



Shire of Wyalkatchem Audit and Risk Committee (ARC)

Notice of Special Meeting and Agenda –

**To be held on Thursday 18 December 2025,
commencing at 3.00pm in the Council Chambers,
Honour Avenue, Wyalkatchem**

Regulation 16 of the Local Government (Audit) Regulations 1996 states that:

“An audit committee —

***a)** is to provide guidance and assistance to the local government —*

- i.** as to the carrying out of its functions in relation to audits carried out under Part 7 of the Act; and*
- ii.** as to the development of a process to be used to select and appoint a person to be an auditor; and*

***b)** may provide guidance and assistance to the local government as to —*

- i.** matters to be audited; and*
- ii.** the scope of audits; and*
- iii.** its functions under Part 6 of the Act; and*
- iv.** the carrying out of its functions relating to other audits and other matters related to financial management; and*

***c)** is to review a report given to it by the CEO under regulation 17(3) (the CEO’s report) and is to —*

- i.** report to the council the results of that review; and*
- ii.** give a copy of the CEO’s report to the council.”*

Agenda

This Agenda was approved for distribution on 12 December 2025.

A handwritten signature in black ink, appearing to read 'Ian McCabe', with a stylized flourish at the end.

Ian McCabe
Acting Chief Executive Officer
Shire of Wyalkatchem

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1. DECLARATION OF OPENING

2. PUBLIC QUESTION TIME

3. ATTENDANCE /APOLOGIES/LEAVE OF ABSENCE

4. DECLARATIONS OF INTEREST

5. ANNOUNCEMENT BY THE PRESIDING PERSON WITHOUT DISCUSSIONS

6. CONFIRMATION AND RECEIPT OF MINUTES

6.1.CONFIRMATION OF MINUTES

6.1.1. AUDIT AND RISK COMMITTEE MEETING – 18 SEPTEMBER 2025

Minutes of the Shire of Wyalkatchem Audit and Risk Committee Meeting held on Thursday 18 September 2025. (Attachment 6.1.1)

VOTING REQUIREMENT

Simple Majority

OFFICER RECOMMENDATION:

That the minutes of the Shire of Wyalkatchem Audit and Risk Committee Meeting held on Thursday 18 September 2025 (Attachment 6.1.1) be confirmed as a true and correct record.



MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING HELD ON 18 September 2025

Council Chambers

Honour Avenue

Wyalkatchem

Commencement: 3.30pm

Closure: 3.34pm

Regulation 16 of the Local Government (Audit) Regulations 1996 states that:

“An audit committee —

- a) is to provide guidance and assistance to the local government —
 - i. as to the carrying out of its functions in relation to audits carried out under Part 7 of the Act; and*
 - ii. as to the development of a process to be used to select and appoint a person to be an auditor; and**
- b) may provide guidance and assistance to the local government as to —
 - i. matters to be audited; and*
 - ii. the scope of audits; and*
 - iii. its functions under Part 6 of the Act; and*
 - iv. the carrying out of its functions relating to other audits and other matters related to financial management; and**
- c) is to review a report given to it by the CEO under regulation 17(3) (the CEO’s report) and is to —
 - i. report to the council the results of that review; and*
 - ii. give a copy of the CEO’s report to the council.”**

Preface

When the Chief Executive Officer approved these Minutes for distribution they are in essence “*Unconfirmed*” until the following Audit and Risk Committee Meeting, where the minutes will be confirmed subject to any amendments.

The “*Confirmed*” Minutes are then signed off by the Presiding Member.

Unconfirmed Minutes

These unconfirmed minutes were approved for distribution on 23 September 2025.



Ian McCabe

Acting Chief Executive Officer

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Shire of Wyalkatchem for any act, omission or statement or intimation occurring during this meeting. It is strongly advised that persons do not act on what is heard at this meeting and should only rely on written confirmation of Council's decisions, which will be provided within ten days of this meeting.

DISCLOSURE OF INTEREST

Councillors and staff are reminded of the requirements of section 5.65 of the *Local Government Act 1995*, to disclose any interest or perceived interest in any matter to be discussed during a meeting, and also the requirement to disclose any item affecting impartiality.

Financial Interest:

Under section 5.60A of the *Local Government Act 1995*, a person is said to have a financial interest in a matter if it is reasonable to expect that the matter will, if dealt with by the Local Government in a particular way, result in a financial gain, loss, benefit or detriment for the person.

Proximity Interest:

Under section 5.60B of the *Local Government Act 1995*, a person is said to have a proximity interest in a matter if the matter concerns a proposed change to a planning scheme affecting land that adjoins the person's land; a proposed change to the zoning or use of land that adjoins the person's land; or a proposed development of land that adjoins the person's land.

Impartiality Interest:

As per the Shire of Wyalkatchem Code of Conduct for Council Members, Committee Members, and Candidates for Election, and to maintain transparency, it is important to disclose all interests, including impartiality interests which include interests arising from kinship, friendship and membership of associations. If it is possible that your vote on a matter may be perceived as impartial, you should disclose your interest. Having disclosed the interest, you may declare your objectivity on the matter, and remain in the Chamber, and chair, or move/second, speak and vote on the matter.

Disclosing an Interest:

Disclosures must be made, in writing, to the Chief Executive Officer prior to the meeting, or prior to consideration of the item in which an interest exists.

If you disclose a Financial or Proximity Interest, you must leave the room while the matter is discussed and voted on. Only after a decision has been reached may you return to the meeting, at which time the Presiding Person will inform you of Council's decision on the matter.

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1. DECLARATION OF OPENING

The Presiding Member Cr Petchell declared the meeting open at 3.30pm

2. PUBLIC QUESTION TIME

2.1. Response to Public Questions Previously Taken on Notice

Nil

2.2. Declaration of Public Question Time opened

Nil

2.3. Declaration of Public Question Time closed

Nil

3. ATTENDANCE, APOLOGIES, LEAVE OF ABSENCE

3.1. Attendance

Cr Christy Petchell	Presiding Member
Cr Justin Begley	Deputy Presiding Member
Cr Mischa Stratford	
Cr Christopher Loton	
Cr Tracy Dickson	
Cr Rod Lawson Kerr	
Cr Owen Garner	
Ian McCabe	Acting Chief Executive Officer
Claire Trenorden	Manager Corporate Services
Maddison Sumpton	Governance Officer

3.1. Visitors

Nil

3.2. Apologies

Nil

3.3. Approved Leave of Absence

3.4. Applications for Leave of Absence

Nil

4. DECLARATIONS OF INTEREST

5. ANNOUNCEMENT BY THE PRESIDENT PERSON WITHOUT DISCUSSIONS

6. CONFIRMATION AND RECEIPT OF MINUTES

6.1. Confirmation of Minutes

6.1.1. Audit and Risk Committee Meeting – 4 September 2025

Minutes of the Shire of Wyalkatchem Audit and Risk Committee Meeting held on Thursday 4 September 2025. (Attachment **Error! Reference source not found.**)

VOTING REQUIREMENT

Simple Majority

OFFICER RECOMMENDATION/COUNCIL RESOLUTION:

(05/2025) Moved: Cr Garner Seconded: Cr Stratford

*That the minutes of the Shire of Wyalkatchem Audit and Risk Committee Meeting held on Thursday 4 September 2025. (Attachment **Error! Reference source not found.**) be confirmed as a true and correct record.*

CARRIED 7/0

Voted for: Cr Garner, Cr Stratford, Cr Begley, Cr Petchell, Cr Loton, Cr Dickson, Cr Lawson Kerr

7. MATTERS REQUIRING A COMMITTEE DECISION

7.1. OFFICE OF AUDITOR GENERAL CORRESPONDENCE

7.1.1. STATUTORY REPORTING DEADLINE

Applicant:	Not Applicable
Location:	Not Applicable
Date:	10 September 2025
Reporting Officer:	Ian McCabe Acting Chief Executive Officer
Disclosure of Interest:	No interest to disclose (interest in common)
File Number:	4.1 Audit; 4.14.1 Policy Manual
Attachment Reference:	1. Letter dated 5 September 2025 from the 'OAG'.

BACKGROUND

The Local Government Act 1995 requires the local government to accept the annual report for a financial year no later than 31 December after that financial year.

COMMENT

The Local Government Act 1995 requires the local government to accept the annual report for a financial year no later than 31 December after that financial year. This means the annual report for the year ended 30 June 2025 is to be accepted the local government (Council) by 31 December 2025 (s. 5.54 (1)).

That same section provides that should the auditor's report not be available by 31 December, the local government is to accept the annual report 'no later than 2 months after the auditor's report becomes available' (s. 5.54 (2)).

This local government is proceeding on the basis that the annual report is prepared and accepted prior to 31 December.

The Office of Auditor-General (OAG) prepares reports for Parliament on a range of financial and performance matters. There has been a degree of controversy around the cost of OAG managed audit to local governments and in some cases the delayed completion of audit. It is part of OAG remit to pursue timely and professional statutory and other audits that result in a fair application of standards to provide assurance to council and the (wider) community. This includes government.

In this way, the community at large will have assurance that local governments are performing to expectation; that they allocate resources in a manner that promotes equitable and prudent stewardship; that results in improved delivery of service; and manages risk to avoid waste, loss and fraud.

The new report by the OAG will highlight those local governments that are inefficient (if well resourced) or operationally challenged and reliant on external resources (if less well resourced).

STATUTORY ENVIRONMENT

Local Government Act 1995, Part 5 Division 5 Annual Reports and planning.

POLICY IMPLICATIONS

Policy 2.6 'Significant accounting policies' compiles a large number of financial activities and applies dates and legislative references which are subject to change. The policy should be reviewed and possibly de-compiled into more than one policy statement; for example, audit and budget are distinct activities with particular outcomes.

FINANCIAL IMPLICATIONS

There is no direct financial implication to this item.

