

ANNUAL REPORT



2024-2025

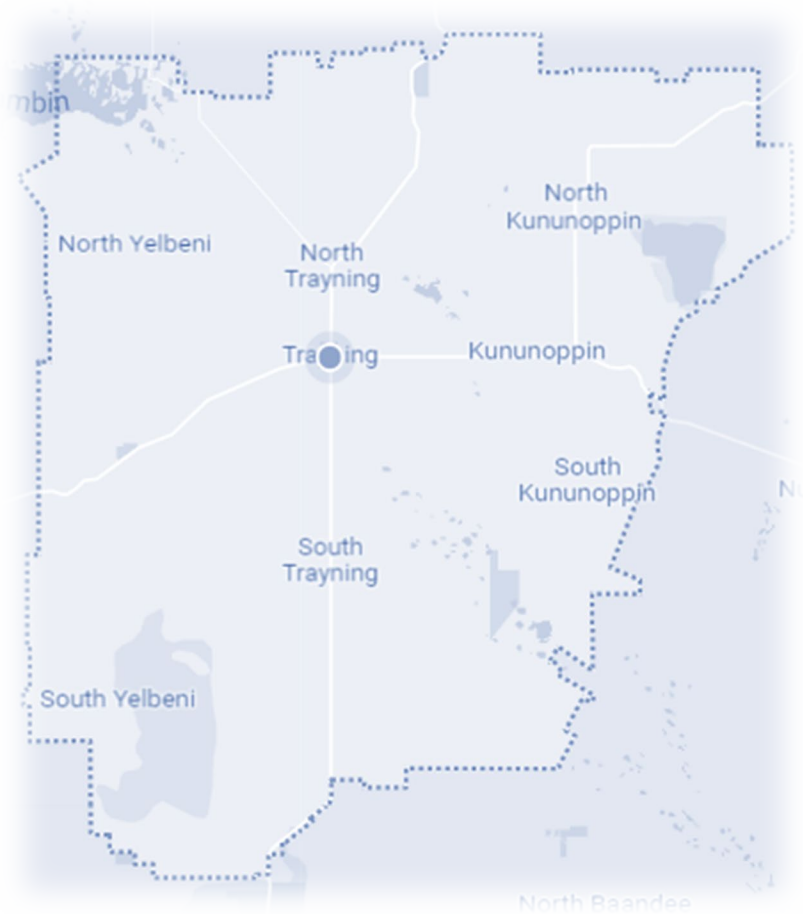


Our Vision

"The Shire of Trayning is an active, safe and vibrant community that works together with honesty and is respectful of the values of all.

We are committed to a progressive, diverse and profitable community that supports healthy lifestyles sustained by positive social values and engaged youth.

Our natural assets are valued, protected and enhanced for future generations."



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General Information

Administration Office

Lot 66 Railway Street, Trayning WA 6488

Telephone (08) 9683 1001

E-mail admin@trayning.wa.gov.au

Website www.trayning.wa.gov.au

Office hours Mon to Fri 8.30am - 4.00 pm

Like us on Face Book www.facebook.com/ShireofTrayning

Statistics

Towns:	Trayning, Kununoppin, Yelbeni
Area:	1,632 km ²
Distance from Perth:	235 km
Population:	298
Number of Electors:	235
Number of Dwellings:	132
Total Rates Levied:	\$1.3M
Total Revenue:	\$3.7M
Number of Employees:	18 (14 FTE)

Significant Local Events

Australia Day, TTPA Burnouts

Tourist Attractions

Billyacatting Hill Conservation Park with fauna, reptiles, wildflowers, rare flora and bird watching, Gnamma Holes, Yarragin Rock (twin monoliths), Yelbeni Museum, Historical Rance Caravan, Trayning Tree Library Walk Trail, Historic Wells and the Wheatbelt Way.

Accommodation

Trayning Caravan Park, 2x Short Stay Units, Rec Ground Pavilion, Trayning Hotel/Motel, Rosevale Homestead Farm Stay/Bed & Breakfast.

Sporting and Recreation Facilities

Ninghan Fitness Centre - Community Gym, Aquatic Centre, Tennis/Basketball Courts, Bowls, BMX Tracks, Skateboarding Park, Community/School Oval and excellent BBQ/Playground areas.



Shire President's Message



It is my pleasure to present the President's report for the financial year ended 30 June 2025. Council has continued to work together with the staff to ensure the Shire is in a sound position, and that community expectations are being met.

This past year, the Shire has continued to participate in and coordinate a number of community events throughout the year. Australia Day was celebrated with a BBQ lunch at the swimming pool complex and inflatables in the water to keep all patrons cool and entertained on a very warm afternoon. Our Pool Manager Steve always ensures that this day runs smoothly, and we extend our thanks to him for his continued support of this event.

The ANZAC memorial service was held in Trayning this year. It was a heartfelt service honouring those that have gallantly fought for our country and a reminder of how lucky we are to live in such a wonderful place. A successful meet and greet sausage sizzle was held at Pioneer Park to introduce and welcome our new medical providers to the community providing an opportunity for residents to engage with them in an informal environment. 2025 saw the Great Eastern Country Zone host its biannual Forum in Bruce Rock.

The forum was attended by over 90 delegates from far and wide. The program included important local government topics such as emergency management, community development, the renewable energy transition and leadership. Trayning Shire has continued to be a very active participant in the Great Eastern Country Zone (GECZ) and has worked collaboratively with the 16 member Shires to continue to advocate on immediate and emerging issues for the region.

The Shire of Trayning was the lead Shire for the North Eastern Regional Organisation of Council (NEWROC) during this reporting period. This role is held by each Shire within the NEWROC for a two-year period and changes on a Local Government election year. With the assistance of Executive Officer, Caroline Robinson, the NEWROC has continued to advocate and pursue opportunities on the groups identified priorities. NEWROC members worked together to develop a new logo and update our purpose, vision and mission statement. NEWROC was also a sponsor and made a keynote presentation "Sustaining the Present whilst Building the Future" at the Wheatbelt Futures Forum in Northam in May.

The Shire of Trayning is the administering Shire for the Kununoppin Medical Practice Committee which comprises the Shires of Trayning, Mt Marshall, Mukinbudin and Nungarin.

The Kununoppin Medical Practice Committee (KMPC) is responsible for the recruitment of a Doctor and for the provision of incentives, including use of a furnished house and motor vehicle. Dr Olat provided the KMPC with 3 months' notice of his departure in December 2024. The Shire of Trayning engaged the services of Rural Health West to assist with the recruitment of a new Doctor to the Kununoppin Practice. We were most fortunate to secure the services of Livingston Medical, who commenced in April 2025. We warmly welcome the Livingston medical team to the community and look forward to working together to service the health needs of the region. Our sincere thanks to Dr Olat for his service to the community, we wish him and his family well for the future.

Former CEO, Leanne Parola tendered her resignation in late 2024. Leanne administered the business of the Shire and oversaw many projects during her four years in Trayning. On behalf of Council, I would like to extend thanks to Leanne and wish her well in the next chapter of her career.

Council was fortunate to secure the services of Mr John Merrick to fill in as acting CEO. John's many years of experience and in-depth knowledge of the local government sector ensured that the Shire was able to continue on with business, with minimal disruption. John worked proactively with Council, staff and community and guided us through a difficult period, providing sound advice and stability. John led the Council through a successful Medical Provider and CEO recruitment process and continued to progress Shire projects during his tenure. Council would like to express sincere thanks to John for his guidance and assistance during his time with us.

In May 2025, the Shire welcomed new CEO, Peter Naylor and wife Heather. Peter brings extensive experience in local government, having served as CEO for the Shires of Cuballing, Cunderdin, Tammin and Laverton, as well as many senior management positions. His comprehensive knowledge of governance, strategic planning and regional road funding supports Council's long-term goals and objectives.

