



ATTACHMENTS

**Under Separate Cover
Ordinary Council Meeting**

Thursday, 18 December 2025

Forest to Wheatbelt

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12.2 ADOPTION OF 2024-2025 ANNUAL REPORT

Attachment 2 Shire of West Arthur Annual Report 2024-2025



Shire of West Arthur

Annual Report

2024 - 2025



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Acknowledgement of Country

The Shire of West Arthur respectfully acknowledges that the land upon which we work and live is the traditional land of the Wilman Noongar people. We recognise their cultural heritage, beliefs, and continuing relationship with the land. We honour Elders past and present and support the principles of a reconciled Australia for all its people.

About the Annual Report

The Shire of West Arthur’s Annual Report is integral to the Integrated Planning and Reporting Framework. It details the Shire’s financial and operational performance in the 2024-2025 financial year and documents the Shire’s progress in line with the Strategic Community Plan.

The Strategic Community Plan ‘West Arthur: Towards 2031’ provides the Shire’s long-term strategic direction and guides the organisation’s decision-making, services, projects and financial commitments that will deliver a Shire that is safe, friendly and welcoming, with a dynamic and expanding local economy.

- Our Community** – We live in a safe, friendly and inclusive community.
- Local Economy** – We have a sustainable and stable agricultural industry, supported by a dynamic and growing business sector.
- Natural Environment** – Our natural assets are valued and meet the needs of our community.

- Built Environment** – Our roads, towns, and facilities are well-maintained and reflect our rural identity and heritage.
- Leadership and Management** – We have inspirational, dynamic leaders who provide well-managed, transparent governance.

The Shire of West Arthur’s Annual Report includes a snapshot of its performance and an overview of its outlook for the future.

Front cover: Mural on Burrowes St. Photo - Sharon Bell



Shire President's Report

Once again, I have the honour of presenting the Annual Report to the residents and ratepayers of the Shire of West Arthur.

Cr Russell Prowse was elected to Council early in the 2024-2025 financial year, filling the vacancy caused by Cr Lucy Hall's resignation. Each Councillor brings unique skills and knowledge to the Council, and Russell is no different. As with all Councillors, his contributions and discussions are valued by all. All Councillors must complete training in areas such as Understanding Financial Reports and Budgets, Understanding Local Government, Conflicts of Interest, Meeting Procedures, and Serving on Council to ensure they have a sound knowledge of their duties and responsibilities.

Councillors served on local, district, and regional committees and boards, helping deliver the best possible outcomes for our community. These committees include the Bush Fire Advisory Committee and Local Emergency Management Committee, WA Local Government Association Zone meetings, 4WDL (a Voluntary Regional Organisation of Councils (VROC) comprising the Shires of Wagin, West Arthur, Williams, Woodanilling, Dumbleyung and Lake Grace), and the Wheatbelt South Regional Road Group. They also represent Council on various local organisations, including the West Arthur CRC, West Arthur Cottage Homes, and Lake Towerrinning Reference Groups.

Eleven Ordinary Council Meetings, three Special Council Meetings, and the Annual Electors Meeting were held during the financial year. As part of the Local Government Reforms, a new requirement to record Ordinary Council meetings was introduced on 1 January 2025. The audio recordings are available on the Shire's website. I invite all community members to attend the monthly Council and Annual Electors Meetings if desired, or to read the minutes or listen to the audio so that you are up to date with what the Council is doing.

Council adopted the 2024/2025 Budget, and the 2023/2024 Annual Report, and endorsed the Local Biosecurity Strategy 2024 and the 4WDL Key Worker Housing Business Case. It approved advertising a draft Joint Local Planning Strategy with the Shires of Wagin and Williams. It opposed the development of a compost manufacturing and blending facility and imposed conditions on it if the State Government decided to approve it. The upgrading of lighting for the Darkan Bowling Green and Hard Courts, which the Darkan and District Sports Club and the Club Night Light program funded, was approved. An agreement was reached with the WA Electoral Commission for it to run the West Arthur 2025 Local Government Elections. Council reviewed the Shire's Policy Manual. Approval was given to purchase the Old Station Master's House in Darkan.

The Shire saw long-term staff members Nicki Morrell, Brian Fleay and Trevor Wood retire. I wish them all the best.

The Local Roads and Community Infrastructure projects were finished, with a major one being installing a CCTV network. The network covers significant public places, including the park, swimming pool, caravan park, and tip. It ensures the safety of community infrastructure and prevents vandalism, helping to reduce costs to the ratepayers.

The Shire worked with the Department of Education to review and renew the lease agreement for the Darkan Swimming Pool and transition it from Grade 3 to Grade 1. Contract Aquatics managed the pool during the 24/25 summer, and it was great to see the younger community members able to use the facility without requiring a parent to be on site. Three Mega Splash events and an Australia Day Pool Party were held.

Green energy developers have continued to show significant interest in sites within the Shire to develop wind farms. The area's proximity to transmission lines, agricultural land, and good winds gives it potential for wind farm development. Council adopted Local Planning Policy No. 5 - Wind Farms and approved a development application for a meteorological monitoring mast in Moodiarrup. Council receives regular presentations from wind farm developers and Western Power.

Finally, I want to extend the gratitude of the Shire and all community members to those brave men and women who fought the two major bushfires at Darkan and Arthur River over the 24/25 summer. Without their dedication, both fires could have led to severe losses of property, livestock, and even lives. These volunteers, and all other community members who volunteer within the Shire, make the Shire of West Arthur a great place to live, work, and visit.

Neil Morrell
Shire President



Picture 1: Misty morning in Darkan. Photo - Sharon Bell

Chief Executive Officer's Report

I am pleased to present the CEO's Report for the year 2024/2025, which highlights another year of challenges and achievements. As we reflect on the past year, I am, more than ever, grateful to be part of a community that punches above its weight.



During the year, we said farewell to the following staff members:

- Geoff Bunce – July 2024
- Kerryn Chia – December 2024
- Gary Cooper – February 2025
- Shelley Cooper – August 2024
- Ross Eastwood – August 2024
- Brian Fleay – June 2025
- Glenn Merrett – May 2025
- Nicole Morrell – May 2025
- Jennifer Shepherdson – September 2024
- James Wisniewski – July 2024
- Trevor Wood – June 2025
- Tanya Thaw – January 2025
- Izaak Flowerdew – September 2024

We welcomed the following new staff:

- Tyler Cook – September 2024
- Christine Little – August 2024
- Grant Little – June 2025
- Steven Varis – September 2024
- Jeffrey Young – September 2024

In addition, the following casual staff were employed during the year as part of the pop-up café project:

- Bonnie Telfer
- Lilly Abbott
- Haylee Boxall
- Charlee Kirk
- Gemma King
- Matilda King
- Katie Manuel
- Arabella Goss

Thank you to these young people who helped to provide a service to the community which was lacking while the café, roadhouse and pub were not operating. Thank you, also, to all the departing staff for their valuable contributions to the organisation and the community over many years. We wish them well in their future endeavours.

Collaboration with stakeholders is paramount to our success. The Shire values the input and feedback received from residents, businesses, and community organisations. Where time constraints permitted and Council felt it necessary, we have actively sought to engage with stakeholders.

Volunteers, both individuals and organisations, contribute greatly to the services and facilities provided to the community. We are fortunate to have some excellent volunteer organisations in the District, including but certainly not limited to, the sports clubs in Darkan, Moodiarup and Arthur River, as well as the individual Seniors Meals volunteers.

The West Arthur CRC is another wonderful organisation that works in tandem with the Shire. The CRC enables this community to flourish and picks up a lot of the issues that are identified

via the formal Shire's community consultation. The fact that it is now supporting 10 of the more complex aged care clients through packaged care, has secured 6 months' funding for a community car trial and provides a range of activities for older clients (as well as managing the cottage homes) enables the Shire to maintain a growing older population in the district.

Notable Achievements

1. Successfully transitioning the Darkan Swimming pool to a supervised facility.
2. Running a successful Australia Day pool party event.
3. Winning the Tidy Towns Sustainable Communities Award in the category of General Appearance.
4. The Darkan Primary School won the Local Government Showcase in Pixels in the Upper Primary School section.
5. Installing updated signage for the Darkan Heritage Trail.
6. Installing CCTV network (including 48 cameras) in various locations within the district.
7. Upgrading the footpaths through the Darkan Railway Reserve.
8. Installation of a mural and art path in Darkan.
9. Showcasing the Women at War exhibition at the Betty Brown Historical Centre.
10. Developing the Shire of West Arthur Local Biodiversity Strategy.
11. Producing the Key Principles for Effective Renewable Energy Development in the Shire of West Arthur, Windfarm Local Planning Policy and Renewable Energy Community Benefit Fund Policy documents.
12. Installing new bores at Hillman and Cordering, as well as new tanks near The Shed in Darkan.

Looking ahead, the Shire will continue to focus on such important issues as wind farms and the renewable energy transition, worker housing, water sustainability and changes to waste management requirements.

Local Government elections will be held in October 2025 and I wish all candidates the best of luck in their endeavours to be elected to Council.

In conclusion, I extend my gratitude to the Shire's dedicated staff, the Council, and the entire community for their support and commitment. I am confident that our collective efforts will continue to shape a prosperous and sustainable future for the Shire of West Arthur.

Vin Fordham Lamont
Chief Executive Officer

Your Council

Portfolios and Roles

The Shire of West Arthur has seven Elected Members representing the local community. The Councillors elect the President and Deputy President every two years. The following councillors represented the community in the 2024/25 financial year.

Cr Neil Morrell (President) – Elected to Office in 2019, Term Expires 2027

- 4WDL VROC Committee
- Audit & Risk Committee
- Central Country Zone of WALGA
- Development Assessment Panel (Proxy)
- Lake Towerrinning Strategic Plan Reference Group
- Local Emergency Management Committee (Chairperson)

Cr Karen Harrington (Deputy President) - Elected to Office in 2021, Term Expires 2025

- 4WDL VROC Committee
- Audit & Risk Committee
- Central Country Zone of WALGA
- Development Assessment Panel (Proxy)
- Local Emergency Management Committee
- Sub-group of the Regional Roads Group (Proxy)

Cr Graeme Peirce - Elected to Office in 2019, Term Expires 2027

- 4WDL VROC Committee
- Bush Fire Advisory Committee (Proxy)
- Development Assessment Panel
- West Arthur-Collie Senior School Bus Working Group

Cr Adam Squires - Elected to Office in 2019, Retires 2025

- West Arthur Cottage Homes Committee

Cr Robyn Lubcke - Elected to Office in 2021, Retires 2025

- Darkan Swimming Pool Committee
- Tidy Towns Committee
- Museum Reference Group
- West Arthur Community Resource Centre

Cr Duncan South - Elected to Office in 2021, Term Expires 2025

- Bush Fire Advisory Committee
- Local Emergency Management Committee
- Sub-group of the Regional Roads Group

Cr Russell Prowse – Elected to Office in 2024, Term Expires 2027



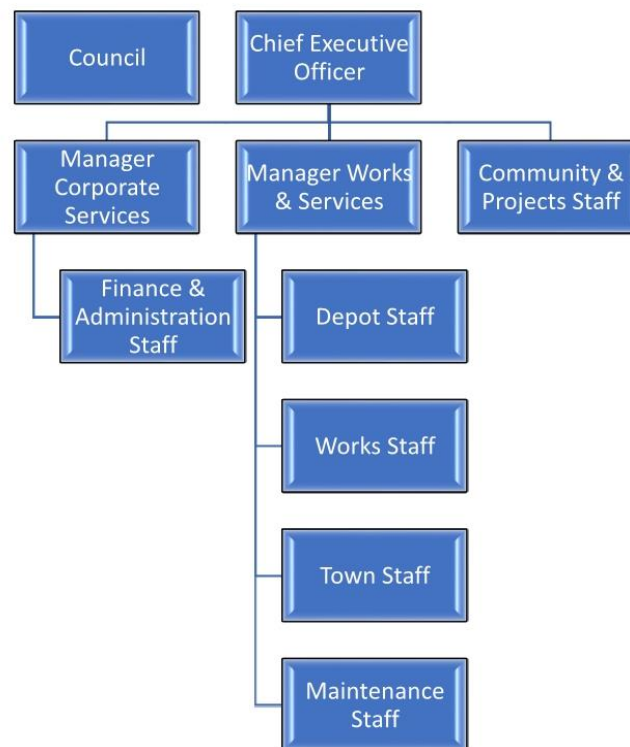
Picture 2: SoWA Councillors (L-R): Graeme Peirce, Robyn Lubcke Neil Morrell, Karen Harrington, Duncan South, Adam Squires. Absent: Russell Prowse. Photo Astrid Volzke

Executive Team and Organisational Structure

As of June 30th, 2025, our management team consisted of:

| | |
|-------------------------------------|--------------------|
| Chief Executive Officer | Vin Fordham Lamont |
| Manager Corporate Services | Rajinder Sunner |
| Manager Works & Services | Gary Rasmussen |
| Manager Financial Reporting | Melinda King |

1: Organisational Structure



Shire of West Arthur Quick Facts

- Area: 283,182.7 hectares
- Road length: 208km sealed roads, 652km unsealed roads
- Population: 773 (ABS Census 2021)
- Number of Electors: 597
- Year Shire established: 1896



Map of the Shire of West Arthur

Public Facilities

| | | |
|----------------------------------|-------------------------------|---------------------------|
| Arthur River Country Club | Darkan to Collie Rail Trail | Duranillin School |
| Arthur River Hall | Darkan Pioneer Hall | Duranillin Town Hall |
| Arthur River Historical Precinct | Darkan Railway Station | Glenorchy School |
| Betty Brown Historical Centre | Darkan Sports Complex | Lake Towerrinning |
| Bowdler Railway Station | Darkan Station Master's House | Moodiarrup Hall |
| Community Gym | Darkan Swimming Pool | Moodiarrup Sports Complex |
| | Darkan Town Hall | Six Mile Cottage |
| | | The Shed |

Revenue 2024/25

| | |
|---|--------------|
| Total Capital Works Value for 2024/25 | \$ 2,682,701 |
| Total Operational Revenue for 2024/25 | \$ 4,393,444 |
| Total Non-operational Revenue for 2024/25 | \$ 1,697,080 |
| Total Income from Rates for 2024/25 | \$ 2,010,706 |

Community Strategic Plan / Corporate Business Plan Overview

This report is based on the Community Strategic Plan adopted in 2021 and the accompanying Corporate Business Plan adopted in 2021.