RISK IMPLICATIONS

Risk is the effect of uncertainty on meeting business objectives. This item provides for reduced uncertainty by setting business objectives and making them known.

COMMUNITY AND STRATEGIC OBJECTIVES

This item applies across all areas of local government activity.

VOTING REQUIREMENT

Simple Majority

OFFICER RECOMMENDATION/COUNCIL RESOLUTION:

(06/2025) Moved: Cr Lawson Kerr Seconded: Cr Begley

That Committee:

- 1. Receive the correspondence titled 'Strengthening Timeliness and Transparency in Local Government Financial Audits.'***

CARRIED 7/0

***Voted for: Cr Lawson Kerr, Cr Begley, Cr Garner, Cr Petchell, Cr Stratford, Cr Loton,
Cr Dickson***

7.2. RISK REPORTING

7.2.1. RISK MANAGEMENT AND REPORTING

Applicant:	Not Applicable
Location:	Not Applicable
Date:	10 September 2025
Reporting Officer:	Ian McCabe Acting Chief Executive Officer
Disclosure of Interest:	No interest to disclose (interest in common)
File Number:	27.06 Risk Management - Reporting
Attachment Reference:	NIL

BACKGROUND

Risk is the effect of uncertainty on business objectives. Lowered levels of resources and an absence of internal control mechanisms may result in adverse risk outcomes.

COMMENT

Section 3.1 (1) of the Local Government Act 1995 states that local government has a general function 'to provide good government of the persons in its district'. At various other places within the Act the phrase 'good government' is used but not defined; however, good could mean transparent, efficient, accountable, responsive, inclusive. To ascertain whether the local government is meeting section 3.1 and other legislated outcomes, such as the Strategic Community Plan, criteria need to be established, measurement taken and reporting provided.

Risk is the effect of uncertainty on business objectives. Lowered levels of resources and an absence of internal control mechanisms may result in adverse risk outcomes. The Shire of Wyalkatchem has risk management policy (3.1) and risk is an element of all operational and strategic decision making.

It is recommended that regular risk reporting form part of the work of this Committee. Primary responsibility for risk assessments as they relate to service delivery, employee performance and inputs to organisational reporting will lie with the CEO. However, organisational level reporting and strategic decisions should like with Council (and where appropriate, this Committee). There will be alignment with audit processes and in strategic planning.

Appropriate risk management and reporting will remove uncertainty and support the provision of good government.

STATUTORY ENVIRONMENT

Local Government Act 1995, Part 3 Division 1, s. 3.1; schedule 9.3 Division 7 cl. 69, Audit Risk and Improvement committees.

POLICY IMPLICATIONS

Policy 3.1 Risk Management; various references throughout the Policy Manual.

FINANCIAL IMPLICATIONS

There is no direct financial implication to this item.

RISK IMPLICATIONS

Risk is the effect of uncertainty on meeting business objectives. This item provides for reduced uncertainty by setting business objectives and making them known.

COMMUNITY AND STRATEGIC OBJECTIVES

This item applies across all areas of local government activity.

VOTING REQUIREMENT

Simple Majority

OFFICER RECOMMENDATION/COUNCIL RESOLUTION:

(07/2025) Moved: Cr Dickson

Seconded: Cr Lawson Kerr

That Committee:

- 1. Recommend to Council and the Acting CEO that risk assessment and reporting be developed to reflect organisational need and support the audit function.***

CARRIED 7/0

***Voted for: Cr Dickson, CR Lawson Kerr, Cr Garner, Cr Petchell, Cr Stratford, Cr Loton,
Cr Begley***

8. NEXT MEETING

The date of the next meeting is to be 18 October 2025.

9. CLOSURE OF THE MEETING

There being no other business to attend to, the Presiding Member Cr Petchell closed the meeting at 3.34pm

7. MATTERS REQUIRING A COMMITTEE DECISION

7.1. CORPORATE SERVICES REPORTS

7.1.1. ANNUAL REPORT AND FINANCIAL STATEMENTS

Applicant:	Shire of Wyalkatchem
Location:	Shire of Wyalkatchem
Date:	12 December 2025
Reporting Officer:	Claire Trenorden, Manager Corporate Services
Disclosure of Interest:	No interest to disclose
File Number:	12.10.02
Attachment Reference:	Attachment 7.1.1 – 2024 / 25 Annual Report and Financial Statements for the period ending 30 June 2025

SUMMARY

The Audit Committee is requested to endorse and recommend to Council to accept the 2024 / 25 Annual Report and Financial Statements for the period ending 30 June 2025.

BACKGROUND

In accordance with Section 5.54(1) of the *Local Government Act 1995* Council is required to prepare and accept the Annual Report for each financial year no later than 31 December after that financial year.

COMMENT

The final audit of Council's finances and operations commenced 25 September 2025. The final audit report from the Office of the Auditor General was received by the Shire on Friday 28 November 2025.

Council is required to accept the Annual Report and select a date for the Electors meeting that is no more than 56 days from the acceptance of the annual report. The Electors meeting time and date is also required to be advertised for 14 days.

The date of the Electors Meeting has been set for Thursday 12 February 2026 at 6:00pm and Public Notice has been given. This date is 56 days following the proposed acceptance of the Annual Report.

Public Notice of the Annual Electors Meeting and availability of the Annual Report will be displayed on public notice boards, Wylie Weekly and advertised on Council's Website and via social media. In addition, residents can request a copy to be mailed to them or view a copy at the Shire Office.

STATUTORY ENVIRONMENT

Local Government Act 1995 section 5.54(1)

POLICY IMPLICATIONS

There are no direct policy implications in relation to this item.

FINANCIAL IMPLICATIONS

Advertising, printing and posting costs included in the 2025/2026 budget.

COMMUNITY & STRATEGIC OBJECTIVES

The matter before the Council generally accords with the Shire's desired outcome, as expressed in the revised Shire of Wyalkatchem Strategic Community Plan.

Pillar 4 Civic Leadership	Statement of Strategic Outcome: We lead with accountability, connection and openness through best-practice systems, policies and financial controls
Goal No.	GOAL 11. High standard of governance
11.3	Ongoing long term financial planning and transparent financial management

VOTING REQUIREMENT

Absolute Majority

OFFICER'S RECOMMENDATION

That Audit and Risk Management Committee;

- 1. Accepts the Annual Report and Financial Statements for the year ended 30 June 2025 year as provided for in attachment 7.1.1.*

That the Audit and Risk Committee recommends that Council;

- 1. Accepts the Annual Report and Financial Statements for the year ended 30 June 2025 year.*
- 2. Holds a General Meeting of Electors on the 12 February 2026 commencing at 6pm in the Shire of Wyalkatchem Council Chambers.*

Annual Report

2024 /25



Shire of
Wyalkatchem



Acknowledgement of Country

The Shire of Wyalkatchem acknowledges the traditional owners of the land, the Ballardong people of the Noongar nation, and pay our respects to all members of Aboriginal communities and to Elders past, present and emerging.

We recognise the culture of the Noongar people and the unique contribution they make to the region and Australia.

*Showcasing Wyalkatchem:
The front cover captures our main street, Railway Terrace and the iconic *Diuris brumalis* - Winter Donkey Orchid.*



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Shire of Wyalkatchem

The Shire of Wyalkatchem is located 192km north- east of Perth. The Shire covers an area of 1,595 square kilometres with the main resident centre being the town of Wyalkatchem.

Agriculture accounts for 60% of business in Wyalkatchem, which is reflected in the employment profile of the Shire, with 35% of all employed persons in the Shire working in this industry.

The Shire has an estimated resident population of 470 (ABS census 2021).

Shire of Wyalkatchem Statistics

□ Distance from Perth	192km
□ Area	1,595 km²
□ Length of Roads	792.3 km
□ Population	470 (ABS 2021)
□ Number of Electors	345
□ Number of Dwellings	314
\$ Total Rates Levied	\$1,508,574
□ Total Revenue	\$5,106,675
□ Number of Employees on 30 June 2025	17.1 FTE (nominal)

www.wyalkatchem.wa.gov.au

Purpose of the Annual Report

The Western Australian Local Government Act 1995 requires every local government to produce an Annual Report by 31 December each year. In addition, the Annual Report:

- Is an essential tool to inform the community and key stakeholders about achievements, challenges and future plans;
- Promotes greater community awareness of the Shire's programs and services which contribute to a high quality of life for residents, visitors and stakeholders;
- Demonstrates the Shire's performance against the long-term vision of the Strategic Community Plan, projects and priorities detailed within the Shire's Corporate Business Plan;
- Provides information on about the Shire's organisational performance; and
- Illustrates the Shire's commitment to accountable and transparent government.

Shire of Wyalkatchem

E general@wyalkatchem.wa.gov.au

P (08) 9681 1166

A 27 Flint Street and Honour Ave
PO Box 224 Wyalkatchem WA 6485

This Annual Report can also be viewed on the Shire's website at www.wyalkatchem.wa.gov.au



President's Report

For the Period: 1 July 2024 to 30 June 2025

I'm pleased to present my annual report as Shire President for the year ended 30 June 2025. The financial year commenced with a significant achievement; the signing of an agreement with the Shire of Wongan-Ballidu, for general practitioner services, ensured the continued presence of a doctor in Wyalkatchem. The short notice available presented a great challenge and I'm pleased there was a minimal gap in service of just six weeks.

The Shire supported several community events to connect people, including sponsorship for the Arts and Crafts Expo, the visit of the Gliding Cub of WA, the Beer Can Regatta, the Melbourne Cup Tour and what is becoming a premier event in the Wyalkatchem calendar, the Wyalkatchem Rodeo. The latter attracts upwards of 4,000 visitors and provides a major cultural and sporting event with great potential for the future.

