



# 2024 - 2025 Annual Report



Adopted by Council  
16 October 2025

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# Shire of Yilgarn Profile

The Shire of Yilgarn situated along the Great Eastern Highway 380km east of Perth is 30,720 square km's with a population of approximately 1200. The Yilgarn is known by many as the gateway to the Wheatbelt and the Goldfields. The name "Yilgarn" is Aboriginal for "white stone or quarts".

The two major industries in the area are mining and agriculture. Gold, gypsum, salt and iron ore are mined, while grain, wool, sheep, cattle and pigs are the focus of the rural industry. The co-existence of mining and agriculture has balanced the Yilgarn economy, with the two (economies) supplementing and complimenting each other through their respective boom and bust cycles.

Gold was first discovered at Eenuin and Golden Valley in late 1887. In early 1888 Tom Riesley and Mick Toomey discovered gold in the locality they named "Southern Cross" after the stars which had been their guide. All the streets, parks and the salt lake, within and around the town, are named after stars and constellations.

Southern Cross is the major town centre of the Shire, other townsites include Bodallin, Bullfinch, Ghooli, Marvel Loch, Koolyanobbing, Moorine Rock and Yellowdine. Tourism is a growing industry in the Yilgarn with there being many wonderful attractions including Frog Rock, Karalee Dam, Hunts Soak and the Yilgarn History Museum.



# Shire of Yilgarn Vision



The Shire of Yilgarn is a strong farming and mining community.

We are a progressive Shire where people of all ages love to call home. Where tourism is a key industry and local businesses thrive.



## Fast Facts



369 Km from Perth



Area: Approx 30,720km<sup>2</sup>



Sealed Roads: 310 kms  
Unsealed Roads: 2,481 kms



Population: 1173



Southern Cross, Bodallin, Bullfinch, Ghooli,  
Koolyanobbing, Marvel Loch, Moorine  
Rock, Mt Hampton & Yellowdine.



Private Dwellings: 704



Median weekly household  
income: \$1,370

**36%**

People born overseas



Families: 214

# Our Councillors



**CR WAYNE DELLA BOSCA**  
SHIRE PRESIDENT

TERM  
2021 - 2025

**CR LISA GRANICH**  
COUNCILLOR

TERM  
2022 - 2025



**CR BRYAN CLOSE**  
SHIRE DEPUTY  
PRESIDENT

TERM  
2021 - 2025

**CR BIANCA BRADFORD**  
COUNCILLOR

TERM  
2023 - 2027



**CR GARY GUERINI**  
COUNCILLOR

TERM  
2021 - 2025

**CR DONNA NEWBURY**  
COUNCILLOR

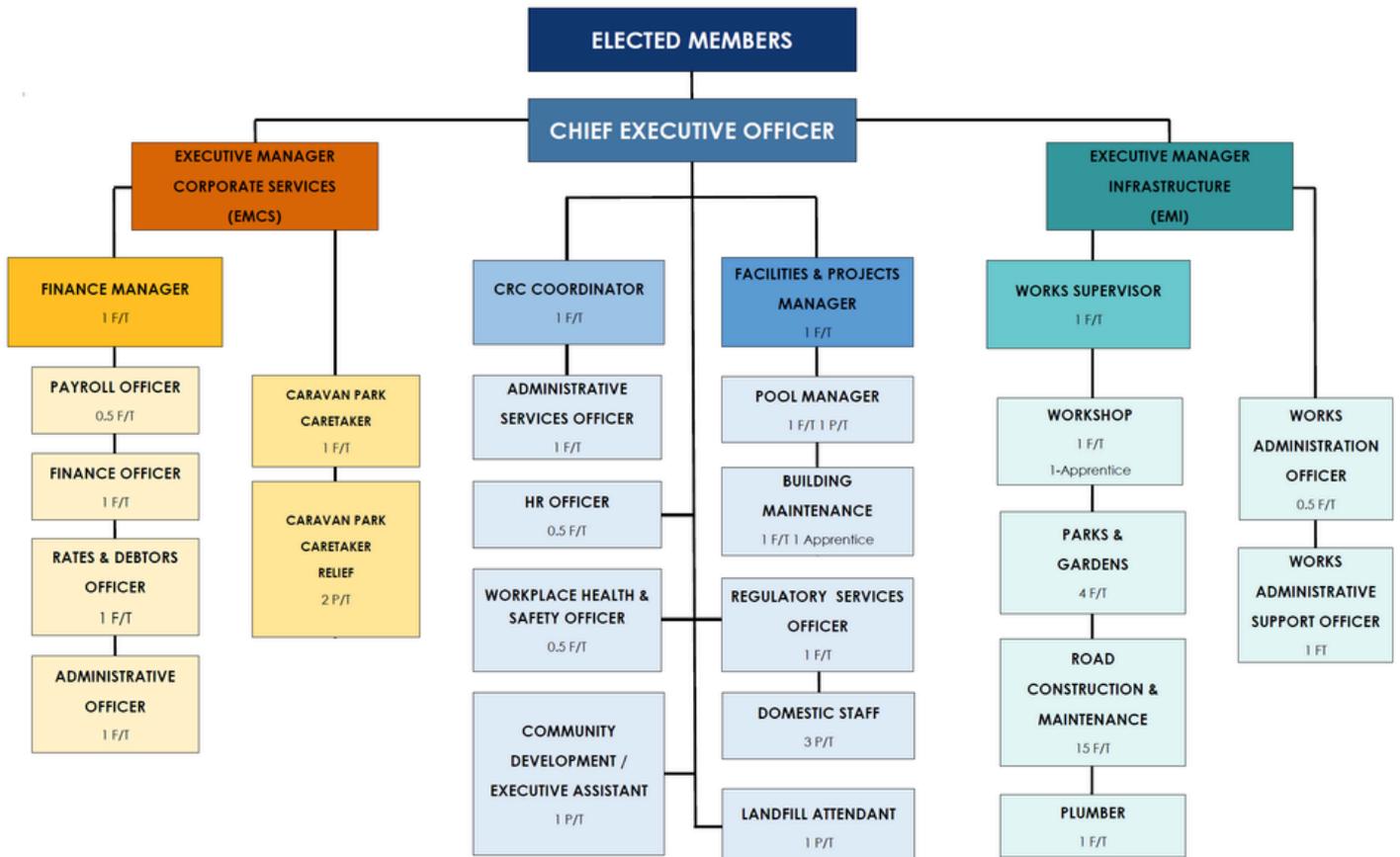
TERM  
2023 - 2027



**CR LINDA ROSE**  
COUNCILLOR

TERM  
2023 - 2027

# Organisational Structure



# Shire President's Report

I am pleased to present the Annual Report to the ratepayers and residents of the district on the activities of the Shire of Yilgarn for the 2024/2025 financial year in my capacity as Shire President.

The Shire continued its run of moderate rate increases, with an approximate 2.5% increase in rates raised, as opposed to increases in the rate in the dollar. The decision to utilise the “rates raised” method was due to significant increases to property valuations from the Valuer General and was seen to be a fair method of application. Averaging the rate rise across the rates raised means the majority of properties would see a 2.5% increase, however certain property rates may have increased above 2.5%, due to their value increasing significantly.

The financial year saw a major review of the Shire’s Strategic Community Plan, with an updated plan adopted at the November 2024 Ordinary Council meeting. The Plan outlines the long-term vision and values of the community of the Shire of Yilgarn whilst also acknowledging the requirements and resourcing capabilities of the Shire. The process to undertake the review commenced in August 2024 and focused on obtaining feedback from the community via a community workshop (17 attendees), sporting and community groups workshop (14 attendees), resident and ratepayer online and hard copy surveys. There was a total of 63 engagements. The Plan is Council’s strategic guide, developed using community feedback and utilising the outcomes within the Plan to inform decisions based on the communities needs and wants.

The 2024/2025 budget had a number of exciting capital projects, the standout being the delivery of the \$5.8 million dollar upgrade to the Yilgarn Recreation Centre, with the Grand Opening held in April 2025, which saw a culmination of hard work and planning over 2 years. The project, which saw major upgrades to the existing building and the addition of changerooms and a viewing platform, is something Council and staff are proud of and it is hoped the Yilgarn community will enjoy for decades to come.

Asset management remained a focus for the Shire during the financial year, with the finalisation of the building and asset portfolios and significant progress on the asset management strategies. This work will ensure Council will be able to make informed decisions regarding levels of service, asset retention and maintenance with a full understanding of the costs.

The State Government’s ongoing reforms to the Local Government Act 1995 saw a number of significant changes in 2024/2025 including:

- A caretaker period leading up to ordinary Council elections;
- Long service leave provisions;
- Introduction of the Local Government inspector;
- Requirement to audio record Council meetings;
- Superannuation contributions for Councillors; and
- Clearer delineation of Council and CEO roles and responsibilities.

