SHIRE OF WAGIN

• HEART OF THE GREAT SOUTHERN •

Annual Report

2025/26



CONTENTS

Contents

SHIRE PRESIDENT'S REPORT 1
CHIEF EXECUTIVE OFFICER'S REPORT 3
YOUR COUNCIL FOR 2025-26 4
SUMMARY OF ACTIVITIES – 2025-26 5
Governance 5
Community Facilities 8
Community Development 11
Wagin Homecare 13
Emergency Management 15
Health, Building and Planning 17
Works and Services 19
STATUTORY REPORTING 22
Elected Member Remuneration and Allowances 22
Elected Member Council and Committee Meeting Attendance 22
Elected Member Demographic Information 22
Complaints 23
Employee Remuneration 23
Capital grants for replacing and renewing assets 23
Planning for the Future 24
Disability Access and Inclusion Plan 24
Overview of the 2026-27 Budget Proposals 25
Public Interest Disclosure 27
Freedom of Information Act 1992 27
National Competition Policy 28
Competitive Neutrality 28
Record Keeping 29
Equal Opportunity 29
Local Laws 29
ANNUAL FINANCIAL REPORT 30
INDEPENDENT AUDITOR'S REPORT 67

Shire President’s Report

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



In 2025-26 the Shire of Wagin continued to deliver core local government services and so much more.

The Shire continues to play an important role in ensuring local access to essential services. Through our partnership with St Luke's Family Practice, we have continued to support General Practitioner services in Wagin, helping residents access healthcare close to home. Our Homecare service remains one of the most valued services provided by the Shire, supporting almost one-third of our residents aged over 70 to remain living independently and with dignity in their own homes.

The most common interaction with the Shire is through our licensing and transport services delivered on behalf of WA Transport.

Our community facilities such as the gym; library; swimming pool; and recreation contribute to the vibrancy and liveability of our town. These everyday services can be easily forgotten if you don’t use them regularly but each require maintenance and upkeep.

Council remains committed to supporting arts, culture and community activities. During the year, our partnership with Arts Narrogin delivered two performances in Wagin, including a memorable performance by the Mirabilis Collective.

Housing availability continues to be a significant challenge across regional Western Australia. During the year, the Shire completed the sale of land in Sawle Street and continued to advocate strongly to the State Government for the release of more than twenty serviced residential lots currently owned by the State. These blocks represent an important opportunity to attract new residents, support workforce growth and meet housing demand within our community.

One of the defining strengths of our district is the dedication of our volunteers. Throughout the bushfire season, members of our Bush Fire Brigades responded to incidents across the Shire, often under difficult circumstances. I wish to sincerely thank all brigade members and volunteers who gave their time to protect lives, property and the environment.

In particular, I acknowledge those who responded to the significant fire event in December and pause to recognise the individuals who were injured while assisting during that incident. The injuries sustained by three responders serve as a reminder of the risks faced by our volunteers and first responders every day. Their commitment and courage should never be taken for granted. As a community, we must continue to support and protect those who step forward to help others, ensuring there are no unnecessary barriers to volunteering and emergency response.

The year also saw changes within Council. Following the local government elections, we welcomed Cr Jason Reed back to Council and thanked outgoing councillors for their service. In May 2026, Council farewelled Cr Greg Ball following his resignation. Greg served the Shire with distinction for almost two decades, first being elected in 2007. His commitment to the community, including many years as Deputy Shire President, has left a lasting legacy. On behalf of Council and the community, I thank Greg for his dedicated service and wish him well for the future.

On behalf of Council, I thank our Chief Executive Officer and staff for their professionalism and commitment throughout the year. I also thank my fellow councillors for their service and the residents of the Shire of Wagin for their ongoing support and engagement.

Together, Wagin is Western Australia's Greatest Inland Neighbourhood.

Cr Phillip Blight
Shire President

Chief Executive Officer's Report

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

It is my pleasure to present the CEO's report for the 2025-26 financial year. This financial year has been one where services continued to be delivered by being fast on our feet.

In at least one case the literal floor was moving. In August 2025 issues with water ingress in the Town Hall resulted in repairs and further preventative to improve drainage and curb subterranean water. The ingenuity has prevented the worse possible scenarios but is a reminder that our cherished, historic buildings require regular upkeep.

In other cases, the shifting ground has been during to the human part of the business. Change has been experienced in critical roles across the business including Homecare Manager; Rates Officer; Caravan Park Manager; Community Development Officer; Cleaners; Customer Service Officers and Executive Assistants. In each case we have replaced our talented staff or introduced new ways of working to continue to deliver services with little outward impact.

Sometimes, effort was required to manage changes that paradoxically did not eventuate. Like aged care providers across the country, the Shire had readied itself for the Commonwealth reforms to the Commonwealth Home Support Program only for the Federal Government to change its mind at the last moment and delay introduction of their reforms indefinitely.

The rapid increase in fuel prices was softened by the timely completion of our roads program and adjustments to the kerbing program. Our flexibility was also demonstrated in Council's decision to proceed with the construction of two new houses after previously considering a more ambitious program.

In respect to capital programs, I am pleased that the Shire has been able to utilise the Commonwealth Drought Resilience funding to expand the town's weir which improves water capture and self-sufficiency. The Shire has also spent $1.5million on its capital works program and $940,000 on replacement plant and equipment. Other notable projects included $73,000 on new water tanks, $68,000 on a new computer server, over $60,000 on maintenance to the Wagin Town Hall to stop water ingress and over $30,000 to rectify the sportsgound oval.

The second half of 2025 featured an election where Council welcome Cr Jason Reed back on Council and farewelled Cr Wade Longmuir. In May 2026, long time Councillor, Greg Ball resigned. Cr Ball was first elected to Council in 2007 and served the Shire across multiple terms, including as Deputy Shire President from 2009 to 2016 and from 2017 to 2023. His contribution to Council and the broader local government community has been significant. Through the processes set out in the Act, Cr Longmuir has been elected to complete the remainder of the term which gives Council stability.

My personal highlight of 2025-26 came in July, when longtime Manager of Works, Allen Hicks was recognised at the Western Australian Local Government Association's Local Government Awards.

As the Shire's Manager of Works since 2004, Allen has 40 years of contribution to rural communities, including 15 years of service at the Shire of Koorda. Allen was the only officer from the Wheatbelt Region to be recognised with a Merit Award as well as the only award recipient employed as a member of a local government's outdoor workforce.

I would like thank Council, the administration and community of the Shire of Wagin.

Dr Kenneth Parker
Chief Executive Officer

Your Council for 2025-26

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 2025.

Cr Phillip Blight
Shire President



Cr Bryan Kilpatrick
Deputy Shire President



Cr Greg Ball
(1/7/2025 to 1/5/2026)



Cr Sherryl Chilcott



Cr Wade Longmuir
(1/7/25 to 18/10/25 and 26/5/26 to 30/6/26)



Cr Ann O'Brien



Cr Jason Reed
(21/10/25 to 30/6/26)



Cr Geoff West



Summary of Activities – 2025-26

Governance

Council and Committees

The 2025 Ordinary Local Government Election was held on Saturday, 18 October 2025. At the close of polls 177 votes had been cast with a turnout rate of 13.5%.

The following persons were elected:

- Greg Ball
- Bryan Kilpatrick
- Ann O'Brien
- Jason Reed

At a special meeting of the Council held on 21 October 2025, Cr Phillip Blight was declared Shire President and Cr Bryan Kilpatrick was declared Deputy Shire President (both for a period of two years).

Appointments were made to the:

- Audit, Risk and Improvement Committee
- CEO Review Committee
- Bush Fire Advisory Committee
- Local Emergency Management Committee
- Sports and Recreation Advisory Group
- Staff Accommodation Advisory Group
- Works and Services Advisory Group
- Civic Awards Advisory Committee
- A range of external boards and committees

Subsequently on 1 May 2026 Councillor Greg Ball resigned form his position of councillor.

In accordance with Regulation 87A of the *Local Government (Elections) Regulations 1997* and Schedule 4.1A of the *Local Government Act 1995*, that vacancy was filled by election under Schedule 4.1A of the Act.

Wade Longmuir, as the first candidate to backfill vacancies arising from the 2025 Ordinary Local Government Election, was elected to fill the vacancy for the remainder of the term expiring at the 2029 local government elections.

Advocacy

Local governments advocate to ensure that higher levels of government and industry bodies make decisions that protect, support, and benefit the local community. As the tier of government closest to the people, the Council uses advocacy to bridge the gap between local needs and state or federal policies. During the year, the Shire provided feedback to government departments and WALGA on the following wide range of issues:

- Department of Local Government, Sport and Cultural Industries - Draft legislation requiring mandatory communications agreements between the CEO and Council (July 2025)

- WALGA - Draft guideline on community benefits from renewable energy projects (July 2025)
- Department of Planning, Lands and Heritage - Proposed reforms of planning instruments including local planning schemes and local planning policies (August 2025)
- WALGA – Local Government Emergency Management Survey (October 2025)
- Select Committee into Land Development and Planning in Western Australia - Inquiry into matters relating to land planning, transactions and development in Western Australia (October 2025)
- WALGA and State Government - Statutory review of the Work Health and Safety Act 2020 (November 2025)
- House of Representatives Standing Committee on Regional Development, Infrastructure and Transport - Inquiry into Local Government Sustainability (December 2025)
- The Standing Committee on Industry, Innovation and Science - Inquiry into the current state of the Australian tyre industry, and any challenges and opportunities for the industry within the context of a circular economy (December 2025). On 3 June 2026, the Shire President and CEO gave further verbal evidence to this inquiry.
- Office of the Auditor General - Survey on the performance of the OAG (February 2026)
- WALGA - State Government's first part of the Draft Renewable Energy Planning Code (February and March 2026)
- WALGA - Draft Climate Change Advocacy position (April 2026)

Property Transactions

- A 10 year lease (extension of the original lease) was entered into with St John Ambulance for the SES building at 74 Arthur Road, Wagin.
- A three year lease was agreed with Wubin Aviation over Hangar 4 at the Wagin Airfield.
- The lease of Hangar 3 at the Wagin Airfield was assigned from Dean Morgan to Stephen Hancock.
- Lots 1721 and 1722 Sawle Street, Wagin were sold following an advertising process.
- The lease of the dentist rooms at the Wagin Medical Centre to Dr Kumar was extended for a period of three years.

