has made and the contribution of our Homecare workers over forty years to support our elderly residents in maintaining their lifestyle in Wagin, in their own homes.

I would like to acknowledge the contribution of my fellow Councillors in 2024-25. In August 2024, Cr Greg Ball was recognised at the 2024 Western Australian Local Government Association Awards. Council plays a critical role in driving strategic direction, providing leadership, and overseeing the Shire's affairs, and it is fitting that Cr Ball's long-time dedication was recognised.

I would also like to recognise the contribution of the Shire staff. The Shire enjoyed a year of stability in senior management in 2024-25, and their pragmatic and creative efforts in meeting challenges—particularly in a context of increased regulation—have resulted in continued service delivery while limiting costs to the community.

Cr Phillip Blight
Shire President

Chief Executive Officer's Report

(s. 5.53(2)(b) Local Government Act 1995)

The 24 January fire was a dramatic example of the ways our community can come together and the role of the Shire in supporting our community and being part of the community. On that day and night and in the following weeks our tremendous volunteers were strongly supported by Shire officers. Our works crew remained on the fireground throughout the day and night, clearing fallen debris to allow firefighting appliances to access critical areas.

Our team ensured volunteers had access to food, water, and fuel. In the weeks after, the incredible volunteers from BlazeAid, supported by the Shire, worked with landowners to restore fence lines and repair damaged roads.

The 24 January fire was a dramatic example of the challenges our community can face—and of the many ways the Shire works for and with our residents. These efforts continue year-round, often in ways both visible and behind the scenes.

In 2024-25, the Shire made tangible contributions through infrastructure. We completed the demolition and initial construction of a new Cricket and Hockey building, made possible through the Commonwealth Government's Local Roads and Community Infrastructure Program. The grant funding has delivered a structure ready for fit-out in consultation with the clubs.

Our roads program continued to improve safety across the Shire, while footpath upgrades in town enhanced accessibility and walkability.

Less visible—but equally important—were our strategic planning efforts. In 2024-25, the Shire adopted a Local Planning Strategy to guide land use across the district for years to come. The Shire developed a Water Security Strategy to identify infrastructure projects that will safeguard our parks and gardens, and a Workforce Plan to ensure we have the capability to deliver services and infrastructure now and into the future.

Engagement with renewable energy proponents and the State Government has been a focus to advocate for the best possible outcomes for our community in response to the potential for significant renewable energy developments in our region.

Supporting our aging population remains a priority. In 2024–25, the Shire continued to deliver Homecare services to over 100 clients. The Shire also secured a five-year extension with St Luke's to provide General Practitioner services in town. This partnership not only ensures access to a GP but also enables a range of specialist and allied health services.

And proving once again that Wagin doesn't mind a celebration, on 9 May 2025 the Shire hosted the 40th birthday of Baart the Giant Ram. In beautiful May weather, the community came together to honour Wagin's biggest resident and the many people and organisations that contributed to his construction.

In August 2024, Shire President Cr Phil Blight and Councillor Greg Ball were recognised at a ceremony held at Winthrop Hall at the University of Western Australia for their outstanding contributions to local government.

Their contribution and contribution of all of Council who are willing to represent the community is appreciated.

The contribution of the Shire is made possible through the dedication of our staff and the leadership of Council. Whether it's repairing a pothole, assisting with vehicle registrations, maintaining public spaces, or managing our finances, every team member plays a vital role. I want to sincerely thank all staff for their efforts throughout 2024–25. Their commitment—often behind the scenes—ensures that our community continues to function and thrive.

Dr Kenneth Parker
Chief Executive Officer

Your Council for 2024-25

The Council of the Shire of Wagin comprises seven council members. Councillors are elected for four-year terms with about half of the Council elected at each election. Elections are held each two years, most recently in 2023.

Cr Phillip Blight
Shire President



Cr Bryan Kilpatrick
Deputy Shire President



Cr Greg Ball



Cr Sherryl Chilcott



Cr Wade Longmuir



Cr Ann O'Brien



Cr Geoff West



Summary of Activities – 2024-25

Governance

Finance

The Shire's operating net result was (\$1,266,016) in 2024-25. Rate revenue increased from \$2.61 million in 2023-24 to \$2.70 million in 2024-25. Outstanding borrowings reduced from \$394,755 in 2023-24 to \$322,250 in 2024-25.

The Council spent \$380,322 on buildings and \$534,069 on purchases of plant, furniture and equipment. The amount spent on roads, drainage and other infrastructure was \$1,714,978.

The level of reserve funds increased from \$3,328,331 in 2023-24 to \$3,882,119 in 2024-25. Unrestricted cash at year end decreased from \$2,185,229 to \$1,418,992. A total of \$1,053,778 (approximately 56%) of the 2025-26 Commonwealth Financial Assistance Grants were paid in advance in June 2024 and had to be classified as 2024-25 income.

The Council received grants and contributions for the development of assets of \$1,494,498 in 2024-25. Total grants and contributions received was \$3.83 million.

Capital grant / contributions liabilities increased slightly from \$96,251 in 2023-24 to \$106,508 in 2024-25. This represents grant money that can now be recognised due to grant funded works being completed.

The level of year end rates debtors (current – excludes deferred rates) increased from \$107,897 to \$134,957, which is 4.8% of rates raised.

Depreciation increased mildly from \$3,380,940 in 2023-24 to \$3,384,330 in 2024-25. There was no asset revaluations conducted during the year.

Council and Committees

In December 2024 amendments were made to the Local Government Act 1995 (the Act) that among other things changed the means of appointing Presiding Members of committees established under section 5.8 of the Local Government Act 1995. Rather than being elected by the members of the Committee, the Presiding Member must now be appointed by the Council through an Absolute Majority decision.

At its meeting held on 27 February 2025, the Council appointed Cr Blight as Presiding Member of the Audit Committee and CEO Review Committee.

Property Transactions

- The Council called tenders for the lease of Site 4 (Hangar and Workshop) for a period of three years. No tenders were accepted.
- The Council approved the renewal of the lease of the Wagin Community Centre for a further five-year period.
- The Council approved the renewal of the lease of a rear room at the Library to the Wagin Toy Library for a further five-year period.
- The lease for Hangar 3 at the Wagin Airfield was assigned from Gary Smith to Dean Morgan.
- Piesse Legal was given approval to exercise the three-year option to extend the lease for part of the NAB building.
- The Council approved the request from the operators of Huggle Bears Daycare for the lease of Lot 145 Upland Street to be amended to include three options to extend by five years each when the lease expires in 2029.
- A new agreement was entered into with the Wagin Historical Village Museum.

- The contract with St Luke's Family Practice for operation of the Wagin Medical Centre was extended to February 2029.
- Lot 219 Vernal St was sold to Allan and Fiona Retallack.
- Lot 218 (2) Victor Street was sold to Mark Banks.

Long Serving Elected Members Honoured

In August two members of the Shire of Wagin Council were formally recognised for their exceptional service to local government at the Western Australian Local Government Association (WALGA) Awards, held at Winthrop Hall, University of Western Australia.

Shire President Cr Phil Blight was awarded Life Membership of WALGA, acknowledging his outstanding service to the Association and the broader local government sector. Cr Blight has served the Shire of Wagin since his initial election in 1992 and has held the position of Shire President since 2008. His enduring commitment to regional Western Australia is reflected in his role as the Central Country Zone delegate to WALGA's State Council, where he continues to advocate strongly for the Wheatbelt Region and rural communities.

Councillor Greg Ball received a Merit Award in recognition of his notable contributions to WALGA and the local government sector. Cr Ball has served on Council since 2007 and held the position of Deputy Shire President across two terms: from 2009 to 2016 and again from 2017 to 2023. His dedication to community service and governance has been instrumental in supporting the strategic direction of the Shire.



WALGA President, Cr Karen Chappel presents President Phil Blight with WALGA Life Membership at 2024 WALGA Awards in recognition of outstanding service to WALGA and the Local Government sector and distinguished contributions to the community.



WALGA President, Cr Karen Chappel presents Cr Greg Ball with Merit Award at the 2024 WALGA Awards in recognition of notable contributions to WALGA, Local Government and the Local Government sector.

Staff Accommodation Strategy

Shire provided housing is a key component of the Employment Value Proposition for regional local governments. During the year, a revised Staff Accommodation Strategy was prepared.

The strategy proposes that the Shire embark on an ambitious approach to renew its staff housing stock. A renewal of staff housing is important to ensure that quality executive housing is available and that the Shire remains competitive from this standpoint.

Workforce Plan

A draft workforce plan for the Shire was prepared in the second half of 2024. A workforce plan forms part of a local government's Integrated Planning and Reporting documents that govern a local government's internal business planning. It its meeting held on 25 February 2025 the Council adopted the Plan which provides a roadmap for continued delivery of services. The key focus areas will be:

- The Shire's workforce needs to get younger and will require creative solutions to refresh the workforce.
- Contingencies are essential for continuity of service delivery.
- The Employee Value Proposition must remain competitive and contemporary.

Workplace Health and Safety

The Shire began to implement a Workplace Health and Safety Action Plan following a review conducted by Local Government Insurance Services. Officers have been working through the Action Plan, the primary initiative being the establishment of an internal Workplace Health and Safety Group. The Group met on several times during 2024, which resulted in an updated Workplace Health and Safety Policy. The policy was adopted by the Council on 28 November 2024.

Community Facilities

Wagin Memorial Swimming Pool

The pool was closed intermittently for several days in January 2025 due to the inability to staff the facility with a suitably qualified person in accordance with the Department of Health's Code of Practice. Contract Aquatic Services was contracted to provide cover for the remainder of the 2025 season.

During the year, the Shire decided to call tenders for operations and management of the Shire of Wagin Memorial Swimming Pool for a three-year term commencing with the 2025-26 season. At its meeting held on 24 June 2025, the Council accepted the tender submitted by Contract Aquatic Services.

Wagin Caravan Park and RV Park

During the year, there were a total of 4,572 bookings in the caravan park. As a comparison there were 3,495 bookings in 2023-24. Excluding the month of February 2024 when the ablution block roof was replaced, this is a 24% increase in bookings. Five caravan clubs stayed at the Caravan Park and RV Park for a period of four days or longer.

Month	2023-24	2024-25
July	300	284
August	120	213
September	275	295
October	263	365
November	264	413
December	337	416
January	284	441
February	150	408
March	372	453
April	367	411
May	409	492
June	354	381
Total	3,495	4,572

Community Gym

New gym membership applications were consistent at between two to four per week, reflecting strong and ongoing community support. Membership numbers show a healthy mix of short-term and annual users, with consistent interest in both casual and long-term options.

The recent addition of a refurbished treadmill added to the existing treadmill. This is a very popular item in the gym with the ability to walk tracks from all over the world via the screen attached.

Sportsground Update

Proposals for the redevelopment of sporting facilities in Wagin have an extended history. Plans have not been realised due to changed funding opportunities and priorities. In May 2024, the Council nominated the Wagin Cricket and Hockey Club clubrooms as the main project to be funded under the Shire's Round 4 Local Roads and Community Infrastructure Program Part A. This involved demolishing the existing clubrooms and construction of shed on that site.

Demolition of the old building commenced on the week commencing 9 September 2024.

On 28 November 2024, the Council resolved to award the construction and installation of the Wagin Cricket and Hockey Clubrooms to Action Sheds. This excluded certain items that the Shire arranged separately, such as concrete pad, electrical and water connections.

By June 2025, the shed had been completed, with further funding for a fit-out to be determined.



Wagin Library and Gallery

The library consolidated on its move to the old Court House. Regular events and activities held at the library included:

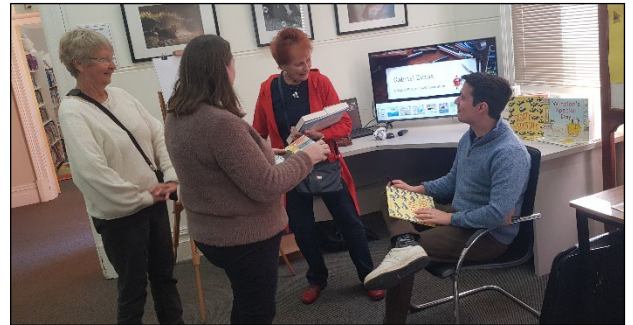
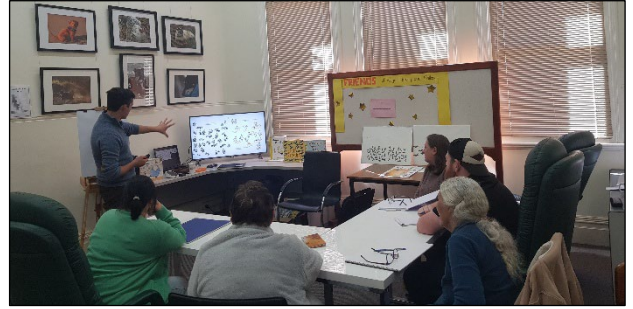
- Story Time.
- Book Club and Children's Book Club.
- A weekly exchange of books and media occurs at Waratah Lodge.
- Wagin Hospital Homebound visiting program.
- Friends of Wagin Library and Gallery meetings.
- Library Lover's Day and Blind date with a book.
- Board game morning tea.