A number of further reforms are expected over the coming months and years, which Staff and Council will continue to monitor and implement.

I wish to congratulate and recognise the Shire of Yilgarn Australia Day Active Citizenship Award recipients for 2025 being:

- Mr Andrew Steel - Under 25 Category;
- Southern Cross Motorcycle Club - Community Group or Event Category
- Mrs Lynda Della Bosca - Open Category

Their contribution to the community is very much appreciated.

I would like to sincerely thank my fellow Councillors for their support in the year under review, particularly Cr. Bryan Close as Deputy Shire President for his loyal support. I would also like to thank the Shire staff, for their efforts during the financial year.

# Shire President's Report

Last, but not least, I extend my appreciation to all of our very important volunteers in the district who make up the fabric of our community. Whether you are a Volunteer Fire Fighter, Ambulance Officer or Office Bearer of a local community or sporting group, your work is truly valued. Your involvement in these important groups is what makes our community tick, and without your input, our district would not have the heart that it does.

This will be my last report as Shire President, as I have chosen not to contest my seat at the upcoming elections. I would like to say thank you to the Shire of Yilgarn Council, Staff and Community for the support and trust provided whilst I represented them over the last four years as President and 16 years in total as a Councillor. I have enjoyed my time as Councillor and president and I am proud of what the Shire has achieved during that time.

Cr Wayne Della Bosca  
SHIRE PRESIDENT

# Chief Executive Officer's Report

It is with pleasure that I present this Report to the residents of the district, outlining the activities of the Shire of Yilgarn throughout the 2024/2025 financial year.

The Shire again implemented a moderate 2.5% rate increase on the rates raised last financial year. Due to significant value increases across UV Rural and UV Mining the increase on rates raised seemed a fair and equitable method of increase however this may have seen properties with significant valuation increases experience a greater than 2.5% increase in rates from the previous year.

The year was dominated by large scale renewable and carbon sequestration applications throughout the region, showing the Yilgarn area is primed for more development within this space. Mining also saw a steady increase in operations with expansions to local existing gold mines and new proposals for various tenements and leases brought before Council.

Koolyanobbing tenements and assets were sold with the new operators speaking with Council in relation to road use and contributions for road upgrades, hopefully seeing a beneficial outcome for both parties as well as a fit for purpose road for the community.

The Shire adopted the Community Enhancement Fund Policy in June, which will hopefully encourage proponents of large-scale operations to give back to the community from which they derive their profits, in return gaining a social licence which is becoming of more importance to the wider community.

Local Government reforms continue to be rolled out by the State Government. As detailed by the President, a number of reforms were activated during 2024/2025 and will continue to be in 2025/2026. The Shire has and will monitor and stay aligned with the requirements as these reforms take shape.

Shire staff have finalised the full asset pickup and condition review mentioned in last year's annual report and are finalising a number of strategies which will assist Council in making strategic decisions on assets for the next 10 years, with full knowledge of the liabilities and costs. This three-year journey will culminate in improved efficiencies in Shire operations and assets.

As mentioned by the President, the Yilgarn Recreation Centre upgrade was a highlight from the 2024/2025 budget, however other notable capital inclusions were as follows:

- Bodallin Wheatbin Rd - Replace Culvert and Reconstruct - SLK 0.90 - 3.1
- Marvel Loch Forrestania Rd - Reconstruct to 8m Primer Seal - SLK 2.9 - 4.1
- Marvel Loch Forrestania Rd - Reseal - SLK 0.17 - 2.90
- Koorda-Bullfinch Rd - Shoulder Widening - SLK 6.00 - 11.20
- Southern Cross South Rd - Gravel Sheet - SLK 86.00 - 91.92
- Koorda/Bullfinch Rd - Geotesting, Survey & Replace 2 Culverts (24.35km)
- Noongaar North Rd - Gravel Sheet - SLK 9.1 - 11.5 & SLK 14.6 - 17.6
- Cockatoo Tank Rd - Resheet - SLK 0.00 - 5.00
- Dulyalbin Rd - Gravel Sheet - SLK 1.00 - 5.00
- Ivey Rd - Gravel Sheet - SLK 23.00 - 28.00
- Koolyanobbing Rd - Replace Various Culverts and Reconstruct - SLK 41.70 - 43.00
- Townsite Kerbing

Plant:

- Transportable Roadside Spray System
- Self-Bunded Diesel Tank
- A Section Trailer
- Side Tipper Trailer
- Tandem Dolly
- Dual Cab 4x4
- Fuso Fighter Truck
- Mack Anthem Truck
- Fuso Canter
- Caterpillar Grader

# Chief Executive Officer's Report

## Assets:

- Commenced Executive house construction and site works;
- Completed fencing at 3 Libra;
- Power board upgrades at the Caravan Park;
- Commenced Caravan Park Cabin construction and site works;

It is difficult to detail all Shire operations for the year within these annual reports; however, Council's Executive team is more than happy to discuss and answer questions relating to any Shire business with interested residents and ratepayers.

I would like to thank my management team, Executive Manager Corporate Services Cameron Watson, Executive Manager Infrastructure Glen Brigg, Finance Manager Fadzai Mudau and Asset and Projects Manager Kim Chrisp for their support throughout the year. I would also like to thank all staff members and volunteers of the Shire for the efforts they have put in Shire operations throughout the year.

I would also like to thank the Shire of Yilgarn Councillors, who have been of great support throughout the year in review. I would specifically like to thank the Shire President, Cr Wayne Della Bosca, who has been an ongoing support for me.

I look forward to another prosperous year for the Council, Executive, staff and community.

Nic Warren  
CHIEF EXECUTIVE OFFICER





# Statutory Compliance

## **Register of Complaints and Minor Breach**

In accordance with section 5.53(2) and 5.121 of the Local Government Act 1995, the Annual Report is required to disclose the number of Complaints of Minor Breach received each year.

**For the year 2024-2025 the Shire of Yilgarn received no Complaints of Minor Breach**

## **Disability Access and Inclusion Plan**

The Shire of Yilgarn is committed to ensuring that the community is accessible and inclusive for people with disabilities, their families, and carers. The Shires Disability Access and Inclusion Plan addressed our commitments and can be found on the Shires website. Whilst no capital upgrades were undertaken, the Shire staff continued to ensure all residents and visitors to the Shire had access to facilities and events.

## **National Competition Policy**

In accordance with statutory requirements set down in the National Competition Policy legislation, outlined across the page is a compliance report for the Shire of Yilgarn.

## **Competitive Neutrality**

It is the Shire of Yilgarn's responsibility to determine whether it is engaged in "significant business activities" within the context of its operations and therefore whether it is required to apply the competitive neutrality principles. Local government is only required to implement the above principles to the extent that the benefits to be realised from implementation outweigh the costs in respect of individual business activities exceeding an annual income of \$500,000.

Within these criteria, the Shire has not identified any business activities for the 2024-2025 financial year.

## **State Records Act 2000 - Record Keeping Plan**

In compliance with the State Records Act 2000, as required by Standard 2, Principle 6, Council maintains a Record Keeping Plan, the Shire of Yilgarn Record Keeping Plan was evaluated and updated during the 2022 year. Both Councillors and staff are informed and educated with training ongoing in record management compliance. An onboarding training schedule is in the process of being developed.



### **Public Interest Disclosures**

In compliance with the Public Interest Disclosure Act 2003, as required by Section 23, part 1, Council has appointed a PID Officer in the agency, being the Chief Executive Officer, and Council has published internal procedures relating to the agency's obligations.

**For the 2024-2025 the Shire of Yilgarn received no Public Interest Disclosures**

### **Freedom of Information Act 1992 - Information Statement**

In compliance with the Freedom of Information Act 1992 Council has an Information Statement that can be obtained from the Shire's Administration Office or Shire of Yilgarn Website Councils Freedom of Information Statement was reviewed during 2022.

### **Financial Management Review**

As per the Local Government (Financial Management) Regulations 1996, the Chief Executive Officer is to undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government the results of those reviews. The last review was undertaken in 2022-2023.

### **Audit Regulation 17 Review**

Guidelines released from the Department of Local Government, Sport and Cultural Industries has revised the timeframes surrounding this audit. An amendment to Regulation 17(2) of the Local Government (Audit) Regulations 1996 requires the CEO to undertake a review of audit systems and procedures no less than once in every 3 financial years. This change will introduce consistency in CEO responsibilities to review financial management and audit systems and procedures in a timely manner. The last review was carried out during 2022-2023.

### **Plan for the Future**

The current Shire of Yilgarn Strategic Community Plan was adopted in June 2020 and reviewed in September 2022 with no modifications made. The plan is the Shire's key Strategic Planning document.