Staff Accommodation Strategy

To address a historical asset management gap, with no new municipal housing constructed since 2013, Council initially adopted an ambitious, multi-year Staff Accommodation Strategy in July 2025. This long-term plan sought to treat housing as a managed asset class through a comprehensive renewal and expansion program.

However, following public notification and careful consideration of long-term risks, Council voted in October and November 2025 to shift directions. The original proposal was set aside in favour of a lower-risk, more cost-effective model focused on retaining existing properties, identifying priority maintenance, and supplementing stock with modular buildings.

In alignment with the revised strategy, Council progressed with a targeted initiative to acquire two new houses to ensure the Shire remains competitive in the workforce marketplace.

In March 2026, the Council accepted a tender from Evoke Homes for the supply and installation of two Presto 32 modular homes at 3 Omdurman Street. The contract was valued at just over $1 million. By June 2026, planning for the project was progressing smoothly and remained on track within the forecast budget.

Information Technology

The Shire's main server was replaced over the period 12-16 September 2025. There were some issues to be resolved in the following week, but overall the changeover went very smoothly.

The Council has approved a procurement process to select a modern Enterprise Resource Planning (ERP) software solution. A modern cloud based system will replace the aging, legacy Synergysoft system.

Synergysoft relies on decades-old, legacy database architecture and no further enhancements are being developed. The local government sector is moving toward cloud-native Software-as-a-Service (SaaS) applications. Tenders were called in July 2026.

2025 Internship Program

In June 2025 the Shire hosted three interns from the McCusker Centre at the University of Western Australia. During their internship the three students had to complete 100 hours of work at the Shire completing three distinct projects being:

- A prospectus for development the Old Roads Boarding Building
- A cost benefit analysis for revamping the Wait-Jen Trail
- A Business Plan for the Wagin Caravan Park

Community Facilities

Wagin Memorial Swimming Pool

The Wagin Memorial Swimming Pool recorded an overall seasonal attendance of 4,468 during its 2025-26 opening period, which was managed under a newly signed contract with Contract Aquatic Services. Some notable events that occurred during the year were:

Featured Events

- A Mega Splash was held on Friday 13 February, drawing 170 attendees with large inflatables, a free sausage sizzle, popcorn, ice cream, and fairy floss.
- A second Mega Splash was held on Friday 13 March, drawing 26 attendees with identical inflatable activities and free food offerings.

Maintenance and Operations

- The facility was fully maintained in the off-season by Contract Aquatic Services prior to its official opening on Saturday, 1 November.
- The 50m pool closed from 25–29 November due to a main pump malfunction caused by issues with the timer and soft start unit. While the motor was cleared of burnout, a heavily worn impeller was ordered for urgent replacement. The heating unit for the small pool was also out of action for several weeks but has since been repaired.
- The facility was forced to close on 15 February due to a power outage, 26 February due to lightning, and closed early for the season on 27 March ahead of the forecast impact of Cyclone Narelle.

Wagin Caravan Park and RV Park

During the year, there were a total of 3,935 bookings in the caravan park. As a comparison there were 4,572 bookings in 2024-25.

The town hosted multiple caravan groups between late 2025 and early 2026. This included a group of ten motorhomes for five nights in October 2025 who praised the sportsground area, approximately 16 vans from another club, and an annual Easter visit in March 2026 for the local trots.

In May 2026, the Caravan Park Manager resigned from the Shire. Replacement cleaners have since been appointed. The Shire transitioned to an online booking system to streamline operations and reduce the need for a full-time manager. To support this change, the Shire formalised the park rules, updated site maps for both the caravan park and the Sportsground RV Area, and structured new operational processes.

Wagin Library and Gallery

During the year, a new door was added to the main area of the library to access a courtyard to the side of the building. This will be set up with some furniture to make a nice area for reading or small gatherings and events. While attendance was down slightly from last year, the library was still very busy with a range of activities:

Educational and Workshops

- A recurring sustainability ‘Switch Your Thinking’ program featured workshops on 25 July, 29 August, and 28 November. The library also updated its ‘Energy Kit’ with new promotional items like posters and badges.

- Highlighting community literacy, author Gabriel Evans hosted a talk and illustration workshop on 16 August. The library also ran a Brain Break Science Questionnaire on 18 August.
- Tailored creative workshops for seniors featured mini-vase painting on 5 September and 5 December.



Gabriel Evans author event

Seasonal and Community Celebrations

- The library hosted a special guest appearance by the Cat in the Hat during Book Week (16–23 August).
- Celebrated on 31 October, the library joined the local CRC Halloween Map as an official trick-or-treat stop to hand out goodies.
- On 10 November, children made custom poppies to take home and use at upcoming community remembrance services.
- Holiday activities on 12 December featured a visit from Santa and an elf, Christmas story time, and a letter-writing station.

Children, Youth and Family Activities

- Boosted by a $2,425 State Library grant, the library added new Lego kits and a dedicated display case. Key events included a ‘Dragon Building” afternoon (ages 9+) on 17 April, a Space Themed building session on 12 June, and everyday access for all ages during opening hours.
- Interactive STEM and craft activities included dinosaur bath bomb making on 10 October, a vinegar and bicarbonate volcano experiment on 21 November, and a Valentine’s Paint on Hearts session on 13 February.



- A reading-focused treasure hunt ran until 8 May for the Scribblers Festival, where children searched the library for a hidden Emerald Feather to win prizes.
- The library hosted National Simultaneous Storytime on 27 May. Playgroup sessions included a Farmer and the Weather story and craft day on 27 February.

Regular events and activities continued to be held at the library which included:

- Knit and Natters every Thursday.
- Wagin Library & Gallery Book Club held on Saturdays.
- Story Time held every Wednesday and Friday.
- Children’s colouring in and drawing activities held every Tuesday.
- Board Game Morning held every week.
- Playgroup Storytime/Rhyme time once a term at Playgroup.
- Waratah Lodge regular readers' weekly exchange of books, DVDs, etc. is ongoing.
- Wagin Hospital Homebound visiting program available as required.

Library statistics for the year:

Description	2024-25	2025-26
Patron Visits	3,124	2,840
Phone Transactions	144	125
Inter Library Loans	68	54
Community Connections	581	517

Signage for Baart

During the year, new interpretive signage was installed beneath Bart the Giant Ram. These educational panels provide visitors with an overview of the landmark, detailing the initial concept, the construction process, and how the iconic structure was ultimately delivered to its current location in Wetlands Park.



Wagin Town Hall Remediation

Following the identification of severe structural defects caused by water ingress, the Council approved $61,500 in unbudgeted expenditure to initiate emergency repairs at the Wagin Town Hall.

Identified issues included shifting wall and roof structures, alongside loose roofing sheets. To guarantee community safety, public activities were suspended, Homecare staff were relocated to the main Shire office, and a structural engineer was engaged to assess the building's integrity. By February 2026, contractors successfully secured the loose roof sections and removed hazardous ceiling boards, and remediation work on a kitchen leak was also repaired.

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 a total of $37,850 was allocated to nine incorporated bodies for a variety of uses.

Events

Christmas Street Carnival

The 2025 Street Carnival was held on 19 December 2025 and was a fine day, with decorations being put out in the week leading up to Friday to ensure all solar lights and Christmas trees where ready for the event.

Hundreds of Wagin community members attended to enjoy the great music by Andy Pearce, the great local markets, awesome food and the appearance of the Father Christmas who was almost mobbed by the younger community members.





Christmas Street Carnival

Thanks go to Lotterywest, Wagin Chamber of Commerce and Wagin Action Group for their ongoing support with this event, providing a fun opportunity for our young and old which they would not get without this support.

The winners of the Christmas lights decoration were announced at the event:

- First Amanda McCaugh
- Second Jen Bannerman
- Third Cheryl Clavey

With the business winner being Byfield Accountants (who donated their prize). The Wagin CRC also presented a prize for the best stall to Wagin St John Ambulance.

Cultural Events

The Shire partnered with Arts Narrogin to host two events during the year. The first, ‘Piano Room’, featured two immersive, multi-directional sonic performances at the Wagin Town Hall on Wednesday, 4 February 2026. While attendance was lower than anticipated, the unique performance was highly enjoyed by those who attended.

The second event, ‘Her Sound, Her Story’, was presented by the Mirabilis Collective on Thursday, 7 May 2026 at St George’s Anglican Church. The evening was thoroughly enjoyed by all in attendance, featuring exceptional vocal and instrumental performances. A highlight of the event was the inclusion of talented regional artists and local choir members.

Australia Day - 26 January 2026

A total of 231 people joined us for our annual Australia Day Breakfast in Wetlands Park. The Shire President officiated a citizenship ceremony, welcoming five new Australian citizens to our community. 2026 Community Citizen of the Year Awards went to Jane Matera and Barbara Pugh, as well as Blazeaid, for their outstanding support and efforts following the fire in Wedgecarrup starting on 24 January 2025.

BlazeAid established a base at the showgrounds and in the weeks following, BlazeAid's assistance restored 51 kilometres of fencing. This contribution has greatly assisted recovery efforts in our community and enabled our farmers to recover from the fire.



Citizen of the year – Jane Matera



Kerrie Bennett (BlazeAid)

Thank a Volunteer - 20 February 2026

Thanks to the Department of Communities, the Shire worked with the local Care and Share to put on our Thank a Volunteer Sundowner event. This event was extremely well attended and there was a short presentation which highlighted and celebrated the significant contributions of volunteers, recognising both the visible roles and the often-unseen work they undertake to support community wellbeing, resilience, and social connection.



Woolorama – 6-7 March 2026

The 2026 Wagin Woolorama featured a jam-packed schedule. The show lived up to its reputation as the southern hemisphere's largest sheep show, with prestigious Merino competitions and grand champion awards.

The rodeo on Saturday night was a major drawcard. Crowds also flocked to the sheepdog trials and the Young Farmers Challenge.

The Shire had a manned booth in the Recreation Centre on the Friday and Saturday of Woolorama. The time and effort that all the workers put in to help and assist the Woolorama Committee did not go unnoticed by the public. Quite a few people stopped to watch the slideshow that was showing and were particularly interested in how Baart was transported to Wagin.

Wagin Homecare

The 2025-26 year was one of significant change, growth, and adaptation for Wagin Homecare. Throughout the year, the service remained committed to supporting older residents to live independently, safely, and with dignity in their own homes while navigating substantial reforms across the aged care sector.

A key focus during the year was preparation for, and implementation of, the Australian Government's Support at Home Program. Considerable work was undertaken to transition existing Home Care Package participants into the new funding model, update service agreements, support clients and families through legislative changes, and adapt internal systems and reporting processes. Despite increased administrative requirements and ongoing challenges with aged care software and government reporting systems, service delivery continued with minimal disruption.