Whilst the changes in CEO position could have been somewhat disruptive, the Shire staff have acted professionally at all times and continued to support the CEO's in implementing the decisions of Council. For this I thank them.

Serving on Council is indeed a privilege. To carry out the role takes time and consideration and the ability to make decisions in the best interest of all community members. Thank you to my Councillors for their input and participation during the year. Special thanks to my Deputy President, Cr Clayton Marchant for his continued support and filling the role whilst I was on leave. I would like to acknowledge the support and understanding of family members, colleagues and friends, to Councillors, it is very much appreciated.

Thank you to all residents, ratepayers and community members for their contribution to our Shire. Council looks forward to continuing to engage with community over the next twelve months and working together to support and deliver achievable outcomes for our Shire. In closing, I would like to share a quote from Helen Keller - "Alone we can do so little; together we can do so much."



Melanie Brown
Shire President

CEO's Message



Commencing on 19 May 2025, my wife and I have settled in and enjoying the lifestyle of rural Western Australia again after a few years in the hectic peel region.

Being close to the end of the financial year it was an interesting introduction jumping in at the deep end to work with Council and staff to progress the many projects underway and immediately commence working on the 2025/2026 Budget. It was certainly a steep but immediate learning curve.

With what I have learned and continue to learn about the Shire and its people is the positive outlook to the future. Whilst it is difficult in the current environment to envisage or look too far ahead, I'm sure with the positive and resilient outlook of the local communities the Shire has a bright future.

I wasn't involved in much of the works for the financial year, but it was very pleasing to assess the works, both capital and maintenance, undertaken for the year, through various grant and road funding programs, and with Council funds and contributions from local organisations:

- Administration Centre Building Renovations
- New Crib Room and Safety Infrastructure at Shire Depot
- Kununoppin Sports Ground Pavilion Flooring
- Trayning Tennis Shelter and Patio
- Bowling Green Lighting Upgrade
- Pioneer Park and Playground Improvements
- Construct two new houses
- Doodlakine – Kununoppin Road Re-Sheeting
- Sherzinger Road Shoulder Widening and Reseal
- Harrod Road Reconstruction 800m, to be completed 2025/26
- Continuation of footpaths program, to be completed 2025/26

Northeastern Wheatbelt Regional Organisation of Councils (NEWROC):

Council continues to work closely with the other six Shires in the NEWROC group. This is an important collaboration which provides a platform for discussion and a joint approach to help gain attention to the northeastern wheatbelt region.

Closing Financial Positions:

The Shire closed the financial year showing a significant surplus of \$2.3M. A large part of this was \$1.3M Federal Financial Assistance Grants for 2025/26 paid in advance which in turn reduced the level of grant funds expected in the 2025/26 budget.

Thank You:

In closing I would sincerely like to thank the Shire President and Council for giving me the opportunity to work with the Shire of Trayning over the next three years and for the support and guidance since commencing in the role.

I would also like to thank the staff and contractors for their efforts, and the community in general for welcoming us into the community.

A handwritten signature in black ink, appearing to read 'Peter Naylor', with a stylized, cursive script.

Peter Naylor
Chief Executive Officer

Councillors



President Melanie Brown



Deputy President Clayton Marchant



Councillor Michelle McHugh



Councillor Mark Leslie



Councillor Peter Barnes



Councillor Corey Harken



Councillor Dale Naughton

The Shire of Trayning is represented by seven Councillors made up of President, Deputy President and five Councillors. The elected representatives work together to provide good governance by making decisions on all aspects through effective strategic planning.

The current members of Council consist of:

Shire President

Cr Melanie Brown	Commenced 2015	Term Expiry 2027
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Deputy Shire President

Cr Clayton Marchant	Commenced 2019	Term Expiry 2027
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Councillors

Cr Peter Barnes	Commenced 2021	Term Expiry 2029
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Cr Corey Harken	Commenced 2023	Term Expiry 2027
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Cr Mark Leslie	Commenced 2021	Term Expiry 2029
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Cr Michelle McHugh	Commenced 2017	Term Expiry 2029
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Cr Dale Naughton	Commenced 2023	Term Expiry 2027
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Council meetings are held on the third Wednesday of each month except in January. Meetings start at the advertised times and have a 15-minute period at the commencement for public question time. An agenda is prepared for each meeting, which is finalised by the Friday afternoon of the week prior to the meeting.

Council has two standing Committees, the Audit Committee as required by the Local Government Act, and the Local Emergency Management Committee as required by the Emergency Management Act. Other Committees for specific purposes may be created. There are also a number of other organisations on which your Council is represented, these include: Great Eastern Zone of WALGA, NEW Travel, Local Health Advisory Group, Regional Road Group as well as others.

Council is also a member of the Northeastern Wheatbelt Regional Organisation of Councils, (NEWROC) which includes the Shires of Dowerin, Koorda, Nungarin, Mt Marshall, Mukinbudin and Wyalkatchem. The group works together to achieve greater resource sharing abilities.

Council Staff

Chief Executive Officer	Peter Naylor
Manager of Corporate Services	Belinda Taylor
Senior Finance Officer	Abbie Harken
Administration Officer	Jessica Bell
Finance Officer	Jessi Shannon
Customer Service Officer	Gwynette Phillips
Manager of Works	Paul Healy
Works Crew	Peter Fisher
	Alfonso Ricetti
	Warren Runge
	Mark Rundell
	Christopher McIntosh
	Kaiden Newman
	Christina Skliros
	Georgina Skliros
Shire Cleaners	Kade Taylor
	Celia Tumata
Aquatic Centre Manager	Steve O'Hare (Contractor)
Environmental Health Officer	Tony Turner (Contractor)
Ranger	WA Contract Ranger Services (Contractor)

Plan for the Future Overview

Major Initiatives Commenced/Completed 2024/2025

Buildings

- Completed construction of two new houses for Glass Street, Trayning (loan funded)
- Completed Administration Building upgrade/renovation

Roads

- Kununoppin-Mukinbudin Road improvements (grant funded)
- Harrod Road improvements (grant funded)
- Commenced Sherzinger Road improvements (grant funded)
- Completed Doodlakine-Kununoppin Road improvements (grant funded)

Other Infrastructure

- Continued footpath replacement program in Kununoppin & Trayning (grant funded)
- Completed Bowling Green Lighting Upgrade (funded by grant funding, Trayning Bowling Club and Shire of Trayning)
- Completed Pioneer Park Retic Upgrade
- Continued Wheatbelt Rail Trail Plan with Shires of Nungarin and Wyalkatchem (grant funded)

Other Activities

- Commenced Local Law Review
- Continued to work with NEWROC to explore opportunities to improve waste management and establish regional landfill. Supported NEWROC application for Regional Precincts Funding for waste management planning. for waste
- Provided opportunities and appropriate resources for staff and elected member professional development

Major Initiatives Proposed or to Continue 2025/2026

Buildings

- Commence Caravan Park Challet Construction

Roads

- Complete Harrod Road improvements (grant funded)
- Commence Kununoppin-Mukinbudin Road improvements (grant funded)
- Continue Sherzinger Road reseal (grant funded)

Other Infrastructure

- Footpaths in Kununoppin & Trayning (grant funded)
- Stage 1 Wheatbelt Rail Trail

Other Activities

- Continue Local Laws review
- Continue to work with NEWROC to explore opportunities to improve waste management and establish regional landfill
- Identify funding opportunities for construction of new staff housing
- Provide opportunities and appropriate resources for staff and elected member professional

Disability Services Plan

The Disability Services Act requires all Public Authorities to include in their Annual Report, a statement on that organisation's efforts to implement their adopted Disability Access and Inclusion Plan.