Historically, this local government has demonstrated real connection to community. This continued in 2024/25 with a revised Strategic Community Plan 2024 - 2034, setting out 56 key priorities, across four pillars of activity: Community / Economic / Environment/ and Civic Leadership. Further evidence is a renewed commitment to aged accommodation through membership of Central East Aged Care Alliance (CEACA) and support for the Wyalkatchem Senior Leisure Group – and an important initiative in June 2025 was council's decision to allow the use of shire facilities for a childcare service to be re-commenced. These are all indications of council working toward improved lifestyle for all our residents.

In this, emergency services have always been important and in late 2024 the shire secured a grant to revise its emergency management arrangements.

Commitment to community also means commitment to the wider regional community and the shire has formed many successful collaborations with our neighbours. Primarily this is through the North-Eastern Regional Organisation of Councils (NEWROC), whose membership comprises Wyalkatchem, Dowerin, Trayning, Koorda, Mount Marshall, Mukinbudin and Nungarin. The purpose of NEWROC is to improve regional capacity and capability through shared economic projects. The shire's partnership with Nungarin and Trayning in the Wheatbelt Rail Trail initiative, a bike trail tourism effort, is a prime example. The Shire of Wyalkatchem also partners the WA Local Government Association in lobbying government and seeking expertise on a wide range of issues.

A major cost of business in delivering local government services is compliance, and this is a significant burden for a small team with few resources. To be as effective as possible, policies were reviewed during the year and key statutory measures completed.

All of this work wouldn't be possible without a united council and committed staff, and I take this opportunity to thank my fellow council members and all staff for their efforts throughout 2024/25.

I would also like to acknowledge the shire's Senior Citizen of The Year, Dennis Pease, for his continued and extensive contributions to the district, this shire and the wider community.

Cr Owen Garner
President

“

As we reflect on a successful year, the Shire remains focused on delivering key priorities in the year ahead. These include advancing housing and accommodation opportunities, improving infrastructure, fostering economic development, and building stronger partnerships with regional stakeholders.”



Chief Executive Officer's Report

Throughout the 2024 / 25 financial year, the Shire of Wyalkatchem remained steadfast in its commitment to delivering the community's vision, "to be a socially interactive and inclusive community that embraces our rural character and sense of community."

Chief Executive's Annual Report 2024/25

This item has been prepared by the Acting CEO based on published CEO Reports in the financial year 2024/25

The financial year commenced with the departure of the GP, Dr Michael Cudjoe. An agreement was subsequently made with the Shire of Wongan-Ballidu to manage the provision of medical GP services in Wyalkatchem, commencing August 2024.

A key activity of the CEO was managing the review of the Strategic Community Plan. The Strategic Community Plan is a legislated requirement, complying with s. 5.56 of the Local Government Act 1995, that council have a plan for the future of the district. A review, community consultation and adoption by Council was completed November 2024. There is a report elsewhere in this document providing an overview of that plan as well as major initiatives underway or planned.

Major community events that occurred during the year included the rodeo; the beer can regatta; and the Melbourne Cup visit. All community members and staff of the shire who supported these events are to be congratulated.

Considerable effort was made addressing matters related to staff, including policies and procedures, and addressing issues related to information technology. The CEO attended regional meetings on behalf of Council, including NEWROC (North-Eastern Regional Organisation of Councils).

The community and council continued to express a high level of interest in housing and the provision of medical services. These are issues with ongoing relevance for the future of this community.

Sabine Taylor
Chief Executive Officer



Councillors 2024/25



Shire President
Cr Owen Garner
Term Expires 2025
0429 825 069
cr.garner@wyalkatchem.wa.gov.au



Shire Deputy President
Cr Christy Petchell
Term Expires 2025
0404 121 979
cr.petchell@wyalkatchem.wa.gov.au



Cr Tracy Dickson
Term Expires 2027
0429 911 327
cr.dickson@wyalkatchem.wa.gov.au



Cr Mischa Stratford
Term Expires 2027
0438 464 421
cr.stratford@wyalkatchem.wa.gov.au



Cr Justin Begley
Term Expires 2027
0429 929 550
cr.begley@wyalkatchem.wa.gov.au



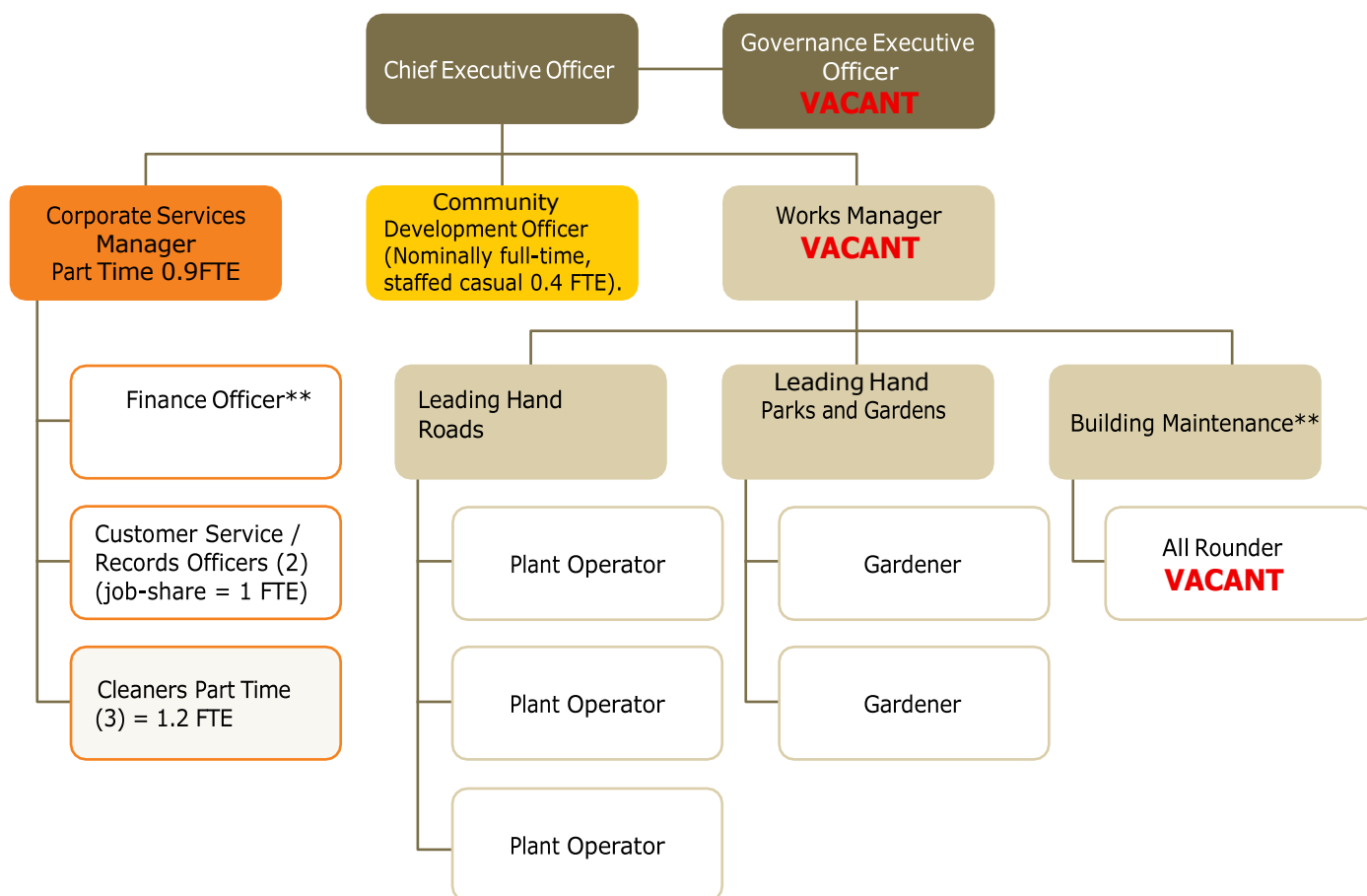
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Cr Christopher Loton
Term expires 2025
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cr.loton@wyalkatchem.wa.gov.au

Organisational Structure

as at 30 June 2025 All positions one (1) Full-Time Equivalent (FTE) unless stated



Nominal staffing: 17.1 FTE; actual staffing: 13.1 FTE.

In addition, the Shire of Wyalkatchem partners the Dowerin Work Camp to provide development opportunities of community value. This may equate to three persons totaling one full-time equivalent over one year.

**As at 2 July 2025, there were two additional vacancies to the above (Finance Officer and Building Maintenance).

An Acting CEO was appointed 7 July 2025.

Planning for the Future

Integrated Planning and Reporting Framework

All Western Australian local governments are required to prepare a Plan for the Future for their district under Section 5.56(1) of the *Local Government Act 1995*. The Plan for the Future comprises the following two key strategic documents, which a local government is required to have regard for when forming its annual budget.

Strategic Community Plan – adopted 17/10/2024 – Council's principal 10-year strategy and planning tool. It is the principal guiding document for the remainder of the Shire's strategic planning as community engagement is central to this Strategic Community Plan. The Plan will next be reviewed in 2026.