In addition to the above, the following one-off events were held:

- Special Story Time Wednesday 10 July 2024 Teddy Bear's Picnic.
- Special Visitor 'Mad Scientist' visited during science week in August 2024, including science experiments.
- Cat in the Hat visited during book week in August 2024 reading Dr Seuss books.
- Scribbler's Festival Golden Feather Hunt during August and September 2024.
- Kitchen Science held on 26 September 2024, making lava lamps.
- WA Seniors Card Presentation on 18 November 2024.
- Playgroup visited for Story Time/Rhyme Time on 28 February.
- Switch Your Thinking Workshop held on 27 June 2024.



Natasha Madden author event



Gabriel Evans author event

Library Statistics for the year:

Description	2023-24	2024-25
Patron Visits	2,907	3,124
Phone Transactions	291	144
Inter Library Loans	249	68
Community Connections	305	581

Community Development

Community Requests Budget

The Shire again provided financial assistance to local groups for services and projects that will benefit the community. This year, \$25,000 was allocated to five incorporated bodies for a variety of uses.

Christmas Decorations

Staff organised new Christmas decorations with an intent to enthuse the community into improving their property Christmas decorations. This included purchase of new lights, and contracting the Wagin Care and Share to make a quantity of pallet Christmas trees to be put on display around the townsite.

A decorating event at the Wagin Youth Centre saw around 15 kids attend. All had a wonderful time decorating their trees, which were then put on display on Tudhoe, Tudor and Tavistock Streets and inside some of the businesses who were keen to take part.



Events

Christmas Street Carnival – 13 December 2024

The 2024 Wagin Christmas Street Carnival was held in Tavistock Street, with several community stall holders selling arts and crafts, along with a variety of food and entertainment. The event was again very well attended by the community with several rides and entertainment on hand, thanks to the valuable support of Lotterywest funding. Music was a big hit with performer Evan Ayres stealing the show until Santa arrived.



Christmas Street Carnival

Australia Day - 26 January 2025

Australia day 2025 had the potential of being a massive challenge due to the level 2 fire still going on in Wedgecarrup. This meant a significant percentage of our volunteers were on the fire ground fulfilling several roles.

Community members that were able to attend were extremely supportive of the winners of the community group award, presented to the Wagin Volunteer Bushfire Brigades, with Chief Xavier White attending to receive the award, on his way back to the fireground.

Other worthy recipients were Kath Powell taking out the senior citizen award and Cindy and Peter Oldfield receiving the active citizenship award.



Thank a Volunteer - 7 February 2025

Thanks to the Department of Communities, the Shire worked with the local Volunteer Fire & Rescue Service to put on our Thank a Volunteer Sundowner event at the town fire station. This event was extremely well attended which may have been due to the very recent Wedgecarrup fire which highlighted how hard our volunteer's work.



Woolorama – 7-8 March 2025

Wagin Woolorama took place on Friday and Saturday 7-8 March 2025. The theme for 2025 was 'Remaining an Icon', a nod to the sheep industry's foundational role in the event's history and the broader agricultural community, especially given the changes occurring in the sheep industry. Thousands of visitors braved the heat on Friday to enjoy the excitement and innovation that this beloved event brings. The second day of the Woolorama saw a much-needed cool change.

The Shire new stall at Woolorama was popular, with people stopping by to take a break, have a conversation about the show and other related topics around the shire.



ANZAC day – 25 April 2025

The dawn of the 100th anniversary of the installation of the Wagin War Memorial was clear and crisp, with a great attendance for both the dawn and 11am services.

The Eric Farrow Pavilion was open after both services for the gunfire breakfast, then a luncheon along with video and photographic displays of local enlisted personnel from World War 1 and 2.



Baart's Birthday – 10 May 2025

May 10th saw approximately 600 people attend Wetlands Park to share in the celebrations for Baarts 40th Birthday. Thanks to funding support from Lotterywest, we were able to provide an awesome event. The children were all very excited when Bluey arrived.



Wagin Homecare

The year started well with 8 out of 8 areas complying in the quality audit conducted by the Aged Care Quality and Safety Commission. The audit process required a big effort from staff, and it was very gratifying to see the result.

A key focus during the year was dealing with issues arising from changes to Commonwealth legislation. The new Aged Care Act, which will now commence on 1 November 2025, introduces a rights-based framework for aged care, empowering older people with enhanced rights, greater choice, and access to high-quality care. Key changes include a legal Statement of Rights for consumers, a single entry-point for services with a dedicated Support at Home program replacing Home Care Packages, stronger provider accountability and regulation, and support for aged care workers.

The Shire has begun preparations for the transition to the new Support at Home program. Wagin Homecare service names are being changed to be aligned with the new Support at Home integration. This defined list will provide clarity as all Aged Care Service Providers will use the same service list. We are also modifying IT systems for reporting, data input for new care planning and preparing the HCP recipients for the changes to agreements.

During the year, it became clear that the CHSP service targets were not being met and consequently, funding is at risk of being reduced. Process changes were introduced and IT system modifications also made to accurately record CHSP reporting. Recruitment of additional casual support workers was also begun. This will contribute to the capacity to fulfil services and CHSP targets. All three workers have qualifications and industry experience and have already proved to be assets to the team.

As a part of this process, the Shire engaged with a consultant sponsored by the Department of Health and Aged Care to analyse and prepare a report on the business performance and profitability of the Homecare Service and provide advice on workforce challenges. Unfortunately, the report was not what was expected by the Shire and was of limited use.

During the year, the Shire committed to providing training and upskilling to all staff thus creating career pathways for all who live and work in Wagin.

Home Care Packages Program	
Service Type	Units
Care Management (Clinical)	2
Domestic Assistance	440
Gardening (Home Maintenance and Repairs)	132
Meal Preparation	47
Meals (Delivery)	42
Medication Prompt and Delivery	65
Nursing	184
Package Management (Service)	4
Personal Care	187
Shopping by List	1
Shopping with Client	35
Social Support - Group	142
Social Support - Individual	299
Transport - 31kms - 60kms	65
Transport - 61kms - 99kms	20
Transport Group	2
Transport Local	11
Total	1,675

Commonwealth Home Support Program		
Service Type	Target Units	Units Delivered
CHSP Personal Care	390	186
CHSP Transport	762	437
Domestic Assistance	2,664	2,320
Flexible Respite	14	-
Home Maintenance	1,273	797
Meals	2,707	380
Nursing	200	205
Other Food Services	321	174
Social Support - Group	1,685	1,937
Social Support - Individual	1,001	1,093
Total	11,017	7,529

Wagin Homecare participants were honoured via our annual Christmas luncheon held at the Wagin Town Hall on 26 November 2024. Each year this event grows and the benefit of operating from the Town Hall meant Homecare staff could work on set up for weeks leading up to the event. The photos demonstrate how much effort went into the festive decorations.



Emergency Management

In December 2024, the Shire decided to create a fund of \$10,000 for the purpose of subsidising the purchase of weather units for use by Fire Control Officers. The weather stations will assist the Shire's volunteers by providing more accurate real time data and reduce the time of volunteers to undertake their role.

On Friday, 24 January 2025, a fire started in hostile weather conditions next to the border between the Shire of West Arthur and Wagin.

By 8.00pm, a Level 2 emergency was declared and escalated to a Department of Fire and Emergency Services controlled event due to the fire's severity and the threat to residential areas. Incident control was subsequently handed over to DFES. By the end of the day the fire had burned through some fifteen properties extending from close to Arthur Rd through 25 kilometres to Queerearrup Road. An incident control point was established at Wedgecarrup Hall.

As of 25 January 2025, the situation had improved slightly due to light overnight rain and high humidity, which reduced fire activity. Though some concerns remained due to the presence of unburnt heavy timber and other untouched areas, the incident level was downgraded to a Level 1. Several roads were closed, and speed reductions were implemented to ensure public safety, while two evacuation centres set up by the Department of Communities were closed due to zero presentations.

Formal handover of the site back to the respective Shires occurred on 27 January 2024.

The fire involved all Wagin brigades and support from brigades from the Wheatbelt, Peel, Southwest and metropolitan Perth. Volunteer Fire and Rescue Services, St John Ambulance, community groups, and businesses all assisted. The Shire of Woodanilling provided a grader and personnel.

Initial support came in the form of feed for livestock and Wagin Care and Share receiving donations. The Premier's Disaster Relief was activated and both the Department of Communities and Department of Fire and Emergency Services offered assistance to landowners.

Following initial clean-up activities, clearing of impacted trees and debris in the road reserve took place in accordance with Council's approved approach. BlazeAid established a base at the showgrounds and provided some much-needed assistance to landowners with re-building fences.

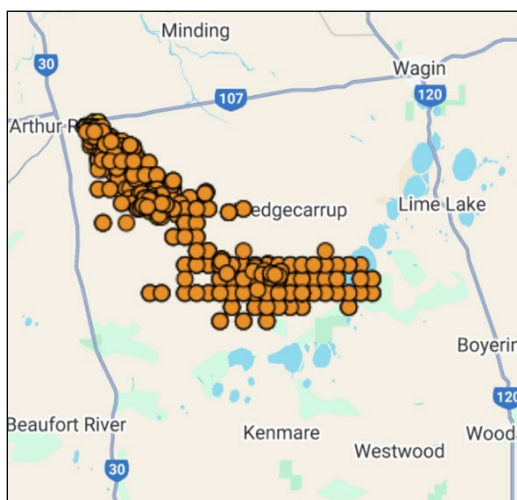
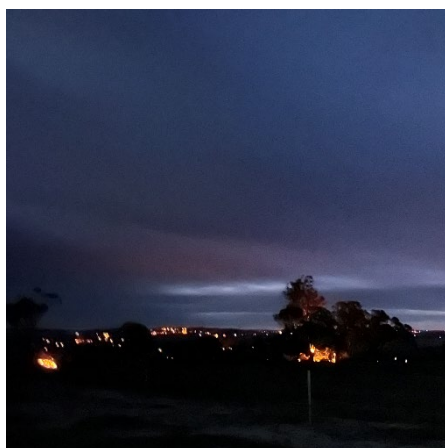


Image from Landgate satellite – Firewatch app identifying the number of hotspots



Image taken from Water Bomber aircraft



Night photographs taken by Fire control Officers

Building and Planning

Local Planning Strategy

In July 2023, the Shires of Wagin, West Arthur, and Williams agreed to collaborate to create a joint local planning strategy to guide future development and land use in their districts and to meet their statutory obligations. The Department of Planning, Lands and Heritage (DPLH) agreed to complete the first drafts of the local planning strategy at no cost to the Shires.

The Local Planning Strategy represents an overarching future direction for the Shires. It does not commit the Shires to a specific course of action and does not limit future land use or land use planning. The Strategy is important in direction setting but the Local Planning Scheme which sits under a Strategy remains the 'rulebook' by which land use planning is determined.

At its meeting held on 23 July 2024, the Council approved the Local Planning Strategy both for certification by the WAPC and subject to the amendments to formatting required for advertising, also for advertising. This enabled the process for the three Shires involved to be more efficient.

Submissions were received from government departments and agencies, but no public submissions were received. Following the close of submissions, Officers met with the Department of Planning, Lands and Heritage to discuss potential modifications to the draft strategy including the inclusion of additional information regarding renewable energy projects, industrial land and housing.

At its meeting held on 27 May 25 the Council approved the Joint Local Planning Strategy with the proposed modifications.

Windfarms

Windfarms are an emerging issue for local governments in regional Western Australia. During the year, the Council adopted a Local Planning Policy relating to windfarms.

The policy is wide ranging and includes guidance on protection of traditional agricultural, other food production activities, and tourism uses and to achieve layouts which do not compromise the safety of the local community, aviation activities, or continuation of activities occurring on nearby and adjacent land.