The Shire of Trayning is committed to ensuring that the community is an accessible community for people with disabilities, their families and carers. As well as to consulting with people with disabilities, their families and carers and where required, disability organisations to ensure that barriers to access are addressed properly.

Outcome Statements

OUTCOME 1 - People with disabilities have the same opportunities as other people to access the services of, and any events organised, by the Shire of Trayning.

OUTCOME 2 - People with disabilities have the same opportunities as other people to access the buildings and other facilities of the Shire of Trayning.

OUTCOME 3 - People with disabilities receive information from the Shire of Trayning in a format that will enable them to access the information as readily as other people are able to access it.

OUTCOME 4 - People with disabilities receive the same level and quality of service from the employees of the Shire of Trayning as other people receive.

OUTCOME 5 - People with disabilities have the same opportunities as other people to make complaints to the Shire of Trayning.

OUTCOME 6 - People with disabilities have the same opportunities as other people to participate in any public consultation by the Shire of Trayning.

OUTCOME 7 - People with disabilities have the same opportunities as other people to obtain and maintain employment with a public authority.

General Comments

Copies of the Disability Access and Inclusion Plan 2025-2030 are available upon request from the Shire Administration Office or on the Shire's Website www.trayning.wa.gov.au.

Should anyone have a comment or suggestion regarding accessibility issues please contact the Shire office and discuss the matters you have to talk about. Council continues to work to ensure that all of our new facilities are designed to meet the needs of the elderly and disabled.

National Competition Policy

Competition Reform

National Competition Policy (NCP) is designed to enhance the efficiency and effectiveness of public sector agencies and lead to more efficient use of all economic resources. There are a number of specific requirements placed on Local Government in the areas of competitive neutrality, legislation review and structural reform. Each Local Government is required to report its progress in achieving NCP reforms in its annual report.

Competitive Neutrality

The principle of competitive neutrality is that government businesses should not enjoy a competitive advantage, or disadvantage, simply as a result of their public sector ownership.

Competitive neutrality should apply to all business activities, which generate a user-pays income of over \$200,000 unless it can be shown it is not in the public interest.

As the Shire of Trayning does not have any 'Significant Business Activities' with an annual user-pays income exceeding \$200,000 this negates further action or reporting obligation.

Local Laws

All Local Governments are required to assess which of their local laws might impact on competition and conduct a review of each to determine how any restrictive practices might be overcome.

Local Laws are also required to be reviewed every eight years under the Local Government Act 1995. A review of the Shire's Local Laws commenced in late 2024 and will be completed in 2026.

Freedom of Information

The following Council Documents available for inspection

Various documents are available for inspection by members of the public.

- Council Agendas & Minutes
- Annual Budgets
- Annual Report and Financial Statements
- Council Policy Manual and Delegations Register
- Council & Staff Code of Conduct
- Rate Assessment Book
- Electoral Roll
- Local Laws
- Municipal Heritage Inventory

Council also delivers information to the public via the following:

- Annual Ratepayer Information Pamphlets sent with Rate Notices
- Council Notes in the Ninghan News
- Production of the Local Telephone Directory
- Dog & Bushfire Fire Control Pamphlets are also posted annually
- Local Tourism & Information Brochures

Freedom of Information Requests

During the year under review there were no formal requests made by a member of the public under the Freedom of Information Act.

The Shire of Trayning welcomes enquires for any information held by Council.

If information cannot be accessed by a less formal means, a freedom of information request can be lodged to the following:

The Freedom of Information Officer
Shire of Trayning
PO Box 95
TRAYNING WA 6488

Other Statutory Requirements

Public Interest Disclosure

The Public Interest Disclosure Act was established by the Commissioner of Sector Standards under Section 20 of the Public Interest Disclosure Act 2003.

One of the principles of the new legislation is not just to provide protection to those who make disclosures (and those who are the subject of disclosures) but also encourages a system of transparency and accountability in the way government or government officials act and utilise public monies.

Matters that fall into the category of public interest include the following:

- Improper Conduct (irregular or unauthorised use of public resources);
- An offence under State Law including corruption (substantial unauthorised or irregular use of, or substantial mismanagement of, public resources);
- Administration matters generally (conduct involving a substantial risk of injury to public health, prejudice to public safety or harm to the environment).

Matters relating to the Shire of Trayning should be referred to the Shire of Trayning's Public Interest Disclosure Officer. Disclosures to the Public Disclosure Officer can be made not just about officers of a local authority but also its elected officials.

The Disclosure Act is to ensure that the disclosure is confidential and that the person making a disclosure is provided adequate protection from reprisals, civil and criminal liability, dismissal or breach of confidentiality.

The Shire of Trayning had no Public Interest Disclosures during the reporting period.

Information on Employee Payments

For the purpose of Regulation 19B of the Local Government (Administration) Regulations 1996 employee remuneration is required to be contained in Council's Annual Report.

Shown below in bands is the number of employees:

Entitled to an annual salary of 100,000 to 109,999 = 0

Entitled to an annual salary of 110,000 to 119,999 = 1

Entitled to an annual salary of 120,000 to 129,999 = 0

Entitled to an annual salary of 130,000 to 139,999 = 0

Entitled to an annual salary of 140,000 to 149,999 = 1

Minor Breaches

The Shire is required to publish the details of complaints that have resulted in a finding under Section 110(2)(a) of the Local Government Act 1995 that a minor breach has occurred.

No breaches were found to have occurred in 2024/2025.

Records Management

The Shire is committed to meeting the requirements of the State Records Act 2000 which requires the Shire to maintain and dispose of all records in the prescribed manner.

In accordance with the State Records Act 2000 the Shire is required to have an approved Record Keeping Plan. The plan sets out matters regarding how records are created and how the Shire retains its records.

The Shire's Record Keeping Plan was reviewed in 2024.



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

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

'The Shire of Trayning is an active, safe and vibrant community that works together with honesty and is respectful of the values of all. We are committed to a progressive, diverse and profitable community that supports healthy lifestyles sustained by positive social values. Our natural assets are valued, protected and enhanced for future generations.'

Principal place of business:
Railway Street,
Trayning
WA 6488

**SHIRE OF TRAYNING
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 Trayning 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.

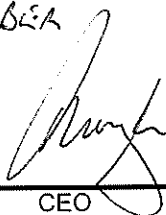
Signed on the

1st

day of

DECEMBER

2025



CEO

Peter Naylor

Name of CEO



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

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
Revenue				
Rates	2(a),25	1,307,937	1,306,828	1,244,207
Grants, subsidies and contributions	2(a)	1,801,641	411,548	2,320,676
Fees and charges	2(a)	338,398	258,821	279,443
Interest revenue	2(a)	68,422	41,737	109,002
Other revenue	2(a)	241,221	29,564	233,642
		3,757,619	2,048,498	4,186,970
Expenses				
Employee costs	2(b)	(1,056,629)	(1,018,875)	(952,005)
Materials and contracts		(978,844)	(1,225,565)	(1,656,799)
Utility charges		(157,366)	(126,008)	(120,148)
Depreciation		(2,848,433)	(2,740,662)	(2,698,818)
Finance costs	2(b)	(61,663)	(56,351)	(42,607)
Insurance		(139,597)	(147,268)	(140,063)
Other expenditure	2(b)	(74,582)	(89,448)	(87,304)
		(5,317,114)	(5,404,177)	(5,697,744)
		(1,559,495)	(3,355,679)	(1,510,774)
Capital grants, subsidies and contributions	2(a)	1,160,949	996,211	839,166
Profit on asset disposals		0	0	7,967
Loss on asset disposals		(3,855)	(24,103)	(11,381)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(2,663)	0	1,261
		1,154,431	972,108	837,013
Net result for the period		(405,064)	(2,383,571)	(673,761)
Total comprehensive income for the period		(405,064)	(2,383,571)	(673,761)