Section 5.53(2)(e) of the Local Government Act 1995 states that the Annual Report is “an overview of the Plan for the Future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or continue in the next financial year.”

The Community Strategic Plan and the Corporate Business Plan have five key themes: Community, Local Economy, Natural Environment, Built Environment, and Leadership and Management.

The Corporate Business Plan builds upon the community’s desired goals and outcomes, outlining strategies and actions that support these objectives and align with the strategic direction by identifying specific priorities and corresponding actions. It informs the annual planning and budgeting processes.

Many of the projects listed in this annual report have been made possible by Economic Stimulus funding provided by the Federal Government through the Local Roads and Community Infrastructure (LRCI) program. This year is the last year of this funding.



Picture 3: Winning entry by Darkan PS in Showcase in Pixels 2024

The Year in Review

Community – Safe, Friendly, and Inclusive

Key Performance Measures

- We have a range of sporting, cultural and recreational activities, and people from all walks of life are actively participating in the community
- We have developed Risk Management Plans, Disability Access & Inclusion Plans, and a Reconciliation Action Plan
- We maintained our low crime rate
- People are able to access health facilities they require
- Increasing number of people are actively involved in volunteering within the community
- We have created a Heritage list to protect our heritage assets

Outcome 1.1 – A safe place to work, live, and visit

Strategies and Plans

- Support for the provision of emergency services and volunteers
- Prevention of crime
- Communication of risks and hazards to the community and assistance with management of these

The Shire is actively involved in managing emergencies in our district. During 2024/25, there were two major bushfires within the Shire: one on the eastern side of Darkan and one at Arthur River. Both fires were major events, requiring extensive equipment, supplies and personnel.

The Shire was allocated \$56,600 from DFES as the Emergency Services Levy, which covers expenses for the bush fire brigades, including insurance, equipment maintenance, and protective clothing. Unfortunately, damages to vehicles and equipment, as well as the need to replace supplies and protective clothing, resulted in an overspend of over \$50,000. Shire officers are liaising with DFES seeking reimbursement of the overspend.

The Shire uses the Signal app to communicate with local volunteers, and an SMS service provides information to local community members, including harvest and vehicle movement bans, road closures, and bushfire information. Social media and the Shire website are also used to provide public information.



Picture 4: Installation of CCTV at the BBQ shelter in Railway Reserve. Photo - Sharon Bell

Two Local Emergency Management Committee (LEMC) and two Bush Fire Advisory Committee (BFAC) meetings were held this financial year.

The Shire collaborates with the local brigades, and we acknowledge the dedication of the volunteers, especially Chief Fire Control Officer Graeme Peirce and Deputy Paul Saunders.

As part of the Local Roads and Community Infrastructure (LRCI) program, the Shire installed Closed Circuit TV (CCTV) cameras at key locations throughout the Shire. Installing this system will keep the community safe by deterring crime and vandalism throughout the Shire.

Two speed radar devices were installed along Coalfields Highway, as this is a major transport route for trucks. Increasing compliance with the speed limit is essential for public safety.

Outcome 1.2 – Support available for people of all ages and abilities

Strategies and Plans

- Actively support and promote a range of activities for a range of ages and abilities
- Maintain and support the growth of medical facilities, childcare and aged services in the district
- Provide services and infrastructure to meet the needs of the community

Monthly electronic presentations are created, including posters of upcoming events, courses, and other activities. These are displayed in the Shire foyer and promoted through the Shire website and social media. The Shire also supports local community groups through various events, including those hosted by the CRC, RSL and CWA.

The Shire received a \$10,000 grant for an Australia Day event in 2025 from the National Australia Day Council. This funding provided entertainment, equipment replacement, chairs, and the running of a pool party. Over 70 people, including visitors from the caravan park, attended the pool party.

In October 2024, St Luke's Family Practice took over the delivery of GP services in Darkan from Dr Marelene Oelofse. The medical services provided at the CRC are essential to the community, and the Shire continues to subsidise the CRC's operational costs to ensure these services are provided. The Shire also commenced renewing the WACHS agreement for the services of a Child Health Nurse and a Nursing Outpatient Clinic in May 2025.

1,644 seniors' meals were prepared during 2024/2025 and were subsidised by the Shire. An agreement between InCasa Country and the Shire enabled community members with a Home Care

Package to have 70% of their meal costs covered by ICC. The Shire acknowledges the work of the volunteers who assist in this project.

The Council has adopted the Age-Friendly Community Plan 2024-2029. The Plan links to the Strategic Community Plan, Corporate Business Plan, and Disability Access and Inclusion Plan. It was developed following consultation with community members and stakeholders and is available for viewing on the Shire's website.

The Shire continues to manage the funds associated with the annual Seniors Christmas Lunch.

The new playground for 1-8-year-olds in Railway Reserve was completed, and a Teddy Bear's Picnic event was held to officially open it. The playground's softfall is made of mulch to blend in with the other areas of the park.

Local Roads and Community Infrastructure (LRCI) funding enabled the upgrade of footpaths within the Darkan Railway Reserve. These new footpaths are designed to reduce trip hazards and provide safe walkways for the community.

The Shire appointed Contract Aquatics to manage the Darkan Swimming Pool. This change from key entry to a manned pool was due to the requirements of the Education Department, following the signing of a new agreement. The changes to the pool entry system allowed solo swimmers to use the pool, as well as children over the age of 10, as a lifeguard is now on duty. The public could also use the pool without being members.

The Shire entered Darkan into the 2024 Tidy Town Awards in the General Appearance category, which recognises improvements to a community's general appearance. Darkan Railway Reserve Park was the State winner, with Cr Robyn Lubcke and Parks and Gardens Supervisor Kathy Rasmussen attending the award ceremony, which was held in Perth, on behalf of the Shire.

Services the West Arthur Community Resource Centre Carry Out on Behalf of the Shire of West Arthur

The West Arthur CRC operates the West Arthur Health and Resource Centre building on behalf of the Shire of West Arthur. It undertakes the following roles for the Shire, receiving financial remuneration and the benefits of a peppercorn lease, as well as inclusive utilities.

- Library Management – this includes accessioning new library books and doing returns to the State Library as required; day-to-day customer loans and returns; completing the annual State Library statistics of use; assisting with interlibrary loans; and carrying out the Better Beginnings literacy program
- Medical Services Management- which includes
 - Weekly Doctor reception
 - Biweekly Nurse liaison
 - Allied health bookings
 - Telehealth appointments
- Publication of the Shire Notes in the fortnightly community newspaper *The Bleat*
- Day-to-day operation of the Betty Brown Historical Centre

The CRC also delivers other primary community services independently of the Shire. Most noteworthy is the West Arthur Seniors Care Program, which provides coordination of community care. The program aims to help West Arthur seniors remain living safely and comfortably in their homes for as long as possible. This program aligns with strategies outlined in the Age-Friendly Community Plan.

Outcome 1.3 – A unique identity and a strong connection to our past

Strategies and Plans

- Maintain and preserve our cultural and heritage assets
- Reconnect with our Aboriginal heritage
- Support community events that connect to our history (e.g. Sheepfest; exhibitions/displays in Betty Brown Historical Centre

The Shire received funding from the Foundation for Rural and Regional Renewal (FRRR) for the installation of an art path through the Darkan Railway Reserve. As part of the same funding, a mural was installed on the side of a local business in Burrowes Street. The mural is designed to create vibrancy and showcase different activities and areas within the Shire.

This year, the Betty Brown Historical Centre showcased the Women at War exhibition, which honours the contributions of local women on active service. The exhibition opened on April 24, 2025. Over 30 individuals attended the opening, including tourists who travelled from Lake Towerrinning. Carmel Buller, the daughter of Margaret “Peg” McCarthy, one of the women highlighted in the exhibition, delivered a heartfelt opening that featured a story about her mother’s service journey. Gratitude is expressed to the Australian Government Department of Veterans’ Affairs for granting the Betty Brown Historical Centre a Saluting Their Service Grant, and to Pam Stockley for her efforts in curating the display.

Anzac Day services were held at Lake Towerrinning and the war memorial. The mid-morning service featured the anthems of Australia and New Zealand, accompanied by a haka performed by members of the local Māori community.



Picture 5: Dawn Service at Lake Towerrinning 2025. Photo Astrid Volzke

Local Economy – Stable and Sustainable Agricultural Industry and a Dynamic and Growing Business Sector

Key Performance Measures

- Our population remains stable or increases
- There is an increase in development approvals
- Visitor numbers increase
- There is no loss of businesses in our towns and new businesses are added to our main street
- There is interest from the local farming community in implementing diversification in agriculture

Outcome 2.1 – Improved employment through diversification in Agriculture

Strategies and Plans

- Investigate opportunities for diversification within the agricultural sector
- Investigate water security and development opportunities associated with water sources
- Liaise with key stakeholders to continue to support agriculture in the Shire

The Shire partnered with Blackwood Basin Group (BBG) to deliver land care services for a portion of the 2024-2025 financial year. Thanks to the Shire's Landcare officer securing a grant of \$23,000, a Local Biodiversity Strategy was formulated for the Shire. Council adopted this document in February

2025. It is intended to support both Shire personnel and the community in conserving local biodiversity and in decision-making.

Grants and training opportunities specifically designed for primary producers were communicated throughout the year via social media and email.

The introduction of renewable energy in the Shire presents agriculturalists with an opportunity to diversify their income. Several wind farm projects have been announced in the area, and interest has also been shown by a potential solar farm developer. With wind monitoring currently in progress and contracts being extended to landowners, there has been considerable interest from the community. However, navigating the renewable energy transition poses significant challenges due to the absence of State Government regulations governing these developments.

As the Shire continues to collaborate with renewable energy experts, wind farm proponents, the State Government, and landowners, we are dedicated to creating resources that support a smooth transition to renewable energy. In the 2024-2025 financial year, the Shire organised a Renewable Energy Community Consultation event led by Professor Peta Ashworth from Curtin University. This forum aimed to gauge community sentiment regarding these developments. Subsequently, the Shire successfully produced the Key Principles for Effective Renewable Energy Development in the Shire of West Arthur document.

Following the consultation event, the Council also adopted a Wind Farm Local Planning Policy and a Renewable Energy Community Benefit Fund Policy to support developers and landowners in their decision-making processes regarding renewable energy projects within the Shire. The Shire has actively collaborated with WALGA and PoweringWA to provide input on PoweringWA's Community Benefit Guidelines and WALGA's Renewable Energy Community Benefits and Engagement Guide.

Looking ahead, the Shire will continue to hold regular meetings with various proponents to address any concerns raised by residents and ensure that the best possible outcome is achieved for the community.



Picture 6: Bonfire to Happiness Barry Hamilton. Photo - Caro Telfer

The Roadmap to Happiness Bonfire was held at the Darkan Caravan Park. With agriculture under threat, the Shire felt it was essential to host an event tailored to farmers, shearers, stock agents, and other community members with a connection to agriculture. This event included two guest speakers, Jayden Webb and Barry Hamilton (Happiness Co.). Jayden shared his unique story and the hurdles he has had to overcome. Many attendees were able to resonate with parts of Jayden's story and appreciated his openness and vulnerability. Barry's presentation focused on how he turned his life around, and although it is still not perfect, he can see the good things in each day. Barry gave the audience some practical tools to implement in their own lives, based on gratitude, positivity, and self-care. Roughly 40 people attended this event, and several positive comments came out of it, including "I came not knowing what to expect and at the start I thought, oh maybe I didn't need to be here, but as it went on, I realised how powerful it was".

Outcome 2.2 – A growing, diverse business community

Strategies and Plans

- Investigate tourism opportunities and support this growing sector
- Maintain and enhance our existing assets to encourage visitation
- Promote the light industrial area for the use of new businesses
- Advocate for improved communication facilities

- Promote the Shire to people outside the area as a fantastic place to live, work and visit
- Investigate opportunities for growth within the local community

The Housing Support Program Stream 1 was successfully awarded to the Shire of West Arthur, along with five other local governments in the Wheatbelt, for planning and servicing Lot 186 Burrowes Street (Old Bowling Club site) and Lot 309 Burrowes Street West. The Shire was awarded \$176,765 in funds. This project was due to be completed at the end of the 2024-2025 financial year, but with delays from government corporations, an extension was granted. As the Shire nears the completion of this project, we were delighted to hear that, in January 2025, the Shire received funding again as part of the Housing Support Program stream 2. This program includes \$2,273,878 for headworks and connection, site works, and internal services, as well as contingency, for Lot 309 Burrowes Street West, and \$718,136 for land acquisition, headworks and connection, site works, internal services, and contingency for Lot 186 Burrowes Street. This project is set to commence in the 2025-2026 financial year.