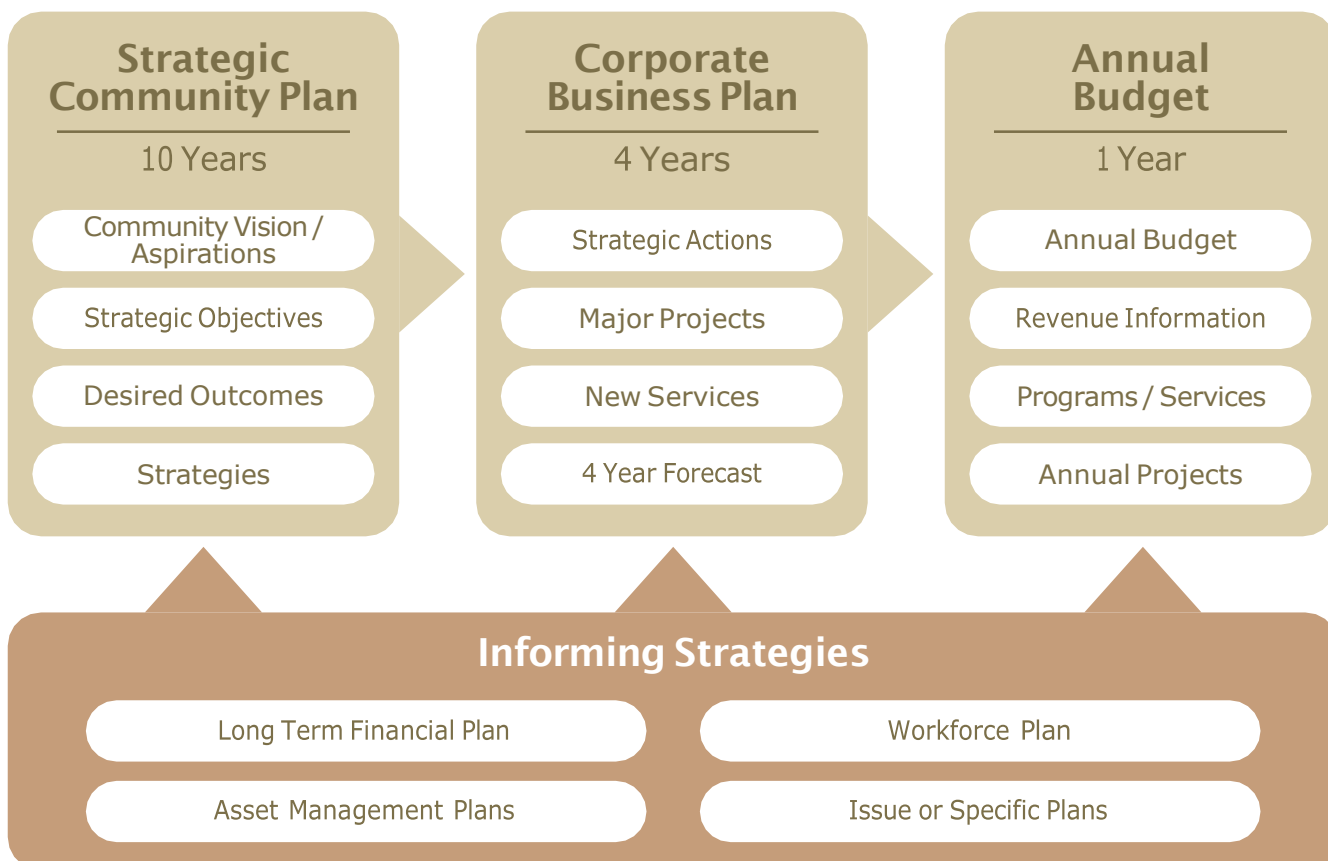
Corporate Business Plan – Council's four-year planning document. The core components of this Corporate Business Plan include a four-year delivery program, aligned to the Strategic Community Plan and accompanied by 4-year financial projections. This plan will be reviewed following the review of the Strategic Community Plan.

Development of the Strategic Community Plan and Corporate Business Plan is undertaken in accordance with the Integrated Planning and Reporting Framework and Guidelines.

An essential element of the Integrated Planning and Reporting process is to enable community members and stakeholders to participate in shaping the future of the community and in identifying issues and solutions. It is designed to articulate the community's vision, aspirations, outcomes and priorities for the future of the district.

Importantly, the Strategic Community Plan and Corporate Business Plan are informed by several other key plans and processes. The connection between the community and the Shire's strategic plans, annual budget and corporate documents developed to guide the Shire in delivering services to the community are shown in the diagram below.

Diagram: The Integrated Planning Structure



Strategic Community Plan

Based on consultation with community and Councillor's, the plan sets out the vision for the Shire of Wyalkatchem and captures the community's aspirations and values.

Our Vision:

"To be a socially interactive and inclusive community that embraces our rural character and sense of community."

Our Aspirations:

- An inclusive and engaged community that is healthy, safe and active
- A diverse and strengthening local economy
- Natural and built environments supporting a connected community
- Accountable, effective and engaged leaders



What is the Strategic Community Plan?

The Strategic Community Plan is the Shire's long-term plan for the future. It helps Council to ensure that local government service delivery is consistent with and supports the community's aspirations for the Shire.

A strategic objective has been developed for each of four identified key areas of community interest, being:

Economic

Environmental

Community

Leadership

Desired outcomes have been determined to achieve each of the objectives after considering the Shire's current and future resources, demographic trends and internal and external influences.

The Strategic Community Plan guides decision making through the Corporate Business Plan and Annual Budget. It helps to determine priorities for the delivery of services, projects and programs.

All local governments within Western Australia are required to plan their services using this Framework. The Strategic Community Plan, Corporate Business Plan and Annual Budget form part of the core section of the Shire's Integrated Planning and Reporting Framework. The Shire's Asset Management Plan, Long Term Financial Plan and Workforce Plan are Informing Strategy documents which support the Framework.

GOAL 01

A safe and healthy community

GOAL 07

We have vibrant, active public open spaces and buildings with high levels of utilisation and functionality

GOAL 02

An active, engaged and social community

GOAL 08

Our built environment responds to the accessibility and connectivity needs of all

GOAL 03

A community for all ages

GOAL 09

Sustainable management of resources

GOAL 04

Increase visitors to our region

GOAL 10

Transparent, accountable and effective governance

GOAL 05

Growth in business opportunity

GOAL 11

Community and customer service focus

GOAL 06

Essential services and infrastructure are available to support the community and local economy

GOAL 12

Form strategic partnerships and advocate for the community

The community's aspirations will be achieved by identifying and delivering strategies that are developed to achieve one or more of the above goals.

How the Strategic Community Plan will be used

The Strategic Community Plan outlines how the Shire will, over the long term, work towards a brighter future for the Shire of Wyalkatchem community as it seeks to achieve its vision inspired by the community's aspirations.

Looking to the future, the Strategic Community Plan will influence how the Shire uses its resources to deliver services to the community. The Strategic Community Plan forms the primary driver for all other planning undertaken by the Shire.

The Shire of Wyalkatchem intends to use the Strategic Community Plan in several ways, including:

- Guide Council priority setting and decision making;
- Be a mechanism for the ongoing integration of local planning initiatives;
- Inform the decision making of other agencies and organisations, including community and State Government;
- Provide a rationale to pursue grants and other resources by demonstrating how specific projects align with the aspirations of our community, within the strategic direction of the Shire;
- Inform potential investors and developers of our community's key priorities, and the way we intend to grow and develop;
- Engage local businesses, community groups and residents in various ways to contribute to the Shire's future; and
- Provide a framework for monitoring progress against our vision.

Community Strategic Plan Informs Corporate Business Plan

In conjunction with the adoption of a reviewed Community Strategic Plan, council will also prepare a Corporate Business Plan being a four-year program on delivery of priorities within the Community Strategic Plan.

The Corporate Business Plan will provide strategic direction on the actions required to achieve the Community Strategic Plan. This document will underpin Council's short to medium term direction.

Council will also be developing other informing strategies such as Long-Term Financial Plans, Asset Management Plans and Workforce plans. These documents have a direct link in ensuring that Council has the resources available to achieve its strategic direction.

Corporate Business Plan

Council's Corporate Business Plan was updated during 2020/21 to align with the newly adopted Strategic Community Plan, as well as informing the 2023/2024 budget.

The Corporate Business Plan will be reviewed as part of the Community Strategic Plan review in 2026.

Other Planning Documents

In addition to reviewing Council's Strategic Community Plan and Corporate Business plan, Council will progress several informing strategies to support the two main plans including a Long Term Financial Plan; Asset Management Plan and Workforce Plan.

Our Shire has achieved the following since our last major Strategic Community Plan (2020):

<p>Pillar: Community</p>	<ul style="list-style-type: none"> • Provision of a Medical Centre • Provision of a GP • Aerodrome and runway maintained for RFDS access • CEACA independent living units • Delivery and support of community events e.g., Australia Day, Wyalkatchem Rodeo, Arts Show • Adoption of the Acknowledgement and Welcome to Country Policy • Playground upgrade • Support for the family day care service
<p>Pillar: Economy</p>	<ul style="list-style-type: none"> • Wyalkatchem Caravan Park re-opened • Railway Terrace asphalt works • Active members of NEWTRAVEL and Pioneer Pathway • Local business group established • Support of Café reopening • Planning Scheme Amendment No 9 – sheds in rural areas • Planning Scheme Amendment No 4 – grouped dwellings • Additional Crisp Wireless tower at Yorkrakine
<p>Pillar: Environment</p>	<ul style="list-style-type: none"> • Recreation Reserve Lighting upgrade • Museum Display Shed constructed • Cunderdin Rd widened and shoulder reconditioning • Thurston Street Stormwater drainage upgraded • Wyalkatchem North Rd road widening, culverts and reseal • Tammin Wyalkatchem Rd pavement, shoulder sealing • Davies Rd reconstruct pavement • Elsegood Rd reconstruct pavement • McNee Rd, Wallambin Rd re-sheet • Membership of the Cities Power Partnership • Household battery recycling in place • Lady Novar renovations • Korrelocking Cemetery No 2 improvements • Heritage Register reviewed
<p>Pillar: Civic Leadership</p>	<ul style="list-style-type: none"> • Working with Auditors and implementing recommendations • Increase in letter drops • Annual General Meeting of Electors • NEWROC Economic Impact Assessment on Live Sheep by Sea Trade • NEWROC Economic Impact Assessment on power and telecommunication outages

Statutory Requirements

It is a requirement that the Shire of Wyalkatchem include information regarding the following documents in its Annual Report.



Disability Access and Inclusion Plan

Under the *Disability Services Act 1993* (amended 2024), all Western Australian Local Governments are required to develop and implement a Disability Access and Inclusion Plan (DAIP), addressing seven desired outcomes, to be reviewed on an annual basis and reported on to the Disability Services Commission (DSC) by 31 July each year.