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



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

	Note	2025	2024
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	3,269,211	4,033,556
Trade and other receivables	5	96,555	129,836
Other financial assets	4(a)	0	2,662
Inventories	6	1,043	431
Other assets	7	242,030	13,186
TOTAL CURRENT ASSETS		3,608,839	4,179,671
NON-CURRENT ASSETS			
Trade and other receivables	5	13,683	24,365
Other financial assets	4(b)	59,715	62,378
Property, plant and equipment	8	14,487,932	14,353,841
Infrastructure	9	65,690,754	66,201,896
Right-of-use assets	11(a)	4,728	6,349
TOTAL NON-CURRENT ASSETS		80,256,812	80,648,829
TOTAL ASSETS		83,865,651	84,828,500
CURRENT LIABILITIES			
Trade and other payables	12	239,858	350,533
Capital grant/contributions liabilities	13	51,751	276,388
Lease liabilities	11(b)	1,624	1,551
Borrowings	14	126,013	147,220
Employee related provisions	15	145,430	194,919
TOTAL CURRENT LIABILITIES		564,676	970,611
NON-CURRENT LIABILITIES			
Lease liabilities	11(b)	3,329	4,953
Borrowings	14	1,108,038	1,234,052
Employee related provisions	15	16,726	40,938
TOTAL NON-CURRENT LIABILITIES		1,128,093	1,279,943
TOTAL LIABILITIES		1,692,769	2,250,554
NET ASSETS		82,172,882	82,577,946
EQUITY			
Retained surplus		28,155,448	28,913,928
Reserve accounts	28	1,054,921	701,505
Revaluation surplus	16	52,962,513	52,962,513
TOTAL EQUITY		82,172,882	82,577,946



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

	Note	Retained surplus	Reserve accounts	Revaluation surplus	Total equity
		\$	\$	\$	\$
Balance as at 1 July 2023		29,504,214	784,980	52,962,513	83,251,707
Comprehensive income for the period					
Net result for the period		(673,761)	0	0	(673,761)
Total comprehensive income for the period		(673,761)	0	0	(673,761)
Transfers from reserve accounts	28	211,330	(211,330)	0	0
Transfers to reserve accounts	28	(127,855)	127,855	0	0
Balance as at 30 June 2024		28,913,928	701,505	52,962,513	82,577,946
Comprehensive income for the period					
Net result for the period		(405,064)	0	0	(405,064)
Total comprehensive income for the period		(405,064)	0	0	(405,064)
Transfers from reserve accounts	28	46,500	(46,500)	0	0
Transfers to reserve accounts	28	(399,916)	399,916	0	0
Balance as at 30 June 2025		28,155,448	1,054,921	52,962,513	82,172,882

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



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

	Note	2025 Actual \$	2024 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		1,310,429	1,297,407
Grants, subsidies and contributions		1,830,254	2,354,979
Fees and charges		338,398	279,443
Interest revenue		68,422	109,002
Goods and services tax received		210,617	76,572
Other revenue		241,221	233,642
		3,999,341	4,351,045
Payments			
Employee costs		(1,130,433)	(986,938)
Materials and contracts		(1,315,530)	(1,601,566)
Utility charges		(157,366)	(120,148)
Finance costs		(61,663)	(24,982)
Insurance paid		(139,597)	(140,063)
Goods and services tax paid		(201,101)	(61,776)
Other expenditure		(74,582)	(87,304)
		(3,080,272)	(3,022,777)
Net cash provided by operating activities		919,069	1,328,268
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a)	(712,747)	(1,921,593)
Payments for construction of infrastructure	9(a)	(1,765,469)	(1,621,309)
Proceeds from capital grants, subsidies and contributions		936,312	1,084,709
Proceeds from financial assets at amortised cost - self-supporting loans		2,662	5,180
Proceeds from sale of property, plant & equipment		4,600	141,728
Net cash (used in) investing activities		(1,534,642)	(2,311,285)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	27(a)	(147,221)	(82,759)
Payments for principal portion of lease liabilities	27(b)	(1,551)	(1,481)
Proceeds from new borrowings	27(a)	0	800,000
Net cash provided by (used in) financing activities		(148,772)	715,760
Net (decrease) in cash held		(764,345)	(267,257)
Cash at beginning of year		4,033,556	4,300,813
Cash and cash equivalents at the end of the year		3,269,211	4,033,556

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



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

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	25	1,296,936	1,295,827	1,233,206
Rates excluding general rates	25	11,001	11,001	11,001
Grants, subsidies and contributions		1,801,641	411,548	2,320,676
Fees and charges		338,398	258,821	279,443
Interest revenue		68,422	41,737	109,002
Other revenue		241,221	29,564	233,642
Profit on asset disposals		0	0	7,967
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	0	0	1,261
		3,757,619	2,048,498	4,196,198
Expenditure from operating activities				
Employee costs		(1,056,629)	(1,018,875)	(952,005)
Materials and contracts		(978,844)	(1,225,565)	(1,656,799)
Utility charges		(157,366)	(126,008)	(120,148)
Depreciation		(2,848,433)	(2,740,662)	(2,698,818)
Finance costs		(61,663)	(56,351)	(42,607)
Insurance		(139,597)	(147,268)	(140,063)
Other expenditure		(74,582)	(89,448)	(87,304)
Loss on asset disposals		(3,855)	(24,103)	(11,381)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(2,663)	0	0
		(5,323,632)	(5,428,280)	(5,709,125)
Non-cash amounts excluded from operating activities	26(a)	2,817,304	2,770,365	2,724,751
Amount attributable to operating activities		1,251,291	(609,417)	1,211,824
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		1,160,949	996,211	839,166
Proceeds from disposal of assets		4,600	91,600	141,728
Proceeds from financial assets at amortised cost - self-supporting loans	27(a)	2,662	2,662	5,180
		1,168,211	1,090,473	986,074
Outflows from investing activities				
Acquisition of property, plant and equipment	8(a)	(712,747)	(902,454)	(1,921,593)
Acquisition of infrastructure	9(a)	(1,765,469)	(2,058,883)	(1,621,309)
		(2,478,216)	(2,961,337)	(3,542,902)
Amount attributable to investing activities		(1,310,005)	(1,870,864)	(2,556,828)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	27(a)	0	0	800,000
Transfers from reserve accounts	28	46,500	0	211,330
		46,500	0	1,011,330
Outflows from financing activities				
Repayment of borrowings	27(a)	(147,221)	(147,219)	(82,759)
Payments for principal portion of lease liabilities	27(b)	(1,551)	(1,551)	(1,481)
Transfers to reserve accounts	28	(399,916)	(248,588)	(127,855)
		(548,688)	(397,358)	(212,095)
Amount attributable to financing activities		(502,188)	(397,358)	799,235
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	26(b)	2,678,056	2,877,639	3,223,825
Amount attributable to operating activities		1,251,291	(609,417)	1,211,824
Amount attributable to investing activities		(1,310,005)	(1,870,864)	(2,556,828)
Amount attributable to financing activities		(502,188)	(397,358)	799,235
Surplus or deficit after imposition of general rates	26(b)	2,117,154	0	2,678,056

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



SHIRE OF TRAYNING
FOR THE YEAR ENDED 30 JUNE 2025
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SHIRE OF TRAYNING
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 Trayning which is a Class 4 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995 and accompanying regulations*.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and to the extent that they are not inconsistent with the *Local Government Act 1995*, the Australian Accounting Standards.

The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied except for disclosure requirements of:

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

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

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

- land and buildings classified as property, plant and equipment; or
- infrastructure; or

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

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value 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 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
- Measurement of employee benefits - note 15

Fair value heirarchy information can be found in note 24

The local government reporting entity

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

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 did not 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*

The Shire will apply AASB 2022-10 prospectively in the year of revaluation for relevant assets.