Council's other planning documents, including the Corporate Business Plan, Forward Capital Works Plan, Workforce Plan and Long Term Financial Plan collectively form the Shire's plan for the future. The Local Government Act, 1995 requires that Council provide an overview of the Plan for the Future, detailing activities that are prepared to commence or continue in the next financial year be included in the Shire's Annual Report.

## Council Meetings

Ordinary Meetings of Council are held on the third Thursday of each month with the exception of January. Council meetings are held in Council Chambers located in the Shire of Yilgarn administration building, 23 Antares Street, Southern Cross with the exception of the October meeting (September meeting during election years) which is held at the Mt Hampton Hall located on the corner of Moorine South Rd and Dulyalbin Road, Mount Hampton.

The Council and Committee meetings are open to the public with public question time at the beginning of both Council and Committee meetings, at which time, the general public may ask questions on any Local Government matter.

Meeting dates and times are subject to change, if this does occur, notice of such change is advertised as per the requirements of the Local Government Act 1995.

## Remuneration

Regulation 19B (a) and (e) of the Local Government (Administration) Regulations states:

(2) For the purposes of Section 5.53 (2) (g) and (i), the annual report for a financial year beginning on or after 1 July 2020 must contain the following

(a) The number of employees of the local government entitled to an annual salary of \$130,000 or more;

(b) The number of employees of the local government entitled to an annual salary that falls within each band of \$10,000 over \$130,000

Salary Range	Number of Employees
\$130,000 to \$140,000	0
\$140,001 to \$150,000	0
\$150,001 to \$160,000	0
\$160,001 to \$170,000	0
\$170,001 to \$180,000	1
Remuneration	Employee
\$219,353	Chief Executive Officer

(e) The remuneration paid or provided to the CEO in the financial year;

(f) The number of Council and committee meetings attended by each council member during the financial year.

	Ordinary Meetings of Council	Special Meetings of Council	Audit Committee Meetings	Annual Electors Meeting
Cr W Della Bosca	11 of 11	1 of 1	2 of 2	1 of 1
Cr B Close	11 of 11	0 of 1	2 of 2	1 of 1
Cr L Granich	10 of 11	1 of 1	n/a	1 of 1
Cr G Guerini	11 of 11	1 of 1	n/a	1 of 1
Cr L Rose	11 of 11	1 of 1	n/a	1 of 1
Cr B Bradford	11 of 11	1 of 1	2 of 2	1 of 1
Cr D Newbury	10 of 11	1 of 1	n/a	1 of 1





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

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

*We are a proud agricultural and mining based economy, providing opportunities for our residents that will build an inclusive and prosperous community in the future.*

Principal place of business:  
23 Antares Street  
Southern Cross  
WA 6426

**SHIRE OF YILGARN  
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 Yilgarn 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 9<sup>th</sup> day of October 2025

  
\_\_\_\_\_  
CEO

\_\_\_\_\_  
Nic Warren  
Name of CEO



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

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
<b>Revenue</b>				
Rates	2(a),24	4,559,283	4,601,698	4,378,475
Grants, subsidies and contributions	2(a)	4,560,235	1,459,097	5,458,826
Fees and charges	2(a)	2,387,158	2,060,787	2,231,831
Interest revenue	2(a)	804,201	774,449	785,206
Other revenue	2(a)	1,041,493	712,474	539,028
		<u>13,352,370</u>	<u>9,608,505</u>	<u>13,393,366</u>
<b>Expenses</b>				
Employee costs	2(b)	(4,404,502)	(4,680,008)	(4,254,497)
Materials and contracts		(1,848,941)	(2,416,890)	(1,754,332)
Utility charges		(1,070,636)	(888,701)	(928,375)
Depreciation		(5,364,460)	(4,739,000)	(4,977,389)
Finance costs		(7,389)	(36,423)	(8,478)
Insurance		(396,622)	(358,984)	(374,154)
Other expenditure		(774,488)	(863,366)	(284,027)
		<u>(13,867,038)</u>	<u>(13,983,372)</u>	<u>(12,581,252)</u>
		<u>(514,668)</u>	<u>(4,374,867)</u>	<u>812,114</u>
Capital grants, subsidies and contributions	2(a)	5,630,536	4,119,957	3,736,409
Profit on asset disposals		2,935	10,749	14,983
Loss on asset disposals		(132,512)	(240,976)	(244,924)
Fair value adjustments to financial assets at fair value through profit or loss	4(a)	(3,551)	0	1,681
		<u>5,497,408</u>	<u>3,889,730</u>	<u>3,508,149</u>
		<u><b>4,982,740</b></u>	<u><b>(485,137)</b></u>	<u><b>4,320,263</b></u>
<b>Net result for the period</b>				
<b>Other comprehensive income for the period</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	16	0	0	0
<b>Total other comprehensive income for the period</b>	16	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Total comprehensive income for the period</b>		<u><b>4,982,740</b></u>	<u><b>(485,137)</b></u>	<u><b>4,320,263</b></u>

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



**SHIRE OF YILGARN  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2025**

	Note	2025	2024
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	17,456,143	20,479,306
Trade and other receivables	5	1,235,543	682,395
Inventories	6	76,196	37,455
Other assets	7	2,167,588	139,938
<b>TOTAL CURRENT ASSETS</b>		<b>20,935,470</b>	<b>21,339,094</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	5	67,894	67,678
Other financial assets	4(a)	79,620	83,171
Property, plant and equipment	8	40,225,935	34,411,026
Infrastructure	9	458,296,816	457,722,270
Right-of-use assets	11(a)	1,787	3,104
<b>TOTAL NON-CURRENT ASSETS</b>		<b>498,672,052</b>	<b>492,287,249</b>
<b>TOTAL ASSETS</b>		<b>519,607,522</b>	<b>513,626,343</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	1,333,709	784,488
Capital grant/contributions liabilities	13	14,740	629,210
Other liabilities	13	39,306	41,093
Lease liabilities	11(b)	1,267	1,296
Borrowings	14	196,934	98,814
Employee related provisions	15	416,751	472,459
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,002,707</b>	<b>2,027,360</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	11(b)	416	1,683
Borrowings	14	1,557,135	564,069
Employee related provisions	15	106,820	75,527
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,664,371</b>	<b>641,279</b>
<b>TOTAL LIABILITIES</b>		<b>3,667,078</b>	<b>2,668,639</b>
<b>NET ASSETS</b>		<b>515,940,444</b>	<b>510,957,704</b>
<b>EQUITY</b>			
Retained surplus		75,081,183	69,236,941
Reserve accounts	27	10,459,596	11,321,098
Revaluation surplus	16	430,399,665	430,399,665
<b>TOTAL EQUITY</b>		<b>515,940,444</b>	<b>510,957,704</b>

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



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

	Note	Retained surplus \$	Reserve accounts \$	Revaluation surplus \$	Total equity \$
<b>Balance as at 1 July 2023</b>		<b>66,475,036</b>	<b>9,762,740</b>	<b>430,399,665</b>	<b>506,637,441</b>
Comprehensive income for the period					
Net result for the period		4,320,263	0	0	4,320,263
Other comprehensive income for the period	16	0	0	0	0
Total comprehensive income for the period		4,320,263	0	0	4,320,263
Transfers to reserve accounts	27	(1,558,358)	1,558,358	0	0
<b>Balance as at 30 June 2024</b>		<b>69,236,941</b>	<b>11,321,098</b>	<b>430,399,665</b>	<b>510,957,704</b>
Comprehensive income for the period					
Net result for the period		4,982,740	0	0	4,982,740
Other comprehensive income for the period	16	0	0	0	0
Total comprehensive income for the period		4,982,740	0	0	4,982,740
Transfers from reserve accounts	27	2,702,000	(2,702,000)	0	0
Transfers to reserve accounts	27	(1,840,498)	1,840,498	0	0
<b>Balance as at 30 June 2025</b>		<b>75,081,183</b>	<b>10,459,596</b>	<b>430,399,665</b>	<b>515,940,444</b>