Developments of windfarms are on a scale of state-significance. The Shire's local planning scheme will not be the sole determinant as the State Government will ultimately make decisions. Nevertheless, the adoption of a Local Planning Policy will provide a clear position on wind farms for the assessment of development applications.

The surge of potential renewable energy projects across the state also led to the adoption of a further Local Planning Policy relating to Social Impact Assessments. This requires proponents to identify and prepare a plan to manage their social impacts.

Planning Approvals

Fourteen planning approvals were issued during 2024-25, as detailed below. The total value of constructions was \$2,183,375.

Type	Quantity	Value
Commercial operation	1	\$1,300,000
Clubrooms	1	\$258,455
Residence	3	\$382,000
Shed	3	\$186,000
Carport / Garage	6	\$56,920

Building Permits

Twenty-three building permits were issued, the total construction value being \$1,469,763.

Type	Quantity	Value
Dwelling	3	\$340,000
Commercial operation	2	\$520,000
Clubrooms	1	\$258,455
Patio	3	\$64,556
Carport / Garage	9	\$128,152
Shed	4	\$148,600
Other	1	\$10,000

Works and Services

The Works and Services team is responsible for managing the Shire's infrastructure assets and delivering capital projects. This includes roads, footpaths, parks, reserves, drainage, street trees and the cemetery.

Parks, Gardens and Ovals

A considerable amount of effort and resources goes into the up-keep and maintenance of the Shires parks, gardens and sporting facilities. Key areas are the Sportsground, Wetlands Park, Town Square and Town Park.



Verti-mowing of the Sports Oval



Tavistock Street Garden with new mulch

Plant / Machinery

Plant purchases included the following.

Description	Price
Three Homecare sedans	\$89,797
Kubota F3690 36HP Mower	\$39,490
Case 621G Loader	\$282,900
Bomag Combination Roller	\$32,000

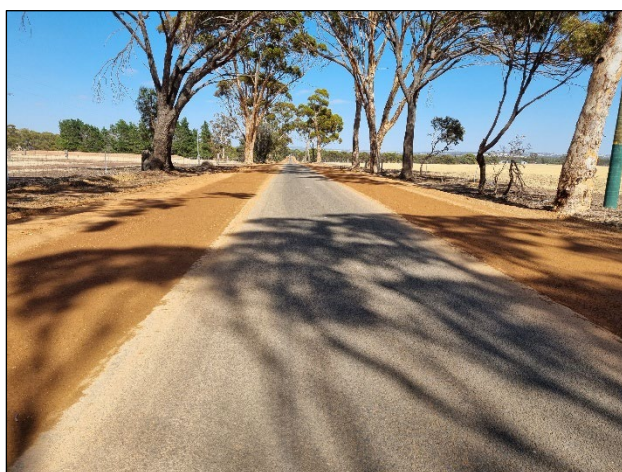


Allen Hicks with the new roller

Capital works

The main projects for the financial year included:

Description	Funding	Cost
Roadworks	RRG	\$10,792
Ballagin Road (Piesseville - Tarwonga)	RTR	\$182,317
Beaufort Road - Reconstruct seal widen	RTR	\$100,956
Bullock Hills Road - Reconstruct seal widen	Shire	\$27,360
Collanilling road - Reconstruct seal failed section	Shire	\$54,574
Rowells road - Gravel Sheet	RTR	\$63,183
Behn Ord Road - Reconstruct seal failed section	RRG	\$155,674
Piesseville-Tarwonga - Reconstruct seal failed section	Shire	\$40,497
Wagin-Wickepin Road - Gravel Sheet	Shire	\$46,083
Toolibin South Road - Gravel sheet	RTR	\$208,713
Ballagin Road - Reconstruct seal widen	RRG	\$150,258
Jaloran Street - Reseal 2 coat	Shire	\$9,471
Town Drain - Main Drain/Padbury lane (Cement Wall)	RRG	\$256,153
Dongolocking Road - Reconstruct seal widen	LRCIP4	\$138,124
Bullock Hills Road - Reconstruct seal widen	RRG	\$8,374
Dongolocking Road SLK 10.42 - Culvert replace sleepers	Shire	\$28,194
Piesseville -Tarwonga - Gravel sheet shoulders	LRCIP4	\$14,386
Beaufort Road SLK 7.25 - Extend culvert / replace head wall	LRCIP4	\$14,117
Beaufort Road SLK 7.87 - Culvert repairs / replace sleepers	LRCIP4	\$35,702
Beaufort Road SLK 6.29 - Culvert repairs / replace sleepers	Shire	\$10,402
Boddington Street (SLK 0.00-0.07) - Reconstruct and Seal	RRG	\$10,792



Stabilising works on Bullock Hills and Ballagin Roads



Sealing Boddington Street



Padbury Lane drain

Description	Funding	Cost
Kerbing		
Thornton Street - both sides	Shire	\$7,124
Lukin street - both sides	Shire	\$1,900
Trenton Street - north side	Shire	\$3,683



New Kerbs installed in Lukin, Trenton & Thornton Streets

Description	Funding	Cost
Footpaths		
Arthur Street-Caravan Park to bridge	Shire	\$18,270
Trenton Street - Tarbet St to Theta St	Shire	\$38,845
Khedive Street - Ware St to Warwick St	Shire	\$25,471

Road Maintenance



Roadside mulching on Beaufort Road



Culvert replacement – Beaufort Road

Speed Indicator Signage

During 2024-25, three digital radar speed signs were acquired and strategically placed on the approach roads to Wagin. The signs can be relocated periodically to maintain their effectiveness and prevent driver complacency. This initiative, combined with frequent police speed checks, has successfully reduced vehicle speeds and enhanced overall road safety. Studies have shown that a simple reminder of a vehicle's current speed is a powerful tool for changing driving habits.



Water Security Strategy

In August 2024, the Shire received a grant valued at \$13,387 from the Department of Water and Environmental Regulation to produce a Water Security Strategy.

Following a competitive procurement process Environnivate was appointed to prepare the Strategy. The objective of the Strategy is to identify pathways to improve the Shire's water security in response to increased demand, potential future demand and a drying climate. The Shire's water needs are primarily driven by seeking to green the town through parks, gardens, and showgrounds. Having greener parks and gardens is constrained by water availability. The Water Security Strategy is intended to provide the next steps.

The report makes practical recommendations to guide investment options with investment in reverse osmosis of town bore water being the option to achieve the greatest yield weighed by cost and ancillary benefits.

The Shire has \$60,000 in Commonwealth Funds to be used in 2025-26 for drought resilience works. At its meeting held on 24 June 2025, the Council received the draft Water Security Strategy and approved the nomination of the key projects for the Southern Wheatbelt Regional Drought Resilience Plan funding in 2025-26, being:

- Preparatory works for Town Dewatering Reverse Osmosis (Desalination).
- Vernon Street Weir expansion.
- General improvements to water harvesting and water monitoring.

These works will sure up whether the bores can provide the expected yield and improve initial water supply by up to 10,000 KL through an expansion of the town weir.

Statutory Reporting

Elected Member Remuneration and Allowances

(Regulation 19B (2) (c) Local Government (Administration) Regulations 1996; Schedule 5.1, clause 9 Local Government Act 1995).

Councillor	Sitting Fees	President / Deputy President Allowance	Communications Allowance	Travel Reimbursement	Total
Cr Phillip Blight	\$5,955	\$16,282	\$1,155	\$0	\$23,392
Cr Gregory Ball	\$3,120	\$0	\$1,155	\$563	\$4,838
Cr Bryan Kilpatrick	\$3,380	\$4,070	\$1,155	\$0	\$8,605
Cr Geoff West	\$975	\$0	\$578	\$0	\$1,553
Cr Sherryl Chilcott	\$2,925	\$0	\$1,155	\$0	\$4,080
Cr Wade Longmuir	\$2,470	\$0	\$1,155	\$0	\$3,625
Cr Ann O'Brien	\$1,820	\$0	\$866	\$0	\$2,686

Elected Member Council and Committee Meeting Attendance

(Regulation 19B (2) (f) Local Government (Administration) Regulations 1996).

Elected Member Meeting Attendance						
	Ordinary		Special		Committee	
Total number held during the year	11		2		7	
Elected Member	Present	Apology / LOA	Present	Apology / LOA	Present	Apology / LOA
Cr Phillip Blight	11	0	2	0	7	0
Cr Greg Ball	10	1	2	0	3	0
Cr Sherryl Chilcott	10	1	2	0	3	0
Cr Bryan Kilpatrick	10	1	1	1	4	0
Cr Wade Longmuir	9	2	2	0	1	2
Cr Ann O'Brien	8	3	2	0	2	1
Cr Geoff West	10	1	2	0	1	2

Elected Member Demographic Information

(Regulation 19B (2) (g) (h) (i) Local Government (Administration) Regulations 1996).

During 2024-25, there were five male (71.4%) and two female councillors (28.6%).

Complaints

(s. 5.53(2) (hb); s. 5.121 Local Government Act 1995)

Section 5.121 Local Government Act 1995 requires the complaints officer (usually the Chief Executive Officer) to maintain a register of complaints against elected members (section 5.105, 5.107, 5.109 refers).

No breaches were recorded in the financial year 2024-25.

Employee Remuneration

(s. 5.53 (2) (g) Local Government Act 1995)

Regulation 19B (2) (a) Local Government (Administration) Regulations 1996 requires:

'the number of employees of the local government entitled to an annual salary of \$130,000 or more'; and at (b) the number of employees of the local government entitled to an annual salary that falls within each band of \$10,000 over \$130,000.'

Employees entitled to an annual salary of \$130,000 or more in 2024-25:

\$130,000 - \$139,999	2
\$140,000 - \$149,999	0
\$150,000 - \$159,999	0
\$160,000 - \$169,999	0
\$170,000 - \$179,999	0
\$170,000 - \$189,999	1

Regulation 19B (2) (e) Local Government (Administration) Regulations 1996 requires: *'the remuneration paid or provided to the CEO during the financial year'*:

During the 2024-25 financial year, the Chief Executive Officer's remuneration was calculated as follows:

• Cash Salary	\$175,000.00
• Superannuation	\$ 20,125.00 (11.5% Super Guarantee)
• Motor Vehicle	\$ 7,000.00
• Assoc/Membership Fees	\$ 1,500.00
• FBT (estimate)	\$ 6,250.00
• Utilities	\$ 3,250.00
• Total	\$213,125.00

Capital grants for replacing and renewing assets

(S. 5.53(2)(i) Local Government Act 1995)

Regulation 19BE (2) of the Local Government Administration Regulations 1996 requires the annual report to include the amount of all capital grants, subsidies and contributions, for replacing and renewing assets, that were received by a local government during the financial year and the two financial years before the financial year. This is as follows:

2022-23	\$1,388,987
2023-24	\$791,817
2024-25	\$1,410,648

Planning for the Future

(s.5.53 (2) (e) Local Government Act 1995)

(Regulation 19B (2) (k) Local Government (Administration) Regulations 1996)

The Local Government Act 1995 requires each local government to prepare a plan for the future. The Strategic Community Plan, together with the Corporate Business Plan, form the Shire's plan for the future. The overarching plan is our Strategic Community Plan, which sets out the visions, aspirations and objectives for our community over a 10-year period. This plan guides all the work, advocacy and partnerships that the Council undertakes.

At its meeting held on 28 July 2020, Council adopted the Strategic Community Plan 2020 - 2030 and Corporate Business Plan 2020 – 2024. Section 19C (4) of the Local Government (Administration) Regulations 1996 requires local governments to review the strategic community plan at least once each four years. A review of the document was conducted in 2022 which involved community consultation to gauge importance and satisfaction across 43 local government activities or aspects of community life occurred in the first half of 2022.

At its meeting held on 23 August 2022, Council endorsed the Strategic Community Plan 2020 – 2030 review document. The review made no material changes to the existing plan but did attempt to reference the 2022 community survey and improve currency and any editorial issues. It also removed the Corporate Business Plan from the document to better align the plan with legislation and emphasise the strategic focus of the document (whereas the Corporate Business Plan is an implementation tool).

The review document represented a minor review and not a change in direction nor identification of emerging issues. In 2024-25, the Shire prepared a new Corporate Business Plan 2024-25 – 2027-28, which was adopted at its meeting held on 30 July 2024. This plan is available to the public on our website.

Disability Access and Inclusion Plan

(s. 5.53 (ha) Local Government Act 1995)

The Local Government Act 1995 requires local governments to prepare a plan for disability, access and inclusion as a requirement of s.29(2) of the Disability Services Act 1993.