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

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

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

Revenue recognition

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

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

For the year ended 30 June 2025

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,354,578	(46,641)	1,307,937
Grants, subsidies and contributions	0	0	0	1,801,641	1,801,641
Fees and charges	0	0	0	338,398	338,398
Interest revenue	0	0	0	68,422	68,422
Other revenue	0	0	0	241,221	241,221
Capital grants, subsidies and contributions	0	1,160,949	0	0	1,160,949
Total	0	1,160,949	1,354,578	2,403,041	4,918,568

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,292,010	(47,803)	1,244,207
Grants, subsidies and contributions	2,328,417	0	0	(7,741)	2,320,676
Fees and charges	276,783	0	2,660	0	279,443
Interest revenue	0	0	0	109,002	109,002
Other revenue	0	0	0	233,642	233,642
Capital grants, subsidies and contributions	0	839,166	0	0	839,166
Total	2,605,200	839,166	1,294,670	287,100	5,026,136

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Note	2025 Actual \$	2024 Actual \$
Interest revenue		
Financial assets at amortised cost - self-supporting loans	17	180
Interest on reserve account	25,918	32,853
Trade and other receivables overdue interest	3,998	6,702
Other interest revenue	38,489	69,267
	68,422	109,002
Fees and charges relating to rates receivable		
Charges on instalment plan	445	440
The 2025 original budget estimate in relation to: Charges on instalment plan was \$450		

(b) Expenses

Auditors remuneration		
- Audit of the Annual Financial Report	29,800	30,590
- Other services – grant acquittals	3,000	3,000
	32,800	33,590
Employee Costs		
Employee benefit costs	919,003	856,526
Other employee costs	137,626	95,479
	1,056,629	952,005
Finance costs		
Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	61,396	42,271
Lease liabilities	267	336
	61,663	42,607
Other expenditure		
Sundry expenses	74,582	87,304
	74,582	87,304

SHIRE OF TRAYNING
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	3,269,211	3,332,053
Term deposits	0	701,503
Total cash and cash equivalents	3,269,211	4,033,556
Held as		
- Unrestricted cash and cash equivalents	2,146,449	3,039,753
- Restricted cash and cash equivalents	17 1,122,762	993,803
	3,269,211	4,033,556

MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents

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

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

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

Restricted financial assets

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

4. OTHER FINANCIAL ASSETS

Note	2025	2024
	\$	\$
(a) Current assets		
Financial assets at amortised cost	0	2,662
	0	2,662
Other financial assets at amortised cost		
Self-supporting loans receivable	27(b) 0	2,662
	0	2,662
Held as		
- Unrestricted other financial assets at amortised cost	0	2,662
	0	2,662
(b) Non-current assets		
Financial assets at fair value through profit or loss	59,715	62,378
	59,715	62,378
Financial assets at fair value through profit or loss		
Units in Local Government House Trust - opening balance	62,378	61,117
Movement attributable to fair value increment	(2,663)	1,261
Units in Local Government House Trust - closing balance	59,715	62,378

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 27(a) as self supporting loans. Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

MATERIAL ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

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

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

Financial assets at fair value through profit or loss

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

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

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

5. TRADE AND OTHER RECEIVABLES

	Note	2025 \$	2024 \$
Current			
Rates and statutory receivables		22,955	23,916
Trade receivables		53,640	65,408
GST receivable		18,438	27,954
Receivables for employee related provisions	15	0	12,558
Allowance for credit losses of trade receivables		1,522	0
		96,555	129,836
Non-current			
Rates and statutory receivables		13,683	18,556
Receivables for employee related provisions		0	5,809
		13,683	24,365

The carrying amounts of the trade and other receivables include receivables which are subject to a factoring arrangement. Under the factoring arrangement, the Shire of Trayning has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables, late payment and credit risk remains with the Shire of Somewhere, therefore the Shire continues to recognise the transferred assets in their entirety. The amount repayable under the factoring arrangement is presented as a secured borrowing under other loans at Note 14. The Shire considers that the held to collect business model remains appropriate for these receivables and continues measuring them at amortised cost.

Disclosure of opening and closing balances related to contracts with customers

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

	Note	30 June 2025 Actual \$	30 June 2024 Actual \$
Trade and other receivables from contracts with customers		53,640	65,408
Contract assets	7	164,849	0
Total trade and other receivables from contracts with customers		218,489	65,408

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

6. INVENTORIES

	Note	2025	2024
Current		\$	\$
Fuel and materials		1,043	431
		1,043	431
The following movements in inventories occurred during the year:			
Balance at beginning of year		431	1,721
Inventories expensed during the year		(67,480)	(63,807)
Additions to inventory		68,092	62,517
Balance at end of year		1,043	431

MATERIAL ACCOUNTING POLICIES

General

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

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

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

7. OTHER ASSETS

	2025	2024
	\$	\$
Other assets - current		
Prepayments	62,697	10,712
Accrued income	14,484	2,474
Contract assets	164,849	0
	242,030	13,186

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.

SHIRE OF TRAYNING
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		186,000	11,297,280	186,000	11,297,280	0	11,483,280	67,388	1,539,886	13,090,554
Additions		0	172,841	0	172,841	1,185,429	1,358,270	22,154	541,169	1,921,593
Disposals		(14,000)	0	(14,000)	0		(14,000)	0	(131,142)	(145,142)
Depreciation		0	(276,141)	0	(276,141)		(276,141)	(11,913)	(225,110)	(513,164)
Balance at 30 June 2024		172,000	11,193,980	172,000	11,193,980	1,185,429	12,551,409	77,629	1,724,803	14,353,841
Comprises:										
Gross balance amount at 30 June 2024		172,000	11,727,324	172,000	11,727,324	1,185,429	13,084,753	141,286	2,473,139	15,699,178
Accumulated depreciation at 30 June 2024		0	(533,344)	0	(533,344)	0	(533,344)	(63,657)	(748,336)	(1,345,337)
Balance at 30 June 2024	8(b)	172,000	11,193,980	172,000	11,193,980	1,185,429	12,551,409	77,629	1,724,803	14,353,841
Additions		0	619,317	0	619,317	22,355	641,672	52,894	18,182	712,747
Disposals		(7,000)		(7,000)	0		(7,000)	(1,456)		(8,456)
Depreciation		0	(305,933)	0	(305,933)		(305,933)	(15,447)	(248,821)	(570,201)
Transfers			1,144,050	0	1,144,050	(1,144,050)	0			0
Balance at 30 June 2025		165,000	12,651,414	165,000	12,651,414	63,734	12,880,148	113,620	1,494,164	14,487,931
Comprises:										
Gross balance amount at 30 June 2025		165,000	13,490,692	165,000	13,490,692	63,734	13,719,426	181,475	2,491,321	16,392,222
Accumulated depreciation at 30 June 2025		0	(839,278)	0	(839,278)	0	(839,278)	(67,855)	(997,157)	(1,904,290)
Accumulated impairment loss at 30 June 2025		0	0	0	0	0	0	0	0	0
Balance at 30 June 2025	8(b)	165,000	12,651,414	165,000	12,651,414	63,734	12,880,148	113,620	1,494,164	14,487,932

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

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying amount measurements

Asset class	Note	Carrying amount 2025	Carrying amount 2024	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
		\$	\$					
(i) Fair value - as determined at the last valuation date								
Land and buildings								
Land - market value		165,000	172,000	Level 2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2022	Price per hectare
Total land	8(a)	165,000	172,000					
Buildings - non specialised		2,319,160	1,076,477	Level 2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2022	Price per square metre
Buildings - specialised		10,332,254	10,117,503	Level 3	Improvements to land valued using cost approach using depreciated replacement cost	Independent registered valuers	June 2022	Improvements to buildings using construction costs and current condition, residual values and remaining useful life assessment inputs
Total buildings	8(a)	12,651,414	11,193,980					
(ii) Cost								
Furniture and equipment					Cost			Cost
Plant and equipment					Cost			Cost