Council has an endorsed DAIP which was reviewed in 2024. Council is required to report on our present activities as they relate to the seven desired DAIP outcomes.

The seven desired outcomes that provide a framework for strategies aimed at improving access and inclusion for people with disabilities. The following strategies are incorporated in Councils implementation plan, subsequent budget and other strategic planning documents.

1. People with disability have equal opportunity to access all events organised by the Shire of Wyalkatchem.
2. People with disability have equal opportunity to access buildings and other Wyalkatchem Shire facilities.
3. People with disability receive the same level and quality of information from the Shire of Wyalkatchem in a format that will enable them to access the information as readily as other people are able to access it.
4. People with disability receive the same level and quality of service from the staff of the Shire of Wyalkatchem as other people receive from the staff of that public authority.
5. People with disability have equal opportunity to lodge complaints to the Shire of Wyalkatchem.
6. People with disability have equal opportunity to access all public consultation events; and
7. People with disability have equal opportunity to obtain & maintain employment with the Shire of Wyalkatchem

The Shire of Wyalkatchem Disability Access and Inclusion Plan will be reviewed in 2026.

State Records Act

The *State Records Act 2000* requires the Shire to maintain and dispose of all records in the prescribed manner.

Principle 6 – Compliance: Government Organisations ensure their employees comply with the record keeping plan.

Rationale:

An organisation and its employees must comply with the organisations record keeping plan. Organisations should develop and implement strategies to ensure that each employee is aware of the compliance responsibilities.

Minimum Compliance Requirements:

The record keeping plan is to provide evidence to adduce that:

1. The efficiency and effectiveness of the organisations record keeping system is evaluated not less than once every 5 years.
2. The organisation conducts a record keeping training program.
3. The efficiency and effectiveness of the record keeping training program is reviewed from time to time.
4. The organisation's induction program addresses employee roles and responsibilities in regard to their compliance with the organisation's record keeping plan.

The Shire is in general compliance with all items.

Note on Item 1 – The Shire of Wyalkatchem is currently transitioning to an Electronic Records Keeping System. The implementation of the new system has a direct impact on Councils record keeping plan and the internal management of Council's records and as a result, the record keeping plan will require a major review on full implementation of the new electronic record management system, including procedures and guidance notes.

The Shire has not yet been able to achieve the implementation of the system in this financial year though significant effort was made with archiving and disposal of records.

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 made about elected members.

There were three complaints lodged against elected members in the year under review. As at 30 June 2025, there were no findings made.

Freedom of Information

Part 5 of the *Freedom of Information Act 1992* requires an agency such as a local government to prepare and publish an information statement.

The Shire of Wyalkatchem has developed an information statement which can be inspected on the Shire's website or by contacting the Shire Office.

The Shire of Wyalkatchem did not receive any applications under the *Freedom of Information Act 1992* during the 2024/25 financial year.

Employee Remuneration Disclosure

Regulation 19B of the Local Government (Administration) Regulation 1996 requires the Shire to include the following information in its Annual Report:

- The number of employees of the Shire entitled to an annual salary of \$130,000 or more; and
- The number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$130,000.

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 for 2024/25:

Salary Range

\$ From	\$ To	Number of Employees
130,000	139,999	0
140,000	149,999	0
150,000	160,000	1
Total		1

Public Interest Disclosures

The *Public Interest Disclosures Act 2003* facilitates the disclosure of public interest information, and provides protection for those making such disclosure and those who are the subject of disclosures. The Act provides a system for the matters disclosed to be investigated and for appropriate action to be taken.

The Chief Executive Officer has stated compliance with all obligations under the Act, including:

- Appointing the Governance Executive Officer as the Public Interest Disclosure officer for the organisation and publishing an internal procedure relating to the Shire's obligation.
- Providing protection from detrimental action or the threat of detrimental action for an employee of the Shire who makes an appropriate disclosure of public interest information.

National Competition Policy

This policy was introduced by the Commonwealth Government in 1995 to promote competition for the benefit of business, consumers and the economy by removing what was considered to be unnecessary protection of monopolies of markets where competition can be enhanced. It effects local governments as factors such as exemption from company and income tax or possible local regulations and laws may give local government a potential advantage over private contractors.

In respect to Council's responsibilities under to the National Competition Policy, the Shire reports as follows:

- No business enterprise of the Shire of Wyalkatchem has been classified by the Australian Bureau of Statistics as either a Public Trading Enterprise or a Public Financial Enterprise.
- Competitive neutrality has not applied to any activities undertaken by the Shire in this reporting period.
- No allegations of non-compliance with the competitive neutrality principles have been made by any private entity.
- The principles of competitive neutrality will be implemented in respect of any relevant activity undertaken during the next financial reporting period.

The Local Government Act 1995 requires the review of Council Local Laws each eight years and this was last done in 2023.

Councillor Attendance Record FY 2024 / 25

There was an Electors' Meeting 6 February 2025; there were three Audit Committee meetings (September 5 and December 19, 2024; and February 27, 2025); and there were eleven ordinary meetings, one held on the third Thursday of each month, other than January. Average attendance of all meetings was 94% and the average attendance of the monthly ordinary meeting was 96%.

The listed meetings do not include workshops, events or community representations, which may include meetings, training or other work on behalf of the shire or advocating for community interests.

Elected Members choose to be paid an annual representation fee and are not paid for each meeting they attend. Elected members have declined superannuation.

	Electors	Audit	Special	Ordinary	Total	Attendance
Councillor	1	3	3	11	18	
President Cr Garner	1	3	3	10	17	94%
Deputy President Cr Petchell	1	2	3	11	17	94%
Cr Begley	1	3	3	11	18	100%
Cr Dickson	1	2	3	11	17	94%
Cr Lawson Kerr	1	3	3	11	18	100%
Cr Loton	1	3	3	11	18	100%
Cr Stratford	1	1	3	9	14	78%

Annual Financial Report

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STATEMENT BY CHIEF EXECUTIVE OFFICER

For the year ended 30 June 2025

SHIRE OF WYALKATCHEM 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 Wyalkatchem 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 28th day of November 2025



CEO

Ian McCabe

Name of CEO



STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2025

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
Revenue				
Rates	2(a),22	1,508,574	1,513,469	1,458,462
Grants, subsidies and contributions	2(a)	1,838,463	587,421	2,433,941
Fees and charges	2(a)	326,013	263,588	306,102
Interest revenue	2(a)	211,841	98,250	223,888
Other revenue	2(a)	6,498	50	62
		3,891,389	2,462,778	4,422,455
Expenses				
Employee costs	2(b)	(1,435,470)	(1,590,982)	(1,508,161)
Materials and contracts		(1,509,076)	(2,202,347)	(1,837,005)
Utility charges		(182,307)	(200,983)	(173,680)
Depreciation	10(b)	(2,733,095)	(2,932,949)	(2,629,396)
Finance costs		0	0	(1,961)
Insurance		(204,398)	(212,415)	(176,564)
Other expenditure	2(b)	(51,333)	(56,866)	(51,550)
		(6,115,679)	(7,196,542)	(6,378,317)
		(2,224,290)	(4,733,764)	(1,955,862)
Capital grants, subsidies and contributions	2(a)	1,217,949	2,007,049	1,037,685
Profit on asset disposals		0	46,686	171,246
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(2,663)	0	1,261
		1,215,286	2,053,735	1,210,192
Net result for the period		(1,009,004)	(2,680,029)	(745,670)
Total other comprehensive income for the period		0	0	0
Total comprehensive income for the period		(1,009,004)	(2,680,029)	(745,670)

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



STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Note	2025 \$	2024 \$
CURRENT ASSETS			
Cash and cash equivalents	3	2,233,478	5,680,858
Trade and other receivables	5	593,031	175,793
Other financial assets	4(a)	3,534,858	0
Inventories	6	14,444	1,566
TOTAL CURRENT ASSETS		6,375,811	5,858,217
NON-CURRENT ASSETS			
Trade and other receivables	5	37,536	34,854
Other financial assets	4(b)	59,715	62,378
Property, plant and equipment	7	13,292,496	13,275,208
Infrastructure	8	55,213,620	55,401,498
TOTAL NON-CURRENT ASSETS		68,603,367	68,773,938
TOTAL ASSETS		74,979,178	74,632,155
CURRENT LIABILITIES			
Trade and other payables	11	1,239,525	296,086
Borrowings	12	76,646	0
Employee related provisions	13	92,086	97,560
TOTAL CURRENT LIABILITIES		1,408,257	393,646
NON-CURRENT LIABILITIES			
Borrowings	12	338,154	0
Employee related provisions	13	51,322	48,060
TOTAL NON-CURRENT LIABILITIES		389,476	48,060
TOTAL LIABILITIES		1,797,733	441,706
NET ASSETS		73,181,445	74,190,449
EQUITY			
Retained surplus		24,291,917	25,429,328
Reserve accounts	25	3,534,858	3,406,451
Revaluation surplus	14	45,354,670	45,354,670
TOTAL EQUITY		73,181,445	74,190,449

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



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		26,351,143	3,230,306	45,354,670	74,936,119
Comprehensive income for the period					
· Net result for the period		(745,670)	0	0	(745,670)
Total comprehensive income for the period		(745,670)	0	0	(745,670)
Transfers from reserve accounts	25	167,715	(167,715)	0	0
Transfers to reserve accounts	25	(343,860)	343,860	0	0
Balance as at 30 June 2024		25,429,328	3,406,451	45,354,670	74,190,449
Comprehensive income for the period					
· Net result for the period		(1,009,004)	0	0	(1,009,004)
Total comprehensive income for the period		(1,009,004)	0	0	(1,009,004)
Transfers from reserve accounts	25	109,022	(109,022)	0	0
Transfers to reserve accounts	25	(237,429)	237,429	0	0
Balance as at 30 June 2025		24,291,917	3,534,858	45,354,670	73,181,445