The Shire of Wagin has a Disability Access and Inclusion Plan for the period 2020 – 2024. The Plan was reviewed in the calendar year 2022 and was approved by Council at its meeting held on 23 August 2022.

The document was completely reviewed and refreshed for modern language, format and content. There were public notice and engagement as part of the review. No change was made to the objectives of the plan and a report was submitted to the Disability Services commission in accordance with the s. 29(6) of the Disability Services Act 1993.

The following two actions helped improved disability access to Shire facilities during 2024-25.

- The Disabled Toilet at the Showgrounds door was made to be sliding accessible rather than push/close door.
- The Shire of Wagin Website was updated with 'Userway' accessibility controls.

Further, a National Disability Insurance Agency (NDIA) Forum was held in the Town Hall on Wednesday 25 June 2025. This connected NDIA with local community and disability supports from the area.

Overview of the 2025-26 Budget Proposals

(s.5.53(2)(e) Local Government Act 1995)

The budget comprises expenditure of \$13.6 million including operating expenditure of \$9.6 million and capital expenditure of \$4.0 million. Overall, the budget continues deliver of the Corporate Business Plan including the Shire's capital program and ensures funding for the extensive services provided by the Shire including Homecare.

The headline investment is tackling staff accommodation by proposing a funding model for the staff accommodation strategy. This program will result in the renewal of the Shire's housing stock and introduce new properties into the private market.

The 2025-26 budget proposes to fund more community budget requests, ensure key facilities like the pool and recreation centre are maintained and improve community safety through investment in additional CCTV capacity.

The budget reflects increases in salary costs resulting from wage decisions. The budget proposes increases to FTE to deliver Homecare and proposes a 1.4 increase in FTE through the employment of a second part-time nurse and four casual staff to deliver Homecare services.

The budget reflects that agility is required in budget setting. The Shire dependent on grants to achieve many of its capital and discretionary operating projects. Many of these grants are opportune and rely on co-contributions from the Shire.

Rates Income

In determining the quantum of rates to be raised in 2025-26, the Council has taken several factors into consideration such as inflation (Consumer Price Index), increasing local government sector costs (Local Government Cost Index) and wages growth to assist Council in determining the annual percent rate increase.

Given the current levels of CPI and LGCI, to keep pace with predicted economic growth, the budget has been formulated with an overall increase of 3.75% in rate revenue.

The minimum rates will increase from \$675 to \$775 (15%). This is for two reasons. First, to achieve greater equity in rating practice with local governments in our area and second as a measure to encourage land activation for minimum rate properties in the townsite. The budget also incorporates a 2.35% on non-minimum rates. The combined minimum and non-minimum rates show a proposed increase of 3.75% yield in revenue.

This year the Shire has continued with differential rating within the GRV category. This followed on from the revaluation of GRV properties conducted by the Valuer General in 2022/23 which saw a wide variance between commercial and residential property value increases. By adopting differential rates, it is possible to set a different rate in the dollar for each sub-group and thereby make a more equitable change for everyone. Rate increases assist in provision of service delivery that meets reasonable community needs.

A new UV differential rate category for commercial energy generation and storage has been introduced. This is for farmland properties that have a commercial energy generation and storage development, such as windfarm or battery storage. There will not be any properties impacted by this differential rate in the next few years.

While acknowledging the symbolic aspect, the Shire of Wagin aims to be proactive and give advance notice to ratepayers and power producers of the proposal as the onset of windfarms and the like will involve significant regulatory and other costs for the Shire. Wind farms are expected to have a significantly greater budgetary impact on the Shire compared to traditional farmland.

Grants

Part of the annual Commonwealth Financial Assistance Grant (\$1,053,778 or 54%) was paid in advance in June 2025 and was classified as 2024-25 income. The remaining figure for 2025-26 is estimated at \$884,210.

Regional Road Group funds of \$468,405 have been allocated to Beaufort, Ballagin and Jaloran Roads. Roads to Recovery funding of \$499,422 funds will be spent on Bockaring, Bullock Hills and Behn Ord Roads. It is expected that the untied Direct Road Grants amount will increase to \$195,875.

Capital Works

The following major capital expenditure items have been factored in the budget.

• Two new staff houses (3 x 2 modular)	\$900,000
• Purchase new Grader	\$430,000
• Ballagin Road - Reconstruct Seal Widen (RRG)	\$371,376
• Multipac Multi Tyred Roller	\$193,700
• Beaufort Road - Reconstruct Seal Widen (RRG)	\$181,015
• Bockaring road - Reconstruct Seal Widen (RTR)	\$180,422
• Bullock Hills Road - Reconstruct Seal Widen (RTR)	\$180,000
• Jaloran Road - Reseal (RRG)	\$150,216
• Behn Ord Road - Reconstruct Seal Widen (RTR)	\$139,000
• Culvert repairs as needed	\$100,000
• Toolibin South Road - Gravel Sheet	\$65,000
• CEO - Isuzu MUX	\$61,250
• Drought Resilience Project - Grant Expenditure	\$60,000
• Thornton Street Footpath - Tarbet to Theta	\$60,000
• Behn-Ord Road - Gravel Sheet	\$55,000
• Doctor's Vehicle	\$50,000
• Ventnor Street Footpath - Ware to Warwick	\$48,000
• Vernal Street - Reseal 2 coat	\$42,200
• Sportsground Basketball Court Resurfacing	\$40,000
• 23 Ballagin Street - New colourbond roof	\$30,000
• Wetlands - Disabled Parking and Access Ramp	\$30,000
• 2024-25 - Hunt street - Reseal	\$29,000
• Gundaring Road - Gravel widen west side of road (Shire)	\$25,337
• Main Drain/Padbury Lane	\$25,000
• Thornton Street Kerbing - south side	\$23,907
• Ventnor street Kerbing - Ware to Warwick	\$23,907
• Swimming Pool - Power Board Main plantroom	\$20,000
• Khedive Street Kerbing - Both Sides	\$20,000
• Wedgecarrup BFB Water Tank	\$15,300
• CCTV -2 Pan Tilt Zoom Cameras for Sportsground	\$15,000
• Floor Cleaner - Recreation Centre	\$13,000
• Swimming Pool - Replacement Shade sail	\$12,000
• Swimming Pool - Replace kiosk carpet	\$10,000
• CCTV -Animal Pound	\$10,000
• Wireless Internet - Eric Farrow Pavilion	\$10,000
• Depot - High Pressure Cleaner	\$7,700
• Rec Centre - Two Burner Griddle / Gas Range Oven	\$6,500
• New Dishwasher - Recreation Centre	\$5,500
• Admin Office - Carpet Replacement (Walkways)	\$5,000
• Refurbish SAM trailer to an emergency use trailer	\$5,000

Public Interest Disclosure

A local government is a public authority for purposes of the Public Interest Disclosure Act 2003 (section 3 (1)).

Public interest information means information that tends to show that, in relation to its performance of a public function, a public authority, a public officer, a public sector contractor, (either) improper conduct, an act or omission that is an offence, unauthorised or misuse of public resources, or an act or omission that involves a risk of injury to public health; or prejudice public safety; or harm to the environment.

There was no public interest disclosures recorded in 2024-25.

Freedom of Information Act 1992

In complying with the Freedom of Information Act 1992, the Shire of Wagin is required to prepare and publish an Information Statement. The Shire of Wagin's Information Statement is reviewed annually and is available to download from the Shire's website:

www.wagin.wa.gov.au/documents/11896/freedom-of-information-statement

A printed copy can be viewed at the Shire Administration Office. The information statement contains information on the type of documents available to the public and how to access those documents. During the 2024-25 year, the Council received two requests for information under the Freedom of Information Act. One was responded to and the second was in progress as of 30 June 2025.

National Competition Policy

In 1995, Australian Governments entered several policies known as National Competition Policy. The Local Government sector is affected where it operates significant business activity that competes with or has the potential to compete with private business.

The Shire of Wagin does not operate significant non-government business activities.

There are limited operations in situations where market failure could mean that without the intervention of the local government the service would not be available to the community.

One example is Wagin Homecare, a visiting home care service delivering services to the aged in their home. This program is largely funded by the federal government and regulated client contributions. Private business is not excluded from delivering this service, but the absence of profit margin makes it unlikely.

In addition, the primary objective of this service is caring for community in the client's home. The nature of this caring service is not commercial and fits well with the service philosophy of the local government's purpose.

The Shire of Wagin does not engage in the delivery of medical services but does provide asset and financial support to ensure medical practitioners will deliver contracted medical services to the community of Wagin. This is a benefit to residents of neighbouring councils as well as visitors to the region.

Private entities are not excluded from providing the service without support from the local government but the number of unfilled general practitioner vacancies Australia-wide demonstrates the consequence of market failure should local government not engage in a level of intervention. There are currently 11,000 vacancies for general practitioners Australia-wide.

The Shire of Wagin successfully tendered for medical services in calendar year 2022 with an independent contractor commencing 1 February 2023.

Competitive Neutrality

The principle of competitive neutrality forms part of the National Competition Policy. The principle requires that any government cannot benefit from resource allocation distortions that result from government resourcing. In essence, the government cannot benefit from public sector ownership and any advantage that may offer (for example, any exemptions that a private entity cannot access).

No activities of the Shire of Wagin can be assessed as significant business activities and no instances of breaching competitive neutrality.

Record Keeping

The State Records Commission is a state government entity of four commissioners, three of whom are ex-officio: the Auditor-General; the Ombudsman; the Information Commissioner. The fourth commissioner is appointed by the Governor, on recommendation of the Government, and is a person with significant record-keeping experience.

The relevant legislation is the State Records Act 2000. For the purposes of this Act, the Shire of Wagin is a Government Organisation (Schedule 1, number 12). Government organisations are required to have a record keeping plan (Part 3 of that Act) and the legislation details how records are kept and what review process is enforced.

The Shire of Wagin has a Record Keeping Plan which was reviewed in 2022-23.

The Shire of Wagin employs an administration officer with a primary role of maintaining records and filing documents (in excess of 0.5 full-time equivalents). There is a continuous improvement approach to record keeping and principles of privacy, quality and historical relevance are reinforced to all officers.

At its meeting on 27 November 2023 the State Records Commission approved the amended Recordkeeping Plan for the Shire of Wagin.

Equal Opportunity

The Shire of Wagin is committed to providing a work environment that demonstrates positive values of respectful inclusion, diversity and access, free of discrimination.

Local Laws

At its meeting held on 24 June 2025, the Council agreed to commence the local law-making process for a proposed Cats Local Law 2025 by advertising the draft local law for the purpose of inviting submissions.

There was no review of a local law undertaken in 2024-25.

SHIRE OF WAGIN
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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The Shire of Wagin conducts the operations of a local government with the following community vision:

To have a community where individuals, families and businesses can invest and prosper, preserving the safe, affordable and inclusive country lifestyle and ensuring that Wagin is a place people like to live in and visit.

Principal place of business:
2 Arthur Road
Wagin WA 6315

**SHIRE OF WAGIN
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

*Local Government Act 1995
Local Government (Financial Management) Regulations 1996*

Statement by CEO

The accompanying financial report of the Shire of Wagin has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2025 and the financial position as at 30 June 2025.