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

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

Note	2025 Actual \$	2024 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Receipts</b>		
Rates	4,568,631	4,349,603
Grants, subsidies and contributions	3,499,345	5,188,726
Fees and charges	2,394,217	2,231,831
Interest revenue	804,201	785,206
Other revenue	1,041,493	420,026
	12,307,887	12,975,392
<b>Payments</b>		
Employee costs	(4,420,242)	(4,300,737)
Materials and contracts	(3,435,024)	(553,476)
Utility charges	(1,070,636)	(928,375)
Finance costs	(7,389)	(8,478)
Insurance paid	(396,622)	(374,154)
Goods and services tax paid	(64,900)	(1,221)
Other expenditure	(774,488)	(284,027)
	(10,169,301)	(6,450,468)
<b>Net cash provided by operating activities</b>	<b>2,138,586</b>	<b>6,524,924</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for purchase of property, plant & equipment	8(a) (7,416,534)	(3,215,712)
Payments for construction of infrastructure	9(a) (4,950,685)	(4,173,611)
Proceeds from capital grants, subsidies and contributions	5,630,536	3,736,409
Proceeds from sale of property, plant & equipment	485,044	448,955
<b>Net cash (used in) investing activities</b>	<b>(6,251,639)</b>	<b>(3,203,959)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	26(a) (98,814)	(97,695)
Payments for principal portion of lease liabilities	26(c) (1,296)	(1,326)
Proceeds from new borrowings	26(a) 1,190,000	0
<b>Net cash provided by (used in) financing activities</b>	<b>1,089,890</b>	<b>(99,021)</b>
<b>Net increase (decrease) in cash held</b>	<b>(3,023,163)</b>	<b>3,221,944</b>
Cash at beginning of year	20,479,306	17,257,362
<b>Cash and cash equivalents at the end of the year</b>	<b>17,456,143</b>	<b>20,479,306</b>

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

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

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from operating activities</b>				
General rates	24	4,511,019	4,481,881	4,330,390
Rates excluding general rates	24	48,264	119,817	48,085
Grants, subsidies and contributions		4,560,235	1,459,097	5,458,826
Fees and charges		2,387,158	2,060,787	2,231,831
Interest revenue		804,201	774,449	785,206
Other revenue		1,041,493	712,474	539,028
Profit on asset disposals		2,935	10,749	14,983
Fair value adjustments to financial assets at fair value through profit or loss	4(a)	(3,551)	0	1,681
		<b>13,351,754</b>	<b>9,619,254</b>	<b>13,410,030</b>
<b>Expenditure from operating activities</b>				
Employee costs		(4,404,502)	(4,680,008)	(4,254,497)
Materials and contracts		(1,848,941)	(2,876,890)	(1,754,332)
Utility charges		(1,070,636)	(1,038,701)	(928,375)
Depreciation		(5,364,460)	(4,739,000)	(4,977,389)
Finance costs		(7,389)	(36,423)	(8,478)
Insurance		(396,622)	(358,984)	(374,154)
Other expenditure		(774,488)	(763,366)	(284,027)
Loss on asset disposals		(132,512)	(240,976)	(244,924)
		<b>(13,999,550)</b>	<b>(14,734,348)</b>	<b>(12,826,176)</b>
Non-cash amounts excluded from operating activities	25(a)	5,528,665	4,989,810	5,094,352
<b>Amount attributable to operating activities</b>		<b>4,880,869</b>	<b>(125,284)</b>	<b>5,678,206</b>
<b>INVESTING ACTIVITIES</b>				
<b>Inflows from investing activities</b>				
Capital grants, subsidies and contributions		5,630,536	4,119,957	3,736,409
Proceeds from disposal of assets		485,044	491,500	448,955
		<b>6,115,580</b>	<b>4,611,457</b>	<b>4,185,364</b>
<b>Outflows from investing activities</b>				
Acquisition of property, plant and equipment	8(a)	(7,416,534)	(8,640,921)	(3,215,712)
Acquisition of infrastructure	9(a)	(4,950,685)	(5,896,353)	(4,173,611)
		<b>(12,367,219)</b>	<b>(14,537,274)</b>	<b>(7,389,323)</b>
<b>Amount attributable to investing activities</b>		<b>(6,251,639)</b>	<b>(9,925,817)</b>	<b>(3,203,959)</b>
<b>FINANCING ACTIVITIES</b>				
<b>Inflows from financing activities</b>				
Proceeds from borrowings	26(a)	1,190,000	1,000,000	0
Transfers from reserve accounts	27	2,702,000	2,322,000	0
		<b>3,892,000</b>	<b>3,322,000</b>	<b>0</b>
<b>Outflows from financing activities</b>				
Repayment of borrowings	26(a)	(98,814)	(138,402)	(97,695)
Payments for principal portion of lease liabilities	26(c)	(1,296)	0	(1,326)
Transfers to reserve accounts	27	(1,840,498)	(1,076,615)	(1,558,358)
		<b>(1,940,608)</b>	<b>(1,215,017)</b>	<b>(1,657,379)</b>
<b>Amount attributable to financing activities</b>		<b>1,951,392</b>	<b>2,106,983</b>	<b>(1,657,379)</b>
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>				
<b>Surplus or deficit at the start of the financial year</b>	25(b)	8,090,746	8,015,561	7,273,878
Amount attributable to operating activities		4,880,869	(125,284)	5,678,206
Amount attributable to investing activities		(6,251,639)	(9,925,817)	(3,203,959)
Amount attributable to financing activities		1,951,392	2,106,983	(1,657,379)
<b>Surplus or deficit after imposition of general rates</b>	25(b)	<b>8,671,368</b>	<b>71,443</b>	<b>8,090,746</b>

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

**SHIRE OF YILGARN  
FOR THE YEAR ENDED 30 JUNE 2025  
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SHIRE OF YILGARN  
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 Yilgarn which is a Class 3 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

**Local Government Act 1995 requirements**

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

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

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

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

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

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

**Critical accounting estimates and judgements**

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

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

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

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

- Fair value measurement of assets carried at reportable value including:
  - Property, plant and equipment - note 8
  - Infrastructure - note 9
- Expected credit losses on financial assets - note 5
- Measurement of employee benefits - Note 15

Fair value hierarchy information can be found in note 23

**The local government reporting entity**

All funds through which the Shire controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 28 of the financial report.

**Initial application of accounting standards**

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

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

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

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

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

**New accounting standards for application in future years**

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

- AASB 2014-10 Amendments to Australian Accounting Standards
  - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2024-4b Amendments to Australian Accounting Standards
  - Effective Date of Amendments to AASB 10 and AASB 128 [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-9 Amendments to Australian Accounting Standards
  - Insurance Contracts in the Public Sector
- AASB 2023-5 Amendments to Australian Accounting Standards
  - Lack of Exchangeability
- AASB 18 (FP) Presentation and Disclosure in Financial Statements
  - (Appendix D) [for 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 YILGARN  
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
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
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	4,559,283	0	4,559,283
Grants, subsidies and contributions	0	0	0	4,560,235	4,560,235
Fees and charges	2,087,585	0	299,573	0	2,387,158
Interest revenue	0	0	0	804,201	804,201
Other revenue	40,274	0	0	1,001,219	1,041,493
Capital grants, subsidies and contributions	0	5,630,536	0	0	5,630,536
<b>Total</b>	<b>2,127,859</b>	<b>5,630,536</b>	<b>4,858,856</b>	<b>6,365,655</b>	<b>18,982,906</b>

**For the year ended 30 June 2024**

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	4,378,475	0	4,378,475
Grants, subsidies and contributions	0	0	0	5,458,826	5,458,826
Fees and charges	1,909,551	0	322,280	0	2,231,831
Interest revenue	0	0	0	785,206	785,206
Other revenue	236,715	0	0	302,313	539,028
Capital grants, subsidies and contributions	0	3,736,409	0	0	3,736,409
<b>Total</b>	<b>2,146,266</b>	<b>3,736,409</b>	<b>4,700,755</b>	<b>6,546,345</b>	<b>17,129,775</b>

**SHIRE OF YILGARN  
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 \$
<b>Interest revenue</b>		
Interest on reserve account	534,661	498,470
Trade and other receivables overdue interest	50,729	40,725
Other interest revenue	218,811	246,011
	804,201	785,206

The 2025 original budget estimate in relation to:  
Trade and other receivables overdue interest was \$40,000.

**Fees and charges relating to rates receivable**

Charges on instalment plan	7,870	4,130
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The 2025 original budget estimate in relation to:  
Charges on instalment plan was \$3,500.