The Station Stop opened in September 2024 and played a vital role in filling the hospitality gap experienced by the community while the Café, Pub & Roadhouse were closed, as well as showcasing the exceptional products, artworks, and craft items from 24 local and regional businesses. It created a space for locals to meet and for tourists to visit, while also enabling our younger residents to acquire employable skills and gain valuable experience. Staff underwent barista and customer service training and operated the shop on weekends and school holidays with the assistance of the project coordinator. This project was funded through the Foundation for Rural and Regional Renewal (FRRR).

Outcome 2.3 – Existing businesses develop and grow

Strategies and Plans

- Communicate opportunities with existing businesses to support their changing requirements
- Encourage main street businesses to meet on a regular basis and discuss issues
- Ensure that services and products are sourced locally wherever possible

Budget considerations within the Shire resulted in a pause to the Industry Attraction and Business Development Fund for the 2024-2025 financial year. The project will resume in the 2025-2026 financial year.

Two businesses opened in the 2024-2025 financial year: Darkan Roadhouse and The Great Awakening Café.

Where possible, the Shire ensures that services and products are sourced from local businesses.



Picture 7: The Station Stop Pop Up Shop. Photo - Sharon Bell

Natural Environment – Our Natural Assets are Valued and Meet the Needs of the Community

Key Performance Measures

- Our natural assets continue to be used by locals and visitors
- The community is satisfied with the waste management service provided
- Our community has a defined water supply heading into the future

Outcome 3.1 – Maintain and improve our key natural assets

Strategies and Plans

- Maintain Lake Towerrinning as our premier, iconic natural asset
- Maintain and develop our trails for use by locals and visitors (Collie-Darkan Rail Trail, Nangip Creek Walk Trail, Hillman Walk Trail, Duranillin to Bowelling Rail Trail)
- Protect our night skies to ensure that they retain their dark sky rating
- Protect and improve additional natural assets

With Lake Towerrinning being a key natural asset within the Shire, the Shire is dedicated to maintaining and preserving the vegetation at this site. As a result, the Shire has been liaising with the Department of Water & Environmental Regulation (DWER) on water harvesting techniques at the Lake. To proceed with this project, an Aboriginal Heritage Survey may be required.

The Blackwood Basin Group hosted a biodiversity event at Lake Towerrinning in September 2024, Ken Ninnette sharing stories and knowledge from an indigenous perspective. Strategies for protecting local biodiversity were discussed, with the aim of including them in the Shire's Biodiversity Strategy.



Picture 8: Biodiversity event at Lake Towerrinning. Photo - Astrid Volzke

Membership of Astrotourism WA's Astro Towns was continued.

Outcome 3.2 – Our water resources are well-defined and used sustainably

Strategies and Plans

- Develop a whole of Shire Water Strategy to better manage our water resources and target development of supplies
- Invest in water security and manage existing water resources in a sustainable manner
- Encourage development of private water supplies

The Shire has maintained communication with the Department of Water and Environmental Regulation (DWER) throughout the 2024-2025 financial year, with infrastructure developments taking place at Hillman and Cordering. These newly installed bores guarantee reliable community water supplies across the Shire. Investigations into water harvesting methods have led to the installation of tanks adjacent to the men's shed building, aiding in the irrigation of the Railway Reserve.

The Shire has successfully secured \$29,425 through the Community Water Supplies Program for the installation of two new tanks at the Darkan Men's Shed. This water is utilised for irrigating the recreational areas within the townsite. The Shire is actively exploring strategies to ensure the proper maintenance of our existing assets, such as the Kylie Siding Dam, through initiatives like channel clearing.

Outcome 3.3 – Our natural biodiversity is maintained and valued

Strategies and Plans

- Blackwood Biodiversity Group is supported to manage pests in the Shire
- Weeds are managed or eliminated in areas of high biodiversity
- Protection of our unique flora and fauna
- Consideration of biodiversity in all land use applications and developments

The Shire continued to partner with Blackwood Basin Group (BBG) for the delivery of land care services. The BBG delivered the Shire's Biosecurity Strategy 2024, which is available on the Shire's website.

The Shire's Parks and Gardens crew continues to manage weeds throughout the Shire, focusing on Lake Towerrinning, local parks, and road verges.

The Planning applications approved during 2024/2025 all considered environmental and biodiversity issues as part of the approval process.

Outcome 3.4 – Waste is minimised, and environmentally sustainable practices are employed

Strategies and Plans

- Provide an effective waste management service
- Promote environmentally sustainable principles

The Shire closed the Duranillin refuse site. This decision by the Council was not made lightly, considering maintenance costs, tip usage, staff costs, and lifespan. The Darkan refuse site provides refuse and recycling collection services, as well as DrumMuster recycling for chemical containers.

A small recycling site is next to the Shire Depot yard, where residents can recycle items, including waste oil. This area includes e-waste, with the implementation of the new e-waste laws that commenced on July 1, 2024.



Picture 9: New 0-8 yrs playground

Built Environment – Well-Maintained Roads and Infrastructure, Which Reflects our Identity

Key Performance Measures

- Our community is proud of the look and feel of our towns and district
- Our roads and infrastructure meet the needs and expectations of the local community
- Our heritage buildings are well maintained and where possible have a continued use

Outcome 4.1 – Our road network is well maintained

Strategies and Plans

- Regularly review and update our long-term road construction and maintenance program
- Collaborate with surrounding Shires and State government to ensure sound planning and resource utilisation
- Enhance road safety strategies for road users

The Shire continues to maintain the road network. Improved grading helps reduce the impact of rain events. Changes to the structure and number of crew members are also helping achieve higher standards in road maintenance, culvert clearing, pothole patching, and bridge maintenance. Smaller work tasks that were previously handled by contractors are now being performed in-house, with only the larger jobs being outsourced to contractors.

The federal and state governments have allocated \$1,175,997 to the Shire for road improvements during 2024/2025.

| Project | Description of Works | Co-Funding | Total Cost |
|----------------------------|---|------------|------------|
| Bowelling Duranillin Rd | Cement stabilisation, sealing, re-sealing | RRG | \$366,936 |
| Arthur River – Dinninup Rd | Re-sheeting gravel shoulders | RRG | \$383,481 |
| Bowelling McAlinden Rd | Gravel re-sheeting | RTR | \$32,217 |
| Cordering North Rd | Construct & seal, gravel re-sheet | RTR | \$387,050 |
| Darkan Williams Road | Design | WSFN | \$68,852 |
| Arthur River – Dinninup Rd | White lining | RTR | \$33,780 |
| Coalfields Rd Truck Bay | Planning for design | LRCI4 | \$8,318 |
| Footpaths | Design and construct | LRCI4 | \$117,371 |

Plant replacement in 2024/25 included the following:

- Kubota Mower
- Mechanic Service Truck
- Gardeners Tipper Truck
- CEO Vehicle Replacement
- MCS Vehicle Replacement
- MWS Vehicle Replacement

Outcome 4.2 – Our built infrastructure is well-maintained, attractive and inviting

Strategies and Plans

- Our parks and gardens are well-maintained and attractive
- Community facilities are continually reviewed and upgraded as required through asset maintenance plans
- Our townscapes are attractive and well-developed, with consideration for current and future usage



The Shire recognises the work of the Parks and Gardens crew in maintaining the attractiveness of the facilities. Many compliments from the public, including visitors, show that their hard work is appreciated.

This was recognised by Darkan being the State Winner for Tidy Towns in the General Appearance category.

Outcome 4.3 – Our cultural heritage is preserved and promoted

Strategies and Plans

- Maintain the integrity of our heritage buildings
- Investigate opportunities to develop our historical assets
- Planning and development take into consideration heritage values

Historical buildings provide tourism opportunities and establish the district's historical context. The Shire maintains the heritage buildings within its care. The Shire has been negotiating with the Public Transport Authority to purchase the old Station Master's House. The premises will have to be renovated, but potential uses for the building could be as long-term accommodation, short-term accommodation, or an artist in residence venue.

Outcome 4.4 – Appropriate planning and development

Strategies and Plans

- Implement the town planning scheme and policies to ensure any planning and development is appropriate throughout the Shire

Council has a contracted Planning Officer, who assesses all planning and development applications and makes recommendations to Council.



Leadership and Management – Inspirational, Dynamic, Transparent

Outcome 5.1 – Councillors represent the community and are well-trained

Strategies and Plans

- The Shire Council is representative of the community and collaborates with Shire staff to ensure the best outcomes for the community
- Elected Members have the training and skills relevant to serving as Councillors in order to act in the best interest of the Shire
- Council process is open and transparent to the general community

All Councillors undergo regular training with the WA Local Government Association (WALGA), covering topics such as serving on local government, understanding local government, meeting procedures, conflicts of interest, and understanding financial reports and budgets. Councillors are regularly updated about ongoing issues at closed briefing sessions held prior to Council meetings, which are open to the public.

Outcome 5.2 – Shire staff are well-trained, motivated and customer focused

Strategies and Plans

- Ensure that staff have opportunities to continue professional development when available
- Provide flexible working arrangements where possible in order to attract the best quality staff
- Continuously strive to be customer focused and serve Council and the community

Staff continue to attend training face-to-face, via webinar, or through online recordings. This assists them in providing high-quality services to customers. Office staff attended licencing training this year as an example of completed courses.

Office staff have flexibility in their working arrangements, with some team members job sharing and others working from home. Communication via email, Teams, and phone enables staff to ensure that customer service is of the utmost importance and delivered appropriately.

Outcome 5.3 – Establish and maintain sound business and governance structures

Strategies and Plans

- Ensure that the local community is provided with value for money through the prudent expenditure of rates
- Provide informed decision making based on our strategic directions and legal requirements and that these are open, transparent and adequately communicated with the community

- Comply with regulations and best practice standards to drive good decision making by Council and staff

The Community Strategic Plan and the Corporate Business Plan guide the Shire's day-to-day operations. Budget preparation commenced in March 2024. The budget for 2024/2025 was adopted by Council in August 2024. The leadership team undertakes these processes on an annual basis.

In June 2024, The Shire of West Arthur launched a new corporate enterprise resource planning IT system called MAGIQ to streamline our internal processes, enhance reporting, and improve service delivery to the community.

Key Benefits of the New System

- **Efficiency and Productivity:** With automated workflows and integrated processes, our teams can complete tasks faster and with fewer errors, allowing more time to focus on valuable community services.
- **Better Reporting and Decision-Making:** MAGIQ Performance provides real-time data, helping us track budgets, monitor key performance indicators, and make informed, timely decisions.
- **Increased Transparency:** The system supports accurate and accessible reporting, reinforcing our commitment to transparency and accountability in serving residents.

Project Phases

The transition involved careful planning, data migration, and staff training, followed by rigorous testing before the system went live. This phased approach ensured a smooth changeover and minimised disruptions.

Looking Ahead

In the future, we'll explore new ways the system can support efficient, data-driven decisions and further improve the Shire's operations and community services.

The Shire is proud of this important step towards modernising its services and looks forward to continued benefits for our community.

In November 2023, the Shire of West Arthur implemented Monarch, a new Electronic Document and Records Management System (EDRMS), to organise and secure our records, making it easier for staff to access and manage important information.

Key Benefits

- **Efficient Document Access:** Monarch centralises all Shire records, allowing staff to quickly find and retrieve documents, which saves time and boosts productivity.
- **Stronger Security and Compliance:** The system's security features protect sensitive information and help ensure we meet regulatory requirements by attaching the required metadata to the records.
- **Enhanced Workflow and Collaboration:** With easier access to documents, teams can work more efficiently and collaborate better on shared tasks.

Implementation Highlights

The rollout involved careful planning, migrating existing documents, training staff, and testing the system to ensure a smooth transition.

Looking Ahead

The Shire will continue to explore more ways to use Monarch to support our goal of transparent and efficient operations, which will benefit both staff and the community.

Monarch is a vital upgrade in our commitment to secure and accessible information management, helping us deliver excellent service to the Shire.

Outcome 5.4 – Actively engage with community, business and other stakeholders to grow and develop the community

Strategies and Plans

- Continue to collaborate with other regional Shires to achieve maximum benefits for the region
- Council will advocate on behalf of the community on issues that the community identifies as important
- Continued improvement in communication with the community through various platforms that ensure all members of the community have access to information
- Continuously review and revise the Community Plan to reflect the changing needs of the community

Again, this year's electors meeting was well attended by the public, who showed keen interest in seeing that Council delivered an accountable service. The public is welcome to attend Council meetings anytime throughout the year. Councillors and staff represent the Shire on various committees and regularly meet with these committees to provide a conduit of information and support the community.

Shire staff and councillors' attendance at 4WDL Voluntary Regional Organisation of Councils, Wheatbelt South Regional Road Group, and the Central Country Zone of WALGA ensures that the Shire is well represented regionally, remains up to date with current issues, and can advocate in relation to those areas that impact the Shire. The Shire continues to engage with the public through Council meetings, our website, and our Facebook pages. In addition, a fortnightly shire report is provided to The Bleat community newsletter for inclusion in the publication.