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



STATEMENT OF CASH FLOWS

For the year ended 30 June 2025

	Note	2025 Actual \$	2024 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		1,450,566	1,454,549
Grants, subsidies and contributions		1,838,463	2,626,846
Fees and charges		93,526	306,102
Interest revenue		211,841	223,888
Goods and services tax received		168,944	248,977
Other revenue		6,498	62
		<u>3,769,838</u>	<u>4,860,424</u>
Payments			
Employee costs		(1,437,682)	(1,494,214)
Materials and contracts		(578,515)	(1,967,482)
Utility charges		(182,307)	(173,680)
Finance costs		0	(1,961)
Insurance paid		(204,398)	(176,564)
Goods and services tax paid		(298,369)	(265,515)
Other expenditure		(51,333)	(51,550)
		<u>(2,752,604)</u>	<u>(4,130,966)</u>
Net cash provided by operating activities		1,017,234	729,458
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	7(a)	(613,245)	(491,215)
Payments for construction of infrastructure	8(a)	(1,949,260)	(1,370,566)
Payment for acquisition of financial assets		(3,534,858)	0
Proceeds from capital grants, subsidies and contributions		1,217,949	801,447
Proceeds from financial assets at amortised cost		0	3,230,306
Proceeds from sale of property, plant & equipment		0	253,000
Net cash provided by (used in) investing activities		(4,879,414)	2,422,972
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	24(a)	0	(53,126)
Proceeds from new borrowings	24(a)	414,800	0
Net cash provided by (used in) financing activities		414,800	(53,126)
Net increase (decrease) in cash held		(3,447,380)	3,099,304
Cash at beginning of year		5,680,858	2,581,554
Cash and cash equivalents at the end of the year		<u>2,233,478</u>	<u>5,680,858</u>

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



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	22	1,498,530	1,513,469	1,448,785
Rates excluding general rates	22	10,044	0	9,677
Grants, subsidies and contributions		1,838,463	587,421	2,433,941
Fees and charges		326,013	263,588	306,102
Interest revenue		211,841	98,250	223,888
Other revenue		6,498	50	62
Profit on asset disposals		0	46,686	171,246
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(2,663)	0	1,261
		3,888,726	2,509,464	4,594,962
Expenditure from operating activities				
Employee costs		(1,435,470)	(1,590,982)	(1,508,161)
Materials and contracts		(1,509,076)	(2,202,347)	(1,837,005)
Utility charges		(182,307)	(200,983)	(173,680)
Depreciation		(2,733,095)	(2,932,949)	(2,629,396)
Finance costs		0	0	(1,961)
Insurance		(204,398)	(212,415)	(176,564)
Other expenditure		(51,333)	(56,866)	(51,550)
		(6,115,679)	(7,196,542)	(6,378,317)
Non-cash amounts excluded from operating activities	23(a)	2,736,338	2,886,263	2,459,802
Amount attributable to operating activities		509,385	(1,800,815)	676,447
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		1,217,949	2,007,049	1,037,685
Proceeds from disposal of assets		0	164,000	253,000
		1,217,949	2,171,049	1,290,685
Outflows from investing activities				
Acquisition of property, plant and equipment	7(a)	(613,245)	(1,140,598)	(491,215)
Acquisition of infrastructure	8(a)	(1,949,260)	(2,072,930)	(1,370,566)
		(2,562,505)	(3,213,528)	(1,861,781)
Amount attributable to investing activities		(1,344,556)	(1,042,479)	(571,096)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	24(a)	414,800	540,000	0
Transfers from reserve accounts	25	109,022	420,398	167,715
		523,822	960,398	167,715
Outflows from financing activities				
Repayment of borrowings	24(a)	0	0	(53,126)
Transfers to reserve accounts	25	(237,429)	(177,503)	(343,860)
		(237,429)	(177,503)	(396,986)
Amount attributable to financing activities		286,393	782,895	(229,271)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	23(b)	2,058,120	2,060,399	2,182,040
Amount attributable to operating activities		509,385	(1,800,815)	676,447
Amount attributable to investing activities		(1,344,556)	(1,042,479)	(571,096)
Amount attributable to financing activities		286,393	782,895	(229,271)
Surplus or deficit after imposition of general rates	23(b)	1,509,342	0	2,058,120

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



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SHIRE OF WYALKATCHEM
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 Wyalkatchem which is a Class 4 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

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

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

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

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

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

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

Critical accounting estimates and judgements

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

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

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

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

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment - note 7
 - Infrastructure - note 8
- Measurement of employee benefits - note 13

Fair value heirarchy information can be found in note 21

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

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

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

New accounting standards for application in future years

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

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

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

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

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/refunds/warranties	Timing of revenue recognition
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

Consideration from contracts with customers is included in the transaction price.

Revenue recognition

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

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

For the year ended 30 June 2025

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,498,530	10,044	1,508,574
Grants, subsidies and contributions	1,857,609	0	0	(19,146)	1,838,463
Fees and charges	326,013	0	0	0	326,013
Interest revenue	0	0	0	211,841	211,841
Other revenue	0	0	0	6,498	6,498
Capital grants, subsidies and contributions	0	1,217,949	0	0	1,217,949
Total	2,183,622	1,217,949	1,498,530	209,237	5,109,338

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,448,785	9,677	1,458,462
Grants, subsidies and contributions	2,433,941	0	0	0	2,433,941
Fees and charges	306,102	0	0	0	306,102
Interest revenue	0	0	0	223,888	223,888
Other revenue	0	0	0	62	62
Capital grants, subsidies and contributions	0	1,037,685	0	0	1,037,685
Total	2,740,043	1,037,685	1,448,785	233,627	5,460,140

SHIRE OF WYALKATCHEM
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		
Interest on reserve account	167,091	163,636
Trade and other receivables overdue interest	9,979	9,479
Other interest revenue	34,771	50,773
	211,841	223,888
The 2025 original budget estimate in relation to: Trade and other receivables overdue interest was \$8,250.		
Fees and charges relating to rates receivable		
Charges on instalment plan	865	900
The 2025 original budget estimate in relation to: Charges on instalment plan was \$950.		
(b) Expenses		
Auditors remuneration		
- Audit of the Annual Financial Report	35,761	33,500
- Other services – grant acquittals	2,500	2,400
	38,261	35,900
Employee Costs		
Employee benefit costs	1,266,309	1,408,780
Other employee costs	169,161	99,381
	1,435,470	1,508,161
Other expenditure		
Sundry expenses	51,333	51,550
	51,333	51,550

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

3. CASH AND CASH EQUIVALENTS

Cash at bank and on hand
Term deposits
Total cash and cash equivalents

Held as
- Unrestricted cash and cash equivalents
- Restricted cash and cash equivalents

Note	2025	2024
	\$	\$
	2,233,478	2,274,407
	0	3,406,451
	2,233,478	5,680,858
	2,233,478	2,274,407
15	0	3,406,451
	2,233,478	5,680,858

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.

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

Restricted financial assets

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

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost

Other financial assets at amortised cost

Term deposits

Held as

- Restricted other financial assets at amortised cost

Note	2025	2024
	\$	\$
	3,534,858	0
	3,534,858	0
	3,534,858	0
	3,534,858	0
14(a)	3,534,858	0
	3,534,858	0

(b) Non-current assets

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss

Units in Local Government House Trust - opening balance
Movement attributable to fair value increment
Units in Local Government House Trust - closing balance

	59,715	62,378
	59,715	62,378
	62,378	61,117
	(2,663)	1,261
	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 21 (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 WYALKATCHEM
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	135,588	80,262
Trade receivables	329,698	55,712
Other receivables	29,512	47,700
GST receivable	155,616	26,191
Allowance for credit losses of other receivables	(57,383)	(54,231)
Accrued Income	0	20,159
	593,031	175,793
Non-current		
Rates and statutory receivables	37,536	34,854
	37,536	34,854

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.

Other receivables

Other receivables are amounts receivable from contractual arrangements with third parties other than contracts with customers and amounts received as grants for the construction of recognisable non financial assets.

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 WYALKATCHEM
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		14,444	1,566
		14,444	1,566
The following movements in inventories occurred during the year:			
Balance at beginning of year		1,566	5,168
Inventories expensed during the year		(80,877)	(115,616)
Additions to inventory		93,755	112,014
Balance at end of year		14,444	1,566

MATERIAL ACCOUNTING POLICIES

General

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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

7. 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		Total property			Plant and equipment		Total property, plant and equipment	
Note	Land	Buildings	Land	Buildings	Total property	Furniture and equipment	Plant and equipment		
	\$	\$	\$	\$	\$	\$	\$	\$	
Balance at 1 July 2023	493,794	12,078,111	493,794	12,078,111	12,571,905	15,275	858,988	13,446,168	
Additions	0	89,484	0	89,484	89,484	8,168	393,563	491,215	
Disposals	0	0	0	0	0	0	(81,754)	(81,754)	
Depreciation	0	(344,005)	0	(344,005)	(344,005)	(5,314)	(231,102)	(580,421)	
Balance at 30 June 2024	493,794	11,823,590	493,794	11,823,590	12,317,384	18,129	939,695	13,275,208	
Comprises:									
Gross balance amount at 30 June 2024	493,794	12,845,001	493,794	12,845,001	13,338,795	66,835	2,234,957	15,640,587	
Accumulated depreciation at 30 June 2024	0	(1,021,411)	0	(1,021,411)	(1,021,411)	(48,706)	(1,295,262)	(2,365,379)	
Balance at 30 June 2024	7(b)	493,794	11,823,590	493,794	11,823,590	12,317,384	18,129	939,695	13,275,208
Additions	0	103,669	0	103,669	103,669	0	509,576	613,245	
Depreciation	0	(345,894)	0	(345,894)	(345,894)	(5,452)	(244,611)	(595,957)	
Balance at 30 June 2025	493,794	11,581,365	493,794	11,581,365	12,075,159	12,677	1,204,660	13,292,496	
Comprises:									
Gross balance amount at 30 June 2025	493,794	12,948,669	493,794	12,948,669	13,442,463	66,835	2,744,532	16,253,830	
Accumulated depreciation at 30 June 2025	0	(1,367,304)	0	(1,367,304)	(1,367,304)	(54,158)	(1,539,872)	(2,961,334)	
Balance at 30 June 2025	7(b)	493,794	11,581,365	493,794	11,581,365	12,075,159	12,677	1,204,660	13,292,496