At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the 14th day of NOVEMBER 2025



CEO

Dr Kenneth Parker

Name of CEO



**SHIRE OF WAGIN
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
Revenue				
Rates	2(a),23	2,706,299	2,707,874	2,618,543
Grants, subsidies and contributions	2(a)	2,333,037	1,237,505	2,675,898
Fees and charges	2(a)	712,087	746,240	768,505
Interest revenue	2(a)	264,050	231,134	207,745
Other revenue	2(a)	471,557	417,818	474,073
		6,487,030	5,340,571	6,744,764
Expenses				
Employee costs	2(b)	(3,030,226)	(2,972,646)	(2,918,650)
Materials and contracts		(2,088,911)	(1,940,737)	(1,731,757)
Utility charges		(354,015)	(377,647)	(360,390)
Depreciation		(3,384,330)	(3,399,260)	(3,380,940)
Finance costs	2(b)	(18,959)	(21,934)	(21,358)
Insurance		(214,704)	(211,714)	(210,584)
Other expenditure	2(b)	(176,471)	(200,947)	(262,434)
		(9,267,616)	(9,124,885)	(8,886,113)
		(2,780,586)	(3,784,314)	(2,141,349)
Capital grants, subsidies and contributions	2(a)	1,494,498	1,735,797	820,766
Profit on asset disposals		31,623	10,589	152,177
Loss on asset disposals		(8,000)	(10,846)	(5,118)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(3,551)	0	1,681
		1,514,570	1,735,540	969,506
Net result for the period		(1,266,016)	(2,048,774)	(1,171,843)
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	15	0	0	1,685,011
Total other comprehensive income for the period	15	0	0	1,685,011
Total comprehensive income for the period		(1,266,016)	(2,048,774)	513,168

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

SHIRE OF WAGIN
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025	2024
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	5,429,569	2,358,959
Trade and other receivables	5	268,594	247,622
Other financial assets	4(a)	25,331	3,292,250
Inventories	6	50,283	49,128
Other assets	7	32,906	82,825
TOTAL CURRENT ASSETS		5,806,683	6,030,784
NON-CURRENT ASSETS			
Trade and other receivables	5	93,377	98,109
Other financial assets	4(b)	144,282	173,163
Property, plant and equipment	8	19,075,976	19,736,958
Infrastructure	9	130,129,475	130,377,486
TOTAL NON-CURRENT ASSETS		149,443,110	150,385,716
TOTAL ASSETS		155,249,793	156,416,500
CURRENT LIABILITIES			
Trade and other payables	11	302,026	199,754
Contract liabilities	12	21,950	16,891
Capital grant/contributions liabilities	12	106,508	96,251
Borrowings	13	76,165	72,505
Employee related provisions	14	611,983	550,278
TOTAL CURRENT LIABILITIES		1,118,632	935,679
NON-CURRENT LIABILITIES			
Borrowings	13	246,085	322,250
Employee related provisions	14	68,707	76,186
TOTAL NON-CURRENT LIABILITIES		314,792	398,436
TOTAL LIABILITIES		1,433,424	1,334,115
NET ASSETS		153,816,369	155,082,385
EQUITY			
Retained surplus		30,359,856	32,179,660
Reserve accounts	26	3,882,119	3,328,331
Revaluation surplus	15	119,574,394	119,574,394
TOTAL EQUITY		153,816,369	155,082,385

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

SHIRE OF WAGIN
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	Note	Retained surplus \$	Reserve accounts \$	Revaluation surplus \$	Total equity \$
Balance as at 1 July 2023		33,608,012	3,071,822	117,889,383	154,569,217
Comprehensive income for the period					
Net result for the period		(1,171,843)	0	0	(1,171,843)
Other comprehensive income for the period	15	0	0	1,685,011	1,685,011
Total comprehensive income for the period		(1,171,843)	0	1,685,011	513,168
Transfers from reserve accounts	26	137,209	(137,209)	0	0
Transfers to reserve accounts	26	(393,718)	393,718	0	0
Balance as at 30 June 2024		32,179,660	3,328,331	119,574,394	155,082,385
Comprehensive income for the period					
Net result for the period		(1,266,016)	0	0	(1,266,016)
Total comprehensive income for the period		(1,266,016)	0	0	(1,266,016)
Transfers from reserve accounts	26	147,163	(147,163)	0	0
Transfers to reserve accounts	26	(700,951)	700,951	0	0
Balance as at 30 June 2025		30,359,856	3,882,119	119,574,394	153,816,369

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

**SHIRE OF WAGIN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025 Actual \$	2024 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		2,695,583	2,522,888
Grants, subsidies and contributions		2,347,235	2,684,504
Fees and charges		718,204	769,148
Interest revenue		264,050	207,745
Goods and services tax received		444,066	425,672
Other revenue		471,557	474,073
		6,940,695	7,084,030
Payments			
Employee costs		(2,945,992)	(2,849,830)
Materials and contracts		(1,995,157)	(1,730,307)
Utility charges		(354,015)	(360,390)
Finance costs		(18,959)	(21,358)
Insurance paid		(214,704)	(210,584)
Goods and services tax paid		(437,572)	(425,672)
Other expenditure		(176,471)	(262,434)
		(6,142,870)	(5,860,575)
Net cash provided by operating activities		797,825	1,223,455
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for financial assets at amortised cost - self supporting loans		0	(60,000)
Payments for purchase of property, plant & equipment	8(a)	(914,391)	(954,083)
Payments for construction of infrastructure	9(a)	(1,714,978)	(1,643,323)
Proceeds from capital grants, subsidies and contributions		1,504,754	656,804
Proceeds for financial assets at amortised cost		3,267,743	(3,267,743)
Proceeds from financial assets at amortised cost - self-supporting loans		24,507	22,455
Proceeds from sale of property, plant & equipment		177,655	345,864
Net cash provided by (used in) investing activities		2,345,290	(4,900,026)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	25(a)	(72,505)	(67,777)
Proceeds from new borrowings	25(a)	0	60,000
Net cash (used in) financing activities		(72,505)	(7,777)
Net increase (decrease) in cash held		3,070,610	(3,684,348)
Cash at beginning of year		2,358,959	6,043,307
Cash and cash equivalents at the end of the year		5,429,569	2,358,959

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

SHIRE OF WAGIN
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	23	2,690,355	2,691,930	2,603,123
Rates excluding general rates	23	15,944	15,944	15,420
Grants, subsidies and contributions		2,333,037	1,237,505	2,675,898
Fees and charges		712,087	746,240	768,505
Interest revenue		264,050	231,134	207,745
Other revenue		471,557	417,818	474,073
Profit on asset disposals		31,623	10,589	152,177
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(3,551)	0	1,681
		6,515,102	5,351,160	6,898,622
Expenditure from operating activities				
Employee costs		(3,030,226)	(2,972,646)	(2,918,650)
Materials and contracts		(2,088,911)	(1,940,737)	(1,731,757)
Utility charges		(354,015)	(377,647)	(360,390)
Depreciation		(3,384,330)	(3,399,260)	(3,380,940)
Finance costs		(18,959)	(21,934)	(21,358)
Insurance		(214,704)	(211,714)	(210,584)
Other expenditure		(176,471)	(200,947)	(262,434)
Loss on asset disposals		(8,000)	(10,846)	(5,118)
		(9,275,616)	(9,135,731)	(8,891,231)
Non-cash amounts excluded from operating activities	24(a)	3,381,971	3,427,585	3,324,250
Amount attributable to operating activities		621,457	(356,986)	1,331,641
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		1,494,498	1,735,797	820,766
Proceeds from disposal of assets		177,655	112,000	345,864
Proceeds from financial assets at amortised cost - self-supporting loans	25(a)	24,507	24,507	22,455
		1,696,660	1,872,304	1,189,085
Outflows from investing activities				
Payments for financial assets at amortised cost - self supporting loans		0	0	(60,000)
Acquisition of property, plant and equipment	8(a)	(914,391)	(1,013,302)	(954,083)
Acquisition of infrastructure	9(a)	(1,714,978)	(2,125,109)	(1,643,323)
		(2,629,369)	(3,138,411)	(2,657,406)
Amount attributable to investing activities		(932,709)	(1,266,107)	(1,468,321)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	25(a)	0	0	60,000
Transfers from reserve accounts	26	147,163	46,500	137,209
		147,163	46,500	197,209
Outflows from financing activities				
Repayment of borrowings	25(a)	(72,505)	(72,506)	(67,777)
Transfers to reserve accounts	26	(700,951)	(692,228)	(393,718)
		(773,456)	(764,734)	(461,495)
Amount attributable to financing activities		(626,293)	(718,234)	(264,286)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	24(b)	2,370,220	2,341,327	2,771,184
Amount attributable to operating activities		621,457	(356,986)	1,331,641
Amount attributable to investing activities		(932,709)	(1,266,107)	(1,468,321)
Amount attributable to financing activities		(626,293)	(718,234)	(264,286)
Surplus or deficit after imposition of general rates	24(b)	1,432,675	0	2,370,218

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

SHIRE OF WAGIN
FOR THE YEAR ENDED 30 JUNE 2025
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SHIRE OF WAGIN

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2025

1. BASIS OF PREPARATION

The financial report of the Shire of Wagin which is a Class 4 local government comprises general purpose financial statements which have 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 *Local Government Act 1995*, 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 except for disclosure requirements of:

- AASB 7 Financial Instruments Disclosures
- AASB 16 Leases paragraph 58
- AASB 101 Presentation of Financial Statements paragraph 61
- AASB 107 Statement of Cash Flows paragraphs 43 and 45
- AASB 116 Property, Plant and Equipment paragraph 79
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets paragraph 85
- AASB 140 Investment Property paragraph 75(f)
- AASB 1052 Disaggregated Disclosures paragraph 11
- AASB 1054 Australian Additional Disclosures paragraph 16

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 Shire to measure any vested improvements at zero cost.

The *Local Government (Financial Management) Regulations 1996* provide that:

- land and buildings classified as property, plant and equipment; or
 - infrastructure; or
 - vested improvements that the local government controls;
- and measured at reportable value, are only required to be revalued every five years. Revaluing these non-financial assets every five years is a departure from AASB 116 *Property, Plant and Equipment*, which would have required the Shire to assess at each reporting date whether the carrying amount of the above mentioned non-financial assets materially differs from their fair value and, if so, revalue the class of non-financial assets.

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.

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 that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying amounts 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 - note 8
 - Infrastructure - note 9
- Expected credit losses on financial assets - note 5
- Measurement of employee benefits - note 14

Fair value hierarchy information can be found in note 22

The local government reporting entity

All funds through which the Shire 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. A separate statement of those monies appears at Note 26 of the financial report.

Initial application of accounting standards

During the current year, the following new or revised Australian Accounting Standards and Interpretations were applied for the first time.

- AASB 2020-1 Amendments to Australian Accounting Standards
 - Classification of Liabilities as Current or Non-current
- AASB 2022-5 Amendments to Australian Accounting Standards
 - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards
 - Non-current Liabilities with Covenants
- AASB 2023-3 Amendments to Australian Accounting Standards
 - Disclosure of Non-current Liabilities with Covenants: Tier 2
- AASB 2024-1 Amendments to Australian Accounting Standards
 - Supplier Finance Arrangements: Tier 2 Disclosures
- AASB 2023-1 Amendments to Australian Accounting Standards
 - Supplier Finance Arrangements

These amendments are not expected to have any material impact on the financial report on initial application.

- AASB 2022-10 Amendments to Australian Accounting Standards
 - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

These amendment may result in changes to the fair value of certain non-financial assets on revaluation. The impact has not been quantified as it is not considered practicable to determine the amount of the difference in fair value attributable to the change in the standard.

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]
- AASB 2022-9 Amendments to Australian Accounting Standards
 - Insurance Contracts in the Public Sector
- AASB 2023-5 Amendments to Australian Accounting Standards
 - Lack of Exchangeability
- AASB 18 (FP) Presentation and Disclosure in Financial Statements
 - (Appendix D) [for for-profit entities]
- AASB 18 (NFP/super) Presentation and Disclosure in Financial Statements
 - (Appendix D) [for not-for-profit and superannuation entities]
- AASB 2024-2 Amendments to Australian Accounting Standards
 - Classification and Measurement of Financial Instruments
- AASB 2024-3 Amendments to Australian Accounting Standards
 - Annual Improvements Volume 11

These amendments are not expected to have any material impact on the financial report on initial application.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

Recognition of revenue 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	Timing of revenue recognition
Grants, subsidies and contributions	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	Output method based on project milestones and/or completion date matched to performance obligations
Fees and Charges - licences, registrations, approvals	Building, planning, development and animal management	Single point in time	Dull pyament prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at Shire office	None	On payment of the token fee
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

Consideration from contracts with customers is included in the transaction price

Revenue recognition

Rate revenue was recognised from the rate record as soon as practicable after the Shire resolved to impose rates in the financial year as well as when the rate record was amended to ensure the information in the record was current and correct.

Revenue recognised during the year under each basis of recognition by nature of goods or services is provided in the table below:

For the year ended 30 June 2025

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	2,706,299	0	2,706,299
Grants, subsidies and contributions	751,789	0	0	1,581,248	2,333,037
Fees and charges	667,135	0	35,347	9,605	712,087
Interest revenue	0	0	24,460	239,590	264,050
Other revenue	105,402	0	269,558	96,597	471,557
Capital grants, subsidies and contributions	0	1,494,498	0	0	1,494,498
Total	1,524,326	1,494,498	3,035,664	1,927,040	7,981,528

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	2,618,543	0	2,618,543
Grants, subsidies and contributions	120,658	0	0	2,555,240	2,675,898
Fees and charges	696,251	0	40,854	31,400	768,505
Interest revenue	0	0	15,731	192,014	207,745
Other revenue	140,556	0	237,367	96,150	474,073
Capital grants, subsidies and contributions	0	820,766	0	0	820,766
Total	957,465	820,766	2,912,495	2,874,804	7,565,530

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Note	2025 Actual \$	2024 Actual \$
Interest revenue		
Financial assets at amortised cost - self-supporting loans	5,247	4,326
Interest on reserve account	144,377	102,405
Trade and other receivables overdue interest	24,460	15,731
Other interest revenue	89,966	85,283
	264,050	207,745

The 2025 original budget estimate in relation to:
Trade and other receivables overdue interest was \$13,000.