Statutory Reporting Requirements

Disability Access and Inclusion Plan (DAIP)

The DAIP Progress Report for 2024/2025 contained key highlights such as:

- Accessible events
- Online Disability Awareness Training
- Accessible paths

These highlights reflect some of the specific outcomes identified in the Shire's 2021/22 DAIP, including:

- Ensure all Shire events planned are accessible to all
- Continue the implementation of the program of footpath upgrades

Complaints Register

Section 5.121 of the Local Government Act 1995 requires the Annual Report to contain details of the entries made in the Complaints Register regarding complaints about elected members. There were no complaints in 2024/2025 that were referred to the Local Government Standards Panel.

State Records Act

The State Records Act 2000 requires that the Shire maintain and dispose of all records in the prescribed manner. The Act also requires all local authorities to produce a Record Keeping Plan to be endorsed by the State Records Commission.

The Shire has completed its Record keeping Plan and is still progressing with some of the recommended improvements mentioned in the Plan, which was endorsed in November 2023. The Shire has initiated an annual records disposal schedule, utilising a qualified records management company. Improvements will continue to be completed and upgraded throughout the 2025-2026 Fiscal year.

Public Interest Disclosure

In accordance with legislation, procedures have been implemented to facilitate reporting and action on public interest disclosures. No public interest disclosures were lodged during the 2024/2025 reporting period.



Freedom of Information Statement

In complying with the Freedom of Information Act 1992, the Shire of West Arthur is required to prepare and publish an information statement. The Shire's Information Statement was updated in June 2025, and a copy is available from the Shire Office and on the Shire website at the following link: [SHIRE OF WEST ARTHUR FREEDOM OF INFORMATION](#)

The information statement contains information on the type of documents available to the public and how to access those documents. During the 2023/2024 year, the Shire had one Freedom of Information request.

Employee Remuneration

Set out below in bands of \$10,000 is the number of employees of the Shire entitled to an annual salary of \$130,000 or more (regulation 19B(2)(a) and (b) Local Government (Administration) Regulations 1996.

| Salary Range | 2024/25 |
|-----------------------|---------|
| \$130,001 - \$140,000 | 0 |
| \$140,001 - \$150,000 | 0 |
| \$150,000 - \$160,000 | 0 |
| \$160,001 - \$170,000 | 0 |
| \$170,001 - \$180,000 | 1 |

Remuneration Provided to the CEO

The total remuneration provided to the CEO during the financial year 2024/2025 pursuant to regulation 19B(2)(e) Local Government (Administration) Regulations 1996, including all benefits such as housing, vehicle provision and superannuation, was \$212,556 (IAW SAT BAND 4).

Elected Member Demographics

Elected member demographics of those elected in 2023 are detailed below (regulation 19B(2)(h) Local Government (Administration) Regulations 1996).

| | |
|--|----------------------|
| Gender | 5 Males 2 Females |
| Linguistic Background | 7 English |
| Country of Birth | 7 Australian |
| Elected Members aged between 18-24 years old | Nil |
| Elected Members aged between 25-34 years old | Nil |
| Elected Members aged between 35-44 years old | Nil |
| Elected Members aged between 45-54 years old | 3 |
| Elected Members aged between 55-64 years old | 4 |
| Elected Members aged 65 and over | Nil |

| | |
|--|-----|
| Aboriginal or Torres Strait Islander Elected Members | Nil |
|--|-----|

Table 1: Council Structure

Meeting Attendances

The Council of the Shire of West Arthur meets monthly for information sessions and workshops on a variety of topics. In the fourth week of the month, Council convenes an Ordinary Council Meeting, where decisions are made on all report items in the best interest of the community (regulation 19B(2)(f) Local Government (Administration) Regulations 1996).

Below is a table outlining individual Elected Members' attendance, for the financial year, on various Council Committees in their capacity as a Council representative.

| | ORDINARY MEETINGS | ANNUAL ELECTORS MEETING | SPECIAL MEETING OF COUNCIL | AUDIT, RISK & IMPROVEMENT COMMITTEE | LOCAL EMERGENCY MANAGEMENT COMMITTEE | BUSHFIRE ADVISORY COMMITTEE |
|----------------------------|-------------------|-------------------------|----------------------------|-------------------------------------|--------------------------------------|-----------------------------|
| No of meetings held | 11 | 1 | 3 | 3 | 2 | 2 |
| ELECTED MEMBER | | | | | | |
| Cr Neil Morrell | 11 | 1 | 3 | 3 | 2 | 2 |
| Cr Graeme Peirce | 9 | 1 | 3 | 2 | 2 | 2 |
| Cr Adam Squires | 7 | 0 | 2 | n/a | n/a | n/a |
| Cr Karen Harrington | 10 | 1 | 3 | 3 | n/a | n/a |
| Cr Robyn Lubcke | 8 | 1 | 3 | n/a | n/a | n/a |
| Cr Duncan South | 11 | 1 | 3 | n/a | n/a | 2 |
| Cr Russell Prowse | 10 | 1 | 3 | n/a | n/a | n/a |

Table 2: Meeting Attendances

Audit, Risk and Improvement Committee

The Audit, Risk, and Improvement Committee met three times during the 2024/25 year. It consists of three Councillors, with Cr Karen Harrington as the Presiding Member and Cr Neil Morrell as the Deputy Presiding Member. The committee is assisted by the Chief Executive Officer, the Manager of Corporate Services, and the Manager of Financial Reporting.

Their duties include accepting the audited Annual Financial Statements and Audit Reports, adopting the Compliance Audit Returns, and adopting the Half-Yearly Budget Reviews.

Employee Demographics

During the 2024/2025 year, the Shire of West Arthur employed 37 staff.

Full-Time: 22

Part-Time: 10

Casual: 5

Males: 20

Females: 17



The Year Ahead 2025/2026

The year ahead looks exciting as the LRCI Phase 4 projects, along with Regional Road Group and Roads to Recovery funded projects, and other capital works, are completed.

- Burrowes St West subdivision and acquisition of Old Bowling Club land
- Headworks at Growden Place
- Bridgeworks
- Asphalt overlay
- Footpaths
- Replacement of plant

The Shire has budgeted \$1.161 million on plant and equipment replacement, including an excavator, 3T tipper, 6-wheeler 3-way tipper, replacement of staff vehicles, fuel trailers, and a portable traffic light trailer.

The Shire is working on a new agreement with the Department of Education for Darkan Swimming Pool. As part of the new agreement, we are transitioning away from the keyholder system and will be contracting out the pool's management again.

The Shire will continue to work with the 4WDL group to advocate for more rural and regional housing. The compilation of a key worker accommodation report outlining the gaps in accommodation in our area has been finalised to highlight the issue to State and Federal governments.

The Shire will continue to support local businesses, look for opportunities to diversify our economy, and assist new businesses in establishing themselves in the district.

Major road works in the next financial year include:

- Regional Road Group - \$485,400
 - Bowelling Duranillin Rd - reseal
 - Boyup Brook Arthur Road – gravel top up, sealing and drainage works
 - Darkan Williams Road - drainage works and vegetation removal
- Roads to Recovery - \$320,264
 - Bowelling McAlinden Rd – gravel re-sheeting
 - Boyup Brook Arthur Rd – line marking
 - Bunce King Rd Bridge – corbel replacement and repair
 - Cordering North Road – construct and seal, and gravel re-sheeting

The next year promises to be busy, with many new and exciting developments around the Shire. We look forward to continuing to make the Shire of West Arthur a great place to work, live, and play.

Annual Financial Report

SHIRE OF WEST ARTHUR
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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Principal place of business:
31 Burrowes Street
Darkan WA 6392



Statement by Chief Executive Officer

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

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

Statement by CEO

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

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

Signed on the 10th day of December 2025



Vin Fordham Lamont
Chief Executive Officer



Statement of Comprehensive Income

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

| Note | 2025 Actual \$ | 2025 Budget \$ | 2024 Actual \$ |
|---|----------------------|----------------------|----------------------|
| Revenue | | | |
| Rates | 2(a),25 | 2,114,496 | 2,118,003 |
| Grants, subsidies and contributions | 2(a) | 1,485,688 | 530,944 |
| Fees and charges | 2(a) | 378,669 | 353,890 |
| Interest revenue | 2(a) | 177,243 | 185,748 |
| Other revenue | 2(a) | 239,189 | 166,640 |
| | | 4,395,285 | 3,355,225 |
| Expenses | | | |
| Employee costs | 2(b) | (2,310,929) | (2,222,894) |
| Materials and contracts | | (1,739,760) | (1,509,750) |
| Utility charges | | (116,233) | (153,690) |
| Depreciation | | (3,680,409) | (3,077,887) |
| Finance costs | 2(b) | (29,901) | (25,446) |
| Insurance | | (133,040) | (134,430) |
| Other expenditure | 2(b) | (101,364) | (66,300) |
| | | (8,111,636) | (7,190,397) |
| | | (3,716,351) | (3,835,172) |
| Capital grants, subsidies and contributions | 2(a) | 1,552,428 | 1,750,780 |
| Profit on asset disposals | | 822 | 14,339 |
| Loss on asset disposals | | (15,368) | (16,137) |
| Fair value adjustments to financial assets at fair value through profit or loss | 4(b) | (2,663) | 0 |
| | | 1,535,219 | 1,748,982 |
| | | | 1,113,537 |
| Net result for the period | | (2,181,132) | (2,086,190) |
| Total other comprehensive income for the period | | 0 | 0 |
| Total comprehensive income for the period | | (2,181,132) | (2,216,286) |

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



Statement of Financial Position

SHIRE OF WEST ARTHUR
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

| | Note | 2025 \$ | 2024 \$ |
|--|------|--------------------|--------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 3 | 2,863,502 | 4,451,619 |
| Trade and other receivables | 5 | 214,307 | 223,764 |
| Other financial assets | 4(a) | 32,059 | 31,016 |
| Inventories | 6 | 102,097 | 100,973 |
| Other assets | 7 | 340,677 | 91,157 |
| Non-current assets classified as held for sale | 7 | 65,107 | 65,107 |
| TOTAL CURRENT ASSETS | | 3,617,749 | 4,963,636 |
| NON-CURRENT ASSETS | | | |
| Other financial assets | 4(b) | 276,008 | 310,730 |
| Property, plant and equipment | 8 | 19,794,757 | 19,606,482 |
| Infrastructure | 9 | 112,232,866 | 113,547,031 |
| TOTAL NON-CURRENT ASSETS | | 132,303,631 | 133,464,243 |
| TOTAL ASSETS | | 135,921,380 | 138,427,879 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 12 | 396,379 | 402,794 |
| Contract liabilities | 13 | 0 | 69,588 |
| Capital grant/contributions liabilities | 13 | 30,198 | 138,611 |
| Borrowings | 14 | 91,150 | 137,156 |
| Employee related provisions | 15 | 372,217 | 365,491 |
| TOTAL CURRENT LIABILITIES | | 889,944 | 1,113,640 |
| NON-CURRENT LIABILITIES | | | |
| Borrowings | 14 | 484,326 | 574,337 |
| Employee related provisions | 15 | 34,035 | 45,695 |
| Other provisions | 16 | 55,324 | 55,324 |
| TOTAL NON-CURRENT LIABILITIES | | 573,685 | 675,356 |
| TOTAL LIABILITIES | | 1,463,629 | 1,788,996 |
| NET ASSETS | | 134,457,751 | 136,638,883 |
| EQUITY | | | |
| Retained surplus | | 6,638,093 | 8,210,373 |
| Reserve accounts | 28 | 2,219,793 | 2,828,645 |
| Revaluation surplus | 17 | 125,599,865 | 125,599,865 |
| TOTAL EQUITY | | 134,457,751 | 136,638,883 |

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



Statement of Changes in Equity

**SHIRE OF WEST ARTHUR
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025**

| | Note | Retained surplus \$ | Reserve accounts \$ | Revaluation surplus \$ | Total equity \$ |
|---|-------------|------------------------------------|------------------------------------|---------------------------------------|--------------------------------|
| Balance as at 1 July 2023 | | 10,500,426 | 2,754,878 | 125,599,865 | 138,855,169 |
| Comprehensive income for the period | | | | | |
| Net result for the period | | (2,216,286) | 0 | 0 | (2,216,286) |
| Total comprehensive income for the period | | (2,216,286) | 0 | 0 | (2,216,286) |
| Transfers from reserve accounts | 28 | 855,747 | (855,747) | 0 | 0 |
| Transfers to reserve accounts | 28 | (929,514) | 929,514 | 0 | 0 |
| Balance as at 30 June 2024 | | 8,210,373 | 2,828,645 | 125,599,865 | 136,638,883 |
| Comprehensive income for the period | | | | | |
| Net result for the period | | (2,181,132) | 0 | 0 | (2,181,132) |
| Total comprehensive income for the period | | (2,181,132) | 0 | 0 | (2,181,132) |
| Transfers from reserve accounts | 28 | 1,089,162 | (1,089,162) | 0 | 0 |
| Transfers to reserve accounts | 28 | (480,310) | 480,310 | 0 | 0 |
| Balance as at 30 June 2025 | | 6,638,093 | 2,219,793 | 125,599,865 | 134,457,751 |