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

9. INFRASTRUCTURE

(a) Movements in balances

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

	Infrastructure - roads	Infrastructure - footpaths	Infrastructure - airstrip	Infrastructure - other	Other infrastructure - water	Total infrastructure
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023	60,953,042	1,038,023	1,202,595	2,887,029	683,931	66,764,620
Additions	1,201,723	128,947	0	290,639	0	1,621,309
Depreciation	(1,960,215)	(62,892)	(30,198)	(114,358)	(16,370)	(2,184,033)
Balance at 30 June 2024	60,194,550	1,104,078	1,172,397	3,063,310	667,561	66,201,896
Comprises:						
Gross balance at 30 June 2024	88,323,510	1,656,942	1,374,523	4,324,611	793,251	96,472,837
Accumulated depreciation at 30 June 2024	(28,128,960)	(552,864)	(202,126)	(1,261,301)	(125,690)	(30,270,941)
Balance at 30 June 2024	60,194,550	1,104,078	1,172,397	3,063,310	667,561	66,201,896
Additions	1,482,712	157,361	0	102,510	22,886	1,765,469
Depreciation	(1,992,771)	(68,200)	(30,199)	(168,920)	(16,521)	(2,276,611)
Balance at 30 June 2025	59,684,491	1,193,239	1,142,198	2,996,900	673,926	65,690,754
Comprises:						
Gross balance at 30 June 2025	89,806,223	1,814,302	1,374,523	4,427,121	816,137	98,238,306
Accumulated depreciation at 30 June 2025	(30,121,732)	(621,063)	(232,325)	(1,430,221)	(142,211)	(32,547,552)
Balance at 30 June 2025	59,684,491	1,193,239	1,142,198	2,996,900	673,926	65,690,754

SHIRE OF TRAYNING
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 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - footpaths	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - airstrip	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - other	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure - water	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs

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

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

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

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

Asset class	Useful life
Buildings	30 to 80 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	80 to 120 years
seal	
- bituminous seals	20 to 50 years
- asphalt surfaces	25 to 50 years
Gravel roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	20 to 100 years
Sewerage piping	100 years
Water supply piping and drainage systems	50 to 95 years
Intangible assets - computer software licence	5 years
Right of use (buildings)	Based on the remaining lease
Right of use (plant and equipment)	Based on the remaining lease
Other Infrastructure	10 to 100 years

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

10. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

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

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

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

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

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

Measurement after recognition

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

Reportable value

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

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

Revaluation

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

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

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

Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in 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 TRAYNING
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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		7,970	7,970
Depreciation		(1,621)	(1,621)
Balance at 30 June 2024		6,349	6,349
Gross balance amount at 30 June 2024		8,105	8,105
Accumulated depreciation at 30 June 2024		(1,756)	(1,756)
Balance at 30 June 2024		6,349	6,349
Depreciation		(1,621)	(1,621)
Balance at 30 June 2025		17,426	4,728
Gross balance amount at 30 June 2025		8,105	8,105
Accumulated depreciation at 30 June 2025		(3,377)	(3,377)
Balance at 30 June 2025		4,728	4,728

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

Depreciation on right-of-use assets
Finance charge on lease liabilities
Total amount recognised in the statement of comprehensive income

Total cash outflow from leases

	2025 Actual \$	2024 Actual \$
27(b)	(1,621)	(1,621)
	(267)	(336)
	(1,888)	(1,957)
	(1,818)	(1,817)
27(b)	1,624	1,551
	3,329	4,953
	4,953	6,504

(b) Lease liabilities

Current
Non-current

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 payment 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 27(b).

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, specific asset is depreciated over the useful life of the underlying asset.

SHIRE OF TRAYNING
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
 Accrued payroll liabilities
 Statutory liabilities
 Bonds and deposits held
 Accrued interest
 Accrued expenditure
 Income in Advance

2025	2024
\$	\$
134,418	219,015
5,043	8,385
36,529	34,314
17,258	19,576
16,090	15,910
19,671	21,510
6,249	31,823
4,600	0
239,858	350,533

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

13. OTHER LIABILITIES

Current

Capital grant/contributions liabilities

2025	2024
\$	\$
51,751	276,388
51,751	276,388
276,388	30,845
51,751	276,388
(276,388)	(30,845)
51,751	276,388

The Shire expects to satisfy the performance obligations, from contracts with customers unsatisfied at the end of the reporting period, within the next 12 months.

Reconciliation of changes in capital grant/contribution liabilities

Opening balance

Additions

Revenue from capital grant/contributions held as a liability at the start of the period

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

14. BORROWINGS

	Note	2025			2024		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Bank loans		126,013	1,108,038	1,234,051	147,220	1,234,052	1,381,272
Total secured borrowings	27(a)	126,013	1,108,038	1,234,051	147,220	1,234,052	1,381,272

Secured liabilities and assets pledged as security

Debentures, bank overdrafts and bank loans are secured by a floating charge over the assets of the Shire of Trayning.
 Other loans relate to transferred receivables. Refer to Note 5.

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

MATERIAL ACCOUNTING POLICIES

Borrowing costs

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

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.
 Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierachy (see Note 24(i)) due to the unobservable inputs, including own credit risk.

Risk

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

SHIRE OF TRAYNING
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

Employee related other provisions

Employment on-costs

Total current employee related provisions

Non-current provisions

Employee benefit provisions

Long service leave

Employee related other provisions

Employment on-costs

Total non-current employee related provisions

Total employee related provisions

	2025	2024
	\$	\$
	58,993	97,420
	67,468	70,994
	126,461	168,414
	18,969	26,505
	18,969	26,505
	145,430	194,919
	14,861	37,572
	14,861	37,572
	1,865	3,366
	1,865	3,366
	16,726	40,938
	162,156	235,857

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

16. REVALUATION SURPLUS

	2025	2025	2024	2024
	Opening	Closing	Opening	Closing
	balance	balance	balance	balance
	\$	\$	\$	\$
Revaluation surplus - Land	226,126	226,126	226,126	226,126
Revaluation surplus - Buildings	5,731,898	5,731,898	5,731,898	5,731,898
Revaluation surplus - Furniture and equipment	13,418	13,418	13,418	13,418
Revaluation surplus - Plant and equipment	83,299	83,299	83,299	83,299
Revaluation surplus - Infrastructure - roads	43,262,828	43,262,828	43,262,828	43,262,828
Revaluation surplus - Infrastructure - footpaths	536,767	536,767	536,767	536,767
Revaluation surplus - Infrastructure - airstrip	1,176,009	1,176,009	1,176,009	1,176,009
Revaluation surplus - Infrastructure - other	1,310,978	1,310,978	1,310,978	1,310,978
Revaluation surplus - Other infrastructure - water	621,190	621,190	621,190	621,190
	52,962,513	52,962,513	52,962,513	52,962,513

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

17. RESTRICTIONS OVER FINANCIAL ASSETS

	Note	2025 Actual \$	2024 Actual \$
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	1,122,762	993,803
		1,122,762	993,803
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	28	1,054,921	701,505
Capital grant liabilities	13	51,751	276,388
Bonds and deposits held	12	16,090	15,910
Total restricted financial assets		1,122,762	993,803

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

Credit standby arrangements

Bank overdraft limit	200,000	200,000
Bank overdraft at balance date	0	0
Credit card limit	20,000	20,000
Credit card balance at balance date	(1,549)	(2,359)
Total amount of credit unused	218,451	217,641