**(b) Expenses**

**Auditors remuneration**

- Audit of the Annual Financial Report	51,240	48,000
	51,240	48,000

**Employee Costs**

Employee benefit costs	4,130,806	3,969,712
Other employee costs	273,696	284,785
	4,404,502	4,254,497

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

**3. CASH AND CASH EQUIVALENTS**

Note	2025	2024
	\$	\$
Cash at bank and on hand	15,456,143	18,629,306
Term deposits	2,000,000	1,850,000
<b>Total cash and cash equivalents</b>	<b>17,456,143</b>	<b>20,479,306</b>
Held as		
- Unrestricted cash and cash equivalents	6,981,807	8,528,998
- Restricted cash and cash equivalents	10,474,336	11,950,308
	<b>17,456,143</b>	<b>20,479,306</b>

**MATERIAL ACCOUNTING POLICIES**

**Cash and cash equivalents**

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

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

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

**Restricted financial assets**

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

**4. OTHER FINANCIAL ASSETS**

**(a) Non-current assets**

Note	2025	2024
	\$	\$
Financial assets at fair value through profit or loss	79,620	83,171
	<b>79,620</b>	<b>83,171</b>
<b>Financial assets at fair value through profit or loss</b>		
Units in Local Government House Trust - opening balance	83,171	81,490
Movement attributable to fair value increment	(3,551)	1,681
Units in Local Government House Trust - closing balance	<b>79,620</b>	<b>83,171</b>

Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

**MATERIAL ACCOUNTING POLICIES**

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

5. TRADE AND OTHER RECEIVABLES

Note	2025	2024
	\$	\$
<b>Current</b>		
Rates and statutory receivables	394,262	343,588
Trade receivables	680,742	243,847
GST receivable	140,412	75,512
Allowance for credit losses of rates and statutory receivables	(11,511)	(4,452)
ESL Payable	31,638	23,900
	<u>1,235,543</u>	<u>682,395</u>
<b>Non-current</b>		
Pensioner deferred rates	67,894	67,678
	<u>67,894</u>	<u>67,678</u>

Disclosure of opening and closing balances related to contracts with customers

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

Note	30 June 2025 Actual	30 June 2024 Actual	1 July 2023 Actual
	\$	\$	\$
Trade and other receivables from contracts with customers	193,045	82,419	166,468
Contract assets	2,167,588	135,262	1,063,123
Total trade and other receivables from contracts with customers	<u>2,360,633</u>	<u>217,681</u>	<u>1,229,591</u>

MATERIAL ACCOUNTING POLICIES

Rates and statutory receivables

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

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

Trade receivables

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

Measurement

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

Classification and subsequent measurement

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

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

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

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

**6. INVENTORIES**

**Current**

Fuel and materials

Note	2025	2024
	\$	\$
	76,196	37,455
	<u>76,196</u>	<u>37,455</u>
	37,455	14,114
	<u>38,741</u>	<u>23,341</u>
	76,196	37,455

The following movements in inventories occurred during the year:

Balance at beginning of year

Net Additions to inventory

Balance at end of year

**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 ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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

**7. OTHER ASSETS**

**Other assets - current**

Accrued income  
 Contract assets

	2025	2024
	\$	\$
	0	4,676
	2,167,588	135,262
	<u>2,167,588</u>	<u>139,938</u>

**MATERIAL ACCOUNTING POLICIES**

**Other current assets**

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

**Contract assets**

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

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

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

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in balances

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

	Assets not subject to operating lease		Total property				Plant and equipment		Total property, plant and equipment	
	Note	Land	Buildings	Land	Buildings	Work in progress	Total property	Furniture and equipment		Plant and equipment
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023		1,627,000	24,111,500	1,627,000	24,111,500	6,875	25,745,375	188,082	7,206,408	33,139,865
Additions		0	1,618,741	0	1,618,741	20,858	1,639,599	68,731	1,507,382	3,215,712
Disposals		0	0	0	0	0	0	(4,540)	(666,156)	(670,696)
Depreciation		0	(860,427)	0	(860,427)	0	(860,427)	(23,635)	(389,793)	(1,273,855)
<b>Balance at 30 June 2024</b>		<b>1,627,000</b>	<b>24,869,814</b>	<b>1,627,000</b>	<b>24,869,814</b>	<b>27,733</b>	<b>26,524,547</b>	<b>228,638</b>	<b>7,657,841</b>	<b>34,411,026</b>
<b>Comprises:</b>										
Gross balance amount at 30 June 2024		1,627,000	29,291,783	1,627,000	29,291,783	27,733	30,946,516	328,397	9,219,950	40,494,863
Accumulated depreciation at 30 June 2024		0	(4,421,969)	0	(4,421,969)	0	(4,421,969)	(99,759)	(1,562,109)	(6,083,837)
<b>Balance at 30 June 2024</b>	8(b)	<b>1,627,000</b>	<b>24,869,814</b>	<b>1,627,000</b>	<b>24,869,814</b>	<b>27,733</b>	<b>26,524,547</b>	<b>228,638</b>	<b>7,657,841</b>	<b>34,411,026</b>
Additions		0	4,707,994	0	4,707,994	259,391	4,967,385	6,584	2,442,565	7,416,534
Disposals		0	0	0	0	0	0	0	(614,621)	(614,621)
Depreciation		0	(532,125)	0	(532,125)	0	(532,125)	(25,449)	(429,430)	(987,004)
<b>Balance at 30 June 2025</b>		<b>1,627,000</b>	<b>29,045,683</b>	<b>1,627,000</b>	<b>29,045,683</b>	<b>287,124</b>	<b>30,959,807</b>	<b>209,773</b>	<b>9,056,355</b>	<b>40,225,935</b>
<b>Comprises:</b>										
Gross balance amount at 30 June 2025		1,627,000	33,999,777	1,627,000	33,999,777	287,124	35,913,901	334,981	10,856,369	47,105,251
Accumulated depreciation at 30 June 2025		0	(4,954,094)	0	(4,954,094)	0	(4,954,094)	(125,208)	(1,800,014)	(6,879,316)
<b>Balance at 30 June 2025</b>	8(b)	<b>1,627,000</b>	<b>29,045,683</b>	<b>1,627,000</b>	<b>29,045,683</b>	<b>287,124</b>	<b>30,959,807</b>	<b>209,773</b>	<b>9,056,355</b>	<b>40,225,935</b>

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

**8. PROPERTY, PLANT AND EQUIPMENT (Continued)**

(b) Carrying amount measurements

Asset class	Note	Carrying amount 2025 \$	Carrying amount 2024 \$	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
<b>(i) Fair value - as determined at the last valuation date</b>								
<b>Land and buildings</b>								
Land - market value		1,627,000	1,627,000	Level 2	Market Approach using recent observable market data or similar properties	Independent registered Valuers	June 2023	Price per square metre
Total land	8(a)	<u>1,627,000</u>	<u>1,627,000</u>					
Buildings - non specialised		3,414,233	3,437,587	Level 2	Market Approach using observable market data or similar properties	Independent registered Valuers	June 2023	Price per square metre
Buildings - specialised		25,631,450	21,432,227	Level 3	Cost Approach using current replacement cost	Independent registered Valuers	June 2023	Construction costs and current condition , residual values and remaining useful life assessments inputs
Total buildings	8(a)	<u>29,045,683</u>	<u>24,869,814</u>					

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

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

SHIRE OF YILGARN  
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9. INFRASTRUCTURE

(a) Movements in balances

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

	Infrastructure - Roads	Infrastructure - Footpaths	Infrastructure - Drainage	Infrastructure - Parks and Ovals	Infrastructure - Townscapes	Infrastructure - Sewerage	Infrastructure - Landfill Assets	Infrastructure - Aerodromes	Infrastructure - Other (inc. digital infrastructure)	Total infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2023</b>	412,031,316	936,043	33,189,273	439,612	114,662	3,986,711	313,288	852,397	5,519,292	457,382,594
Additions	3,413,554	0	12,979	630,090	116,988	0	0	0	0	4,173,611
Reversal Of Provision	0	0	0	0	0	0	(123,521)	0	0	(123,521)
Disposals	0	0	0	(8,200)	0	0	0	0	0	(8,200)
Depreciation	(2,691,752)	(31,556)	(592,307)	(43,759)	(6,729)	(52,288)	(12,030)	(32,903)	(238,890)	(3,702,214)
<b>Balance at 30 June 2024</b>	412,753,118	904,487	32,609,945	1,017,743	224,921	3,934,423	177,737	819,494	5,280,402	457,722,270
<b>Comprises:</b>										
Gross balance at 30 June 2024	577,990,648	2,524,520	35,340,904	1,117,759	242,196	4,183,032	212,409	987,100	6,353,295	628,951,863
Accumulated depreciation at 30 June 2024	(165,237,530)	(1,620,033)	(2,730,959)	(100,016)	(17,275)	(248,609)	(34,672)	(167,606)	(1,072,893)	(171,229,593)
<b>Balance at 30 June 2024</b>	412,753,118	904,487	32,609,945	1,017,743	224,921	3,934,423	177,737	819,494	5,280,402	457,722,270
Additions	3,700,583	0	1,177,317	0	29,488	0	0	0	43,297	4,950,685
Depreciation	(3,390,698)	(31,557)	(554,131)	(56,964)	(7,759)	(52,287)	(7,080)	(32,903)	(242,760)	(4,376,139)
<b>Balance at 30 June 2025</b>	413,063,003	872,930	33,233,131	960,779	246,650	3,882,136	170,657	786,591	5,080,939	458,296,816
<b>Comprises:</b>										
Gross balance at 30 June 2025	581,691,231	2,524,520	36,518,221	1,117,759	271,684	4,183,032	212,409	987,100	6,396,592	633,902,548
Accumulated depreciation at 30 June 2025	(168,628,228)	(1,651,590)	(3,285,090)	(156,980)	(25,034)	(300,896)	(41,752)	(200,509)	(1,315,653)	(175,605,732)
<b>Balance at 30 June 2025</b>	413,063,003	872,930	33,233,131	960,779	246,650	3,882,136	170,657	786,591	5,080,939	458,296,816