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



Statement of Cash Flows

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

| | Note | 2025 Actual \$ | 2024 Actual \$ |
|--|-------|----------------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Rates | | 2,176,033 | 1,967,200 |
| Grants, subsidies and contributions | | 1,454,819 | 1,755,720 |
| Fees and charges | | 351,123 | 402,130 |
| Interest revenue | | 177,243 | 204,389 |
| Goods and services tax received | | 171,015 | 243,117 |
| Other revenue | | 239,189 | 178,624 |
| | | 4,569,422 | 4,751,180 |
| Payments | | | |
| Employee costs | | (2,316,113) | (2,112,966) |
| Materials and contracts | | (1,995,858) | (1,416,197) |
| Utility charges | | (116,233) | (139,983) |
| Finance costs | | (29,901) | (29,287) |
| Insurance paid | | (133,040) | (122,840) |
| Goods and services tax paid | | (234,979) | (223,778) |
| Other expenditure | | (101,364) | (102,776) |
| | | (4,927,488) | (4,147,827) |
| Net cash provided by (used in) operating activities | | (358,066) | 603,353 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments for purchase of property, plant & equipment | 8(a) | (1,015,203) | (876,040) |
| Payments for construction of infrastructure | 9(a) | (1,667,498) | (1,174,993) |
| Proceeds from capital grants, subsidies and contributions | | 1,444,015 | 1,134,581 |
| Proceeds from financial assets at amortised cost - self-supporting loans | | 31,016 | 30,007 |
| Proceeds from sale of property, plant & equipment | | 113,636 | 452,205 |
| Net cash (used in) investing activities | | (1,094,034) | (434,240) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings | 27(a) | (136,017) | (124,763) |
| Proceeds from new borrowings | 27(a) | 0 | 150,000 |
| Net cash provided by (used in) financing activities | | (136,017) | 25,237 |
| Net increase (decrease) in cash held | | (1,588,117) | 194,350 |
| Cash at beginning of year | | 4,451,619 | 4,257,269 |
| Cash and cash equivalents at the end of the year | | 2,863,502 | 4,451,619 |

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



Statement of Financial Activity

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

| Note | 2025 Actual \$ | 2025 Budget \$ | 2024 Actual \$ |
|---|----------------------|----------------------|----------------------|
| OPERATING ACTIVITIES | | | |
| Revenue from operating activities | | | |
| General rates | 25 | 2,010,705 | 1,901,488 |
| Rates excluding general rates | 25 | 103,791 | 95,879 |
| Grants, subsidies and contributions | | 1,485,688 | 1,677,502 |
| Fees and charges | | 378,669 | 338,260 |
| Interest revenue | | 177,243 | 204,389 |
| Other revenue | | 239,189 | 178,624 |
| Profit on asset disposals | | 822 | 222,863 |
| Fair value adjustments to financial assets at fair value through profit or loss | 4(b) | (2,663) | 1,262 |
| | | 4,393,444 | 4,620,267 |
| Expenditure from operating activities | | | |
| Employee costs | | (2,310,929) | (2,254,867) |
| Materials and contracts | | (1,739,760) | (1,489,371) |
| Utility charges | | (116,233) | (139,983) |
| Depreciation | | (3,680,409) | (3,586,841) |
| Finance costs | | (29,901) | (29,287) |
| Insurance | | (133,040) | (122,840) |
| Other expenditure | | (101,364) | (102,776) |
| Loss on asset disposals | | (15,368) | (51,234) |
| | | (8,127,004) | (7,777,199) |
| Non-cash amounts excluded from operating activities | 26(a) | 3,694,041 | 3,436,697 |
| Amount attributable to operating activities | | (9,519) | 279,765 |
| INVESTING ACTIVITIES | | | |
| Inflows from investing activities | | | |
| Capital grants, subsidies and contributions | | 1,552,428 | 940,646 |
| Proceeds from disposal of assets | | 113,636 | 452,205 |
| Proceeds from financial assets at amortised cost - self-supporting loans | 27(a) | 31,016 | 30,007 |
| | | 1,697,080 | 1,422,858 |
| Outflows from investing activities | | | |
| Acquisition of property, plant and equipment | 8(a) | (1,015,203) | (876,040) |
| Acquisition of infrastructure | 9(a) | (1,667,498) | (1,174,993) |
| | | (2,682,701) | (2,051,033) |
| Non-cash amounts excluded from investing activities | 26(b) | 0 | 55,324 |
| Amount attributable to investing activities | | (985,621) | (572,851) |
| FINANCING ACTIVITIES | | | |
| Inflows from financing activities | | | |
| Proceeds from borrowings | 27(a) | 0 | 150,000 |
| Transfers from reserve accounts | 28 | 1,089,162 | 855,747 |
| | | 1,089,162 | 1,005,747 |
| Outflows from financing activities | | | |
| Repayment of borrowings | 27(a) | (136,017) | (124,763) |
| Transfers to reserve accounts | 28 | (480,310) | (929,514) |
| | | (616,327) | (1,054,277) |
| Amount attributable to financing activities | | 472,835 | (48,530) |
| MOVEMENT IN SURPLUS OR DEFICIT | | | |
| Surplus or deficit at the start of the financial year | 26(c) | 1,412,323 | 1,753,939 |
| Amount attributable to operating activities | | (9,519) | 279,765 |
| Amount attributable to investing activities | | (985,621) | (572,851) |
| Amount attributable to financing activities | | 472,835 | (48,530) |
| Surplus or deficit after imposition of general rates | 26(c) | 860,018 | 1,412,323 |

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



Index for Notes to the Financial Report

**SHIRE OF WEST ARTHUR
FOR THE YEAR ENDED 30 JUNE 2025
INDEX OF NOTES TO THE FINANCIAL REPORT**

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

1. BASIS OF PREPARATION

The financial report of the Shire of West Arthur which is a Class 4 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements
Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the *Local Government Act 1995*, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board were applied except for disclosure requirements of:

- AASB 7 Financial Instruments Disclosures
- AASB 16 Leases paragraph 58
- AASB 101 Presentation of Financial Statements paragraph 51
- AASB 107 Statement of Cash Flows paragraphs 43 and 45
- AASB 116 Property, Plant and Equipment paragraph 79
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets paragraph 85
- AASB 140 Investment Property paragraph 75(f)
- AASB 1052 Disaggregated Disclosures paragraph 11
- AASB 1054 Australian Additional Disclosures paragraph 16

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 Leases which would have required the Shire to measure any vested improvements at zero cost.

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

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

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

Critical accounting estimates and judgements
The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

 - Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment - note 8
 - Infrastructure - note 9
 - Assets held for sale - note 7
 - Measurement of employee benefits - note 15
 - Measurement of provisions - note 16

Fair value hierarchy information can be found in note 24

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.

Initial application of accounting standards
During the current year, the following new or revised Australian Accounting Standards and interpretations were applied for the first time:

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

These amendments have not had a material impact on the financial report on initial application.

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

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

New accounting standards for application in future years
The following new accounting standards will have application to local government in future years:

- AASB 2014-10 Amendments to Australian Accounting Standards
 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2024-4b Amendments to Australian Accounting Standards
 - Effective Date of Amendments to AASB 10 and AASB 128 (deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply)
- AASB 2022-9 Amendments to Australian Accounting Standards
 - Insurance Contracts in the Public Sector
- AASB 2023-5 Amendments to Australian Accounting Standards
 - Lack of Exchangeability
- AASB 18 (FP) Presentation and Disclosure in Financial Statements
 - (Appendix D) [for not-for-profit entities]
- AASB 18 (NFP/super) Presentation and Disclosure in Financial Statements
 - (Appendix D) [for not-for-profit and superannuation entities]
- AASB 2024-2 Amendments to Australian Accounting Standards
 - Classification and Measurement of Financial Instruments
- AASB 2024-3 Amendments to Australian Accounting Standards
 - Annual Improvements Volume 11

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



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

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

| Revenue category | Nature of goods and services | When obligations typically satisfied | Payment terms | Returns/refunds/warranties | Timing of revenue recognition |
|--|---|--------------------------------------|--|---|--|
| Grants,subsidies and contributions | Community events, minor facilities, research, design, planning evaluation and services | Over time | Fixed terms transfer of funds based on agreed milestones and reporting | Contract obligation if project not complete | Output method based on project milestones and/or completion date matched to performance obligations |
| Grants,subsidies or contributions for the construction of non-financial assets | Construction or acquisition of recognisable non-financial assets to be controlled by the local government | 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 as inputs are shared |
| Fees and charges - licenses, registrations, approvals | Building, planning, development and animal management | Single point in time | Full payment prior to issue | None | On payment of the license, registration or approval |
| Waste management collections | Kerbside collection service | Over time | Payment on an annual basis in advance | None | Output method based on regular weekly and fortnightly period as proportionate to collection service |
| Fees and charges for other goods and services | Cemetery services, re | Single point in time | Payment in full in advance | None | Output method based on provision of service or completion of works |

Revenue recognition

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

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

For the year ended 30 June 2025

| Nature | Contracts with customers | Capital grant/contributions | Statutory requirements | Other | Total |
|---|--------------------------|-----------------------------|------------------------|------------------|------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Rates | 0 | 0 | 2,114,496 | 0 | 2,114,496 |
| Grants, subsidies and contributions | 289,306 | 0 | 0 | 1,196,362 | 1,485,668 |
| Fees and charges | 373,520 | 0 | 5,149 | 0 | 378,669 |
| Interest revenue | 0 | 0 | 19,988 | 157,255 | 177,243 |
| Other revenue | 42,771 | 0 | 0 | 196,418 | 239,189 |
| Capital grants, subsidies and contributions | 0 | 1,552,428 | 0 | 0 | 1,552,428 |
| Total | 705,597 | 1,552,428 | 2,139,633 | 1,550,055 | 5,947,713 |

For the year ended 30 June 2024

| Nature | Contracts with customers | Capital grant/contributions | Statutory requirements | Other | Total |
|---|--------------------------|-----------------------------|------------------------|------------------|------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Rates | 0 | 0 | 1,997,367 | 0 | 1,997,367 |
| Grants, subsidies and contributions | 163,774 | 0 | 0 | 1,513,728 | 1,677,502 |
| Fees and charges | 327,218 | 0 | 11,042 | 0 | 338,260 |
| Interest revenue | 0 | 0 | 21,327 | 183,062 | 204,389 |
| Other revenue | 36,026 | 0 | 0 | 142,598 | 178,624 |
| Capital grants, subsidies and contributions | 0 | 940,646 | 0 | 0 | 940,646 |
| Total | 527,018 | 940,646 | 2,029,736 | 1,839,388 | 5,336,788 |



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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

| Note | 2025 Actual \$ | 2024 Actual \$ |
|--|----------------------|----------------------|
| Interest revenue | | |
| Financial assets at amortised cost - self-supporting loans | 8,891 | 9,900 |
| Interest on reserve account | 119,939 | 139,371 |
| Trade and other receivables overdue interest | 19,989 | 21,347 |
| Other interest revenue | 28,424 | 33,771 |
| | 177,243 | 204,389 |
| The 2025 original budget estimate in relation to: Trade and other receivables overdue interest was \$19,500. | | |
| Fees and charges relating to rates receivable | | |
| Charges on instalment plan | 1,932 | 1,143 |
| The 2025 original budget estimate in relation to: Charges on instalment plan was \$3,500. | | |
| (b) Expenses | | |
| Auditors remuneration | | |
| - Audit of the Annual Financial Report | 45,500 | 28,790 |
| - Other services – grant acquittals | 4,080 | 4,600 |
| | 49,580 | 33,390 |
| Employee Costs | | |
| Employee benefit costs | 2,310,929 | 2,254,867 |
| | 2,310,929 | 2,254,867 |
| Finance costs | | |
| Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss | 29,901 | 29,287 |
| | 29,901 | 29,287 |
| Other expenditure | | |
| Sundry expenses | 101,364 | 102,776 |
| | 101,364 | 102,776 |



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

3. CASH AND CASH EQUIVALENTS

| Note | 2025 | 2024 |
|--|------------------|------------------|
| | \$ | \$ |
| Cash at bank and on hand | 2,863,502 | 4,451,619 |
| Total cash and cash equivalents | 2,863,502 | 4,451,619 |
| Held as | | |
| - Unrestricted cash and cash equivalents | 613,511 | 1,414,775 |
| - Restricted cash and cash equivalents | 2,249,991 | 3,036,844 |
| | 2,863,502 | 4,451,619 |

MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents

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

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

Restricted financial assets

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

4. OTHER FINANCIAL ASSETS

| Note | 2025 | 2024 |
|--|---------|---------|
| | \$ | \$ |
| (a) Current assets | | |
| Financial assets at amortised cost | 32,059 | 31,016 |
| | 32,059 | 31,016 |
| Other financial assets at amortised cost | | |
| Self-supporting loans receivable | 32,059 | 31,016 |
| | 32,059 | 31,016 |
| Held as | | |
| - Unrestricted other financial assets at amortised cost | 32,059 | 31,016 |
| | 32,059 | 31,016 |
| (b) Non-current assets | | |
| Financial assets at amortised cost | 216,293 | 248,352 |
| Financial assets at fair value through profit or loss | 59,715 | 62,378 |
| | 276,008 | 310,730 |
| Financial assets at amortised cost | | |
| Self-supporting loans receivable | 216,293 | 248,352 |
| | 216,293 | 248,352 |
| Financial assets at fair value through profit or loss | | |
| Units in Local Government House Trust - opening balance | 62,378 | 61,116 |
| Movement attributable to fair value increment | (2,663) | 1,262 |
| Units in Local Government House Trust - closing balance | 59,715 | 62,378 |

MATERIAL ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 24 (i)) due to the observable market rates.