The service experienced several staffing changes during the reporting period. Additional casual support workers were recruited, increasing capacity to meet growing client demand and Commonwealth Home Support Programme (CHSP) targets. Recruitment of new administration, support, and nursing staff strengthened the team's ability to provide quality care and maintain continuity of services. Workforce transitions, including retirements, resignations, parental leave arrangements, and role changes, were carefully managed to minimise impacts on clients.

Clinical services expanded during the year, supported by the recruitment of an additional Registered Nurse. This increased nursing capacity allowed greater access to clinical support for participants, including the expansion of services into Darkan. Nursing staff continued to play an important role in assessing client needs, facilitating transitions between funding programs, supporting participants to remain safely at home, and promoting health and wellbeing throughout the community.

Wagin Homecare maintained a strong focus on participant wellbeing through its social support programs. The popular Happy Days Program continued to attract strong attendance. Participants enjoyed a variety of social activities, including morning teas, games, Woolorama events, live musical performances, community outings, and seasonal celebrations. Major social events included the Melbourne Cup Luncheon, annual Christmas Luncheon, Christmas light tours, and shopping trips, all of which received overwhelmingly positive feedback.



Community bus outings also provided valuable opportunities for social engagement and connection. Visits to local and regional attractions helped combat social isolation while encouraging participation, wellbeing, and community involvement. These programs continue to demonstrate the importance of social support services in maintaining quality of life for older residents.

Professional development remained a priority, with staff participating in first aid training, aged care conferences, webinars, and industry events. Engagement with the broader aged care sector provided valuable insight into emerging reforms, service delivery models, and the challenges facing regional providers. These opportunities helped ensure Wagin Homecare remains informed, adaptable, and well positioned for future change.

The gardening service also started a planned transition during the year, with recruitment and handover arrangements ensuring continuity for clients. An equipment audit and forward planning process were undertaken to support the ongoing sustainability of this valued service.

Throughout the year, Wagin Homecare continued to advocate for regional aged care services through participation in sector forums, advisory committees, and stakeholder engagement activities. These discussions highlighted the importance of locally delivered aged care services and the need for continued support for rural and regional communities.

Despite significant reform, staffing changes, and operational challenges, Wagin Homecare has remained focused on delivering high-quality, person-centred care. The commitment, professionalism, and resilience of staff have ensured that clients continued to receive the support they needed throughout a period of substantial transition.

As the service moves forward, it remains dedicated to continuous improvement, sustainable growth, and supporting older residents to remain connected, independent, and active within their community.

Emergency Management

Infrastructure and Asset Upgrades

- Upgrades to the Wagin airfield were finalised to support aerial firefighting capabilities. An aircraft turn-around was constructed, as well as a sea container being positioned onto a new gravel pad to serve as storage for re-filling equipment. The emergency water bomber refilling station was successfully activated, tested, and subsequently utilised twice during active operations.
- The Bush Fire Brigade water tanker was completed, featuring a custom-designed, high-visibility mural on its sides to clearly identify it as a firefighting trailer.



- In partnership with the Department of Water and Environmental Regulation (DWER), two emergency water tanks were installed. This included a 367,831-litre tank positioned near the sportsground infrastructure and an additional tank on Warup Road.



Sportsground tank



Warup Road tank

Incident Response

- The summer fire season commenced with a severe fire on the evening of 1 December 2025. Three responders sustained injuries during the incident. Following standard protocols, Shire officers promptly reported the matter to WorkSafe and the Shire's insurers.

Strategic Planning and Regional Partnerships

- The Shire adopted a newly revised Bushfire Risk Management Plan on 25 November 2025. Maintaining an active plan ensures the Shire remains eligible for future mitigation activity funds.
- In December 2025, Council accepted an offer from DFES to become a host local government for the Bushfire Risk Mitigation Coordinator program. Fully funded by a state grant, the position was successfully filled in March 2026. The coordinator is based out of Perth and splits operational duties between the Shires of Wagin, Wickepin, and Kulin.

Training and Volunteer Commendations

- Eight dedicated BFB volunteers went above and beyond by deploying to support firefighting crews at the Boddington fire over the Christmas and Boxing Day period, following their tireless efforts closer to home at the Wedgecarrup fire.
- Six community members, alongside State Emergency Service (SES) volunteers and Shire executive leadership, completed specialised water bomber refilling training. Additionally, a Fire Control Officer training course was hosted at the Shire Office on 9 June, resulting in six participants successfully passing and achieving qualification.

Health, Building and Planning

Public Health Plan

The Public Health Act 2016 introduced a requirement for local governments to prepare a local public health plan by 4 June 2026. To meet the legislative requirements, officers prepared a Local Public Health Plan for the Council's consideration, which was adopted by the Council on 26 May 2026.

The Plan documents the Shire's existing commitment to wellbeing in the community including through contractual arrangements to ensure that General Practitioner services are available and the provision of Homecare services to over 100 residents.

Roads Board Building

The future use of the Old Roads Board Building has been discussed on several occasions at Council. To advance a resolution made at the October 2024 meeting, a Scheme Amendment was prepared and adopted in April 2026 to rezone/reclassify the site from the 'Public Purposes' reserve under Local Planning Scheme No. 2 (LPS2) to the 'Commercial' zone.

Following advertising, any submissions will need to be considered by Council, before the amendment is put to the WAPC and the Minister for Planning for final approval.

Building Permits

Nineteen building permits were issued, the total construction value being $2,536,491.

Type	Quantity	Value
Dwelling	8	$2,151,947
Granny / house extension	1	$250,000
Patio	1	$19,785
Carport / Garage	4	$44,564
Shed	3	$33,200

Local Planning Policy - Tree Farms

The Shire has received several Tree Farm development applications in recent times. The receipt and review of these applications have identified a need to consider adopting a local planning policy regarding tree farms. At its meeting held on 23 June 2026, the Council resolved to advertise a local planning policy related to tree farms.

Tree farms have a technical and legal meaning in the Shire's Local Planning Scheme No.2 being defined as "Land used commercially for tree production where trees are planted in blocks of more than one hectare, including land in respect of which a carbon right is registered under the Carbon Rights Act 2003 section 5." This means that land-uses that do not meet this definition are not a tree farm.

The policy's central intent is to ensure that cropping, grazing, and food production remain the predominant land uses, while encouraging tree farms to be integrated in a complementary way that enhances, rather than replaces, existing farming systems.

Planning Approvals

A total of 25 planning approvals were issued during 2025-26, as detailed below. The total value of constructions was $$6,979,770. This was an increase on last year's number of 14 approvals, with a value of $2,183,375.

Type	Quantity	Value
Commercial operation	4	$1,124,320
Residence	10	$5,063,770
Shed	8	$752,895
Carport / Garage	3	$38,785

Swimming Pool Inspections

During the year, the Council engaged Royal Life Saving Western Australia to conduct pool barrier inspections on behalf of the Shire. A total of 54 out of 56 pool barriers were inspected and found compliant. Several pools had been decommissioned.

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 Shire's parks, gardens and sporting facilities. Key areas are the Sportsground, Wetlands Park, Town Square and Town Park.

In early 2025, Shire officers identified severe deterioration of the sportsground oval playing surface, which was initially attributed to irrigation issues. Following expert horticultural consultation in March 2025, the root cause was identified as a major black beetle larvae infestation that rendered the playing surface entirely unusable. The Shire immediately engaged with affected winter sporting clubs to manage restricted training access and minimise disruptions to their upcoming seasons.

To address the issue, the Shire implemented an urgent remedial action plan involving specialised winter grass seeding and targeted watering protocols guided by external experts. By April 2026, the recovery works had progressed significantly, ensuring the ground was fully restored and playable in time for the opening rounds of the football and hockey seasons.

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.

In 2025-26, the following drought resilience works recommended by the strategy were undertaken:

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

The weir redevelopment has been particularly successful with an impressive yield of water being captured from a relatively small amount of rain from the hard stand at the CBH facility. The two solar pumps funded by the Federal Government program are working better than anticipated.

Plant / Machinery

Plant purchases included the following.

Description	Price
GWM Tank 500 Ultra (CEO)	$65,436
Isuzu D-Max (SES)	$149,052
GWM Cannon 4 x 4 Utility (BRMC)	$48,085
GWM Haval H7 Vanta (Doctor)	$40,204
CAT 140YOY3 Motor Grader	$426,821
Bomag BW28RH Multi Tyred Roller	$210,000

Capital works

The main projects for the financial year included:

Description	Funding	Cost
Roadworks		
Main Drain/Padbury Lane	Shire	$22,509
Thornton Street - Kerbing both sides	Shire	$7,422
Lukin street - Kerbing both sides	Shire	$5,616
Trenton Street - Kerbing north side	Shire	$11,018
Hunt street - Reseal	Shire	$15,744
Dongolocking Road SLK 24.16 - Extend culvert / replace head wall	Shire	$3,368
Gundaring Road - Gravel widen west side of road	Shire	$17,073
Behn-Ord Road - Gravel Sheet	Shire	$41,650
Toolibin South Road - Gravel Sheet	Shire	$48,509
Vernal Street - Reseal 2 coat	Shire	$23,694
Culvert repairs	Shire	$40,991
Dongolocking Road SLK 10.42 - Culvert (replace sleepers)	RRG	$62,257
Beaufort Road - Reconstruct Seal Widen	RRG	$182,918
Jaloran Road - Reseal	RRG	$147,832
Ballagin Road - Reconstruct Seal Widen	RRG	$334,161
Bullock Hills Road - Reconstruct Seal Widen	RTR	$180,030
Behn Ord Road - Reconstruct Seal Widen	RTR	$139,009
Bockaring road - Reconstruct Seal Widen	RTR	$180,442



Ballagin Road



Bullock Hills Road

Description	Funding	Cost
Kerbing		
Thornton Street - Kerbing both sides	Shire	$7,422
Lukin street - Kerbing both sides	Shire	$5,616
Trenton Street - Kerbing north side	Shire	$11,018

Description	Funding	Cost
Footpaths		
Thornton Street Footpath - Tarbet to Theta	Shire	$36,275
Ventnor Street Footpath - Ware to Warwick	Shire	$30,541

Road Maintenance



Beaufort Road culvert repairs – In progress and complete

Wagin Landfill Site

In June 2026, the Council formally received the Shire of Wagin Landfill Planning and Closure Plan 2026. This plan outlines the expected remaining lifespan of the landfill and provides recommendations to guide its ongoing operation, progressive closure and long-term financial planning.