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

7. 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		493,794	493,794	2	Market approach using recent or estimated observable market data for similar properties	Independent valuation	June 2021	Price per hectare/market borrowing rate
Total land	7(a)	493,794	493,794					
Buildings - specialised		11,581,365	11,823,590	2 & 3	Cost approach using current replacement cost (Net Revaluation method)	Independent valuation	June 2021	Improvements to buildings using construction costs (Level 2) and current condition, residual values and remaining useful life assessments
Total buildings	7(a)	11,581,365	11,823,590					
(ii) Cost								
Furniture and equipment				N/A	Cost	Not Applicable		N/A
Plant and equipment				N/A	Cost	Not Applicable		N/A

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

8. 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	Other infrastructure - footpaths	Other infrastructure - drainage	Other infrastructure - parks and ovals	Other infrastructure - other	Other infrastructure - airport	Total infrastructure
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023	44,395,331	436,506	6,586,534	1,231,773	1,986,129	1,443,634	56,079,907
Additions	831,793	55,288	3,665	108,960	64,775	306,085	1,370,566
Depreciation	(1,307,968)	(32,523)	(243,224)	(237,033)	(113,068)	(115,159)	(2,048,975)
Balance at 30 June 2024	43,919,156	459,271	6,346,975	1,103,700	1,937,836	1,634,560	55,401,498
Comprises:							
Gross balance at 30 June 2024	69,935,844	868,355	12,164,863	2,118,051	5,220,761	2,499,962	92,807,836
Accumulated depreciation at 30 June 2024	(26,016,688)	(409,084)	(5,817,888)	(1,014,351)	(3,282,925)	(865,402)	(37,406,338)
Balance at 30 June 2024	43,919,156	459,271	6,346,975	1,103,700	1,937,836	1,634,560	55,401,498
Additions	1,406,703	0	0	8,264	534,293	0	1,949,260
Depreciation	(1,352,739)	(34,734)	(243,297)	(255,382)	(115,441)	(135,545)	(2,137,138)
Balance at 30 June 2025	43,973,120	424,537	6,103,678	856,582	2,356,688	1,499,015	55,213,620
Comprises:							
Gross balance at 30 June 2025	71,342,547	868,355	12,164,863	2,126,314	5,755,055	2,499,962	94,757,096
Accumulated depreciation at 30 June 2025	(27,369,427)	(443,818)	(6,061,185)	(1,269,732)	(3,398,367)	(1,000,947)	(39,543,476)
Balance at 30 June 2025	43,973,120	424,537	6,103,678	856,582	2,356,688	1,499,015	55,213,620

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

8. 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 current replacement cost	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure - footpaths	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure - drainage	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure - parks and ovals	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure - other	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure - airport	3	Cost approach using current replacement cost	Independent Valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs

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

9. 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	12 to 50 years
Furniture and equipment	2 to 5 years
Plant and equipment	3 to 16 years
Infrastructure - roads	15 to 50 years
Infrastructure - drainage	50 years
Infrastructure - footpaths	25 years
Infrastructure - parks and ovals	6 to 12 years
Infrastructure - other	15 to 50 years
Infrastructure - kerbing	30 years

(b) Depreciation charged for the current and prior year is given in the table below:

	Note	2025 Actual	2024 Actual
Buildings - specialised	7(a)	345,894	344,005
Furniture and equipment	7(a)	5,452	5,314
Plant and equipment	7(a)	244,611	231,102
Infrastructure - roads	8(a)	1,352,739	1,307,968
Infrastructure - drainage	8(a)	243,297	243,224
Infrastructure - footpaths	8(a)	34,734	32,523
Infrastructure - parks and ovals	8(a)	255,382	237,033
Infrastructure - other	8(a)	115,441	113,068
Infrastructure - airport	8(a)	135,545	115,159
		2,733,095	2,629,396

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

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

10. LEASES

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the Shire is the lessee:

		2024 Actual \$
Finance charge on lease liabilities	24(c)	(288)
Total amount recognised in the statement of comprehensive income		(288)
Total cash outflow from leases		(288)
	24(c)	0

MATERIAL ACCOUNTING POLICIES

Leases

At inception of a contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

All contracts that are classified as short-term leases (i.e. a lease with a term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Details of individual lease liabilities required by regulations are provided at Note 24(b).

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

11. TRADE AND OTHER PAYABLES

Current

	2025 \$	2024 \$
Sundry creditors	1,084,943	198,535
Prepaid rates	47,071	31,930
Accrued payroll liabilities	53,869	34,804
ATO liabilities	20,119	20,417
Bonds and deposits held	8,530	10,400
Accrued expenses	24,993	0
	1,239,525	296,086

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

12. BORROWINGS

		2025		
	Note	Current	Non-current	Total
Secured		\$	\$	\$
Bank loans		76,646	338,154	414,800
Total secured borrowings	24(a)	76,646	338,154	414,800

2024		
Current	Non-current	Total
\$	\$	\$
0	0	0
0	0	0

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 hierachy (see Note 21(i)) due to the unobservable inputs, including own credit risk.

Risk

Details of individual borrowings required by regulations are provided at Note 24(a).

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

13. EMPLOYEE RELATED PROVISIONS

Employee related provisions

Current provisions

Employee benefit provisions

Annual leave

Long service leave

Employee related other provisions

Employment on-costs

Total current employee related provisions

Non-current provisions

Employee benefit provisions

Long service leave

Employee related other provisions

Employment on-costs

Total non-current employee related provisions

Total employee related provisions

	2025	2024
	\$	\$
Annual leave	78,371	79,132
Long service leave	0	3,801
	78,371	82,933
Employment on-costs	13,715	14,627
	13,715	14,627
Total current employee related provisions	92,086	97,560
Long service leave	46,879	43,602
	46,879	43,602
Employment on-costs	4,443	4,458
	4,443	4,458
Total non-current employee related provisions	51,322	48,060
Total employee related provisions	143,408	145,620

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

14. REVALUATION SURPLUS

	2025 Opening balance	2025 Closing balance	2024 Opening balance	2024 Closing balance
	\$	\$	\$	\$
Revaluation surplus - Buildings	7,592,300	7,592,300	7,592,300	7,592,300
Revaluation surplus - Furniture and equipment	1,825	1,825	1,825	1,825
Revaluation surplus - Plant and equipment	77,020	77,020	77,020	77,020
Revaluation surplus - Infrastructure - roads	28,194,073	28,194,073	28,194,073	28,194,073
Revaluation surplus - Other infrastructure - footpaths	343,459	343,459	343,459	343,459
Revaluation surplus - Other infrastructure - drainage	6,178,276	6,178,276	6,178,276	6,178,276
Revaluation surplus - Other infrastructure - parks and ovals	1,211,239	1,211,239	1,211,239	1,211,239
Revaluation surplus - Other infrastructure - other	1,756,478	1,756,478	1,756,478	1,756,478
	45,354,670	45,354,670	45,354,670	45,354,670

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

15. RESTRICTIONS OVER FINANCIAL ASSETS

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

Note	2025 Actual \$	2024 Actual \$
3	0	3,406,451
	3,534,858	3,406,451
25	3,534,858	3,406,451
Total restricted financial assets	3,534,858	3,406,451

The restricted financial assets are a result of the following specific purposes to which the assets may be used:

Restricted reserve accounts

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

Credit standby arrangements

Bank overdraft limit

Bank overdraft at balance date

Credit card limit

Credit card balance at balance date

Total amount of credit unused

Loan facilities

Loan facilities - current

Loan facilities - non-current

Total facilities in use at balance date

Unused loan facilities at balance date

250,000	250,000
0	0
13,000	13,000
1,036	(2,543)
264,036	260,457
76,646	0
338,154	0
414,800	0
NIL	NIL

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

17. CONTINGENT LIABILITIES

The Shire operates a single landfill in Cemetery Road, Wyalkatchem, which receives all of the kerbside and general waste generated by the community. This site was registered with the Department of Environment Protection, Water and Rivers Commission on 10 June 2003. The closest property to the landfill is 2.5km away.

The landfill site covers a total area of 35ha and the current use space is about 8,000m2 with approximately 50,000m2 available for future expansion.

At the current rate of waste disposal the site has a remaining life of 23 years.

The Shire is currently drafting its landfill closure plan which, once complete, will inform the scale of the Council's rehabilitation liability and annual allocation to its Waste Management Reserve.

The Shire is currently unaware of the extent of contamination, if any, at the site.
The Waste Management Reserve (Note 25) currently has a balance of \$123,541.