Fees and charges relating to rates receivable

Charges on instalment plan	2,353	4,897
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The 2025 original budget estimate in relation to:
Charges on instalment plan was \$5,000.

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report	35,000	23,340
- Other services – grant acquittals	4,740	5,700
	39,740	29,040

Employee Costs

Employee benefit costs	3,030,226	2,918,650
	3,030,226	2,918,650

Finance costs

Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	18,959	21,358
	18,959	21,358

Other expenditure

Sundry expenses	176,471	262,434
	176,471	262,434

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

3. CASH AND CASH EQUIVALENTS

Note	2025	2024
	\$	\$
Cash at bank and on hand	5,429,569	2,358,959
Total cash and cash equivalents	5,429,569	2,358,959
Held as		
- Unrestricted cash and cash equivalents	1,418,992	2,185,229
- Restricted cash and cash equivalents	4,010,577	173,730
16	5,429,569	2,358,959

MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

Restricted financial assets

Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to reserve accounts, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement.

4. OTHER FINANCIAL ASSETS

Note	2025	2024
	\$	\$
(a) Current assets		
Financial assets at amortised cost	25,331	3,292,250
	25,331	3,292,250
Other financial assets at amortised cost		
Self-supporting loans receivable	25,331	24,507
Term deposits	0	3,267,743
	25,331	3,292,250
Held as		
- Unrestricted other financial assets at amortised cost	25,331	24,507
- Restricted other financial assets at amortised cost	0	3,267,743
15(a)	25,331	3,292,250
(b) Non-current assets		
Financial assets at amortised cost	64,662	89,993
Financial assets at fair value through profit or loss	79,620	83,170
	144,282	173,163
Financial assets at amortised cost		
Self-supporting loans receivable	64,662	89,993
	64,662	89,993
Financial assets at fair value through profit or loss		
Units in Local Government House Trust - opening balance	83,171	81,489
Movement attributable to fair value increment	(3,551)	1,681
Units in Local Government House Trust - closing balance	79,620	83,170

MATERIAL ACCOUNTING POLICIES

Other financial assets at amortised cost

The Shire classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 22 (i)) due to the observable market rates.

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

Financial assets at fair value through profit or loss

The Shire classifies the following financial assets at fair value through profit or loss:

- debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income.
- equity investments which the Shire has elected to recognise as fair value gains and losses through profit or loss.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

5. TRADE AND OTHER RECEIVABLES

	Note	2025 \$	2024 \$
Current			
Rates and statutory receivables		171,869	137,848
Trade receivables		97,178	96,788
Receivables for employee related provisions	14	39,679	47,001
Allowance for credit losses of rates and statutory receivables		(32,959)	(32,013)
Allowance for credit losses of trade receivables		(7,173)	(2,002)
		268,594	247,622
Non-current			
Rates and statutory receivables		76,128	78,653
Receivables for employee related provisions		17,249	19,456
		93,377	98,109

The carrying amounts of the trade and other receivables include receivables which are subject to a factoring arrangement. Under the factoring arrangement, the Shire of Wagin has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables, late payment and credit risk remains with the Shire of Wagin, therefore the Shire continues to recognise the transferred assets in their entirety. The amount repayable under the factoring arrangement is presented as a secured borrowing under other loans at Note 13. The Shire considers that the held to collect business model remains appropriate for these receivables and continues measuring them at amortised cost.

Disclosure of opening and closing balances related to contracts with customers

Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non-financial assets is:

	Note	30 June 2025 Actual \$	30 June 2024 Actual \$	1 July 2023 Actual \$
Contract assets	7	0	25,534	25,534
Allowance for credit losses of trade receivables	5	(7,173)	(2,002)	(4,090)
Total trade and other receivables from contracts with customers		(7,173)	23,532	21,444

MATERIAL ACCOUNTING POLICIES

Rates and statutory receivables

Rates and statutory receivables are non-contractual receivables arising from statutory requirements and include amounts due from ratepayers for unpaid rates and service charges and other statutory charges or fines.

Rates and statutory receivables are recognised when the taxable event has occurred and can be measured reliably.

Trade receivables

Trade receivables are amounts receivable from contractual arrangements with customers for goods sold, services performed or grants or contributions with sufficiently specific performance obligations or for the construction of recognisable non financial assets as part of the ordinary course of business.

Measurement

Trade and other receivables are recognised initially at the amount of the transaction price, unless they contain a significant financing component, and are to be recognised at fair value.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore the Shire 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.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

6. INVENTORIES

	Note	2025	2024
Current		\$	\$
Fuel and materials		50,283	49,128
		50,283	49,128
The following movements in inventories occurred during the year:			
Balance at beginning of year		49,128	63,263
Inventories expensed during the year		(187,070)	(14,135)
Additions to inventory		188,225	0
Balance at end of year		50,283	49,128

MATERIAL ACCOUNTING POLICIES

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.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

7. OTHER ASSETS

	2025	2024
	\$	\$
Other assets - current		
Accrued income	32,906	57,291
Contract assets	0	25,534
	32,906	82,825

MATERIAL ACCOUNTING POLICIES

Other current assets

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Contract assets

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

Impairment of assets associated with contracts with customers are detailed at Note 2(b).

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in balances

Movement in the balances of each class of property, plant and equipment between the beginning and the end of the current financial year.

	Assets not subject to operating lease		Assets subject to operating lease		Total property			Plant and equipment		Total property, plant and equipment	
	Note	Land	Buildings	Land	Buildings	Land	Buildings	Total property	Furniture and equipment		Plant and equipment
		\$	\$	\$	\$	\$	\$	\$	\$	\$	
Balance at 1 July 2023		1,683,600	8,519,115	1,631,000	6,156,729	3,314,600	14,675,844	17,990,444	371,458	2,084,525	20,446,427
Additions		6,625	206,517	0	33,842	6,625	240,359	246,984	0	707,099	954,083
Disposals		(19,000)	0	0	0	(19,000)	0	(19,000)	0	(179,805)	(198,805)
Depreciation		0	(633,517)	0	(437,879)	0	(1,071,396)	(1,071,396)	(50,677)	(342,674)	(1,464,747)
Balance at 30 June 2024		1,671,225	8,092,115	1,631,000	5,752,692	3,302,225	13,844,807	17,147,032	320,781	2,269,145	19,736,958
Comprises:											
Gross balance amount at 30 June 2024		1,671,225	9,355,640	1,631,000	6,620,617	3,302,225	15,976,257	19,278,482	514,814	3,469,453	23,262,749
Accumulated depreciation at 30 June 2024		0	(1,263,525)	0	(867,925)	0	(2,131,450)	(2,131,450)	(194,033)	(1,200,308)	(3,525,791)
Balance at 30 June 2024	8(b)	1,671,225	8,092,115	1,631,000	5,752,692	3,302,225	13,844,807	17,147,032	320,781	2,269,145	19,736,958
Additions		0	363,182	0	17,140	0	380,322	380,322	88,681	445,388	914,391
Disposals		(38,000)	0	0	0	(38,000)	0	(38,000)	0	(116,032)	(154,032)
Depreciation		0	(630,810)	0	(381,442)	0	(1,012,252)	(1,012,252)	(55,728)	(353,361)	(1,421,341)
Balance at 30 June 2025		1,633,225	7,824,487	1,631,000	5,388,390	3,264,225	13,212,877	16,477,102	353,734	2,245,140	19,075,976
Comprises:											
Gross balance amount at 30 June 2025		1,633,225	9,718,821	1,631,000	6,637,757	3,264,225	16,356,578	19,620,803	603,496	3,639,728	23,864,027
Accumulated depreciation at 30 June 2025		0	(1,894,334)	0	(1,249,367)	0	(3,143,701)	(3,143,701)	(249,762)	(1,394,588)	(4,788,051)
Balance at 30 June 2025	8(b)	1,633,225	7,824,487	1,631,000	5,388,390	3,264,225	13,212,877	16,477,102	353,734	2,245,140	19,075,976

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying amount measurements

Asset class	Note	Carrying amount 2025 \$	Carrying amount 2024 \$	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date								
Land and buildings								
Land - market value		3,264,225	3,302,225	2	Market Approach to determine Fair Value using recent observable market data for similar properties	Independent Registered Valuers	June 2022	Price per hectare. Restrictions associated with site. Valuer's judgement.
Total land	8(a)	3,264,225	3,302,225					
Buildings - non specialised		13,212,877	13,844,807	2	Market Approach to determine Fair Value using recent observable market data for similar properties	Independent Registered Valuers	June 2022	Rawlinson cost data & cost indices. Building size, material, type & structure. Condition. Useful Life. Restrictions associated with site. Valuer's judgement.
Total buildings	8(a)	13,212,877	13,844,807					

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

9. INFRASTRUCTURE

(a) Movements in balances

Movement in the balances of each class of infrastructure between the beginning and the end of the current financial year.

	Infrastructure - roads	Infrastructure - drainage	Infrastructure - other	Total infrastructure
	\$	\$	\$	\$
Balance at 1 July 2023	112,897,599	3,143,267	12,924,479	128,965,345
Additions	1,381,099	0	262,224	1,643,323
Revaluation increments / (decrements) transferred to revaluation surplus	0	1,685,011	0	1,685,011
Depreciation	(1,396,042)	(68,332)	(451,819)	(1,916,193)
Balance at 30 June 2024	112,882,656	4,759,946	12,734,884	130,377,486
Comprises:				
Gross balance at 30 June 2024	114,278,699	8,549,391	13,186,703	136,014,793
Accumulated depreciation at 30 June 2024	(1,396,043)	(3,789,445)	(451,819)	(5,637,307)
Balance at 30 June 2024	112,882,656	4,759,946	12,734,884	130,377,486
Additions	1,491,698	86,990	136,290	1,714,978
Depreciation	(1,396,043)	(106,867)	(460,079)	(1,962,989)
Balance at 30 June 2025	112,978,311	4,740,069	12,411,095	130,129,475
Comprises:				
Gross balance at 30 June 2025	115,770,397	8,636,382	13,322,993	137,729,772
Accumulated depreciation at 30 June 2025	(2,792,086)	(3,896,313)	(911,898)	(7,600,297)
Balance at 30 June 2025	112,978,311	4,740,069	12,411,095	130,129,475

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

9. INFRASTRUCTURE (Continued)

(b) Carrying amount measurements

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date					
Infrastructure - roads	3	Cost Approach using depreciated replacement cost	Independent Registered Valuers	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - drainage	3	Cost Approach using depreciated replacement cost	Independent Registered Valuers	June 2024	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - other	3	Cost Approach using depreciated replacement cost	Independent Registered Valuers	June 2023	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used to determine the fair value of infrastructure using level 3 inputs.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

Typical estimated useful lives for the different asset classes for the current and prior years are included in the table below:

Asset class	Useful life
Buildings	8 to 35 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years
seal	
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping and drainage systems	75 years

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

10. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost.

Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, plus costs incidental to the acquisition. The cost of non-current assets constructed by the Shire includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition.

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 *Local Government (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.

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the Shire's revaluation policy, are recognised at cost and disclosed as being at reportable value.

Measurement after recognition

Plant and equipment including furniture and equipment and right-of-use assets (other than vested improvements) are measured using the cost model as required under *Local Government (Financial Management) Regulation 17A(2)*. Assets held under the cost model are carried at cost less accumulated depreciation and any impairment losses being their reportable value.

Reportable value

In accordance with *Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are land and buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls.

Reportable value is for the purpose of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date minus (to the extent applicable) the accumulated depreciation and any accumulated impairment losses in respect of the non-financial asset subsequent to its last valuation date.

Revaluation

Land and buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls and measured at reportable value, are only required to be revalued every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on land vested in the Shire.

Whilst the regulatory framework only requires a revaluation to occur every five years, it also provides for the Shire to revalue earlier if it chooses to do so.

For land, buildings and infrastructure, increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity.

Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Depreciation

The depreciable amount of all property, plant and equipment and infrastructure, 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.