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	$5,085.00	$16,852.50	$1,155.00	$0	$23,092.50
Cr Bryan Kilpatrick	$2,227.50	$4,213.13	$1,155.00	$0	$7,595.63
Cr Gregory Ball	$2,025.00	$0	$577.50	$435.60	$3,038.10
Cr Sherryl Chilcott	$2,700.00	$0	$1,155.00	$0	$3,855.00
Cr Wade Longmuir	$1,012.50	$0	$577.50	$0	$1,590.00
Cr Ann O'Brien	$2,752.50	$0	$1,443.75	$0	$4,196.25
Cr Jason Reed	$1,552.50	$0	$866.25	$0	$2,418.75
Cr Geoff West	$3,512.50	$0	$1,443.75	$432.00	$5,388.25

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		4	
Elected Member	Present	Apology / LOA	Present	Apology / LOA	Present	Apology / LOA
Cr Phillip Blight	10	1	2	0	4	0
Cr Bryan Kilpatrick	10	1	1	1	2	1
Cr Greg Ball	8	1	2	0	1	0
Cr Sheryll Chilcott	10	1	2	0	2	0
Cr Wade Longmuir	4	1	2	0	1	0
Cr Jason Reed	6	2	2	0	0	0
Cr Ann O'Brien	9	2	2	0	1	0
Cr Geoff West	11	0	2	0	1	1

Elected Member Demographic Information

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

During 2025-26, there were five male (71.4%) and two female councillors (28.6%) at any point in time. Across the full financial year, there were six male (75.0%) and two female councillors (25.0%).

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 2025-26.

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 2025-26:

$130,000 - $139,999	0
$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 2025-26 financial year, the Chief Executive Officer's remuneration was calculated as follows:

- Cash Salary $188,125
- Superannuation $ 22,575 (12% Super Guarantee)
- Assoc/Membership Fees $ 1,000
- FBT (estimate) $ 10,500
- Utilities $ 6,000
- Total $228,200

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:

2023-24	$791,817
2024-25	$1,410,648
2025-26	$1,226,176

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.

Over the 2025-26 period, the Council successfully formulated and finalised the Shire of Wagin Strategic Community Plan 2026–2036. This milestone outlines the long-term vision and corporate roadmap for the next decade.

On 16 December 2025 the Council established the core foundation of the plan by endorsing its primary strategic direction:

- The Vision: *"Cultivating prosperity and wellbeing through connectivity, and community."*
- Core Focus Areas and Goals:
    1. Economic Growth: Building agriculture and vital support industries.
    2. Community Well-being: Supporting our aging population, with a strong focus on enabling residents to age in place.

On 28 April 2026, the Council formally approved the draft framework to undergo official public comment in accordance with section 5.56 of the *Local Government Act 1995* and regulation 19C of the *Local Government (Administration) Regulations 1996*.

Following the conclusion of the public comment period, all community feedback was reviewed. At its meeting held on 23 June 2026, the Council formally adopted the final Strategic Community Plan 2026–2036, incorporating a minor refinement suggested in the consultation process to emphasise community lifestyle.

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 Disability Access and Inclusion Plan was reviewed during the year and at its meeting held on 28 October 2025, the Council adopted the Shire of Wagin Disability Access and Inclusion Plan (DAIP) 2025 – 2030.

The following actions helped improved disability access during 2025-26.

- Ongoing local government support of Wagin Homecare service.
- Upgrades to the line marking around ACROD parking bays around the townsite. Adding in bays where the need for additional parking has been identified.
- Accessible formats are available on request and we now have the audio version on the website.
- Adding a second ramp to the entrance to Council Chambers for community members to attend council meetings.
- Upgrades to the disability access toilet at the sportsground to install back rest and railings in addition to the sliding door done in 2024-25.
- In-house refresher training of long-term staff members and in-house basic training of new staff to ensure practices are kept in line.

Overview of the 2026-27 Budget Proposals

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

The budget comprises expenditure of $14.4 million including operating expenditure of $10.0 million and capital expenditure of $3.85 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 two new staff houses.

Rates Income

Minimum rated properties will increase by either 10% (GRV non commercial), 13% (UV General) or 29% (GRV Commercial / Industrial). Maintaining an above average increase on GRV and UV General properties will bring the Shire of Wagin more into line with the regional average over time. The increase in minimum rates on GRV Commercial / Industrial properties is considered to be critical to overcoming land development inertia.

The budget proposes a 6.8% increase in rate yield. This equates to a 4.7% increase in the effective rates yield disregarding the increase on three assessments that transitioned from UV to GRV. However, rates on non-minimum rated properties (almost 80% of properties) will increase on average by just 3.5%.

Grants

Part of the annual Commonwealth Financial Assistance Grant ($1,805,386 or 82%) was paid in advance in June 2026 and was classified as 2025-26 income. The remaining figure for 2026/27 is estimated at $389,289.

Regional Road Group funds of $576.072 have been allocated to Beaufort, Ballagin and Jaloran Roads. Commodity Route funding of $72,694 will be spent on Stewart Road.

Roads to Recovery funding of $593,064 funds will be spent on Bockaring, Norring and Behn Ord Roads. The untied Direct Road Grants amount has increased to $201,545.

Reserve Accounts

The Council commences the new financial year with $3,691,211 in its reserve accounts. This budget includes transfers to and from reserves and interest with a predicted reduction overall in reserve funds of $385,245, mainly attributable to use of $658,500 for the staff housing project. In response to the Landfill Planning and Closure Plan received by Council at the meeting on 23 June 2026 recommending an annual reserve contribution for anticipated landfill closure costs, a $20,000 transfer to the Refuse Site Rehabilitation Reserve has been budgeted. The proposed transfers are shown on page 18 of the budget. The projected closing balance is $3,305,966 at the end of the 2026/27 financial year.

Debt Servicing

The outstanding loan principal at 1 July 2026 is $246,085 inclusive of Self - Supporting Loans. The principal repayments for 2026/27 amount to $68,035 and interest payable $24,936 (incl Government Guarantee). A new loan of $400,000 is proposed for the staff housing project, leaving a balance of $578,051 at 30 June 2027.

The self-supporting component of the above loan balance as at 1 July 2026 is $64,661 with principal repayments of $14,512 and interest of $3,227. The self- supporting loan balance will be $50,149 at 30 June 2027, with the loan for the Wagin Ag Society being fully repaid.

Capital Works Program

The Capital Works Program totals $3,849,604. This is split into the following categories:

Buildings	$1,126,957
Furniture & Equipment	$106,000
Plant & Equipment	$496,500
Roads and Drainage	$1,931,046
Footpaths	$144,000
Other Infrastructure	$45,101

The Council's contribution to these works totals $2,154,668 while the balance of the $1,296,936 is derived from grant funding and $400,000 from loan funding. Capital Income includes provision for the sale of vehicles totalling $166,000.

Capital Expenditure

The following major capital expenditure items have been included in the budget (excluding carry forward projects):

Land & Buildings

Dental Clinic Repainting	$7,500
Public Toilet Block Upgrades	$10,600
Sportsground Grandstand Roller Door	$8,000
Wedgecarrup Hall Upgrades	$9,000
Courthouse/Library - Reattach Ridge Capping & Tiles	$10,000
Town Hall Kitchen Improvements	$15,000
New Staff House 1 (3 x 2 modular)	$499,160
New Staff House 2 (3 x 2 modular)	$499,160
Replacement of Carpet – Staff House	$8,000

Plant

DCEO Vehicle	$70,000
Ranger Vehicle	$42,000
Homecare Gardeners Ute	$22,000
Homecare Gardeners Trailer	$7,500
Side Tipper Truck 13T	$225,000
Street Sweeper	$65,000
Haulotte HTA 13P Trailer Mounted Boom Lift	$65,000

Furniture & Equipment

Dual CCTV / ANPR - 11 Arthur Road	$40,000
Cable Machine - Community Gym	$10,300
Chlorine & Acid Controllers - Swimming Pool	$32,000
Portable Lighting Towers - Swimming Pool	$18,100
Metro Count Road Counter	$5,600

Roads and Drainage

Shire - Main Drain/Padbury Lane	$30,000
Shire - Culvert repairs as needed	$75,000
RRG - Beaufort Road - Reconstruct Seal Widen SLK 8.3 to 10.3	$268,158
RRG - Jaloran Road - Reseal - SLK 8.72 to 11.72	$127,237
RRG - Ballagin Road - Reconstruct Seal Widen - SLK 4.0 to 6.0	$391,938
RTR - Norring Road - Reconstruct Seal Widen - SLK 0.0 to 1.5	$234,063
RTR - Behn Ord Road - Reconstruct Seal Widen SLK 1.29 to 2.79	$114,202
RTR - Bockaring Road - Reconstruct Seal Widen - SLK 2.0 to 4.12	$244,799
Shire - Bullock Hills Road - Gravel Shoulders - SLK 2.58 to 3.78	$21,604
CRF - Stewart Road - Seal Widen - SLK 0.0 to 0.31	$134,103
Shire - Lime Lake West Road - Gravel Sheet - SLK 3.92 to 6.03	$59,148
Shire - Robinson Road - Gravel Sheet - SLK 3.81 to 4.33	$18,499
Shire - Trenton Street - Kerbing - Theta to Tudhoe (South)	$9,600
Shire - Theta Street - Kerbing - Both Sides	$18,000
Shire - Bullock Hills Road - Reseal - SLK 10.0 to 10.67	$105,278
Shire - Pabury Lane - Reseal	$7,880

Footpaths

Shire - Footpath - Trenton Street (Theta to Tudhoe)	$36,000
Shire - Footpaths - Theta Street (Thornton to Trenton)	$36,000
Shire - Footpaths - Ballagin Street (North of Sirdar Street)	$72,000

Other Infrastructure

Shade Sails - Swimming Pool	$10,000

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 2025-26.

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 2025-26 year, the Council completed two requests for information under the Freedom of Information Act. One of those was a work in progress from 30 June 2025.

National Competition Policy

In 1995, Australian Governments entered into a series of agreements known as the National Competition Policy. The Local Government sector is affected where it undertakes significant business activities that compete, or have the potential to compete, with private sector providers.

The Shire of Wagin does not operate any significant business activities of a commercial nature. Where services are provided in areas that may also be serviced by the private sector, their primary purpose is to address community needs and market gaps rather than to generate profit.