18. CAPITAL COMMITMENTS

	2025	2024
	\$	\$
Contracted for:		
- capital expenditure projects	0	499,400
- plant & equipment purchases	77,440	0
	77,440	499,400
Payable:		
- not later than one year	77,440	499,400

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

19. 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	6,769	6,752	5,980
President's meeting attendance fees	5,231	5,315	5,135
President's other expenses	7,305	3,572	1,826
President's annual allowance for ICT expenses	594	603	583
President's travel and accommodation expenses	1,152	1,000	1,168
	21,051	17,242	14,692
Deputy President's annual allowance	1,692	1,688	1,632
Deputy President's meeting attendance fees	5,327	5,315	5,135
Deputy President's other expenses	2,867	3,572	2,841
Deputy President's annual allowance for ICT expenses	605	603	583
Deputy President's travel and accommodation expenses	221	1,000	880
	10,712	12,178	11,071
All other council member's meeting attendance fees	26,635	26,575	25,675
All other council member's All other council member expenses	23,179	17,856	10,763
All other council member's annual allowance for ICT expenses	3,025	3,015	2,915
All other council member's travel and accommodation expenses	81	5,000	1,862
	52,920	52,446	41,215
19(b)	84,683	81,866	66,978

(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	313,425	395,522
Post-employment benefits	34,039	48,126
Employee - other long-term benefits	2,438	6,884
Employee - termination benefits	35,064	25,421
Council member costs	84,683	66,978
19(a)	469,649	542,931

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Termination benefits

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

Council member costs

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

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

19. 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 \$
Purchase of goods and services	60,406	70,673

(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*
 There were no such items requiring disclosure during the current or previous year.
- iii. Entities subject to significant influence by the Shire*
 There were no such entities requiring disclosure during the current or previous year.

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

20. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There have been no material events after the reporting period which would affect the financial report of the Shire for the year ended 30 June 2025 or which would require separate disclosure.

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

21. 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 9.

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

22. RATING INFORMATION

(a) General rates

RATE TYPE		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
Rate description	Basis of valuation										
Wyalkatchem - Town	Gross rental valuation	0.078530	189	2,043,846	160,503	(370)	160,133	160,503	0	160,503	157,272
Rural	Unimproved valuation	0.008711	204	153,130,500	1,333,920	849	1,334,769	1,333,920	0	1,333,920	1,287,188
Mining	Unimproved valuation	0.008711	0	0	0	0	0	0	0	0	0
Total general rates			393	155,174,346	1,494,423	479	1,494,902	1,494,423	0	1,494,423	1,444,460
Minimum payment											
Minimum payment \$											
Wyalkatchem - Town	Gross rental valuation	553	58	113,506	32,074	0	32,074	32,074	0	32,074	28,249
Rural	Unimproved valuation	615	22	810,200	13,530	0	13,530	13,530	0	13,530	10,674
Mining	Unimproved valuation	615	14	48,929	8,610	(1,210)	7,400	8,610	0	8,610	8,987
Total minimum payments			94	972,635	54,214	(1,210)	53,004	54,214	0	54,214	47,910
Total general rates and minimum payments			487	156,146,981	1,548,637	(731)	1,547,906	1,548,637	0	1,548,637	1,492,370
Ex-gratia rates											
CBH					10,044		10,044	10,045		10,045	9,677
Total amount raised from rates (excluding general rates)			0	0	10,044	0	10,044	10,045	0	10,045	9,677
Discounts							(49,376)			(45,213)	(43,585)
Total rates							1,508,574			1,513,469	1,458,462
(b) Rates related information											
Rates instalment interest							4,200			3,000	3,637
Rates instalment plan charges							865			950	900
Rates overdue interest							5,779			5,250	5,842
Rates written off							119			1,000	49

*Rateable Value at time of raising of rate.

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

23. DETERMINATION OF SURPLUS OR DEFICIT

		2024/25 Budget	2023/24
	2024/25 (30 June 2025 carried forward)	(30 June 2025 carried forward)	(30 June 2024 carried forward)
Note	\$	\$	\$
(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	0	(46,686)	(171,246)
Less: Fair value adjustments to financial assets at fair value through profit or loss	2,663	0	(1,261)
Add: Depreciation	2,733,095	2,932,949	2,629,396
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates	(2,682)	0	(5,115)
Employee benefit provisions	3,262	0	8,028
Non-cash amounts excluded from operating activities	2,736,338	2,886,263	2,459,802
(b) Surplus or deficit after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
Less: Reserve accounts	25 (3,534,858)	(3,163,556)	(3,406,451)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	12 76,646	540,000	0
Total adjustments to net current assets	(3,458,212)	(2,623,556)	(3,406,451)
Net current assets used in the Statement of financial activity			
Total current assets	6,375,811	3,569,835	5,858,217
Less: Total current liabilities	(1,408,257)	(946,279)	(393,646)
Less: Total adjustments to net current assets	(3,458,212)	(2,623,556)	(3,406,451)
Surplus or deficit after imposition of general rates	1,509,342	0	2,058,120

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

24. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual							Budget			
		Principal at	New loans	Principal	Principal at 30	New loans	Principal	Principal at	Principal at 1	New loans	Principal	Principal at
		1 July 2023	during 2023-24	repayments	June 2024	during 2024-25	repayments	30 June 2025	July 2024	during 2024-25	repayments	30 June 2025
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Grader purchase		0	0	0	0	414,800	0	414,800	0	450,000	0	450,000
Water tanker purchase		0	0	0	0	0	0	0	0	90,000	0	90,000
43 & 45 Wilson St		28,959	0	(28,959)	0	0	0	0				0
CRC Building		24,167	0	(24,167)	0	0	0	0				0
Total		53,126	0	(53,126)	0	414,800	0	414,800	0	540,000	0	540,000
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			
						\$		\$	\$			
43 & 45 Wilson St		68	NAB	6.90%	23/02/2024	0		0	(806)			
CRC Building		73	WATC*	4.40%	2/04/2024	0		0	(546)			
Total						0		0	(1,352)			
Total finance cost payments						0		0	(1,352)			

* WA Treasury Corporation

(b) New borrowings - 2024/25

Particulars/purpose	Institution	Loan type	Term years	Interest rate	Amount borrowed		Amount (used)		Total interest and charges	Actual balance unspent
					2025 Actual	2025 Budget	2025 Actual	2025 Budget		
					\$	\$	\$	\$	\$	\$
Grader purchase	WATC*		5	3.92%	414,800	450,000	414,800	450,000	60,558	0
Water tanker purchase	N/A		N/A	N/A	0	90,000	0	90,000	12,112	0
					414,800	540,000	414,800	540,000	72,670	0

* WA Treasury Corporation

(c) Lease finance cost payments

Purpose	Lease 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		Lease term
					\$		\$	\$		
Fuji Photocopier	C5077C3721	Fuji Xerox	3.00%	Dec-22	0		0	(288)		60 months
Total finance cost payments					0		0	(288)		

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

25. RESERVE ACCOUNTS

	2025 Actual opening balance	2025 Actual transfer to	2025 Actual transfer (from)	2025 Actual closing balance	2025 Budget opening balance	2025 Budget transfer to	2025 Budget transfer (from)	2025 Budget closing balance	2024 Actual opening balance	2024 Actual transfer to	2024 Actual transfer (from)	2024 Actual closing balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave reserve	21,698	1,192	0	22,890	21,698	380	0	22,078	20,640	1,058	0	21,698
(b) Building reserve	348,549	19,339	(22,500)	345,388	348,549	6,099	(22,328)	332,320	331,555	16,994	0	348,549
(c) Waste Management reserve	117,104	6,437	0	123,541	117,104	2,049	0	119,153	111,395	5,709	0	117,104
(d) Plant & Equipment reserve	691,416	38,007	(86,343)	643,080	691,416	79,996	(86,546)	684,866	647,645	211,486	(167,715)	691,416
(e) Community Bus reserve	90,225	4,959	0	95,184	90,225	1,579	0	91,804	85,826	4,399	0	90,225
(f) Government Joint Venture Housing reserve	12	1	0	13	12	0	0	12	11	1	0	12
(g) Sport & Recreation Facilities reserve	355,706	19,553	0	375,259	355,706	6,224	0	361,930	338,363	17,343	0	355,706
(h) Community Development reserve	556,855	30,610	0	587,465	556,855	9,744	(211,352)	355,247	529,705	27,150	0	556,855
(i) Community Health reserve	1,177,588	64,731	0	1,242,319	1,177,588	20,605	(100,000)	1,098,193	1,120,174	57,414	0	1,177,588
(j) Airport Development reserve	47,128	2,591	0	49,719	47,128	825	0	47,953	44,830	2,298	0	47,128
(k) Depot reserve	170	9	(179)	0	170	2	(172)	0	162	8	0	170
(l) Futures Fund reserve	0	50,000	0	50,000	0	50,000	0	50,000	0	0	0	0
	3,406,451	237,429	(109,022)	3,534,858	3,406,451	177,503	(420,398)	3,163,556	3,230,306	343,860	(167,715)	3,406,451

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	Purpose of the reserve account
Restricted by council	
(a) Leave reserve	To be used to fund annual and long service leave requirements.
(b) Building reserve	To be used for the continual upgrade and maintenance of council buildings within the Shire of Wyalkatchem
(c) Waste Management reserve	To be used for the continual upgrade and expansion of the Wyalkatchem Waste Disposal Site
(d) Plant & Equipment reserve	To be used for the continual purchase of Major Plant items
(e) Community Bus reserve	To be used to fund the replacement of the community bus
(f) Government Joint Venture Housing reserve	To be used for the long term maintenance and upgrades of joint venture housing
(g) Sport & Recreation Facilities reserve	To be used for the continual upgrade and/or maintenance of various Sport & Recreation facilities in Wyalkatchem
(h) Community Development reserve	To be used for the continual upgrade and/or development of various community facilities in Wyalkatchem
(i) Community Health reserve	To be used for the continual upgrade of medical facilities and funding of health services within the Shire of Wyalkatchem
(j) Airport Development reserve	To be used for the long term maintenance, upgrades, development and/or expansion of the Wyalkatchem Airport
(k) Depot reserve	Reserve closed as of 30 June 2025
(l) Futures Fund reserve	To be used for future initiatives in Wyalkatchem



Auditor General

INDEPENDENT AUDITOR'S REPORT

2025

Shire of Wyalkatchem

To the Council of the Shire of Wyalkatchem

Opinion

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

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

In my opinion, the financial report:

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

Basis for opinion

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

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

Other information

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

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

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

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

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

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

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

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Wyalkatchem 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.

Liang Wong
Acting Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
28 November 2025



**Shire of
Wyalkatchem**

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8. CLOSURE OF THE MEETING