Depreciation on revaluation

When an item of property, plant and equipment and infrastructure is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset; or
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Impairment

In accordance with *Local Government (Financial Management) Regulations 17A(4C)*, the Shire is not required to comply with *AASB 136 Impairment of Assets* to determine the recoverable amount of its non-financial assets that are land or buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls in circumstances where there has been an impairment indication of a general decrease in asset values.

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the 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.

Gains or losses on disposal

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

11. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Prepaid rates
Statutory liabilities
Bonds and deposits held
Other payables - Accrued interest on loans

2025	2024
\$	\$
188,292	138,495
60,896	40,116
30,148	140
20,809	18,731
1,881	2,272
302,026	199,754

MATERIAL ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are initially recognised at fair value when the Shire becomes a party to the contractual provisions of the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and any consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Statutory liabilities

Statutory liabilities, are amounts owed to regulatory authorities due to statutory obligations such as FBT and PAYG. GST payable is offset against GST receivable and any net GST payable is included as a statutory liability.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire 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 usually 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 Shire recognises income for the prepaid rates that have not been refunded.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

12. OTHER LIABILITIES

	2025	2024
	\$	\$
Current		
Contract liabilities	21,950	16,891
Capital grant/contributions liabilities	106,508	96,251
	<u>128,458</u>	<u>113,142</u>
Reconciliation of changes in contract liabilities		
Opening balance	16,891	17,885
Additions	21,950	16,891
Revenue from contracts with customers included as a contract liability at the start of the period	(16,891)	(17,885)
	<u>21,950</u>	<u>16,891</u>
The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$40,326 (2024: \$55,757)		
The Shire expects to satisfy the performance obligations, from contracts with customers unsatisfied at the end of the reporting period, within the next 12 months.		
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	96,251	260,213
Additions	1,530,289	(743,108)
Revenue from capital grant/contributions held as a liability at the start of the period	(1,520,032)	579,146
	<u>106,508</u>	<u>96,251</u>

Performance obligations in relation to capital grant/contribution liabilities are satisfied as project milestones are met or completion of construction or acquisition of the asset.

MATERIAL ACCOUNTING POLICIES

Contract liabilities

Contract liabilities represent the Shire's obligation to transfer goods or services to a customer for which the Shire 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.

Capital grant/contribution liabilities

Capital grant/contribution liabilities represent the Shire's obligations to construct recognisable non-financial assets to identified specifications to be controlled by the Shire which are yet to be satisfied. Capital grant/contribution liabilities are recognised as income when the obligations in the contract are satisfied.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

13. BORROWINGS

	Note	2025			2024		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		76,165	246,085	322,250	72,505	322,250	394,755
Total secured borrowings	25(a)	76,165	246,085	322,250	72,505	322,250	394,755

Secured liabilities and assets pledged as security

Debentures, bank overdrafts and bank loans are secured by a floating charge over the assets of the Shire of Wagin.

Other loans relate to transferred receivables. Refer to Note 5.

The Shire of Wagin has complied with the financial covenants of its borrowing facilities during the 2025 and 2024 years.

MATERIAL ACCOUNTING POLICIES

Borrowing costs

The Shire 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. They are classified as level 3 fair values in the fair value hierarchy (see Note 22(i)) due to the unobservable inputs, including own credit risk.

Risk

Details of individual borrowings required by regulations are provided at Note 25(a).

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

14. EMPLOYEE RELATED PROVISIONS

Employee related provisions

Current provisions

Employee benefit provisions

Annual leave

Long service leave

Employee related other provisions

Employment on-costs

Total current employee related provisions

Non-current provisions

Employee benefit provisions

Long service leave

Employee related other provisions

Employment on-costs

Total non-current employee related provisions

Total employee related provisions

	2025	2024
	\$	\$
	260,707	221,490
	279,911	267,419
	540,618	488,909
	71,365	61,369
	71,365	61,369
	611,983	550,278
	60,508	68,174
	60,508	68,174
	8,199	8,012
	8,199	8,012
	68,707	76,186
	680,690	626,464

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

MATERIAL ACCOUNTING POLICIES

Employee benefits

The Shire's obligations for employees' annual leave, long service leave and other employee leave entitlements are recognised as employee related provisions in the Statement of Financial Position.

Short-term employee benefits

Provision is made for the Shire'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 Shire'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 statement of financial 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 Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire 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.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

15. REVALUATION SURPLUS

	2025 Opening balance	2025 Closing balance	2024 Opening balance	Total Movement on revaluation	2024 Closing balance
	\$	\$	\$	\$	\$
Revaluation surplus - Land	2,950,342	2,950,342	2,950,342	0	2,950,342
Revaluation surplus - Buildings	10,226,965	10,226,965	10,226,965	0	10,226,965
Revaluation surplus - Plant and equipment	106,181	106,181	106,181	0	106,181
Revaluation surplus - Infrastructure - roads	89,838,269	89,838,269	89,838,269	0	89,838,269
Revaluation surplus - Other infrastructure - footpaths	5,101,605	5,101,605	3,416,594	1,685,011	5,101,605
Revaluation surplus - Infrastructure - drainage	11,351,032	11,351,032	11,351,032	0	11,351,032
	119,574,394	119,574,394	117,889,383	1,685,011	119,574,394

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

16. RESTRICTIONS OVER FINANCIAL ASSETS

	Note	2025 Actual \$	2024 Actual \$
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	4,010,577	173,730
- Financial assets at amortised cost	4	0	3,267,743
		4,010,577	3,441,473
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	26	3,882,119	3,328,331
Contract liabilities	12	21,950	16,891
Capital grant liabilities	12	106,508	96,251
Total restricted financial assets		4,010,577	3,441,473

**17. UNDRAWN BORROWING FACILITIES AND CREDIT
STANDBY ARRANGEMENTS**

Credit standby arrangements

Credit card limit	16,000	16,000
Credit card balance at balance date	(174)	(1,987)
Total amount of credit unused	15,826	14,013

Loan facilities

Loan facilities - current	76,165	72,505
Loan facilities - non-current	246,085	322,250
Total facilities in use at balance date	322,250	394,755

Unused loan facilities at balance date	Nil	Nil
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SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

18. CONTINGENT LIABILITIES

In compliance with the Contaminated Sites Act 2003, the Shire has listed sites to be possible sources of contamination. Details of those sites are:

Wagin Airfield
Wagin Refuse Disposal Site

Until the Shire conducts an investigation to determine the presence and scope of contamination, assess the risk, and agree with the Department of Water and Environmental Regulation on the need and criteria for remediation of a risk based approach, the Shire is unable to estimate the potential costs associated with remediation of these sites. This approach is consistent with the Department of Water and Environmental Regulation Guidelines.

19. CAPITAL COMMITMENTS

	2025	2024
	\$	\$
Contracted for:		
- capital expenditure projects	15,810	0
- plant & equipment purchases	75,536	0
	91,346	0
Payable:		
- not later than one year	91,346	0

The capital expenditure projects outstanding at the end of the reporting period represent the implementation of a new computer server, construction of a new cemetery niche wall and installation of a doorway in north side of the Courthouse onto the courtyard.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

20. RELATED PARTY TRANSACTIONS

(a) Council member remuneration

Fees, expenses and allowances to be paid or reimbursed to council members.

Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
President's annual allowance	16,282	16,282	15,656
President's meeting attendance fees	5,955	5,564	6,612
President's other expenses	0	1,250	0
President's annual allowance for ICT expenses	1,155	1,155	1,040
President's travel and accommodation expenses	0	100	0
	23,392	24,351	23,308
Deputy President's annual allowance	4,070	4,070	3,918
Deputy President's meeting attendance fees	3,380	2,925	3,056
Deputy President's other expenses	0	1,250	0
Deputy President's annual allowance for ICT expenses	1,155	1,155	1,040
Deputy President's travel and accommodation expenses	0	100	0
	8,605	9,500	8,014
All other council member's meeting attendance fees	11,310	14,625	14,152
All other council member's All other council member expenses	0	6,250	0
All other council member's annual allowance for ICT expenses	4,909	5,775	5,460
All other council member's travel and accommodation expenses	563	500	342
	16,782	27,150	19,954
20(b)	48,779	61,001	51,276

(b) Key management personnel (KMP) compensation

The total of compensation paid to KMP of the Shire during the year are as follows:

Short-term employee benefits	539,771	570,793
Post-employment benefits	62,750	64,059
Employee - other long-term benefits	9,656	9,281
Employee - termination benefits	0	30,089
Council member costs	48,779	51,276
20(a)	660,956	725,498

Short-term employee benefits

These amounts include all salary and fringe benefits awarded to KMP except for details in respect to fees and benefits paid to council members which may be separately found in the table above.

Post-employment benefits

These amounts are the current-year's cost of the Shire's superannuation contributions made during the year.

Other long-term benefits

These amounts represent annual leave and long service leave entitlements accruing during the year.

Termination benefits

These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

Council member costs

These amounts represent payments of member fees, expenses, allowances and reimbursements during the year.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

20. RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with related parties

Transactions between related parties and the Shire are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.

No outstanding balances or provisions for doubtful debts or guarantees exist in relation to related parties at year end.

In addition to KMP compensation above the following transactions occurred with related parties:

	2025 Actual	2024 Actual
	\$	\$
Sale of goods and services	10,948	10,681
Purchase of goods and services	15,713	22,745
Short term employee benefits - other related parties	0	942
Amounts outstanding from related parties:		
Trade and other receivables	2,073	4,094
Amounts payable to related parties:		
Trade and other payables	56	85

(d) Related parties

The Shire's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Shire, directly or indirectly, including any council member, are considered key management personnel.

ii. Other Related Parties

Outside of normal citizen type transactions with the Shire, there were no other related party transactions involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

iii. Entities subject to significant influence by the Shire

There were no such entities requiring disclosure during the current or previous year

21. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

Management has evaluated events and transactions that occurred subsequent to 30 June 2025. There have been no material events that occurred since then that would require adjustment to or disclosure in the financial statements.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

22. OTHER MATERIAL ACCOUNTING POLICIES

a) 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.

b) 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 Shire's operational cycle. In the case of liabilities where the Shire does not have the unconditional 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 Shire's intentions to release for sale.

c) Rounding off figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar. Amounts are presented in Australian Dollars.

d) Comparative figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the Shire applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) Statement of Financial Position as at the beginning of the preceding period in addition to the minimum comparative financial report is presented.

e) Budget comparative figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

f) Superannuation

The Shire contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Shire contributes are defined contribution plans.

g) Fair value of assets and liabilities

Fair value is the price that the Shire would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

h) Interest revenue

Interest revenue is calculated by applying the effective interest rate to the gross carrying amount of a financial asset measured at amortised cost except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

i) Fair value hierarchy

AASB 13 *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Shire selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Shire are consistent with one or more of the following valuation approaches:

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of the service capacity of an asset.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Shire gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

j) Impairment of assets

In accordance with Australian Accounting Standards the Shire's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount except for non-financial assets that are:

- land and buildings classified as property, plant and equipment;
- infrastructure; or
- vested improvements that the local government controls, in circumstances where there has been an impairment indication of a general decrease in asset values.

These non-financial assets are assessed in accordance with the regulatory framework detailed in Note 10.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. AASB 116 *Property, Plant and Equipment*) whereby any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

23. RATING INFORMATION

(a) General rates

RATE TYPE				2024/25 Actual rateable value*	2024/25 Actual rate revenue	2024/25 Actual interim rates	2024/25 Actual total revenue	2024/25 Budget rate revenue	2024/25 Budget total revenue	2023/24 Actual total revenue
Rate description	Basis of valuation	Rate in \$	Number of properties	\$	\$	\$	\$	\$	\$	\$
GRV - Non commercial	Gross rental valuation	9.3002	680	8,782,794	816,817	907	817,724	816,817	816,817	788,358
GRV Commercial	Gross rental valuation	12.3227	65	1,592,993	196,300	4,060	200,360	196,300	196,300	190,496
UV	Unimproved valuation	0.3877	285	417,281,000	1,617,799	0	1,617,799	1,617,798	1,617,798	1,571,898
Total general rates			1,030	427,656,787	2,630,916	4,967	2,635,883	2,630,915	2,630,915	2,550,752
Minimum payment										
Minimum payment										
		\$								
GRV - Non commercial	Gross rental valuation	675	131	199,745	88,425	(799)	87,626	88,425	88,425	87,100
GRV Commercial	Gross rental valuation	675	15	38,201	10,125	151	10,276	10,125	10,125	9,100
UV	Unimproved valuation	675	99	10,589,185	66,825	0	66,825	66,825	66,825	57,200
Total minimum payments			245	10,827,131	165,375	(648)	164,727	165,375	165,375	153,400
Total general rates and minimum payments			1,275	438,483,918	2,796,291	4,319	2,800,610	2,796,290	2,796,290	2,704,152
Ex-gratia rates										
CBH					15,944		15,944	15,944	15,944	15,420
Total amount raised from rates (excluding general rates)					15,944		15,944	15,944	15,944	15,420
Discounts							(108,880)	(103,088)	(103,088)	(99,698)
Concessions							(1,375)	(1,272)	(1,272)	(1,331)
Total rates							2,706,299	2,707,874	2,707,874	2,618,543
(b) Rates related information										
Rates instalment interest							3,629		4,500	4,368
Rates instalment plan charges							2,353		5,000	4,897
Rates overdue interest							17,184		8,500	10,703
Rates written off							(1,210)		(5,000)	(674)

The rate revenue was recognised from the rate record as soon as practicable after the Shire resolved to impose rates in the financial year as well as when the rate record was amended to ensure the information in the record was current and correct.