One example is the Commonwealth Home Support Programme (CHSP), through which the Shire provides in-home support services to older members of the community. While private and not-for-profit organisations may also provide these services, historical service delivery arrangements and the need to ensure local access to care have resulted in the Shire undertaking this role.

This service has been provided principally to support the wellbeing, independence and quality of life of older residents, rather than as a commercial undertaking. As such, the Shire considers its involvement in the provision of these services to be consistent with its broader community service objectives and obligations.

The Shire currently receives Commonwealth funding to deliver CHSP services, however, the funding model requires an ongoing subsidy from Shire resources. In light of the financial sustainability challenges associated with the current arrangements, Council is investigating alternative service delivery models, including the potential transition of CHSP services to another approved provider. Any future changes will seek to ensure continued access to essential services for local residents while maintaining value for the community.

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.

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

Cat Local Law

Following an initial decision on 24 June 2025 to advertise a draft Cat Local Law 2025 for public consultation, the Council officially finalised the legislative process at its meeting held on 16 December 2025. The local law was gazetted on 30 January 2026. This will allow restrictions on the number of cats in a household to 3 cats and provide for an avenue to make complaint and take action on nuisance cats.

Statutory Review of Existing Local Laws

Recognising that a previous local law review process commenced in 2020 was left incomplete, the Council proactively addressed the risk of widespread automatic deregulation slated for December 2026. On 22 July 2025, the Council resolved to provide local public notice for the mandatory review of 11 remaining local laws.

Following the statutory public notice period, no public submissions were received. In accordance with section 3.16 of the Local Government Act 1995, the Council formally determined that these existing local laws would remain unchanged at this time.

SHIRE OF WAGIN

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2026

Statement by CEO	2
Statement of comprehensive income	3
Statement of financial position	4
Statement of changes in equity	5
Statement of cash flows	6
Statement of financial activity	7
Index of notes to the financial report	8
Independent auditor's report	38

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

Cultivating prosperity through care, connectivity and community.

Principal place of business:
2 Arthur Road
Wagin WA 6315

SHIRE OF WAGIN
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2026

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 financial year ended 30 June 2026 and the financial position as at 30 June 2026.

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

Signed on the 29 day of October 2026

CEO

Dr Kenneth Parker
Name of CEO

OAG AUDITED

SHIRE OF WAGIN
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 Actual	2026 Budget	2025 Actual
		$	$	$
Revenue				
Rates	2(a),24	2,829,863	2,811,809	2,706,299
Grants, subsidies and contributions	2(a)	3,942,546	2,043,431	2,333,037
Fees and charges	2(a)	773,228	782,913	712,087
Interest revenue	2(a)	235,957	230,462	264,050
Other revenue	2(a)	398,902	454,218	471,557
		8,180,496	6,322,833	6,487,030
Expenses				
Employee costs	2(b)	(3,219,411)	(3,136,523)	(3,030,226)
Materials and contracts		(2,228,136)	(2,236,781)	(2,088,911)
Utility charges		(387,010)	(349,806)	(354,015)
Depreciation		(3,474,146)	(3,439,465)	(3,384,330)
Finance costs	2(b)	(17,492)	(17,682)	(18,959)
Insurance		(216,350)	(212,447)	(214,704)
Other expenditure	2(b)	(185,886)	(212,236)	(176,471)
		(9,728,431)	(9,604,940)	(9,267,616)
		(1,547,935)	(3,282,107)	(2,780,586)
Capital grants, subsidies and contributions	2(a)	1,325,460	1,263,394	1,494,498
Profit on asset disposals		67,046	47,008	31,623
Loss on asset disposals		(6,466)	(9,560)	(8,000)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	75,558	0	(3,551)
		1,461,598	1,300,842	1,514,570
Net result for the period		**(86,337)**	**(1,981,265)**	**(1,266,016)**
Other comprehensive income for the period				
Items that will not be reclassified subsequently to profit or loss				
Changes in asset revaluation surplus	16	0	0	0
Total other comprehensive income for the period		**0**	**0**	**0**
Total comprehensive income for the period		**(86,337)**	**(1,981,265)**	**(1,266,016)**

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

OAG AUDITED

Lincolns BEYOND NUMBERS

SHIRE OF WAGIN
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Note	2026	2025
		$	$
CURRENT ASSETS			
Cash and cash equivalents	3	5,919,069	5,429,569
Other financial assets	4(a)	14,513	25,331
Trade and other receivables	5	293,312	268,594
Inventories	6	56,253	50,283
Other assets	7	36,362	32,906
TOTAL CURRENT ASSETS		6,319,509	5,806,683
NON-CURRENT ASSETS			
Other financial assets	4(b)	205,327	144,282
Trade and other receivables	5	74,804	93,377
Property, plant and equipment	8	18,520,113	19,075,976
Infrastructure	9	131,071,533	130,129,475
TOTAL NON-CURRENT ASSETS		149,871,777	149,443,110
TOTAL ASSETS		156,191,286	155,249,793
CURRENT LIABILITIES			
Trade and other payables	11	385,143	302,026
Contract liabilities	12	8,599	21,950
Capital grant/contributions liabilities	12	29,611	106,508
Borrowings	13	52,533	76,165
Employee related provisions	14	599,683	611,983
Other provisions	15	10,000	0
TOTAL CURRENT LIABILITIES		1,085,569	1,118,632
NON-CURRENT LIABILITIES			
Borrowings	13	193,552	246,085
Employee related provisions	14	26,402	68,707
Other provisions	15	1,155,731	0
TOTAL NON-CURRENT LIABILITIES		1,375,685	314,792
TOTAL LIABILITIES		2,461,254	1,433,424
NET ASSETS		153,730,032	153,816,369
EQUITY			
Retained surplus		30,464,425	30,359,856
Reserve accounts	27	3,691,213	3,882,119
Revaluation surplus	16	119,574,394	119,574,394
TOTAL EQUITY		153,730,032	153,816,369

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

OAG AUDITED

Lincolns BEYOND NUMBERS

SHIRE OF WAGIN
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2026

	Note	Retained surplus	Reserve accounts	Revaluation surplus	Total equity
		$	$	$	$
Balance as at 1 July 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	27	147,163	(147,163)	0	0
Transfers to reserve accounts	27	(700,951)	700,951	0	0
Balance as at 30 June 2025		**30,359,856**	**3,882,119**	**119,574,394**	**153,816,369**
Comprehensive income for the period					
Net result for the period		(86,337)	0	0	(86,337)
Total comprehensive income for the period		(86,337)	0	0	(86,337)
Transfers from reserve accounts	27	405,406	(405,406)	0	0
Transfers to reserve accounts	27	(214,500)	214,500	0	0
Balance as at 30 June 2026		**30,464,425**	**3,691,213**	**119,574,394**	**153,730,032**

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

OAG AUDITED

Lincolns BEYOND NUMBERS

SHIRE OF WAGIN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 Actual	2025 Actual
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		2,870,094	2,695,583
Grants, subsidies and contributions		3,900,441	2,347,235
Fees and charges		778,393	718,204
Interest revenue		235,957	264,050
Goods and services tax received		348,783	444,066
Other revenue		398,902	471,557
		8,532,570	6,940,695
Payments			
Employee costs		(3,304,881)	(2,945,992)
Materials and contracts		(2,146,144)	(1,995,157)
Utility charges		(387,010)	(354,015)
Finance costs		(17,492)	(18,959)
Insurance paid		(216,350)	(214,704)
Goods and services tax paid		(349,006)	(437,572)
Other expenditure		(185,886)	(176,471)
		(6,606,769)	(6,142,870)
Net cash provided by operating activities		1,925,801	797,825
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a)	(1,180,564)	(914,391)
Payments for construction of infrastructure	9(a)	(1,746,811)	(1,714,978)
Proceeds from capital grants, subsidies and contributions		1,248,563	1,504,754
Proceeds from financial assets at amortised cost - self-supporting loans		25,331	24,507
Proceeds for financial assets at amortised cost - term deposits		0	3,267,743
Proceeds from sale of property, plant & equipment		293,345	177,655
Net cash provided by (used in) investing activities		(1,360,136)	2,345,290
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	26(a)	(76,165)	(72,505)
Net cash (used in) financing activities		(76,165)	(72,505)
Net increase in cash held		489,500	3,070,610
Cash at beginning of year		5,429,569	2,358,959
Cash and cash equivalents at the end of the year		5,919,069	5,429,569

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

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SHIRE OF WAGIN
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 Actual	2026 Budget	2025 Actual
		$	$	$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	24	2,811,667	2,795,307	2,690,355
Rates excluding general rates	24	18,196	16,502	15,944
Grants, subsidies and contributions		3,942,546	2,043,431	2,333,037
Fees and charges		773,228	782,913	712,087
Interest revenue		235,957	230,462	264,050
Other revenue		398,902	454,218	471,557
Profit on asset disposals		67,046	47,008	31,623
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	75,558	0	(3,551)
		8,323,100	6,369,841	6,515,102
Expenditure from operating activities				
Employee costs		(3,219,411)	(3,136,523)	(3,030,226)
Materials and contracts		(2,228,136)	(2,236,781)	(2,088,911)
Utility charges		(387,010)	(349,806)	(354,015)
Depreciation		(3,474,146)	(3,439,465)	(3,384,330)
Finance costs		(17,492)	(17,682)	(18,959)
Insurance		(216,350)	(212,447)	(214,704)
Other expenditure		(185,886)	(212,236)	(176,471)
Loss on asset disposals		(6,466)	(9,560)	(8,000)
		(9,734,897)	(9,614,500)	(9,275,616)
Total amounts excluded from operating activities	25(a)	3,301,998	3,384,677	3,381,971
Amount attributable to operating activities		1,890,201	140,018	621,457
INVESTING ACTIVITIES				
Inflows from investing activities				
Proceeds from capital grants, subsidies and contributions		1,325,460	1,263,394	1,494,498
Proceeds from disposal of property, plant and equipment	8(a)	293,345	215,273	177,655
Proceeds from financial assets at amortised cost - self-supporting loans	26(a)	25,331	25,331	24,507
		1,644,136	1,503,998	1,696,660
Outflows from investing activities				
Acquisition of property, plant and equipment	8(a)	(1,180,564)	(1,886,907)	(914,391)
Acquisition of infrastructure	9(a)	(1,746,811)	(2,043,921)	(1,714,978)
Acquisition of infrastructure on recognition of related provision	9(a)	(1,165,731)	0	0
		(4,093,106)	(3,930,828)	(2,629,369)
Total amounts excluded from investing activities	25(b)	1,165,731	0	0
Amount attributable to investing activities		(1,283,239)	(2,426,830)	(932,709)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	26(a)	0	1,600,000	0
Transfers from reserve accounts	27	405,406	266,074	147,163
		405,406	1,866,074	147,163
Outflows from financing activities				
Repayment of borrowings	26(a)	(76,165)	(76,165)	(72,505)
Transfers to reserve accounts	27	(214,500)	(944,764)	(700,951)
		(290,665)	(1,020,929)	(773,456)
Amount attributable to financing activities		114,741	845,145	(626,293)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	25(c)	1,432,675	1,441,667	2,370,220
Amount attributable to operating activities		1,890,201	140,018	621,457
Amount attributable to investing activities		(1,283,239)	(2,426,830)	(932,709)
Amount attributable to financing activities		114,741	845,145	(626,293)
Surplus or deficit after imposition of general rates	25(c)	**2,154,378**	**0**	**1,432,675**