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

Financial assets at fair value through profit or loss

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

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



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

5. TRADE AND OTHER RECEIVABLES

| Note | 2025 \$ | 2024 \$ |
|--|------------|------------|
| Current | | |
| Rates and statutory receivables | 218,668 | 280,916 |
| Trade receivables | 27,227 | 65,946 |
| GST receivable | 88,077 | 24,113 |
| Allowance for credit losses of rates and statutory receivables | (119,665) | (147,211) |
| | 214,307 | 223,764 |

Disclosure of opening and closing balances related to contracts with customers

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

| Disclosure of opening and closing balances related to contracts with customers | | | | |
|--|------|---------------------------------|---------------------------------|--------------------------------|
| | | 30 June 2025 Actual \$ | 30 June 2024 Actual \$ | 1 July 2023 Actual \$ |
| Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non-financial assets is: | | | | |
| | Note | | | |
| Contract assets | 7 | 316,578 | 0 | 61,689 |
| Total trade and other receivables from contracts with customers | | 316,578 | 0 | 61,689 |

MATERIAL ACCOUNTING POLICIES

Rates and statutory receivables

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

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

Trade receivables

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

Measurement

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

Classification and subsequent measurement

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

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore the Shire measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.



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

6. INVENTORIES

| Note | 2025 | 2024 |
|--|----------------|----------------|
| | \$ | \$ |
| Current | | |
| Fuel and materials | 22,979 | 21,855 |
| Land held for resale | | |
| Cost of acquisition | 70,000 | 70,000 |
| Development costs | 9,118 | 9,118 |
| | <u>102,097</u> | <u>100,973</u> |
| The following movements in inventories occurred during the year: | | |
| Balance at beginning of year | 100,973 | 84,985 |
| Inventories expensed during the year | (241,190) | (257,422) |
| Additions to inventory | 242,314 | 273,410 |
| Balance at end of year | <u>102,097</u> | <u>100,973</u> |

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.

Land held for resale

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

Land held for resale (Continued)

Borrowing costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed onto the buyer at this point.

Land held for resale is classified as current except where it is held as non-current based on the Shire's intentions to release for sale.



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

7. OTHER ASSETS

| | 2025 | 2024 |
|---|---------|--------|
| | \$ | \$ |
| Other assets - current | | |
| Prepayments | 3,467 | 32,578 |
| Accrued income | 20,632 | 58,579 |
| Contract assets | 316,578 | 0 |
| | 340,677 | 91,157 |
| Non-current assets held for sale | | |
| Land and buildings | 65,107 | 65,107 |
| | 65,107 | 65,107 |

MATERIAL ACCOUNTING POLICIES

Other current assets

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

Contract assets

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

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

Non-current assets held for sale

Assets are classified as held for sale where the carrying amount will be recovered through a sale rather than continuing use and the asset is available for immediate sale with a sale being highly probable. Non-current assets classified as held for sale are valued at the lower of the carrying amount and fair value less costs to sell.

The fair value of land and buildings was determined using the sales comparison approach using comparable properties in the area. This is a level 2 measurement as per the fair value hierarchy set out in Note 24(i).



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

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in balances

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

| | Assets not subject to operating lease | | Assets subject to operating lease | | Total property | | | | Plant and equipment | | Total property, plant and equipment |
|--|---------------------------------------|------------|-----------------------------------|-----------|----------------|------------|------------------|----------------|-------------------------|---------------------|-------------------------------------|
| Note | Land | Buildings | Land | Buildings | Land | Buildings | Work in progress | Total property | Furniture and equipment | Plant and equipment | |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 July 2023 | 660,400 | 10,015,902 | 94,500 | 5,775,237 | 754,900 | 15,791,139 | 0 | 16,546,039 | 25,887 | 3,108,364 | 19,680,290 |
| Additions | 0 | 18,136 | | 0 | 0 | 18,136 | 520,765 | 538,901 | 20,000 | 317,139 | 876,040 |
| Disposals | | (20,012) | | | 0 | (20,012) | | (20,012) | | (239,952) | (259,964) |
| Depreciation | 0 | (157,820) | | (98,469) | 0 | (256,289) | | (256,289) | (10,630) | (422,965) | (689,884) |
| Balance at 30 June 2024 | 660,400 | 9,856,206 | 94,500 | 5,676,768 | 754,900 | 15,532,974 | 520,765 | 16,808,639 | 35,257 | 2,762,586 | 19,606,482 |
| Comprises: | | | | | | | | | | | |
| Gross balance amount at 30 June 2024 | 660,400 | 10,168,559 | 94,500 | 5,868,468 | 754,900 | 16,037,027 | 520,765 | 17,312,692 | 74,198 | 4,805,737 | 22,192,627 |
| Accumulated depreciation at 30 June 2024 | 0 | (312,353) | 0 | (191,700) | 0 | (504,053) | 0 | (504,053) | (38,941) | (2,043,151) | (2,586,145) |
| Balance at 30 June 2024 | 8(b) | 660,400 | 9,856,206 | 5,676,768 | 754,900 | 15,532,974 | 520,765 | 16,808,639 | 35,257 | 2,762,586 | 19,606,482 |
| Additions | | | | 89,561 | 0 | 89,561 | 35,546 | 125,107 | 145,819 | 744,277 | 1,015,203 |
| Disposals | | | | | 0 | 0 | 0 | 0 | | (128,182) | (128,182) |
| Depreciation | 0 | (157,273) | 0 | (107,655) | 0 | (264,928) | | (264,928) | (10,515) | (423,303) | (698,746) |
| Transfers | | | | 490,485 | 0 | 490,485 | (490,485) | 0 | | | 0 |
| Balance at 30 June 2025 | 660,400 | 9,698,933 | 94,500 | 6,149,159 | 754,900 | 15,848,092 | 65,826 | 16,668,818 | 170,561 | 2,955,378 | 19,794,757 |
| Comprises: | | | | | | | | | | | |
| Gross balance amount at 30 June 2025 | 660,400 | 10,168,559 | 94,500 | 6,448,514 | 754,900 | 16,617,073 | 65,826 | 17,437,799 | 220,017 | 5,385,277 | 23,043,093 |
| Accumulated depreciation at 30 June 2025 | 0 | (469,626) | 0 | (299,355) | 0 | (768,981) | 0 | (768,981) | (49,456) | (2,429,899) | (3,248,336) |
| Balance at 30 June 2025 | 8(b) | 660,400 | 9,698,933 | 6,149,159 | 754,900 | 15,848,092 | 65,826 | 16,668,818 | 170,561 | 2,955,378 | 19,794,757 |



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

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying amount measurements

| Asset class | Note | Carrying amount 2025 \$ | Carrying amount 2024 \$ | Fair value hierarchy | Valuation technique | Basis of valuation | Date of last valuation | Inputs used |
|---|------|-------------------------------|-------------------------------|-------------------------|---|-----------------------|---------------------------|--|
| (i) Fair value - as determined at the last valuation date | | | | | | | | |
| Land and buildings | | | | | | | | |
| Land - market value | | 660,400 | 660,400 | 2 | Market approach using recent observable market data for similar properties. | Registered Valuer | June 2022 | Price per hectare or m2 |
| Land - subject to usage restrictions | | 94,500 | 94,500 | 2 | Market approach using recent observable market data for similar properties. | Registered Valuer | June 2022 | Price per hectare or m2 |
| Total land | 8(a) | 754,900 | 754,900 | | | | | |
| Buildings - non specialised | | 2,240,643 | 1,704,509 | 2 | Market approach using recent observable market data for similar properties. | Registered Valuer | June 2022 | Market data/improvements to land using construction costs and current market conditions (Level 2) |
| Buildings - specialised | | 13,607,449 | 13,829,465 | 2 & 3 | Cost approach using depreciated replacement cost | Registered Valuer | June 2022 | Improvements to land using construction costs and current conditions (Level 2), residual values and remaining useful life assessments (Level 3) inputs |
| Total buildings | 8(a) | 15,848,092 | 15,532,974 | | | | | |

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

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



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

9. INFRASTRUCTURE

(a) Movements in balances

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

| | Infrastructure - roads | Infrastructure - other | Infrastructure - landfill assets | Infrastructure - bridges | Total infrastructure |
|--|---------------------------|---------------------------|-------------------------------------|-----------------------------|-------------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 July 2023 | 84,533,615 | 4,133,992 | 0 | 26,622,000 | 115,289,607 |
| Additions | 1,071,061 | 48,608 | 55,324 | 0 | 1,174,993 |
| (Disposals) | 0 | (20,612) | 0 | 0 | (20,612) |
| Depreciation | (1,857,796) | (207,462) | 0 | (831,699) | (2,896,957) |
| Balance at 30 June 2024 | 83,746,880 | 3,954,526 | 55,324 | 25,790,301 | 113,547,031 |
| Comprises: | | | | | |
| Gross balance at 30 June 2024 | 87,368,166 | 4,339,338 | 55,324 | 26,622,000 | 118,384,828 |
| Accumulated depreciation at 30 June 2024 | (3,621,286) | (384,812) | 0 | (831,699) | (4,837,797) |
| Balance at 30 June 2024 | 83,746,880 | 3,954,526 | 55,324 | 25,790,301 | 113,547,031 |
| Additions | 1,381,592 | 285,906 | 0 | 0 | 1,667,498 |
| Depreciation | (1,927,513) | (222,451) | 0 | (831,699) | (2,981,663) |
| Balance at 30 June 2025 | 83,200,959 | 4,017,981 | 55,324 | 24,958,602 | 112,232,866 |
| Comprises: | | | | | |
| Gross balance at 30 June 2025 | 88,749,758 | 4,625,244 | 55,324 | 26,622,000 | 120,052,326 |
| Accumulated depreciation at 30 June 2025 | (5,548,799) | (607,263) | 0 | (1,663,398) | (7,819,460) |
| Balance at 30 June 2025 | 83,200,959 | 4,017,981 | 55,324 | 24,958,602 | 112,232,866 |



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

9. INFRASTRUCTURE (Continued)

(b) Carrying amount measurements

| Asset class | Fair value hierarchy | Valuation technique | Basis of valuation | Date of last valuation | Inputs used |
|---|----------------------|--|--------------------|------------------------|---|
| (i) Fair value - as determined at the last valuation date | | | | | |
| Infrastructure - roads | 3 | Cost approach using depreciated replacement cost | Registered Valuer | June 2022 | Costs and current condition), residual values and remaining useful life assessments (Level 3) inputs |
| Infrastructure - other | 3 | Cost approach using depreciated replacement cost | Registered Valuer | June 2022 | Costs and current condition, residual values and remaining useful life assessments (Level 3) inputs |
| Infrastructure - bridges | 3 | Cost approach using depreciated replacement cost | Registered Valuer | June 2023 | Costs and current condition, residual values and remaining useful life assessments (Level 3) inputs |

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

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



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

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

| Asset class | Useful life |
|--|-----------------|
| Buildings | 30 to 100 years |
| Furniture and equipment | 4 to 10 years |
| Plant and equipment | 5 to 15 years |
| Sealed roads and streets | |
| formation | not depreciated |
| pavement | 70 years |
| seal | |
| bituminous seals | 15 to 25 years |
| asphalt surfaces | 15 to 25 years |
| Gravel roads | |
| formation | not depreciated |
| pavement | 50 years |
| gravel sheeting | 10 to 15 years |
| Formed roads (unsealed) | |
| formation | not depreciated |
| pavement | 50 years |
| Footpaths - slab | 20 years |
| Sewerage piping | 100 years |
| Water supply piping and drainage systems | 75 years |
| Bridges | 60 to 90 years |



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

10. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

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

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

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with *Local Government (Financial Management) Regulation 17A(5)*. These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

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

Measurement after recognition

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

Reportable value

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

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

Revaluation

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

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

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

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

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

Depreciation

The depreciable amount of all property, plant and equipment and infrastructure, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation on revaluation

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

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

Impairment

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

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposal

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



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

11 LEASES

Lessor - property, plant and equipment subject to lease

The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.

Less than 1 year
1 to 2 years
2 to 3 years

| 2025 Actual \$ | 2024 Actual \$ |
|----------------------|----------------------|
| 37,870 | 26,180 |
| 33,800 | 0 |
| 22,471 | 0 |
| 94,141 | 26,180 |
| 106,410 | 110,272 |

Amounts recognised in profit or loss for property, plant and

Rental income

The Shire leases houses to staff and community members with rentals payable monthly. These leases are classified as operating leases as they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. The staff houses are not considered investment property as they are leased for use in the supply of services to the community. The community housing units are considered a joint operation and are not considered investment property as the primary purpose is provision of community housing.

Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate. Although the Shire is exposed to changes in the residual value at the end of the current leases, the Shire typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases.

Expectations about the future residual values are reflected in the fair value of the properties.

MATERIAL ACCOUNTING POLICIES

The Shire as lessor

Upon entering into each contract as a lessor, the Shire assesses if the lease is a finance or operating lease.

The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

Initial direct costs incurred in entering into an operating lease (e.g. legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

When a contract is determined to include lease and non-lease components, the Shire applies AASB 15 *Revenue from Contracts with Customers* to allocate the consideration under the contract to each component.