Loan facilities

Loan facilities - current	126,013	147,220
Loan facilities - non-current	1,108,038	1,234,052
Total facilities in use at balance date	1,234,051	1,381,272

Unused loan facilities at balance date

NIL NIL

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

19. CONTINGENT LIABILITIES

In compliance with the Contaminated Sites Act 2003 Section 11, the Shire of Trayning has identified the following sites to be possible sources of contamination:

Kununoppin Landfill Site

Yelbeni Landfill Site

Trayning Landfill Site (former site)

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

20. CAPITAL COMMITMENTS

Contracted for:

- capital expenditure projects
- plant & equipment purchases

Payable:

- not later than one year

2025	2024
\$	\$
0	179,004
0	8,776
0	187,780
0	187,780

SHIRE OF TRAYNING
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	12,350	12,350	12,350
President's meeting attendance fees	6,802	7,012	7,064
President's annual allowance for ICT expenses	2,100	2,100	2,100
President's travel and accommodation expenses	389	400	170
	21,641	21,862	21,684
Deputy President's annual allowance	3,088	3,088	3,088
Deputy President's meeting attendance fees	2,877	3,042	3,062
Deputy President's annual allowance for ICT expenses	2,100	2,100	2,100
Deputy President's travel and accommodation expenses	0	0	268
	8,065	8,230	8,518
All other council member's meeting attendance fees	13,342	13,715	10,969
All other council member's annual allowance for ICT expenses	9,450	10,500	9,975
All other council member's travel and accommodation expenses	1,076	1,200	1,052
	23,868	25,415	21,996
21(b)	53,574	55,507	52,198

(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	291,351	278,173
Post-employment benefits	30,753	17,305
Employee - other long-term benefits	5,563	7,957
Employee - termination benefits	68,507	26,863
Council member costs	53,574	52,198
21(a)	449,748	382,496

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Termination benefits

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

Council member costs

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

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

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:

	2025 Actual	2024 Actual
	\$	\$
Sale of goods and services	191	5,428
Purchase of goods and services	190,195	401,006
Short term employee benefits - other related parties	66,088	41,438
Amounts payable to related parties:		
Trade and other payables	4,589	59,091

(d) Related parties

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

During the previous year, a company controlled by a related party of a council member, was awarded a contract under the selective tender process on terms and conditions equivalent for those that prevail in arm's length transactions under the Shire's procurement process.

The contract involved roadworks in the Shire, and amounted to \$40,515 in the current year (\$51,995 in the prior year).

During the year, payments were made to the employer of a council member in accordance with a prior year contract, and as the result of a new contract. The contract related to the provision of medical services in the Shire and amounted to \$141,858 in the current year and \$128,930 in the prior year.

These amounts are included in the Purchases of Goods and Services above.

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.

Short-term employee benefits related to an associate person of a council member who was employed by the Shire under normal employment terms and conditions.

iii. Entities subject to significant influence by the Shire

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

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

22. JOINT ARRANGEMENTS

Share of joint operations

Kununoppin Medical Practice

The Shires of Trayning, Mt Marshall, Mukinbudin and Nungarin have an agreement in place to share the costs associated with attracting and retaining a General Practitioner Service to service the four Shires. The Shire of Trayning administers the costs associated with this agreement, contributing 30% of the costs and recouping the other 70% from the other Shires.

Statement of financial position

Plant and equipment

Less: accumulated depreciation

Total assets

Statement of comprehensive income

Other expense

Profit/(loss) for the period

Other comprehensive income

Total comprehensive income for the period

	2025 Actual	2024 Actual
	\$	\$
	65,407	65,407
	(9,784)	(3,243)
	55,623	62,164
	(56,552)	(61,581)
	(56,552)	(61,581)
	0	
	(56,552)	(61,581)

MATERIAL ACCOUNTING POLICIES

Joint operations

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

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

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

23. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

The Shire does not have any subsequent events after balance sheet date.

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

24. OTHER MATERIAL ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Interest revenue

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

i) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

j) Impairment of assets

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

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

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

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

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

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

25. RATING INFORMATION

(a) General rates

RATE TYPE				2024/25 Actual rateable value*	2024/25 Actual rate revenue	2024/25 Actual interim rates	2024/25 Actual total revenue	2024/25 Budget rate revenue	2024/25 Budget interim rate	2024/25 Budget total revenue	2023/24 Actual total revenue
Rate description	Basis of valuation	Rate in \$	Number of properties								
GRV Kununoppin/Trayning	Gross rental valuation	0.184758	109	702,000	129,700	3,746	133,446	129,700	0	129,700	125,699
GRV Yelbeni	Gross rental valuation	0.184758	2	8,020	1,482	0	1,482	1,482	0	1,482	2,318
GRV Commercial	Gross rental valuation	0.184758	10	70,824	13,085	0	13,085	13,085	0	13,085	18,009
UV Rural	Unimproved valuation	0.010822	198	109,477,000	1,184,760	1,567	1,186,327	1,184,760	0	1,184,760	1,124,885
UV Mining	Unimproved valuation	0.010822	0	0	0	0	0	0	0	0	(901)
Total general rates			319	110,257,844	1,329,027	5,313	1,334,340	1,329,027	0	1,329,027	1,270,010
Minimum payment		\$									
GRV Kununoppin/Trayning	Gross rental valuation	400	29	13,298	11,600	0	11,600	11,600	0	11,600	11,200
GRV Yelbeni	Gross rental valuation	400	7	2,390	2,800	0	2,800	2,800	0	2,800	2,400
GRV Commercial	Gross rental valuation	400	3	2,650	1,200	0	1,200	1,200	0	1,200	800
UV Rural	Unimproved valuation	400	5	111,000	2,000	0	2,000	2,000	0	2,000	2,000
UV Mining	Unimproved valuation	400	8	73,619	3,200	(562)	2,638	3,200	0	3,200	5,600
Total minimum payments			52	202,957	20,800	(562)	20,238	20,800	0	20,800	22,000
Total general rates and minimum payments			371	110,460,801	1,349,827	4,751	1,354,578	1,349,827	0	1,349,827	1,292,010
Ex-gratia rates		Rate in \$									
Cooperative Bulk Handling		0.0548	1	200,603	11,001		11,001	11,001	0	11,001	11,001
Total amount raised from rates (excluding general rates)			1	200,603	11,001	0	11,001	11,001	0	11,001	11,001
Discounts							(57,575)			(54,000)	(51,273)
Rates Written Off							(67)			0	(7,531)
Total rates							1,307,937			1,306,828	1,244,207
(b) Rates related information											
Rates instalment interest							1,402			1,300	1,455
Rates instalment plan charges							445			450	440
Rates overdue interest							1,744			2,000	6,702

*Rateable Value at time of raising of rate.