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

SHIRE OF WAGIN
FOR THE YEAR ENDED 30 JUNE 2026
INDEX OF NOTES TO THE FINANCIAL REPORT

Note 1	Basis of preparation	9
Note 2	Revenue and expenses	10
Note 3	Cash and cash equivalents	12
Note 4	Other financial assets	12
Note 5	Trade and other receivables	13
Note 6	Inventories	14
Note 7	Other assets	15
Note 8	Property, plant and equipment	16
Note 9	Infrastructure	18
Note 10	Fixed assets	20
Note 11	Trade and other payables	22
Note 12	Other liabilities	23
Note 13	Borrowings	24
Note 14	Employee related provisions	25
Note 15	Other provisions	26
Note 16	Revaluation surplus	27
Note 17	Restrictions over financial assets	28
Note 18	Undrawn borrowing facilities and credit standby arrangements	28
Note 19	Contingent liabilities	29
Note 20	Capital commitments	29
Note 21	Related party transactions	30
Note 22	Events occurring after the end of the reporting period	31
Note 23	Other material accounting policies	32

Information required by legislation

Note 24	Rating information	33
Note 25	Determination of surplus or deficit	34
Note 26	Borrowing and lease liabilities	35
Note 27	Reserve accounts	36

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 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 affect 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
- Measurement of provisions - note 15

Fair value hierarchy information can be found in note 23

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.

Initial application of accounting standards
During the current year, no new or revised Australian Accounting Standards and Interpretations were applied for the first time.

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

This standard is expected to have a material impact on the disclosures required to be made in the annual financial report for the year ended 30 June 2029 onwards.

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers
Recognition of revenue is dependent 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	Full payment 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 2026

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	$	$	$	$	$
Rates	0	0	2,829,863	0	2,829,863
Grants, subsidies and contributions	890,689	0	0	3,051,857	3,942,546
Fees and charges	673,929	0	75,899	23,400	773,228
Interest revenue	0	0	17,220	218,737	235,957
Other revenue	46,988	0	255,188	96,726	398,902
Capital grants, subsidies and contributions	0	1,325,460	0	0	1,325,460
Total	1,611,606	1,325,460	3,178,170	3,390,720	9,505,956

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

	Note	2026 Actual	2025 Actual
		$	$
Interest revenue			
Financial assets at amortised cost - self-supporting loans		4,741	5,247
Interest on reserve account		158,198	144,377
Trade and other receivables overdue interest		17,220	24,460
Other interest revenue		55,798	89,966
		235,957	264,050
The 2026 original budget estimate in relation to:			
Trade and other receivables overdue interest was $2,500.			

(b) Expenses

Auditors remuneration			
- Audit of the Annual Financial Report		37,363	35,000
- Other services – grant acquittals		4,680	4,740
		42,043	39,740
Employee Costs			
Employee benefit costs		3,219,411	3,030,226
		3,219,411	3,030,226
Finance costs			
Interest and financial charges paid/payable for lease liabilities and borrowings		17,492	18,959
		17,492	18,959
Other expenditure			
Sundry expenses		185,886	176,471
		185,886	176,471

3. CASH AND CASH EQUIVALENTS

	Note	2026	2025
		$	$
Cash at bank and on hand		5,919,069	1,418,992
Term deposits		0	4,010,577
Total cash and cash equivalents		5,919,069	5,429,569
Held as			
- Unrestricted cash and cash equivalents		2,189,646	1,418,992
- Restricted cash and cash equivalents	17	3,729,423	4,010,577
		5,919,069	5,429,569

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.

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

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	2026	2025
		$	$
(a) Current assets			
Financial assets at amortised cost		14,513	25,331
		14,513	25,331
Other financial assets at amortised cost			
Self-supporting loans receivable	25(c)	14,513	25,331
		14,513	25,331
Held as			
- Unrestricted other financial assets at amortised cost		14,513	25,331
		14,513	25,331
(b) Non-current assets			
Financial assets at amortised cost		50,149	64,662
Financial assets at fair value through profit or loss		155,178	79,620
		205,327	144,282
Financial assets at amortised cost			
Self-supporting loans receivable		50,149	64,662
		50,149	64,662
Financial assets at fair value through profit or loss			
Units in Local Government House Trust - opening balance		79,620	83,171
Movement attributable to fair value increment		75,558	(3,551)
Units in Local Government House Trust - closing balance		155,178	79,620

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 26(a) as self-supporting loans. Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

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 cash flows; 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 hierachy (see Note 23 (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 financial assets at fair value through profit or loss.

5. TRADE AND OTHER RECEIVABLES

	Note	2026	2025
		$	$
Current			
Rates and statutory receivables		155,526	171,869
Trade receivables		125,932	97,178
GST receivable		223	0
Receivables for employee related provisions		56,928	39,679
Allowance for credit losses of rates and statutory receivables		(38,124)	(32,959)
Allowance for credit losses of trade receivables		(7,173)	(7,173)
		293,312	268,594
Non-current			
Rates and statutory receivables		74,804	76,128
Receivables for Employee related provisions		0	17,249
		74,804	93,377

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.

	Note	30 June 2026 Actual	30 June 2025 Actual	1 July 2024 Actual
		$	$	$
Trade and other receivables from contracts with customers		125,932	97,178	96,788
Contract assets	7	0	0	25,534
Allowance for credit losses of trade receivables	5	(7,173)	(7,173)	(2,002)
Total trade and other receivables from contracts with customers		118,759	90,005	120,320

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 the amount 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.

Other receivables
Other receivables are amounts receivable from contractual arrangements with third parties other than contracts with customers and amounts receivable as grants with sufficiently specific performance obligations or for the construction of recognisable non-financial assets.

Measurement
Trade and other receivables are recognised initially at the amount of the transaction price.

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 more than 12 months 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, therefore any difference between the face value and fair value is considered immaterial.

6. INVENTORIES

	Note	2026	2025
		$	$
Current			
Fuel and materials		56,253	50,283
		56,253	50,283
The following movements in inventories occurred during the year:			
Balance at beginning of year		50,283	49,128
Inventories expensed during the year		(162,894)	(187,070)
Additions to inventory		168,864	188,225
Balance at end of year		56,253	50,283

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.

7. OTHER ASSETS

	2026	2025
	$	$
Other assets - current		
Prepayments	500	0
Accrued income	35,862	32,906
	36,362	32,906

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.

Accrued income

Accrued income represents amounts recognised as income during the reporting period for which payment has not been received at the end of the reporting period.

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2026

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		
	Note	Land	Buildings	Land	Buildings	Land	Buildings	Work in progress	Total property	Furniture and equipment	Plant and equipment	Total property, plant and equipment
		$	$	$	$	$	$	$	$	$	$	$
Balance at 1 July 2024		1,671,225	8,092,115	1,631,000	5,752,692	3,302,225	13,844,807	0	17,147,032	320,781	2,269,145	19,736,958
Additions		0	363,182	0	17,140	0	380,322	0	380,322	88,681	445,388	914,391
Disposals		(38,000)	0	0	0	(38,000)	0	0	(38,000)	0	(116,032)	(154,032)
Depreciation		0	(630,810)	0	(381,442)	0	(1,012,252)	0	(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	0	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	0	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)	0	(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	0	16,477,102	353,734	2,245,140	19,075,976
Additions		5,640	35,580	0	30,745	5,640	66,325	61,746	133,711	107,254	939,599	1,180,564
Disposals		(43,000)	0	0	0	(43,000)	0	0	(43,000)	0	(189,765)	(232,765)
Depreciation		0	(638,084)	0	(382,038)	0	(1,020,122)	0	(1,020,122)	(68,096)	(415,444)	(1,503,662)
Balance at 30 June 2026		1,595,865	7,221,983	1,631,000	5,037,097	3,226,865	12,259,080	61,746	15,547,691	392,892	2,579,530	18,520,113
Comprises:												
Gross balance amount at 30 June 2026		1,595,865	9,754,402	1,631,000	6,668,502	3,226,865	16,422,904	61,746	19,711,515	710,750	4,061,928	24,484,193
Accumulated depreciation at 30 June 2026		0	(2,532,419)	0	(1,631,405)	0	(4,163,824)	0	(4,163,824)	(317,858)	(1,482,398)	(5,964,080)
Balance at 30 June 2026	8(b)	1,595,865	7,221,983	1,631,000	5,037,097	3,226,865	12,259,080	61,746	15,547,691	392,892	2,579,530	18,520,113

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2026

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying amount measurements

Asset class	Note	Carrying amount 2026 $	Carrying amount 2025 $	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		3,226,865	3,264,225	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 land	8(a)	3,226,865	3,264,225					
Buildings - non specialised		12,259,080	13,212,877	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)	12,259,080	13,212,877					

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of land at market value of buildings 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.