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

12. TRADE AND OTHER PAYABLES

| | 2025 | 2024 |
|-----------------------------|---------|---------|
| | \$ | \$ |
| Current | | |
| Sundry creditors | 179,273 | 189,689 |
| Prepaid rates | 5,687 | 6,398 |
| Accrued payroll liabilities | 64,924 | 63,568 |
| Statutory liabilities | 43,322 | 44,928 |
| Bonds and deposits held | 97,286 | 98,211 |
| Prepaid rent | 5,887 | 0 |
| | 396,379 | 402,794 |

MATERIAL ACCOUNTING POLICIES

Financial liabilities

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

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

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

Statutory liabilities

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

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Prepaid rates

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises income for the prepaid rates that have not been refunded.



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

13. OTHER LIABILITIES

| | 2025 | 2024 |
|---|---------------|----------------|
| | \$ | \$ |
| Current | | |
| Contract liabilities | 0 | 69,588 |
| Capital grant/contributions liabilities | 30,198 | 138,611 |
| | <u>30,198</u> | <u>208,199</u> |
| Reconciliation of changes in contract liabilities | | |
| Opening balance | 69,588 | 7,336 |
| Additions | 0 | 69,588 |
| Revenue from contracts with customers included as a contract liability at the start of the period | (69,588) | (7,336) |
| | <u>0</u> | <u>69,588</u> |
| Reconciliation of changes in capital grant/contribution liabilities | | |
| Opening balance | 138,611 | 0 |
| Additions | (108,413) | 138,611 |
| | <u>30,198</u> | <u>138,611</u> |

MATERIAL ACCOUNTING POLICIES

Contract liabilities

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

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

Capital grant/contribution liabilities

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



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

14. BORROWINGS

| | Note | 2025 | | | 2024 | | |
|---------------------------------|-------|---------|-------------|---------|---------|-------------|---------|
| | | Current | Non-current | Total | Current | Non-current | Total |
| Secured | | \$ | \$ | \$ | \$ | \$ | \$ |
| Debentures | | 91,150 | 484,326 | 575,476 | 137,156 | 574,337 | 711,493 |
| Total secured borrowings | 27(a) | 91,150 | 484,326 | 575,476 | 137,156 | 574,337 | 711,493 |

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

Risk

Details of individual borrowings required by regulations are provided at Note 27(a).



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

15. EMPLOYEE RELATED PROVISIONS

Employee related provisions

Current provisions

Employee benefit provisions

Annual leave 143,723 146,388
Long service leave 220,807 219,103
Other employee leave provisions 7,687 0

372,217 365,491

Total current employee related provisions

372,217 365,491

Non-current provisions

Employee benefit provisions

Long service leave 34,035 45,695

34,035 45,695

Total non-current employee related provisions

34,035 45,695

Total employee related provisions

406,252 411,186

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

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

MATERIAL ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

Provision is made for the Shire's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.



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

16. OTHER PROVISIONS

| | Make good provisions | Total |
|--------------------------------|----------------------|--------|
| | \$ | \$ |
| Opening balance at 1 July 2024 | | |
| Non-current provisions | 55,324 | 55,324 |
| | 55,324 | 55,324 |
| Balance at 30 June 2025 | 55,324 | 55,324 |
| Comprises | | |
| Non-current | 55,324 | 55,324 |
| | 55,324 | 55,324 |

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

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.

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.



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

17. REVALUATION SURPLUS

| | 2025 Opening balance | 2025 Closing balance | 2024 Opening balance | 2024 Closing balance |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| | \$ | \$ | \$ | \$ |
| Revaluation surplus - Land | 472,399 | 472,399 | 472,399 | 472,399 |
| Revaluation surplus - Buildings | 10,613,227 | 10,613,227 | 10,613,227 | 10,613,227 |
| Revaluation surplus - Furniture and equipment | 10,206 | 10,206 | 10,206 | 10,206 |
| Revaluation surplus - Infrastructure - roads | 82,924,457 | 82,924,457 | 82,924,457 | 82,924,457 |
| Revaluation surplus - Infrastructure - other | 1,711,767 | 1,711,767 | 1,711,767 | 1,711,767 |
| Revaluation surplus - Infrastructure - bridges | 29,867,809 | 29,867,809 | 29,867,809 | 29,867,809 |
| | 125,599,865 | 125,599,865 | 125,599,865 | 125,599,865 |



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

18. RESTRICTIONS OVER FINANCIAL ASSETS

| | Note | 2025 Actual \$ | 2024 Actual \$ |
|--|------|----------------------|----------------------|
| The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used: | | | |
| - Cash and cash equivalents | 3 | 2,249,991 | 3,036,844 |
| | | 2,249,991 | 3,036,844 |
| The restricted financial assets are a result of the following specific purposes to which the assets may be used: | | | |
| Restricted reserve accounts | 28 | 2,219,793 | 2,828,645 |
| Contract liabilities | 13 | 0 | 69,588 |
| Capital grant liabilities | 13 | 30,198 | 138,611 |
| Total restricted financial assets | | 2,249,991 | 3,036,844 |

19. UNDRAWN BORROWING FACILITIES AND CREDIT
STANDBY ARRANGEMENTS

| | | | |
|--|--|----------------|----------------|
| Credit standby arrangements | | | |
| Bank overdraft limit | | 150,000 | 150,000 |
| Bank overdraft at balance date | | 0 | 0 |
| Credit card limit | | 15,000 | 15,000 |
| Credit card balance at balance date | | (3,101) | (5,336) |
| Total amount of credit unused | | 161,899 | 159,664 |
| Loan facilities | | | |
| Loan facilities - current | | 91,150 | 137,156 |
| Loan facilities - non-current | | 484,326 | 574,337 |
| Total facilities in use at balance date | | 575,476 | 711,493 |
| Unused loan facilities at balance date | | 0 | 0 |



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

20. CONTINGENT LIABILITIES

The Shire of West Arthur has identified the following site in relation to land owned, vested or leased, that is possibly contaminated with investigation required.

Darkan Landfill Site - Reserve 31890 Coalfields Road, Darkan.

The Shire has conducted bore testing to determine the presence and scope of contamination. Potential risk was considered low due to the depth of the groundwater being greater than the bore depth required by the Department of Water and Environmental Regulation. The Shire is unable to estimate the potential costs associated with remediation of this site as Department of Water and Environmental Regulation has agreed that no remediation is required at this stage.

21. CAPITAL COMMITMENTS

| | 2025 | 2024 |
|--------------------------------|---------|---------|
| | \$ | \$ |
| Contracted for: | | |
| - capital expenditure projects | 0 | 107,226 |
| - plant & equipment purchases | 310,000 | 0 |
| | 310,000 | 107,226 |
| Payable: | | |
| - not later than one year | 310,000 | 107,226 |



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

22. RELATED PARTY TRANSACTIONS

(a) Council member remuneration

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

| Note | 2025 Actual \$ | 2025 Budget \$ | 2024 Actual \$ |
|--|----------------------|----------------------|----------------------|
| President's annual allowance | 6,248 | 6,240 | 6,000 |
| President's meeting attendance fees | 4,830 | 4,700 | 4,600 |
| President's annual allowance for ICT expenses | 520 | 500 | 500 |
| President's travel and accommodation expenses | 2,184 | 1,900 | 1,881 |
| | 13,782 | 13,340 | 12,981 |
| Deputy President's annual allowance | 1,481 | 1,560 | 1,500 |
| Deputy President's meeting attendance fees | 8,085 | 5,750 | 3,000 |
| Deputy President's annual allowance for ICT expenses | 520 | 500 | 500 |
| Deputy President's travel and accommodation expenses | 3,633 | 500 | 1,076 |
| | 13,719 | 8,310 | 6,076 |
| All other council member's meeting attendance fees | 13,335 | 14,550 | 15,600 |
| All other council member's annual allowance for ICT expenses | 2,600 | 2,500 | 2,360 |
| All other council member's travel and accommodation expenses | 2,589 | 2,600 | 1,890 |
| | 18,524 | 19,650 | 19,850 |
| 22(b) | 46,025 | 41,300 | 38,907 |

(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 | 448,910 | 423,363 |
| Post-employment benefits | 76,376 | 54,518 |
| Employee - other long-term benefits | 40,825 | 28,034 |
| Council member costs | 46,025 | 38,907 |
| 22(a) | 612,136 | 544,822 |

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.



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

22. RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with related parties

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

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

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

| | 2025 Actual \$ | 2024 Actual \$ |
|--|----------------------|----------------------|
| Short term employee benefits - other related parties | 252,396 | 317,506 |

(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

Short-term employee benefits related associated persons of the CEO, Manager of Works and Services and Councillors who were employed by the Shire under normal employment terms and conditions.

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

iii. Entities subject to significant influence by the Shire

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



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

23. JOINT ARRANGEMENTS

Share of joint operations

The Shire has a joint arrangement with the Department of Communities which provides housing for the community. The only assets are land and housing units of which the Shire owns a percentage share.

Statement of financial position

| | 2025 Actual | 2024 Actual |
|-----------------------------------|------------------------|------------------------|
| | \$ | \$ |
| Cash and cash equivalents | 205,439 | 200,920 |
| Land - 10 Hillman Street | 5,400 | 5,400 |
| Land - 12 Hillman Street | 3,500 | 3,500 |
| Land - 18 Gibbs St/25 Nangip Cres | 2,200 | 2,200 |
| Building - 10 Hillman Street | 91,800 | 91,800 |
| Building - 12 Hillman Street | 59,500 | 59,500 |
| Building - 18 Gibbs Street | 31,900 | 31,900 |
| Building - 25 Nangip Cres | 31,900 | 31,900 |
| (less accumulated depreciation) | (8,677) | (2,892) |
| Total assets | 422,962 | 424,228 |
| Reserve accounts | 205,439 | 200,920 |
| Total equity | 205,439 | 200,920 |

Statement of comprehensive income

| | | |
|--|-----------------|--------------|
| Rental Income | 36,759 | 36,260 |
| Depreciation | (2,892) | (2,892) |
| Other expense | (45,063) | (23,698) |
| Profit/(loss) for the period | (11,196) | 9,670 |
| Other comprehensive income | | |
| Total comprehensive income for the period | (11,196) | 9,670 |

Statement of cash flows

| | | |
|--|----------------|---------------|
| Rental Income | 36,759 | 36,260 |
| Other expense | (45,063) | (23,698) |
| Net cash provided by (used in) operating activities | (8,304) | 12,562 |

MATERIAL ACCOUNTING POLICIES

Joint operations

A joint operation is a joint arrangement where the Shire has joint control with two or more parties to the joint arrangement. All parties to joint arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement.

Assets, liabilities, revenues and expenses relating to the Shire's interest in the joint operation are accounted for in accordance with the relevant Australian Accounting Standards.



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

24. OTHER MATERIAL ACCOUNTING POLICIES

a) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

b) Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operational cycle. In the case of liabilities where the Shire does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Shire's intentions to release for sale.

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Interest revenue

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

i) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

j) Impairment of assets

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

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

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

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

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



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

25. RATING INFORMATION

(a) General rates

| RATE TYPE Rate description | Rate in \$ | Number of properties | 2024/25 Actual rateable value* | 2024/25 Actual rate revenue | 2024/25 Actual interim rates | 2024/25 Actual total revenue | 2024/25 Budget rate revenue | 2024/25 Budget interim rate | 2024/25 Budget total revenue | 2023/24 Actual total revenue |
|---|---------------|----------------------------|---|--------------------------------------|---------------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| | | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| GRV Townsite | 0.088276 | 85 | 744,156 | 65,691 | | 65,691 | 65,691 | | 65,691 | 61,973 |
| GRV Commercial | 0.088276 | 12 | 232,024 | 20,482 | | 20,482 | 20,482 | | 20,482 | 19,951 |
| GRV Industrial | 0.088276 | 7 | 112,580 | 9,938 | | 9,938 | 9,938 | | 9,938 | 9,376 |
| GRV Other Townsite | 0.088276 | 15 | 95,888 | 8,465 | | 8,465 | 8,465 | | 8,465 | 7,986 |
| UV Rural | 0.003254 | 366 | 585,769,000 | 1,906,092 | 37 | 1,906,129 | 1,906,092 | | 1,906,092 | 1,802,202 |
| Total general rates | | 485 | 586,953,648 | 2,010,668 | 37 | 2,010,705 | 2,010,668 | 0 | 2,010,668 | 1,901,488 |
| Minimum payment | | | | | | | | | | |
| Minimum payment | | | | | | | | | | |
| | \$ | | | | | | | | | |
| GRV Townsite | 632 | 47 | 179,944 | 29,704 | (735) | 28,969 | 29,704 | | 29,704 | 28,059 |
| GRV Commercial | 632 | 9 | 22,440 | 5,688 | | 5,688 | 5,688 | | 5,688 | 5,373 |
| GRV Industrial | 632 | 3 | 9,690 | 1,896 | | 1,896 | 1,896 | | 1,896 | 1,791 |
| GRV Other Townsite | 442 | 19 | 20,820 | 8,398 | | 8,398 | 8,398 | | 8,398 | 7,923 |
| UV Rural | 632 | 91 | 10,009,714 | 57,512 | (2,838) | 54,674 | 57,512 | | 57,512 | 48,803 |
| Total minimum payments | | 169 | 10,242,608 | 103,198 | (3,573) | 99,625 | 103,198 | 0 | 103,198 | 91,949 |
| Total general rates and minimum payments | | 654 | 597,196,256 | 2,113,866 | (3,536) | 2,110,330 | 2,113,866 | 0 | 2,113,866 | 1,993,437 |
| Ex-gratia rates | | | | | | | | | | |
| Ex-gratia rates | | | | 4,166 | | 4,166 | 4,137 | | 4,137 | 3,930 |
| Total amount raised from rates (excluding general rates) | | 0 | 0 | 4,166 | 0 | 4,166 | 4,137 | 0 | 4,137 | 3,930 |
| Total rates | | | | | | 2,114,496 | | | 2,118,003 | 1,997,367 |
| (b) Rates related information | | | | | | | | | | |
| Rates instalment interest | | | | | | 2,773 | | | 1,800 | 2,124 |
| Rates instalment plan charges | | | | | | 1,932 | | | 3,500 | 1,143 |
| Rates overdue interest | | | | | | 17,216 | | | 17,700 | 19,223 |
| Rates written off | | | | | | 82,884 | | | 0 | 0 |

*Rateable Value at time of raising of rate.