*Rateable Value at time of raising of rate.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

24. DETERMINATION OF SURPLUS OR DEFICIT

		2024/25 Budget (30 June 2025 carried forward)	2023/24 (30 June 2024 carried forward)
Note	2024/25 (30 June 2025 carried forward)	(30 June 2025 carried forward)	(30 June 2024 carried forward)
	\$	\$	\$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
Less: Profit on asset disposals	(31,623)	(10,589)	(152,177)
Less: Movement in liabilities associated with restricted cash	20,461	22,218	77,083
Less: Fair value adjustments to financial assets at fair value through profit or loss	3,551	0	(1,681)
Add: Loss on disposal of assets	8,000	10,846	5,118
Add: Depreciation	3,384,330	3,399,260	3,380,940
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates	2,525	0	(10,923)
Employee benefit provisions	(5,273)	5,850	25,890
Non-cash amounts excluded from operating activities	3,381,971	3,427,585	3,324,250
(b) Surplus or deficit after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
Less: Reserve accounts	(3,882,119)	(3,974,059)	(3,328,331)
Less: Financial assets at amortised cost - self-supporting loans	(25,331)	(22,481)	(24,507)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	76,165	75,713	72,505
- Employee benefit provisions	575,909	577,666	555,448
Total adjustments to net current assets	(3,255,376)	(3,343,161)	(2,724,885)
Net current assets used in the Statement of financial activity			
Total current assets	5,806,683	4,326,059	6,030,784
Less: Total current liabilities	(1,118,632)	(982,898)	(935,679)
Less: Total adjustments to net current assets	(3,255,376)	(3,343,161)	(2,724,885)
Surplus or deficit after imposition of general rates	1,432,675	0	2,370,220

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

25. BORROWING AND LEASE LIABILITIES

(a) Borrowings

		Actual						Budget		
Purpose	Note	Principal at	New loans	Principal	Principal at 30	Principal	Principal at	Principal at 1	Principal	Principal at
		1 July 2023	during 2023-24	repayments during 2023-24	June 2024	repayments during 2024-25	30 June 2025	July 2024	repayments during 2024-25	30 June 2025
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Swimming Pool Redevelopment		172,538	0	(15,514)	157,024	(16,322)	140,702	157,025	(16,322)	140,704
Staff Housing		111,044	0	(16,664)	94,380	(17,695)	76,685	94,379	(17,696)	76,683
Doctor Housing		41,995	0	(13,144)	28,851	(13,981)	14,870	28,852	(13,981)	14,871
Total		325,577	0	(45,322)	280,255	(47,998)	232,257	280,256	(47,999)	232,258
Self-supporting loans										
Wagin Ag Society		76,955	0	(21,164)	55,791	(21,813)	33,978	55,791	(21,813)	33,978
Wagin Bowling Club		0	60,000	(1,291)	58,709	(2,694)	56,015	58,709	(2,694)	56,015
Total self-supporting loans		76,955	60,000	(22,455)	114,500	(24,507)	89,993	114,500	(24,507)	89,993
Total borrowings	13	402,532	60,000	(67,777)	394,755	(72,505)	322,250	394,756	(72,506)	322,251

Self-supporting loans are financed by payments from third parties. These are shown in Note 4 as other financial assets at amortised cost.
All other loan repayments were financed by general purpose revenue.

Borrowing finance cost payments

Purpose	Loan number	Institution	Interest rate	Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2025	Actual for year ending 30 June 2024
					\$	\$	\$
Swimming Pool Redevelopment	139	WATC*	5.11%	5/11/2032	(7,599)	(8,784)	(8,437)
Staff Housing	137	WATC*	6.02%	26/03/2029	(5,178)	(5,874)	(6,266)
Doctor Housing	138	WATC*	6.27%	20/04/2026	(1,416)	(1,818)	(2,271)
Total					(14,193)	(16,476)	(16,974)
Self-supporting loans finance cost payments							
Wagin Ag Society	141	WATC*	3.04%	30/11/2026	(1,475)	(1,872)	(2,132)
Wagin Bowling Club	142	WATC*	5.71%	11/02/2038	(3,291)	(3,585)	(2,253)
Total self-supporting loans finance cost payments					(4,766)	(5,457)	(4,385)
Total finance cost payments					(18,959)	(21,933)	(21,359)

* WA Treasury Corporation

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

26. RESERVE ACCOUNTS

	2025 Actual opening balance	2025 Actual transfer to	2025 Actual transfer (from)	2025 Actual closing balance	2025 Budget opening balance	2025 Budget transfer to	2025 Budget transfer (from)	2025 Budget closing balance	2024 Actual opening balance	2024 Actual transfer to	2024 Actual transfer (from)	2024 Actual closing balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave Reserve	555,448	20,461	0	575,909	555,448	22,218	0	577,666	478,362	77,086	0	555,448
(b) Plant Replacement Reserve	689,896	152,681	0	842,577	689,896	74,596	0	764,492	742,860	24,155	(77,119)	689,896
(c) Recreation Centre Equipment Reserve	15,606	575	0	16,181	15,606	624	0	16,230	15,113	493	0	15,606
(d) Aerodrome Maintenance & Development Reserve	43,546	12,567	0	56,113	43,547	12,706	0	56,253	32,715	10,831	0	43,546
(e) Municipal Buildings Reserve	76,067	26,802	0	102,869	76,066	27,043	0	103,109	73,666	2,401	0	76,067
(f) Information Technology Reserve	16,460	116,436	0	132,896	16,460	116,488	0	132,948	15,940	520	0	16,460
(g) Land Development Reserve	11,398	420	0	11,818	11,398	456	0	11,854	11,038	360	0	11,398
(h) Community Bus Reserve	23,309	858	(663)	23,504	23,309	1,932	0	25,241	21,121	2,188	0	23,309
(i) Homecare Reserve	56,465	2,080	(40,000)	18,545	56,465	2,259	(40,000)	18,724	110,711	5,844	(60,090)	56,465
(j) Recreation Development Reserve	280,731	30,340	0	311,071	280,731	31,229	0	311,960	252,506	28,225	0	280,731
(k) Refuse Site / Waste Management Reserve	269,240	9,918	0	279,158	269,240	10,770	0	280,010	255,411	13,829	0	269,240
(l) Water Management Reserve	75,339	20,775	0	96,114	75,339	21,014	0	96,353	72,961	2,378	0	75,339
(m) Staff Housing Reserve	469,804	92,301	0	562,105	469,804	93,792	0	563,596	382,358	87,446	0	469,804
(n) Refuse Site Rehabilitation Reserve	187,460	26,904	0	214,364	187,460	27,498	0	214,958	162,179	25,281	0	187,460
(o) Community Events Reserve	9,540	10,351	0	19,891	9,540	10,382	0	19,922	9,239	301	0	9,540
(p) Electronic Sign Reserve	15,744	580	0	16,324	15,744	630	0	16,374	15,248	496	0	15,744
(q) Community Gym Reserve	26,582	3,279	(6,500)	23,361	26,582	3,363	(6,500)	23,445	22,960	3,622	0	26,582
(r) Sportsground Precinct Redevelopment Reserve	366,574	103,498	0	470,072	366,574	164,663	0	531,237	272,707	93,867	0	366,574
(s) Emergency/Bushfire Control Reserve	35,883	1,322	0	37,205	35,883	1,435	0	37,318	24,727	11,156	0	35,883
(t) Roadwork Reserve	103,239	68,803	(100,000)	72,042	103,239	69,130	0	172,369	100,000	3,239	0	103,239
	3,328,331	700,951	(147,163)	3,882,119	3,328,331	692,228	(46,500)	3,974,059	3,071,822	393,718	(137,209)	3,328,331

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserve accounts.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

26. RESERVE ACCOUNTS (Cont'd)

In accordance with council resolutions or adopted budget in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:

Name of reserve account	Purpose of the reserve account
Restricted by council	
(a) Leave Reserve	Provide provisions to meet Council's Long Service and Accrued Annual Leave liabilities to minimise effect on Council's budget annually.
(b) Plant Replacement Reserve	Provide funds for the ongoing replacement and upgrading of Plant necessary in the performance of Council's core functions.
(c) Recreation Centre Equipment Reserve	Provide funds for the purchase of equipment, fixtures and fittings at the Wagin Community Recreation Centre.
(d) Aerodrome Maintenance & Development Reserve	Provide funds for major maintenance (eg resealing runway area) and development works (eg runway reconstruction) at the Wagin Airstrip.
(e) Municipal Buildings Reserve	Provide for the upgrading, renovating and restoration of existing Council owned buildings as well as construction of new Council owned buildings.
(f) Information Technology Reserve	Provide for the upgrade of IT software and hardware.
(g) Land Development Reserve	Provide funds for the purchase and development of land within the Wagin Shire as the need arises and Council see fit.
(h) Community Bus Reserve	Provide funds for the maintenance, upgrade and change-over of the Wagin Community Bus.
(i) Homecare Reserve	Provide funds to meet Homecare staff leave provisions, replacement of plant and equipment and on-going operations of the Homecare program.
(j) Recreation Development Reserve	Provide funds for the expansion, upgrading and development of Council's recreation and sporting facilities.
(k) Refuse Site / Waste Management Reserve	Provide funds for a new waste site, on-going operation with the Shire's waste management and recycling program and working towards zero waste.
(l) Water Management Reserve	To ensure Council spends the surplus Rural Towns Funds on measures and projects in line with Council's Water Management Plan.
(m) Staff Housing Reserve	Provide funds for future staff housing requirements
(n) Refuse Site Rehabilitation Reserve	Provide funds to rehabilitate the existing refuse site once the site has been decommissioned.
(o) Community Events Reserve	Provide funds for future Community Events.
(p) Electronic Sign Reserve	Provide funds for the purchase and installation of an electronic sign in the Wagin townsite in the future.
(q) Community Gym Reserve	Provide funds for the maintenance, upgrade and change-over of the Wagin Community Gym equipment as required.
(r) Sportsground Precinct Redevelopment Reserve	Provide funds for the future Sportsground Precinct Redevelopment.
(s) Emergency/Bushfire Control Reserve	Provide funds for unexpected times of extreme emergency recovery and provide adequate assistance for bushfire requirements.
(t) Roadwork Reserve	Provide funds for weather events or other circumstances that would have an impact on the road work program.



Auditor General

INDEPENDENT AUDITOR'S REPORT

2025

Shire of Wagin

To the Council of the Shire of Wagin

Opinion

I have audited the financial report of the Shire of Wagin (Shire) which comprises:

- the statement of financial position as at 30 June 2025, the statement of comprehensive income, statement of changes in equity, statement of cash flows and statement of financial activity for the year then ended
- notes comprising a summary of material accounting policies and other explanatory information.

In my opinion, the financial report :

- is based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the Shire for the year ended 30 June 2025 and its financial position at the end of that period
- is in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section below.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2025, but not the financial report and my auditor's report.

My opinion on the financial report does not cover the other information and accordingly, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to the CEO and Council and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Responsibilities of the Chief Executive Officer and Council for the financial report

The Chief Executive Officer (CEO) of the Shire is responsible for:

- keeping proper accounts and records
- preparation and fair presentation of the financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for:

- assessing the Shire's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the Shire.

The Council is responsible for overseeing the Shire's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

My independence and quality management relating to the report on the financial report

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Wagin for the year ended 30 June 2025 included in the annual report on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.

Mark Ambrose

Mark Ambrose
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
14 November 2025