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	Infrastructure - Refuse Site	Total infrastructure
	$	$	$	$	$
Balance at 1 July 2024	112,882,656	4,759,946	12,734,884	0	130,377,486
Additions	1,491,698	86,990	136,290	0	1,714,978
Depreciation	(1,396,043)	(106,867)	(460,079)	0	(1,962,989)
Balance at 30 June 2025	112,978,311	4,740,069	12,411,095	0	130,129,475
Comprises:					
Gross balance at 30 June 2025	115,770,397	8,636,382	13,322,993	0	137,729,772
Accumulated depreciation at 30 June 2025	(2,792,086)	(3,896,313)	(911,898)	0	(7,600,297)
Balance at 30 June 2025	112,978,311	4,740,069	12,411,095	0	130,129,475
Additions	1,357,626	106,616	282,569	0	1,746,811
Acquisition of infrastructure on recognition of related provision	0	0	0	1,165,731	1,165,731
Depreciation	(1,396,042)	(107,955)	(466,487)	0	(1,970,484)
Balance at 30 June 2026	112,939,895	4,738,730	12,227,177	1,165,731	131,071,533
Comprises:					
Gross balance at 30 June 2026	117,128,024	8,742,997	13,605,562	1,165,731	140,642,314
Accumulated depreciation at 30 June 2026	(4,188,129)	(4,004,267)	(1,378,385)	0	(9,570,781)
Balance at 30 June 2026	112,939,895	4,738,730	12,227,177	1,165,731	131,071,533

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2026

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
Infrastructure - Refuse Site	3	Cost Approach using depreciated replacement cost	External Expert	June 2026	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.

10. FIXED ASSETS

(a) Depreciation

Depreciation rates
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
Infrastructure other	10 to 50 years
Refuse site	50 years

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.

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, investment properties, infrastructure or vested improvements that the local government controls is the reportable value.

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, is 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 and the accumulated depreciation is the balancing figure; 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.

11. TRADE AND OTHER PAYABLES

	2026	2025
	$	$
Current		
Trade payables	238,014	188,292
Prepaid rates	83,460	60,896
Statutory liabilities	38,383	30,148
Bonds and deposits held	23,830	20,809
Other payables Accrued Interest on Loans	1,456	1,881
	385,143	302,026

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.

12. OTHER LIABILITIES

	2026	2025
	$	$
Current		
Contract liabilities	8,599	21,950
Capital grant/contributions liabilities	29,611	106,508
	38,210	128,458
Reconciliation of changes in contract liabilities		
Opening balance	21,950	16,891
Additions	8,599	21,950
Revenue from contracts with customers included as a contract liability at the start of the period	(21,950)	(16,891)
	8,599	21,950
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	106,508	96,251
Additions	1,044,486	1,530,289
Revenue from capital grant/contributions held as a liability at the start of the period	(1,121,383)	(1,520,032)
	29,611	106,508
Expected satisfaction of capital grant/contribution liabilities		
Less than 1 year	29,611	106,508
	29,611	106,508

Performance obligations in relation to capital grant/contribution liabilities are satisfied as project milestones are met or on 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.

13. BORROWINGS

	Note	2026 Current	2026 Non-current	2026 Total	2025 Current	2025 Non-current	2025 Total
Secured		$	$	$	$	$	$
Debentures		52,533	193,552	246,085	76,165	246,085	322,250
Total secured borrowings	26(a)	52,533	193,552	246,085	76,165	246,085	322,250

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 2026 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 23(i)) due to the unobservable inputs, including own credit risk.

Risk
Details of individual borrowings required by regulations are provided at Note 26(a).

14. EMPLOYEE RELATED PROVISIONS

Employee related provisions

	2026	2025
	$	$
Current provisions		
Employee benefit provisions		
Annual leave	239,398	260,707
Long service leave	283,314	279,911
	522,712	540,618
Employee related other provisions		
Employment on-costs	76,971	71,365
	76,971	71,365
Total current employee related provisions	599,683	611,983
Non-current provisions		
Employee benefit provisions		
Long service leave	22,958	60,508
	22,958	60,508
Employee related other provisions		
Employment on-costs	3,444	8,199
	3,444	8,199
Total non-current employee related provisions	26,402	68,707
Total employee related provisions	626,085	680,690

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 assumptions such as 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.

15. OTHER PROVISIONS

	Make good provisions
	$
Opening balance at 1 July 2025	0
Additional provision - Refuse Site	1,165,731
Balance at 30 June 2026	1,165,731
Comprises	
Current	10,000
Non-current	1,155,731
	1,165,731

Other provisions
Amounts which are expected to be paid out within 12 months of the reporting date are classified as current. Exact timing of payment of non-current obligations is unable to be reliably estimated as it is dependent on factors beyond the control of the local government.

Make good provisions
The Wagin Waste Management Facility is a Registered landfill facility under the Environmental Protection Act 1986, Registration Number 1720 as issued on the 22nd of February 2005 with perpetuity, and as such is managed in accordance with the Environmental Protection (Rural Landfill) Regulations 2002 (Rural Landfill Regulations).

The facility Registration references the Rural Landfill Regulations as the document that sets out how the landfill is to be managed and closed. The Shire has a post-closure rehabilitation plan in place for this site at the end of its useful life.

The provision for future remediation costs is the best estimate of the present value of the expenditure required to settle the remediation obligation and continued monitoring of the site at the reporting date. Expected future remediation costs are reviewed annually and any changes in the estimate are reflected in the remediation provision at each reporting date.

The make good provision is reassessed annually whilst the fair value of the related landfill asset is only required to be assessed every 5 years.

MATERIAL ACCOUNTING POLICIES
Provisions
Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

16. REVALUATION SURPLUS

	2026 Opening balance	Total Movement on revaluation	2026 Closing balance	2025 Opening balance	Total Movement on revaluation	2025 Closing balance
	$	$	$	$	$	$
Revaluation surplus - Land	2,950,342	0	2,950,342	2,950,342	0	2,950,342
Revaluation surplus - Buildings	10,226,965	0	10,226,965	10,226,965	0	10,226,965
Revaluation surplus - Plant and equipment	106,181	0	106,181	106,181	0	106,181
Revaluation surplus - Infrastructure - Roads	89,838,269	0	89,838,269	89,838,269	0	89,838,269
Revaluation surplus - Infrastructure - Drainage	11,351,032	0	11,351,032	11,351,032	0	11,351,032
Revaluation surplus - Infrastructure - Other	5,101,605	0	5,101,605	5,101,605	0	5,101,605
	119,574,394	0	119,574,394	119,574,394	0	119,574,394

17. RESTRICTIONS OVER FINANCIAL ASSETS

	Note	2026 Actual	2025 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	3,729,423	4,010,577
		3,729,423	4,010,577
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	27	3,691,213	3,882,119
Contract liabilities	12	8,599	21,950
Capital grant liabilities	12	29,611	106,508
Total restricted financial assets		3,729,423	4,010,577

18. UNDRAWN BORROWING FACILITIES AND CREDIT STANDBY ARRANGEMENTS

Credit card limit		16,000	16,000
Credit card balance at balance date		0	(174)
Total amount of credit unused		16,000	15,826
Loan facilities			
Loan facilities - current		52,533	76,165
Loan facilities - non-current		193,552	246,085
Total facilities in use at balance date		246,085	322,250
Unused loan facilities at balance date		Nil	Nil

19. 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.

20. CAPITAL COMMITMENTS

	2026	2025
	$	$
Contracted for:		
- capital expenditure projects	868,813	15,810
- plant & equipment purchases	0	75,536
	868,813	91,346
Payable:		
- not later than one year	868,813	91,346

The capital expenditure project outstanding at the end of the current reporting period represents the construction and installation of two new modular dwellings for staff housing.

21. RELATED PARTY TRANSACTIONS

(a) Council member remuneration

Fees, expenses and allowances to be paid or reimbursed to council members.	Note	2026 Actual	2026 Budget	2025 Actual
		$	$	$
President's annual allowance		16,853	16,853	16,282
President's meeting attendance fees		5,085	5,970	5,955
President's other expenses		0	1,250	0
President's ICT expenses		1,155	1,155	1,155
President's travel and accommodation expenses		0	100	0
		23,093	25,328	23,392
Deputy President's annual allowance		4,213	4,214	4,070
Deputy President's meeting attendance fees		2,228	3,038	3,380
Deputy President's other expenses		0	1,250	0
Deputy President's ICT expenses		1,155	1,155	1,155
Deputy President's travel and accommodation expenses		0	100	0
		7,596	9,757	8,605
All other council member's meeting attendance fees		13,554	14,680	11,310
All other council member's other expenses		0	6,250	0
All other council member's ICT expenses		6,064	5,775	4,909
All other council member's travel and accommodation expenses		868	500	563
		20,486	27,205	16,782
	21(b)	51,175	62,290	48,779

(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		667,405		539,771
Post-employment benefits		81,650		62,750
Employee - other long-term benefits		14,923		9,656
Council member costs	21(a)	51,175		48,779
		815,153		660,956

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.

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

21. 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:	2026 Actual $	2025 Actual $
Sale of goods and services	8,761	10,948
Purchase of goods and services	20,735	15,713
Amounts outstanding from related parties:		
Trade and other receivables	184	2,073
Amounts payable to related parties:		
Trade and other payables	60	56

(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

During the financial year the Shire purchased goods from a business owned by a council member.
The value of the goods purchased during the year amounted to $20,517, these were made in accordance with the Shire's procurement policy.

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.

22. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

Management has evaluated events and transactions that occurred subsequent to 30 June 2026. There have been no material events that occurred since then that would require adjustment to or disclosure in the financial statements.

23. 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 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 resale 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 statements 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.

To the extent possible, market information is extracted from either the principal market for the asset or liability or, in the absence of such a market, the most advantageous market available to the Shire at the end of the reporting period.

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. The Shire only considers whether the highest and best use differs from its current use where it is highly probable a non-financial asset will be used for an alternative purpose or the asset is held for the purpose of generating net cash inflows.

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.

j) 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.

k) 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 2026

24. RATING INFORMATION

(a) General rates

RATE TYPE Rate description	Basis of valuation	Rate in $	Number of properties	2025/26 Actual rateable value*	2025/26 Actual rate revenue	2025/26 Actual interim rates	2025/26 Actual total revenue	2025/26 Budget rate revenue	2025/26 Budget interim rate	2025/26 Budget total revenue	2024/25 Actual total revenue
				$	$	$	$	$	$	$	$
GRV - Non commercial	Gross rental valuation	9.5045	677	8,765,908	833,156	24,457	857,613	833,156	0	833,156	817,724
GRV Commercial	Gross rental valuation	12.6133	67	2,107,993	265,887	0	265,887	265,887	0	265,887	200,360
UV	Unimproved valuation	0.3293	276	500,954,000	1,649,642	85	1,649,727	1,649,642	0	1,649,642	1,617,799
Total general rates			1,020	511,827,901	2,748,685	24,542	2,773,227	2,748,685	0	2,748,685	2,635,883
		Minimum payment $									
Minimum payment											
GRV - Non commercial	Gross rental valuation	775	135	232,356	104,625	0	104,625	104,625	0	104,625	87,626
GRV Commercial	Gross rental valuation	775	22	45,192	17,050	0	17,050	17,050	0	17,050	10,276
UV	Unimproved valuation	775	104	14,643,565	80,600	1,288	81,888	80,600	0	80,600	66,825
Total minimum payments			261	14,921,113	202,275	1,288	203,563	202,275	0	202,275	164,727
Total general rates and minimum payments			1,281	526,749,014	2,950,960	25,830	2,976,790	2,950,960	0	2,950,960	2,800,610
Ex-gratia rates											
CBH			0	0	18,196	0	18,196	16,502	0	16,502	15,944
Total amount raised from rates (excluding general rates)			0	0	18,196	0	18,196	16,502	0	16,502	15,944
Discounts							(167,331)			(154,351)	(108,880)
Concessions							(1,642)			(1,302)	(1,375)
Total rates							2,826,013			2,811,809	2,706,299

(b) Rates related information

Rates instalment interest							3,851			4,000	3,629
Rates instalment plan charges							2,917			5,000	2,353
Rates overdue interest							11,413			17,500	17,184
Rates written off							5,491			0	1,210

*Rateable Value at time of raising of rate.