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

9. INFRASTRUCTURE (Continued)

(b) Carrying amount measurements

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date					
Infrastructure - Roads	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2022	Construction costs and current condition, residual and remaining useful life assessments
Infrastructure - Footpaths	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2022	Construction costs and current condition, residual and remaining useful life assessments
Infrastructure - Drainage	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2022	Construction costs and current condition, residual and remaining useful life assessments
Infrastructure - Parks and Ovals	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2022	Construction costs and current condition, residual and remaining useful life assessments
Infrastructure - Townscapes	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2022	Construction costs and current condition, residual and remaining useful life assessments
Infrastructure - Sewerage	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2022	Construction costs and current condition, residual and remaining useful life assessments
Infrastructure - Landfill Assets	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2022	Construction costs and current condition, residual and remaining useful life assessments
Infrastructure - Aerodromes	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2022	Construction costs and current condition, residual and remaining useful life assessments
Infrastructure - Other (inc. digital infrastructure)	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2022	Construction costs and current condition, residual and remaining useful life assessments

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

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

**SHIRE OF YILGARN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**10. FIXED ASSETS**

**(a) Depreciation**

**Depreciation rates**

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

<b>Asset class</b>	<b>Useful life</b>
Buildings	25 to 80 years
Furniture and equipment	4 to 30 years
Plant and equipment	5 to 30 years
Sealed roads and streets	
formation	120 years
pavement	120 years
seal	
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads	
formation	not depreciated
pavement	120 years
Footpaths - slab	80 years
Sewerage piping	80 years
Water supply piping and drainage systems	60 years
Landfill assets	30 years
Right-of-use (plant and equipment)	Based on the remaining lease term

SHIRE OF YILGARN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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10. FIXED ASSETS (Continued)

**MATERIAL ACCOUNTING POLICIES**

**Initial recognition**

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

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

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

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

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

**Measurement after recognition**

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

**Reportable value**

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

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

**Revaluation**

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

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

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

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

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

**Depreciation**

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

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

**Depreciation on revaluation**

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

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

**Impairment**

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

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

**Gains or losses on disposal**

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

**SHIRE OF YILGARN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**11. LEASES**

**(a) Right-of-use assets**

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.

	Note	Right-of-use assets - Plant and Equipment \$	Total right-of-use assets \$
Balance at 1 July 2023		4,424	4,424
Depreciation		(1,320)	(1,320)
Balance at 30 June 2024		3,104	3,104
Gross balance amount at 30 June 2024		70,393	70,393
Accumulated depreciation at 30 June 2024		(67,289)	(67,289)
Balance at 30 June 2024		3,104	3,104
Depreciation		(1,317)	(1,317)
Balance at 30 June 2025		1,787	1,787
Gross balance amount at 30 June 2025		70,393	70,393
Accumulated depreciation at 30 June 2025		(68,606)	(68,606)
Balance at 30 June 2025		1,787	1,787

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

		2025 Actual \$	2024 Actual \$
Depreciation on right-of-use assets		(1,317)	(1,320)
Finance charge on lease liabilities	26(c)	(96)	(66)
<b>Total amount recognised in the statement of comprehensive income</b>		<b>(1,413)</b>	<b>(1,386)</b>
Total cash outflow from leases		(1,392)	(1,392)

**(b) Lease liabilities**

Current		1,267	1,296
Non-current		416	1,683
	26(c)	1,683	2,979

The Shire has one lease relating to plant and equipment. The lease term is 5 years and has fixed payments. The measurement of lease liabilities does not include variable lease payments and any future cashflows associated with leases not yet commenced to which the Shire is committed.

**Secured liabilities and assets pledged as security**

Lease liabilities are effectively secured, as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

**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 26(c).

**Right-of-use assets - measurement**

Right-of-use assets are measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not recognised in the Statement of Financial Position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 10 under revaluation for details on the material accounting policies applying to vested improvements.

**Right-of-use assets - depreciation**

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shorter. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Shire anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

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

**12. TRADE AND OTHER PAYABLES**

**Current**

Sundry creditors  
 Prepaid rates  
 ATO liabilities  
 Bonds and deposits held  
 Accrued Expenditure

	2025	2024
	\$	\$
	890,284	76,169
	204,300	144,062
	117,066	108,391
	71,486	86,313
	50,573	369,553
	<b>1,333,709</b>	<b>784,488</b>

**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 YILGARN  
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**13. OTHER LIABILITIES**

**Current**

Capital grant/contributions liabilities  
Unearned Revenue

	2025	2024
	\$	\$
	14,740	629,210
	39,306	41,093
	<u>54,046</u>	<u>670,303</u>
<b>Reconciliation of changes in capital grant/contribution liabilities</b>		
Opening balance	629,210	944,607
Additions	14,740	629,210
Revenue from capital grant/contributions held as a liability at the start of the period	(629,210)	(944,607)
	<u>14,740</u>	<u>629,210</u>
<b>Expected satisfaction of capital grant/contribution liabilities</b>		
Less than 1 year	14,740	629,210
	<u>14,710</u>	<u>629,210</u>

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

**MATERIAL ACCOUNTING POLICIES**

**Capital grant/contribution liabilities**

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

SHIRE OF YILGARN  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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14. BORROWINGS

	Note	2025			2024		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
WATC Loans		196,934	1,557,135	1,754,069	98,814	564,069	662,883
<b>Total borrowings</b>	26(a)	<b>196,934</b>	<b>1,557,135</b>	<b>1,754,069</b>	<b>98,814</b>	<b>564,069</b>	<b>662,883</b>

**MATERIAL ACCOUNTING POLICIES**

**Borrowing costs**

The Shire has elected to recognise borrowing costs as an expense when incurred regardless of how the borrowings are applied.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 23(i)) due to the unobservable inputs, including own credit risk.

**Risk**

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

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

**15. EMPLOYEE RELATED PROVISIONS**

**Employee related provisions**

**Current provisions**

**Employee benefit provisions**

Annual leave

Long service leave

**Total current employee related provisions**

**Non-current provisions**

**Employee benefit provisions**

Long service leave

**Total non-current employee related provisions**

**Total employee related provisions**

	2025	2024
	\$	\$
Annual leave	227,529	244,291
Long service leave	189,222	228,168
<b>Total current employee related provisions</b>	<b>416,751</b>	<b>472,459</b>
Long service leave	106,820	75,527
<b>Total non-current employee related provisions</b>	<b>106,820</b>	<b>75,527</b>
<b>Total employee related provisions</b>	<b>523,571</b>	<b>547,986</b>

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 YILGARN**  
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**16. REVALUATION SURPLUS**

	2025 Opening balance	2025 Closing balance	2024 Opening balance	2024 Closing balance
	\$	\$	\$	\$
Revaluation surplus - Land	15,111,845	15,111,845	15,111,845	15,111,845
Revaluation surplus - Plant and equipment	2,322,193	2,322,193	2,322,193	2,322,193
Revaluation surplus - Infrastructure	412,965,627	412,965,627	412,965,627	412,965,627
	<u>430,399,665</u>	<u>430,399,665</u>	<u>430,399,665</u>	<u>430,399,665</u>

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

**17. 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	10,474,336	11,950,308
	10,474,336	11,950,308

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

Restricted reserve accounts

Capital grant liabilities

**Total restricted financial assets**

27	10,459,596	11,321,098
13	14,740	629,210
	10,474,336	11,950,308

**18. 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**

0	0
0	0
25,000	25,000
(2,654)	(1,776)
22,346	23,224

**Loan facilities**

Loan facilities - current

Loan facilities - non-current

**Total facilities in use at balance date**

196,934	98,814
1,557,135	564,069
1,754,069	662,883

**Unused loan facilities at balance date**

Nil Nil

**SHIRE OF YILGARN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**19. CONTINGENT LIABILITIES**

The Shire of Yilgarn currently operates the Southern Cross airport, located at Lot 88 on plan 161201, Southern Cross, 6426. The site has a known historic contamination issue due to a pesticide leak from 2012, which the Shire has an obligation to assess and remediate if required in the future.

Future assessment and remediation costs form contingent liabilities to the Shire of Yilgarn, as until the Shire conducts an investigation to determine the scope and risk of the contamination, the timing and costs cannot be reliably measured.

Due to modern pesticides having a non-residual nature it is probable the contaminants have broken down naturally over the last 13 years and it is likely there is either no or insignificant residual contaminants.