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

26. DETERMINATION OF SURPLUS OR DEFICIT

| Note | 2024/25 (30 June 2025 carried forward) | 2024/25 Budget (30 June 2025 carried forward) | 2023/24 (30 June 2024 carried forward) |
|---|--|--|--|
| | \$ | \$ | \$ |
| (a) Non-cash amounts excluded from operating activities | | | |
| The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> . | | | |
| Adjustments to operating activities | | | |
| Less: Profit on asset disposals | (822) | (14,339) | (222,863) |
| Less: Fair value adjustments to financial assets at fair value through profit or loss | 2,663 | | (1,262) |
| Add: Loss on disposal of assets | 15,368 | 16,137 | 51,234 |
| Add: Depreciation | 3,680,409 | 3,077,887 | 3,586,841 |
| Non-cash movements in non-current assets and liabilities: | | | |
| Assets held for sale | 0 | | (65,107) |
| Employee benefit provisions | (11,660) | | 88,818 |
| Movement in accrued wages | 8,083 | | 8,154 |
| Inventory | 0 | | (9,118) |
| Non-cash amounts excluded from operating activities | 3,694,041 | 3,079,685 | 3,436,697 |
| (b) Non-cash amounts excluded from investing activities | | | |
| The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> . | | | |
| Adjustments to investing activities | | | |
| Movement in non-current capital expenditure provisions | | | 55,324 |
| Non-cash amounts excluded from investing activities | 0 | 0 | 55,324 |
| (c) Surplus or deficit after imposition of general rates | | | |
| The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates. | | | |
| Adjustments to net current assets | | | |
| Less: Reserve accounts | (2,219,793) | (1,838,909) | (2,828,645) |
| Less: Financial assets at amortised cost - self-supporting loans | (32,059) | (31,016) | (31,016) |
| Less: Financial assets at amortised cost | | | |
| Less: Current assets not expected to be received at end of year | | | |
| - Land held for resale | (79,118) | | (79,118) |
| - Assets held for sale | (65,107) | | (65,107) |
| Add: Current liabilities not expected to be cleared at end of year | | | |
| - Current portion of borrowings | 91,150 | 92,358 | 137,156 |
| - Employee benefit provisions | 437,140 | 373,015 | 429,057 |
| Total adjustments to net current assets | (1,867,787) | (1,404,552) | (2,437,673) |
| Net current assets used in the Statement of financial activity | | | |
| Total current assets | 3,617,749 | 2,116,487 | 4,963,636 |
| Less: Total current liabilities | (889,944) | (711,935) | (1,113,640) |
| Less: Total adjustments to net current assets | (1,867,787) | (1,404,552) | (2,437,673) |
| Surplus or deficit after imposition of general rates | 860,018 | 0 | 1,412,323 |



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

27. BORROWING AND LEASE LIABILITIES

(a) Borrowings

| Purpose | Note | Actual | | | | Budget | | | |
|------------------------------------|------|--------------------------|--------------------------|-------------------------------------|---------------------------|--------------------------|-------------------------------------|---------------------------|--------------------------|
| | | Principal at 1 July 2023 | New loans during 2023-24 | Principal repayments during 2023-24 | Principal at 30 June 2024 | New loans during 2024-25 | Principal repayments during 2024-25 | Principal at 30 June 2025 | Principal at 1 July 2024 |
| | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| GROH Housing | | 96,078 | 0 | (53,558) | 42,520 | 0 | (42,520) | 0 | 42,521 |
| Industrial Land | | 28,058 | 0 | (10,950) | 17,108 | 0 | (11,312) | 5,796 | 17,109 |
| ERP | | 0 | 150,000 | (6,425) | 143,575 | 0 | (26,380) | 117,195 | 143,575 |
| Loader | | 252,745 | 0 | (23,823) | 228,922 | 0 | (24,789) | 204,133 | 228,923 |
| Total | | 376,881 | 150,000 | (94,756) | 432,125 | 0 | (105,001) | 327,124 | 432,128 |
| Self-supporting loans | | | | | | | | | |
| WA Cottage Homes | | 309,375 | 0 | (30,007) | 279,368 | 0 | (31,016) | 248,352 | 279,367 |
| Total self-supporting loans | | 309,375 | 0 | (30,007) | 279,368 | 0 | (31,016) | 248,352 | 279,367 |
| Total borrowings | 14 | 686,256 | 150,000 | (124,763) | 711,493 | 0 | (136,017) | 575,476 | 711,495 |

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

Borrowing finance cost payments

| Purpose | Loan number | Institution | Interest rate | Date final payment is due | Actual for year ending 30 June 2025 | Budget for year ending 30 June 2025 | Actual for year ending 30 June 2024 |
|--|-------------|-------------|---------------|---------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | | | | | \$ | \$ | \$ |
| GROH Housing | 70 | WATC | 6.60% | 31/03/2025 | (1,771) | (1,402) | (5,003) |
| Industrial Land | 72 | WATC | 3.30% | 31/12/2025 | (512) | (421) | (784) |
| ERP | 75 | WATC | 4.20% | 31/03/2029 | (6,523) | (5,940) | (1,345) |
| Loader | 74 | WATC | 4.00% | 30/06/2032 | (10,329) | (8,791) | (9,759) |
| Total | | | | | (19,135) | (16,554) | (16,890) |
| Self-supporting loans finance cost payments | | | | | | | |
| WA Cottage Homes | 73 | WATC | 3.30% | 30/06/2032 | (10,766) | (8,892) | (9,900) |
| Total self-supporting loans finance cost payments | | | | | (10,766) | (8,892) | (9,900) |
| Total finance cost payments | | | | | (29,901) | (25,446) | (26,790) |

* WA Treasury Corporation



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

28. RESERVE ACCOUNTS

| 2025 Actual opening balance to | 2025 Actual transfer to | 2025 Actual (from) | 2025 Actual closing balance | 2025 Budget opening balance | 2025 Budget transfer to | 2025 Budget (from) | 2025 Budget closing balance | 2024 Actual opening balance | 2024 Actual transfer to | 2024 Actual (from) | 2024 Actual closing balance |
|---|-------------------------------|--------------------------|--------------------------------------|--------------------------------------|-------------------------------|--------------------------|--------------------------------------|--------------------------------------|-------------------------------|--------------------------|--------------------------------------|
| 131,660 | 5,574 | (100,000) | 37,034 | 131,660 | 5,596 | | 137,146 | 125,105 | 6,355 | | 131,660 |
| 1,037,504 | 343,992 | (644,004) | 735,456 | 1,037,504 | 344,878 | (1,007,116) | 375,266 | 556,752 | 759,219 | (270,547) | 1,037,504 |
| 176,231 | 7,472 | (10,070) | 173,783 | 176,231 | 7,623 | (179,016) | 4,748 | 691,759 | 34,672 | (550,205) | 176,231 |
| 7,169 | | | 1,728 | 7,169 | 1,730 | | 8,900 | 1,570 | 680 | | 7,169 |
| 172,592 | 7,513 | (143,019) | 37,086 | 172,592 | 7,664 | (143,019) | 4,927 | 166,617 | 8,565 | | 172,592 |
| 7,047 | 390 | | 7,437 | 7,047 | 455 | | 7,502 | 8,064 | 483 | | 7,047 |
| 9,519 | | (5,000) | 205,439 | 200,920 | 9,691 | | 160,611 | 200,000 | 9,712 | | 200,920 |
| 122,945 | 5,213 | | 128,158 | 122,945 | 5,318 | | 128,263 | 122,945 | 5,245 | | 122,945 |
| 63,662 | 7,699 | (30,000) | 41,361 | 63,662 | 7,754 | (30,000) | 41,416 | 55,826 | 7,836 | | 63,662 |
| 35,654 | 1,512 | (15,000) | 22,169 | 35,654 | 1,542 | | 37,196 | 57,723 | 2,931 | (25,000) | 35,654 |
| 10,633 | | | 270,879 | 10,633 | 270,879 | | 291,551 | 291,551 | | | 270,879 |
| 55,871 | 8,369 | | 64,240 | 55,871 | 8,425 | | 64,288 | 47,461 | 8,104 | | 55,871 |
| 134,650 | 5,709 | (33,663) | 136,696 | 134,654 | 5,829 | (5,000) | 135,479 | 132,994 | 6,750 | (5,000) | 134,654 |
| 6,200 | | (8,701) | 26,480 | 6,200 | 26,483 | | 26,404 | 22,156 | 6,251 | | 6,200 |
| 25,543 | 1,083 | (5,000) | 21,626 | 25,543 | 1,105 | (5,000) | 21,648 | 29,067 | 1,476 | (5,000) | 25,543 |
| 7,469 | 305 | | 5,034 | 7,429 | 209 | | 5,038 | 4,596 | 233 | | 7,429 |
| 8,822 | 293 | | 7,229 | 8,864 | 340 | | 9,004 | 7,786 | | | 8,864 |
| 14,130 | 999 | (1,274) | 13,855 | 14,130 | 1,111 | | 14,741 | 13,103 | 1,027 | | 14,130 |
| 2,712 | 115 | | 2,827 | 2,712 | 617 | | 2,829 | 1,257 | 1,465 | | 2,712 |
| 11,336 | 3,762 | | 15,098 | 11,336 | 4,060 | | 11,826 | 12,778 | 2,338 | | 11,336 |
| 94,451 | 4,000 | (10,000) | 86,456 | 94,451 | 4,090 | | 86,507 | 89,895 | 5,466 | | 94,451 |
| 10,773 | | | 206,456 | 10,773 | 206,457 | | 206,457 | 241,724 | 283 | | 206,457 |
| 2,554,455 | 460,110 | (1,089,162) | 2,125,403 | 2,554,455 | 1,518 | (1,469,241) | 1,035,929 | 2,917,929 | 2,914 | (655,747) | 2,554,455 |

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

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 | To be used to fund long service leave and annual leave requirements |
| (b) Plant Reserve | To be used for the purchase of major plant |
| (c) Building Reserve | To be used for the construction and maintenance of Council buildings |
| (d) Town Development Reserve | To be used to enhance town infrastructure |
| (e) Recreation Reserve | To be used to enhance recreation infrastructure |
| (f) Heritage Reserve | To be used to maintain and improve the heritage buildings of the Shire |
| (g) Community Housing Reserve | To be used for the maintenance and provision of housing within the Shire |
| (h) Waste Management Reserve | To assist with funding future infrastructure requirements for waste management and to provide for the costs of closing landfill sites within the district |
| (i) Darkan Swimming Pool Reserve | To be used to assist with funding works at the Darkan Swimming Pool |
| (j) Information Technology Reserve | To be used for upgrades to computers and office equipment |
| (k) Darkan Sport & Community Centre Reserve | To be used to maintain and improve the Darkan Sport & Community Centre |
| (l) Arthur River Country Club Reserve | To be used to maintain and improve the Arthur River Country Club |
| (m) Museum Reserve | To be used to maintain and to provide new displays in the Museum |
| (n) Moodanup Sports Club Reserve | To be used to maintain and improve the Moodanup Sports Club |
| (o) Landcare Reserve | To be used to fund the landcare expenditure of the Shire |
| (p) Corporate Planning and Valuation Reserve | To be used to fund the corporate planning and valuation expenditure of the Shire |
| (q) Vets' Central Reserve | To be used to fund the renewal of equipment and infrastructure |
| (r) The Shed Reserve | To be used to fund the renewal of equipment and infrastructure |
| (s) Recreation Trails Reserve | To be used for the construction and maintenance of recreation trails |
| (t) Community Gym Reserve | To be used for the renewal of gym equipment and activities |
| (u) Economic Development Reserve | To be used for economic development initiatives that benefit the Shire |
| (v) Road Reserve | To be used to fund road improvements or urgent repairs |



Independent Auditor's Report



Auditor General

**INDEPENDENT AUDITOR'S REPORT
2025
Shire of West Arthur****To the Council of the Shire of West Arthur****Opinion**

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

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

In my opinion, the financial report:

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

Basis for opinion

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

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

Other information

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

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

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

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7th Floor Albert Facey House 469 Wellington Street Perth MAIL TO: Perth BC PO Box 8489 Perth WA 6849 TEL: 08 6557 7500

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

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

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

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

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Matters relating to the electronic publication of the audited financial report

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



Tim Sanya
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
10 December 2025