25. DETERMINATION OF SURPLUS OR DEFICIT

The following amounts have been excluded from the determination of the budgeted deficiency in accordance with *Financial Management Regulation 32*. Reconciling items relate to movements within current assets and liabilities reflected on the statement of financial activity and required to reconcile the Net current assets to the surplus or deficit after imposition of general rates.

	Note	2025/26 (30 June 2026 carried forward)	2025/26 Budget (30 June 2026 carried forward)	2024/25 (30 June 2025 carried forward)
		$	$	$
(a) Amounts excluded from operating activities				
Less: Profit on asset disposals		(67,046)	(47,008)	(31,623)
Less: Movement in liabilities associated with restricted cash		(2,278)	(10)	20,461
Less: Fair value adjustments to financial assets at fair value through profit or loss		(75,558)	0	3,551
Add: Loss on disposal of assets		6,466	9,560	8,000
Add: Depreciation	10(a)	3,474,146	3,439,465	3,384,330
Movement in current liabilities associated funds held in reserve account:				
- Employee benefit provisions		17,249	0	0
Non-cash movements in non-current assets and liabilities:				
- Pensioner deferred rates		1,324	0	2,525
- Employee benefit provisions		(42,305)	(17,330)	(5,273)
Total amounts excluded from operating activities		3,301,998	3,384,677	3,381,971
(b) Amounts excluded from investing activities				
Add: Acquisition of infrastructure on recognition of related provision	15	1,165,731	0	0
Total amounts excluded from investing activities		1,165,731	0	0
(c) Adjustments to net current assets				
Less: Reserve accounts	27	(3,691,213)	(4,560,749)	(3,882,119)
Less: Current assets not expected to be received at end of year				
- Financial assets at amortised cost - self supporting loans	4(a)	(14,513)	(10,819)	(25,331)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	13	52,533	218,705	76,165
Add: Current liabilities covered by funds held in reserve account				
- Current portion of employee benefit provisions		573,631	575,899	575,909
Total adjustments to net current assets		(3,079,562)	(3,776,964)	(3,255,376)
Net current assets used in the statement of financial activity				
Total current assets		6,319,509	5,037,104	5,806,683
Less: Total current liabilities		(1,085,569)	(1,260,140)	(1,118,632)
Less: Total adjustments to net current assets		(3,079,562)	(3,776,964)	(3,255,376)
Surplus or deficit after imposition of general rates		2,154,378	0	1,432,675

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2026

26. BORROWING AND LEASE LIABILITIES

(a) Borrowings

		Actual							Budget			
Purpose	Note	Principal at 1 July 2024	New loans during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025	New loans during 2025-26	Principal repayments during 2025-26	Principal at 30 June 2026	Principal at 1 July 2025	New loans during 2025-26	Principal repayments during 2025-26	Principal at 30 June 2026
		$	$	$	$	$	$	$	$	$	$	$
Swimming Pool Redevelopment		157,024	0	(16,322)	140,702	0	(17,172)	123,530	140,704	0	(17,172)	123,532
Staff Housing		94,379	0	(17,695)	76,684	0	(18,791)	57,893	76,683	0	(18,791)	57,892
Doctor Housing		28,852	0	(13,981)	14,871	0	(14,871)	0	14,871	0	(14,871)	0
Staff Housing		0	0	0	0	0	0	0	0	1,600,000	0	1,600,000
Total		280,255	0	(47,998)	232,257	0	(50,834)	181,423	232,258	1,600,000	(50,834)	1,781,424
Self-supporting loans												
Wagin Ag Society		55,791	0	(21,813)	33,978	0	(22,481)	11,497	33,978	0	(22,481)	11,497
Wagin Bowling Club		58,709	0	(2,694)	56,015	0	(2,850)	53,165	56,014	0	(2,850)	53,164
Total self-supporting loans		114,500	0	(24,507)	89,993	0	(25,331)	64,662	89,992	0	(25,331)	64,661
Total borrowings	13	394,755	0	(72,505)	322,250	0	(76,165)	246,085	322,250	1,600,000	(76,165)	1,846,085

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 2026	Budget for year ending 30 June 2026	Actual for year ending 30 June 2025
					$	$	$
Swimming Pool Redevelopment	139	WATC*	5.11%	5/11/2032	(7,711)	(7,833)	(7,599)
Staff Housing	137	WATC*	6.02%	26/03/2029	(4,648)	(4,670)	(5,178)
Doctor Housing	138	WATC*	6.27%	20/04/2026	(635)	(824)	(1,416)
Total					(12,994)	(13,327)	(14,193)
Self-supporting loans finance cost payments							
Wagin Ag Society	141	WATC*	3.04%	30/11/2026	(992)	(1,049)	(1,475)
Wagin Bowling Club	142	WATC*	5.71%	11/02/2038	(3,506)	(3,306)	(3,291)
Total self-supporting loans finance cost payments					(4,498)	(4,355)	(4,766)
Total finance cost payments					(17,492)	(17,682)	(18,959)

* WA Treasury Corporation

(b) New borrowings for the year

					Amount borrowed		Amount (used)			
Particulars/purpose	Institution	Loan type	Term years	Interest rate	2026 Actual	2026 Budget	2026 Actual	2026 Budget	Total interest and charges	Actual balance unspent
				%	$	$	$	$	$	$
Staff Housing	WATC*	Debenture	8	5.20%	0	1,600,000	0	0	0	0
					0	1,600,000	0	0	0	0

* ury Corporation

SHIRE OF WAGIN
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2026

27. RESERVE ACCOUNTS

	2026 Actual opening balance	2026 Actual transfer to	2026 Actual transfer (from)	2026 Actual closing balance	2026 Budget opening balance	2026 Budget transfer to	2026 Budget transfer (from)	2026 Budget closing balance	2025 Actual opening balance	2025 Actual transfer to	2025 Actual transfer (from)	2025 Actual closing balance
	$	$	$	$	$	$	$	$	$	$	$	$
Restricted by council												
(a) Leave reserve	575,909	24,222	(26,500)	573,631	575,899	17,277	0	593,176	555,448	20,461	0	575,909
(b) Plant Replacement Reserve	842,577	33,939	(237,202)	639,314	842,565	25,277	(195,128)	672,714	689,896	152,681	0	842,577
(c) Recreation Centre Equipment Reserve	16,181	681	(6,700)	10,162	56,113	1,683	0	57,796	15,606	575	0	16,181
(d) Aerodrome Maintenance & Development Reserve	56,113	2,231	(57,500)	844	16,180	485	0	16,665	43,546	12,567	0	56,113
(e) Municipal Buildings Reserve	102,869	4,044	(38,085)	68,828	102,867	3,086	0	105,953	76,067	26,802	0	102,869
(f) Information Technology Reserve	132,896	4,225	0	137,121	132,896	3,987	0	136,883	16,460	116,436	0	132,896
(g) Land Development Reserve	11,818	497	0	12,315	11,817	355	0	12,172	11,398	420	0	11,818
(h) Community Bus Reserve	23,504	1,796	0	25,300	23,504	1,505	0	25,009	23,309	858	(663)	23,504
(i) Homecare Reserve	18,545	1,251	0	19,796	18,544	556	0	19,100	56,465	2,080	(40,000)	18,545
(j) Recreation Development Reserve	311,071	12,848	(30,946)	292,973	311,065	9,332	(30,946)	289,451	280,731	30,340	0	311,071
(k) Refuse Site / Waste Management Reserve	279,158	21,243	0	300,401	279,153	17,877	0	297,030	269,240	9,918	0	279,158
(l) Water Management Reserve	96,114	21,830	0	117,944	214,361	6,431	0	220,792	75,339	20,775	0	96,114
(m) Staff Housing Reserve	562,105	50,758	0	612,863	96,112	20,883	0	116,995	469,804	92,301	0	562,105
(n) Refuse Site Rehabilitation Reserve	214,364	8,780	0	223,144	16,324	490	0	16,814	187,460	26,904	0	214,364
(o) Community Events Reserve	19,891	719	0	20,610	23,361	701	0	24,062	9,540	10,351	0	19,891
(p) Electronic Sign Reserve	16,324	687	0	17,011	470,066	14,102	0	484,168	15,744	580	0	16,324
(q) Community Gym Reserve	23,361	1,032	0	24,393	37,205	1,116	0	38,321	26,582	3,279	(6,500)	23,361
(r) Sportsground Renewal Reserve	470,072	18,710	(8,473)	480,309	19,891	597	(40,000)	(19,512)	366,574	103,498	0	470,072
(s) Emergency/Bushfire Control Reserve	37,205	1,565	0	38,770	562,096	816,863	0	1,378,959	35,883	1,322	0	37,205
(t) Roadwork Reserve	72,042	3,442	0	75,484	72,040	2,161	0	74,201	103,239	68,803	(100,000)	72,042
	3,882,119	214,500	(405,406)	3,691,213	3,882,059	944,764	(266,074)	4,560,749	3,328,331	700,951	(147,163)	3,882,119

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

27. 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 Restricted by council	Purpose of the reserve account
(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 Reserv	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 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 Renewal Reserve	Provide funds for the renewal of Sportsground Precinct assets.
(s) Emergency/Bushfire Control Reserve	Provide funds during 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 roadwork program.

Auditor General

INDEPENDENT AUDITOR'S REPORT

2026

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 2026, 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 2026 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 Shire's annual report for the year ended 30 June 2026, 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.

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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 for the year ended 30 June 2026 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
30 October 2026