To determine any residual contaminates, a soil assessment would need to be undertaken, however given the sites current use is non-sensitive, there is little justification for incurring expenses in assessment and remediation at this stage. In the very unlikely event the site is to be utilised for a sensitive land use in the future such as recreational open space, residential, childcare centre, kindergarten, pre-school or primary school, the site will be assessed and remediated as required.

**20. CAPITAL COMMITMENTS**

	2025	2024
	\$	\$
<b>Contracted for:</b>		
- capital expenditure projects	777,510	4,128,509
- plant & equipment purchases	0	91,890
	<b>777,510</b>	<b>4,220,399</b>
<b>Payable:</b>		
- not later than one year	777,510	4,220,399

The capital expenditure projects outstanding at the end of the current reporting period comprise \$524,536 for the construction of the CEO residence and \$252,974 for the construction of two self-contained units at the Southern Cross Caravan Park. The prior year commitment related to the upgrade of the Southern Cross Sports Complex.

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

**21. 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	12,000	12,000	12,000
President's meeting attendance fees	10,800	9,600	13,400
President's annual allowance for ICT expenses	1,180	1,180	1,180
President's travel and accommodation expenses	632	500	733
	<u>24,612</u>	<u>23,280</u>	<u>27,313</u>
Deputy President's annual allowance	3,000	3,000	3,000
Deputy President's meeting attendance fees	4,800	6,100	5,400
Deputy President's annual allowance for ICT expenses	1,180	1,180	1,180
Deputy President's travel and accommodation expenses	1,008	0	0
	<u>9,988</u>	<u>10,280</u>	<u>9,580</u>
All other council member's meeting attendance fees	25,200	30,500	28,800
All other council member's annual allowance for ICT expenses	5,900	5,900	5,900
All other council member's travel and accommodation expenses	6,307	5,000	5,026
	<u>37,407</u>	<u>41,400</u>	<u>39,726</u>
21(b)	<u>72,007</u>	<u>74,960</u>	<u>76,619</u>

**(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	518,739	511,140
Post-employment benefits	76,313	64,692
Employee - other long-term benefits	23,631	22,241
Council member costs	72,007	76,619
21(a)	<u>690,690</u>	<u>674,692</u>

**Short-term employee benefits**

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

**Post-employment benefits**

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

**Other long-term benefits**

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

**Council member costs**

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

**SHIRE OF YILGARN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**21. RELATED PARTY TRANSACTIONS (Continued)**

**(c) Transactions with related parties**

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

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

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

	<b>2025 Actual</b>	<b>2024 Actual</b>
	\$	\$
Sale of goods and services	7,617	8,832
Purchase of goods and services	60,156	205,280
Short term employee benefits - other related parties	79,341	78,362

**(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*

An associate person of KMP employed by the Shire under normal employment terms and conditions. Any entity that is controlled by or over which KMP, or close family members of KMP, have authority and responsibility for planning, directing and controlling the activity of the entity, directly or indirectly, are considered related parties in relation to the Shire.

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

*iii. Entities subject to significant influence by the Shire*

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

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

**22. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD**

There were no material events after 30 June 2025 that require inclusion in the notes to the financial report.

SHIRE OF YILGARN  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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23. OTHER MATERIAL ACCOUNTING POLICIES

**a) Goods and services tax (GST)**

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

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

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

**b) Current and non-current classification**

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

**c) Rounding off figures**

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

**d) Comparative figures**

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

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

**e) Budget comparative figures**

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

**f) Superannuation**

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

**g) Fair value of assets and liabilities**

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

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

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

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

**h) Interest revenue**

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

**i) Fair value hierarchy**

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

**Level 1**

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

**Level 2**

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

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

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

**Valuation techniques**

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

**Market approach**

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

**Income approach**

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

**Cost approach**

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

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

**j) Impairment of assets**

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

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

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

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

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

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

24. RATING INFORMATION

(a) General rates

RATE TYPE	Basis of valuation	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
Mine Sites	Gross rental valuation	0.152268	6	509,700	77,611	0	77,611	77,611	0	77,611	86,705
Single Persons Quarters	Gross rental valuation	0.152268	10	803,655	122,371	0	122,371	122,371	0	122,371	133,638
Residential	Gross rental valuation	0.090430	373	4,356,632	393,970	6,013	399,983	393,970	0	393,970	384,363
Commercial	Gross rental valuation	0.076405	24	1,075,158	82,147	(2,828)	79,319	82,147	0	82,147	77,842
Rural	Unimproved valuation	0.011556	348	171,971,117	1,987,298	(2,648)	1,984,650	1,987,298	0	1,987,298	1,938,772
Mining	Unimproved valuation	0.152168	366	11,950,502	1,818,484	(35,716)	1,782,768	1,818,484	0	1,818,484	1,647,776
<b>Total general rates</b>			1,127	190,666,764	4,481,881	(35,179)	4,446,702	4,481,881	0	4,481,881	4,269,096
<b>Minimum payment</b>											
		\$									
Mine Sites	Gross rental valuation	450	1	500	450	0	450	450	0	450	1,350
Single Persons Quarters	Gross rental valuation	450	2	1,075	900	0	900	900	0	900	900
Residential	Gross rental valuation	600	140	280,760	84,000	(4,200)	79,800	84,000	0	84,000	82,800
Commercial	Gross rental valuation	450	24	72,252	10,800	(4,500)	6,300	10,800	0	10,800	3,600
Rural	Unimproved valuation	450	46	440,000	20,700	(450)	20,250	20,700	0	20,700	20,250
Mining	Unimproved valuation	450	266	363,785	119,700	(2,250)	117,450	119,700	0	119,700	122,850
<b>Total minimum payments</b>			479	1,158,372	236,550	(11,400)	225,150	236,550	0	236,550	231,750
<b>Total general rates and minimum payments</b>			1,606	191,825,136	4,718,431	(46,579)	4,671,852	4,718,431	0	4,718,431	4,500,846
<b>Ex-gratia rates</b>											
Co-Operative Bulk Handling Receival Sites			0	48,267	48,267	(3)	48,264	48,267	0	48,267	48,085
<b>Total amount raised from rates (excluding general rates)</b>			0	48,267	48,267	(3)	48,264	48,267	0	48,267	48,085
Discounts							(160,833)			(165,000)	(170,456)
<b>Total rates</b>							4,559,283			4,601,698	4,378,475
<b>(a) Rates related information</b>											
Rates instalment plan charges							7,870			3,500	4,130
Rates overdue interest							50,729			40,000	40,725
Rates written off							0			35,000	7,609

\*Rateable Value at time of raising of rate.

**SHIRE OF YILGARN**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**25. DETERMINATION OF SURPLUS OR DEFICIT**

Note	2024/25 (30 June 2025 carried forward) \$	2024/25 Budget (30 June 2025 carried forward) \$	2023/24 (30 June 2024 carried forward) \$
<b>(a) Non-cash amounts excluded from operating activities</b>			
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> .			
<b>Adjustments to operating activities</b>			
Less: Profit on asset disposals	(2,935)	(10,749)	(14,983)
Less: Fair value adjustments to financial assets at fair value through profit or loss	3,551		(1,681)
Add: Loss on disposal of assets	132,512	240,976	244,924
Add: Depreciation	5,364,460	4,739,000	4,977,389
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates	(216)	6,000	(5,390)
Employee benefit provisions	31,293	14,583	13,095
Other provisions	0	0	(119,002)
<b>Non-cash amounts excluded from operating activities</b>	<b>5,528,665</b>	<b>4,989,810</b>	<b>5,094,352</b>
<b>(b) Surplus or deficit after imposition of general rates</b>			
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.			
<b>Adjustments to net current assets</b>			
Less: Reserve accounts	27 (10,459,596)	(10,075,713)	(11,321,098)
Less: Financial assets at amortised cost			
Less: Current assets not expected to be received at end of year			
Rates Receivable	0	(369,000)	0
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	14 196,934	138,402	98,814
- Current portion of lease liabilities	11(b) 1,267	0	1,296
<b>Total adjustments to net current assets</b>	<b>(10,261,395)</b>	<b>(10,306,311)</b>	<b>(11,220,988)</b>
<b>Net current assets used in the Statement of financial activity</b>			
Total current assets	20,935,470	12,862,220	21,339,094
Less: Total current liabilities	(2,002,707)	(2,484,466)	(2,027,360)
Less: Total adjustments to net current assets	(10,261,395)	(10,306,311)	(11,220,988)
<b>Surplus or deficit after imposition of general rates</b>	<b>8,671,368</b>	<b>71,443</b>	<b>8,090,746</b>