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

26. DETERMINATION OF SURPLUS OR DEFICIT

		2024/25 Budget (30 June 2025 carried forward)	2023/24 (30 June 2024 carried forward)
Note	2024/25 (30 June 2025 carried forward)		
	\$	\$	\$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
	0	0	(7,967)
Less: Profit on asset disposals	(24,117)	5,600	1,107
Less: Movement in liabilities associated with restricted cash			
Less: Fair value adjustments to financial assets at fair value through profit or loss	2,663	0	(1,261)
Add: Loss on disposal of assets	3,855	24,103	11,381
Add: Depreciation	2,848,433	2,740,662	2,698,818
10(a)			
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates	4,873	0	12,393
Receivables for employee related provisions	5,809	0	
Employee benefit provisions	(24,212)	0	10,280
Non-cash amounts excluded from operating activities	2,817,304	2,770,365	2,724,751
(b) Surplus or deficit after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
Less: Reserve accounts	28	(1,054,921)	(950,093)
Less: Financial assets at amortised cost - self-supporting loans	4(a)	0	0
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	14	126,013	126,013
- Current portion of lease liabilities	11(b)	1,624	1,624
- Employee benefit provisions		275	29,992
Total adjustments to net current assets		(927,009)	(792,464)
Net current assets used in the Statement of financial activity			
Total current assets		3,608,839	1,489,918
Less: Total current liabilities		(564,676)	(701,914)
Less: Total adjustments to net current assets		(927,009)	(792,464)
Surplus or deficit after imposition of general rates		2,117,154	2,678,056

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

27. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual								Budget			
		Principal at	New loans	Principal	Principal at 30	New loans	Principal	Principal at		Principal at 1	New loans	Principal	Principal at
		1 July 2023	during 2023-24	repayments	June 2024	during 2024-25	repayments	30 June 2025		July 2024	during 2024-25	repayments	30 June 2025
		\$	\$	\$	\$	\$	\$	\$		\$	\$	\$	\$
Loan 69 - Community Recreation Centre		252,795	0	(15,819)	236,976	0	(16,352)	220,624		236,976	0	(16,352)	220,624
Loan 71 - Trayning Aquatic Centre Kiosk		143,289	0	(19,510)	123,779	0	(19,822)	103,957		123,779	0	(19,822)	103,957
Loan 68 - Trayning Unmanned Fuel Site		37,137	0	(18,287)	18,850	0	(18,852)	(2)		18,850	0	(18,850)	0
Loan 70 - Trayning Unmanned Fuel Site		22,968	0	(7,462)	15,506	0	(7,665)	7,841		15,506	0	(7,665)	7,841
Loan 72 - Construct House		200,000	0	(16,501)	183,499	0	(17,195)	166,304		183,498	0	(17,195)	166,303
Loan 73 - Construct Houses		0	200,000	0	200,000	0	(16,168)	183,832		200,000	0	(16,168)	183,832
Loan 74 - GROH House		0	600,000	0	600,000	0	(48,505)	551,495		600,000	0	(48,505)	551,495
Total		656,189	800,000	(77,579)	1,378,610	0	(144,559)	1,234,051		1,378,609	0	(144,557)	1,234,052
Self-supporting loans													
Loan 67 - Bowls Resurfacing		7,842	0	(5,180)	2,662	0	(2,662)	0		2,662	0	(2,662)	0
Total self-supporting loans		7,842	0	(5,180)	2,662	0	(2,662)	0		2,662	0	(2,662)	0
Total borrowings	14	664,031	800,000	(82,759)	1,381,272	0	(147,221)	1,234,051		1,381,271	0	(147,219)	1,234,052

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

Borrowing finance cost payments

Purpose	Loan number	Institution	Interest rate	Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2025	Actual for year ending 30 June 2024
					\$	\$	\$
Loan 69 - Community Recreation Centre	69	WATC*	3.34%	27/06/2036	(9,403)	(8,880)	(10,052)
Loan 71 - Trayning Aquatic Centre Kiosk	71	WATC*	1.59%	15/04/2030	(2,626)	(1,890)	(3,079)
Loan 68 - Trayning Unmanned Fuel Site	68	WATC*	3.07%	9/01/2025	(237)	(1,125)	(968)
Loan 70 - Trayning Unmanned Fuel Site	70	WATC*	2.69%	27/06/2026	(455)	(766)	(710)
Loan 72 - Construct House	72	WATC*	4.16%	26/05/2033	(8,631)	(7,457)	(9,448)
Loan 73 - Construct Houses	73	WATC*	4.59%	30/01/2034	(10,005)	(8,996)	(4,445)
Loan 74 - GROH House	74	WATC*	4.59%	30/01/2034	(30,015)	(26,988)	(13,335)
Total					(61,372)	(56,102)	(42,037)
Self-supporting loans finance cost payments							
Loan 67 - Bowls Resurfacing	67	WATC*	3.69%	3/09/2024	(24)	(249)	(234)
Total self-supporting loans finance cost payments					(24)	(249)	(234)
Total finance cost payments					(61,396)	(56,351)	(42,271)

* WA Treasury Corporation

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

27. BORROWING AND LEASE LIABILITIES (Continued)

(b) Lease liabilities

Purpose	Note	Actual							Budget			
		Principal at	New leases	Principal	Principal at 30	New leases	Principal	Principal at 30	Principal at 1	New leases	Principal	Principal at
		1 July 2023	during 2023-24	repayments	June 2024	during 2024-25	repayments	June 2025	July 2024	during 2024-25	repayments	30 June 2025
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Fujifilm Apeos CS570		7,985	0	(1,481)	6,504	0	(1,551)	4,953	6,504	0	(1,551)	4,953
Total lease liabilities	11(b)	7,985	0	(1,481)	6,504	0	(1,551)	4,953	6,504	0	(1,551)	4,953

Lease finance cost payments

Purpose	Lease number	Institution	Interest rate	Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2025	Actual for year ending 30 June 2024	Lease term
					\$	\$	\$	
Fujifilm Apeos CS570		FinLease	4.46%	30/05/2028	(267)	0	(336)	60 months
Total finance cost payments					(267)	0	(336)	

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

28. RESERVE ACCOUNTS

	2025 Actual opening balance	2025 Actual transfer to	2025 Actual transfer (from)	2025 Actual closing balance	2025 Budget opening balance	2025 Budget transfer to	2025 Budget transfer (from)	2025 Budget closing balance	2024 Actual opening balance	2024 Actual transfer to	2024 Actual transfer (from)	2024 Actual closing balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by council												
(a) Leave Reserve	24,392	5,883	(30,000)	275	24,392	5,600	0	29,992	23,285	1,107	0	24,392
(b) Plant Reserve	1,868	270,199	0	272,067	1,855	127,439	0	129,294	211,241	1,957	(211,330)	1,868
(c) Building Reserve	137,546	5,042	(16,500)	126,088	137,546	3,381	0	140,927	131,306	6,240	0	137,546
(d) Facilities Reserve	245,329	48,027	0	293,356	245,329	45,012	0	290,341	199,510	45,819	0	245,329
(e) Medical Reserve	59,911	2,200	0	62,111	59,911	1,473	0	61,384	57,193	2,718	0	59,911
(f) Rubbish Tip Reserve	159,916	15,877	0	175,793	159,916	13,926	0	173,842	142,750	17,166	0	159,916
(g) Swimming Pool Reserve	72,543	52,688	0	125,231	72,543	51,757	0	124,300	19,695	52,848	0	72,543
(h) Performance & Retention Reserve	0	0	0	0	13	0	0	13	0			0
	701,505	399,916	(46,500)	1,054,921	701,505	248,588	0	950,093	784,980	127,855	(211,330)	701,505

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

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

Name of reserve account	Purpose of the reserve account
Restricted by council	
(a) Leave Reserve	to be used to fund annual and long service leave requirements
(b) Plant Reserve	to be used for the purchase of major plant
(c) Building Reserve	to be used for the construction of housing and other facilities
(d) Facilities Reserve	to be used to provide new facilities to the Shire
(e) Medical Reserve	to be used to maintain the services of a doctor and other medical services
(f) Rubbish Tip Reserve	to be used to upgrade and expand rubbish tips within the Shire
(g) Swimming Pool Reserve	to be used to upgrade the swimming pool and aquatic centre facilities
(h) Performance & Retention Reserve	to be used for a bonus arrangement to assist in personnel fulfilling their contract terms



Auditor General

INDEPENDENT AUDITOR'S REPORT

2025

Shire of Trayning

To the Council of the Shire of Trayning

Opinion

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

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

In my opinion, the financial report :

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

Basis for opinion

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

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

Other information

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

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

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

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

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

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

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

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Matters relating to the electronic publication of the audited financial report

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

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



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