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

26. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual						Budget				
		Principal at 1 July 2023	New loans during 2023-24	Principal repayments during 2023-24	Principal at 30 June 2024	New loans during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025	Principal at 1 July 2024	New loans during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025
Southern Cross Aquatic Centre renewal		\$ 760,578	\$ 0	\$ (97,695)	\$ 662,883	\$ 0	\$ (98,814)	\$ 564,069	\$ 662,325	\$ 0	\$ (98,233)	\$ 564,092
Southern Cross Recreation Centre Upgrades		0	0	0	0	1,190,000	0	1,190,000	0	1,000,000	(40,169)	959,831
<b>Total</b>	14	760,578	0	(97,695)	662,883	1,190,000	(98,814)	1,754,069	662,325	1,000,000	(138,402)	1,523,923

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
Southern Cross Aquatic Centre renewal	98	*WATC	1.14%	10/06/2030	\$ (7,293)	\$ (7,293)	\$ (8,412)
<b>Total Finance Cost Payments</b>					(7,293)	(7,293)	(8,412)

(b) New borrowings - 2024/25

Particulars/purpose	Institution	Loan type	Term years	Interest rate %	Amount borrowed 2025		Amount (used) 2025		Total interest and charges	Actual balance unspent
					Actual	Budget	Actual	Budget		
Southern Cross Recreation Centre Upgrades	WATC	Annuity	10	4.42%	\$ 1,190,000	\$ 1,000,000	\$ (1,190,000)	\$ 1,000,000	\$ 295,101	\$ 0
					1,190,000	1,000,000	(1,190,000)	1,000,000	295,101	0

\* WA Treasury Corporation

SHIRE OF YILGARN  
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26. BORROWING AND LEASE LIABILITIES (Continued)

(c) Lease liabilities

Purpose	Note	Actual							Budget			
		Principal at 1 July 2023	New leases during 2023-24	Principal repayments during 2023-24	Principal at 30 June 2024	New leases during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025	Principal at 1 July 2024	New leases during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025
Cannon Image Runner Photocopier		\$ 4,305	\$ 0	\$ (1,326)	\$ 2,979	\$ 0	\$ (1,296)	\$ 1,683	\$ 0	\$ 0	\$ 0	\$ 0
<b>Total lease liabilities</b>	11(b)	4,305	0	(1,326)	2,979	0	(1,296)	1,683	0	0	0	0

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
					\$		\$		\$		
Cannon Image Runner Photocopier		Cannon Finance	2.30%	30/10/2026		(96)		0	(66)		60 months
<b>Total finance cost payments</b>						(96)		0	(66)		

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

27. 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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restricted by Council</b>												
(a) Airport Reserve	323,313	15,269	0	338,582	323,313	14,549	0	337,862	307,607	15,706	0	323,313
(b) Yilgarn Bowls & Tennis Club Sinking Fund Reserve	65,982	9,783	0	75,765	65,982	9,635	0	75,617	62,776	3,206	0	65,982
(c) Building Reserve	2,889,718	359,176	(2,020,000)	1,228,894	2,889,718	130,037	(1,700,000)	1,319,755	2,749,341	140,377	0	2,889,718
(d) Community Bus Reserve	140,791	6,649	0	147,440	140,791	6,336	0	147,127	133,951	6,840	0	140,791
(e) Health Services - Operations Reserve	118,856	5,613	0	124,469	118,856	5,349	0	124,205	113,082	5,774	0	118,856
(f) Health Services - Capital Reserve	231,479	10,932	0	242,411	231,479	10,417	0	241,896	220,234	11,245	0	231,479
(g) Homes for the Aged Reserve	438,360	20,703	0	459,063	438,360	19,726	0	458,086	417,066	21,294	0	438,360
(h) Heavy Vehicle Road Improvement	1,754,849	426,876	0	2,181,725	1,754,849	628,968	0	2,383,817	668,379	1,086,470	0	1,754,849
(i) Long Service Leave	324,072	15,305	0	339,377	324,072	14,583	0	338,655	308,330	15,742	0	324,072
(j) Mineral Resources Limited Contributions	1,051,058	549,638	0	1,600,696	1,051,058	47,298	0	1,098,356	1,000,000	51,058	0	1,051,058
(k) Hampton/Dulyalbin Water Supply Reserve	87,643	12,209	0	99,852	87,643	11,444	0	99,087	78,033	9,610	0	87,643
(l) Museum Reserve	32,877	3,246	0	36,123	32,877	4,479	0	37,356	29,452	3,425	0	32,877
(m) Plant Reserve	1,066,585	273,075	0	1,339,660	1,066,585	47,996	0	1,114,581	1,014,773	51,812	0	1,066,585
(n) Recreation Facility Reserve	652,076	30,796	(682,000)	872	652,076	29,343	(622,000)	59,419	620,400	31,676	0	652,076
(o) SX Refuse Disposal Site Reserve	264,960	12,513	0	277,473	264,960	11,923	0	276,883	252,089	12,871	0	264,960
(p) Sewerage Reserve	1,261,614	59,582	0	1,321,196	1,261,614	56,773	0	1,318,387	1,200,327	61,287	0	1,261,614
(q) Standpipe Maintenance / Upgrade Reserve	218,291	10,309	0	228,600	218,291	9,823	0	228,114	207,687	10,604	0	218,291
(r) Tourism Reserve	276,924	13,079	0	290,003	276,924	12,462	0	289,386	263,472	13,452	0	276,924
(s) Youth Development Reserve	121,650	5,745	0	127,395	121,650	5,474	0	127,124	115,741	5,909	0	121,650
	11,321,098	1,840,498	(2,702,000)	10,459,596	11,321,098	1,076,615	(2,322,000)	10,075,713	9,762,740	1,558,358	0	11,321,098

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserve accounts.

**SHIRE OF YILGARN**  
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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:

<b>Name of reserve account</b>	<b>Purpose of the reserve account</b>
(a) Airport Reserve	To be used for the upkeep and any major upgrade works to the Southern Cross Airport.
(b) Yilgarn Bowls & Tennis Club Sinking Fund Reserve	To recognise the Yilgarn Bowls & tennis Clubs contribution to future playing surface upgrades.
(c) Building Reserve	To be used for major construction and improvements to Council's Buildings.
(d) Community Bus Reserve	To provide a conduit Reserve for the proceeds from the hire of the Yilgarn Community Bus.
(e) Health Services - Operations Reserve	To be used when the Shire of Yilgarn is required to take operational control of the Southern Cross GP practice.
(f) Health Services - Capital Reserve	To be used to maintain the Health Service GP practice and associated assets.
(g) Homes for the Aged Reserve	To be used as a conduit for the placement of rental income from all twelve units, providing funding for future redevelopment works at this facility.
(h) Heavy Vehicle Road Improvement	To provide adequate disclosure of funds received under the HVRIC and the relevant road funds are expended on.
(i) Long Service Leave	To be used to fund Long Service Leave requirements. Council approves the fixing of this Reserve to the level of Long Service Leave liability, recognised as at the 30th June each year, totalling the combined balance of the Current and Non-Current Long Service Leave Liability.
(j) Mineral Resources Limited Contributions	To recognise contributions made by Mineral Resources Limited for the purpose of future remedial road works.
(k) Hampton/Dulyalbin Water Supply Reserve	To be used To fund future maintenance works at the Mt Hampton Dam and Dulyalbin Water Supply Tank via annual contributions from the sale of water from these facilities.
(l) Museum Reserve	Monies held on behalf of the Yilgarn Historical Museum for their purpose and use as required.
(m) Plant Reserve	To be used for the purchase of major plant.
(n) Recreation Facility Reserve	To be used To fund any major projects relating To Recreation within the community.
(o) SX Refuse Disposal Site Reserve	To be used To meet future costs of major works to be carried out at Refuse Disposal Sites within the Shire of Yilgarn. Funds held in this Reserve will provide a buffer in the event of an emergency where a substantial, catastrophic or undesired Refuse Disposal incident was to occur and could not be accommodated within the confines of Council's facilities.
(p) Sewerage Reserve	To be used to fund any major maintenance or future construction works required for the Southern Cross Sewerage and Marvel Loch Effluent Waste Water Schemes.
(q) Standpipe Maintenance / Upgrade Reserve	To be used for major maintenance and upgrades to the Shires standpipe network.
(r) Tourism Reserve	To be used to fund tourism in the Yilgarn District.
(s) Youth Development Reserve	To be used for the development of Youth in the Yilgarn District.

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

**28. TRUST FUNDS**

Funds held at balance date which are required to be held in trust and which are not included in the financial statements are Nil



# Auditor General

## INDEPENDENT AUDITOR'S REPORT 2025 Shire of Yilgarn

To the Council of the Shire of Yilgarn

### Opinion

I have audited the financial report of the Shire of Yilgarn (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](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 Yilgarn 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.



Carly Meagher  
Acting Senior Director Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
9 October 2025

# Contact Us



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