



Annual Report on State Finances

2024-25

September 2025



2024-25

Annual Report on State Finances

SEPTEMBER 2025

Acknowledgement of Country

The Government of Western Australia acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of Aboriginal communities and their cultures; and to Elders past and present.

Enquiries related to this report should be directed by email to info@dtf.wa.gov.au

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2024-25

Annual Report on State Finances

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Foreword

This *Annual Report on State Finances* (ARSF) provides detail on the State's public sector financial results for 2024-25. It includes disclosure of material differences between these outcomes and estimated outcomes contained in the recent 2025-26 Budget, as well as the original 2024-25 Budget.

The *Government Financial Responsibility Act 2000* requires the release of audited whole-of-government financial results, consistent with external reporting requirements, within 90 days of the financial year-end.

For the purposes of this ARSF, 'external reporting requirements' are embodied in Australian Accounting Standards Board (AASB) 1049: *Whole of Government and General Government Sector Financial Reporting*.

All Australian State, Territory and Commonwealth governments publish financial disclosures consistent with AASB 1049, and with the requirements of the Uniform Presentation Framework (UPF). The UPF ensures consistent minimum levels of detail in whole-of-government disclosures. Western Australia's disclosures in this ARSF are consistent with the requirements of AASB 1049, other applicable accounting standards, Government Finance Statistics concepts, sources and methods, and exceed the minimum requirements specified in the UPF.

This ARSF contains information on the Western Australian whole-of-government (and its sub-sectors) for:

- the actual outturn for 2024-25, which is the focus of this report;
- movements relative to the 2024-25 estimated outturn contained in the 2025-26 Budget, released on 19 June 2025;
- movements relative to the 2024-25 Budget estimates, presented to the Legislative Assembly on 9 May 2024 (detailed in Appendix 4);
- material Special Purpose Accounts (Appendix 5);
- quarterly results for June 2025, completing the State's quarterly reporting series for 2024-25 (Appendix 6); and
- the Public Ledger outcomes for the year ending 30 June 2025, which includes the Consolidated Account, the Treasurer's Advance Account, and the Treasurer's Special Purpose Accounts (Appendix 7).

General government sector salary outcomes and expense limit outcomes under Resource Agreements for appropriation-funded agencies are also included in Appendices 8 and 9 respectively.

Unless otherwise indicated, data in this ARSF are rounded to the nearest million dollars (\$m). As a consequence, totals discussed in text and/or shown in tables may not always add due to rounding.

Statement of Responsibility

This ARSF is a statutory requirement of the *Government Financial Responsibility Act 2000*. It contains whole-of-government financial information in the same format as the State's Budget presentations, reflecting applicable Australian Accounting Standards and the Australian Bureau of Statistics' (ABS') accrual Government Finance Statistics standards.

The consolidated financial statements included in this report have been prepared by the Department of Treasury and Finance from information provided by State public sector agencies.

In our opinion, the financial information presented in this report:

- fairly represents the operating results and cash flows of the Government of Western Australia for the year ended 30 June 2025, and the public sector's financial position at 30 June 2025; and
- has been prepared in accordance with Australian Accounting Standard AASB 1049: *Whole of Government and General Government Sector Financial Reporting*, other applicable Australian Accounting Standards (including the Australian Accounting Interpretations), and complies with statistical standards promulgated by the ABS.

At the date of signing, we are not aware of any circumstances which would cause any information included in the financial disclosures in this report to be misleading or inaccurate.



JOANN WILKIE
UNDER TREASURER



MAGDALENA WITTEK
ASSISTANT DIRECTOR
FINANCIAL REPORTING

25 September 2025

Opinion of the Auditor General



Auditor General

INDEPENDENT AUDITOR'S REPORT

2025

Annual Report on State Finances

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Government of Western Australia for the year ended 30 June 2025 which comprise:

- the operating statement, balance sheet, statement of changes in equity and cash flow statement for general government, public non-financial corporations, total non-financial public sector, public financial corporations and total public sector (Appendix 1)
- notes comprising a summary of material accounting policies and other explanatory information (Appendix 1)
- the comparison of final outcomes to the original budget for the year ended 30 June 2025 for the general government sector and total public sector (Appendix 4)
- the public ledger (Appendix 7).

In my opinion, the financial statements are:

- properly drawn up so as to present fairly, in all material respects, the operating results and cash flows of the Government of Western Australia for the year ended 30 June 2025 and the financial position as at the end of that year; and
- prepared in accordance with Australian Accounting Standard AASB 1049 *Whole of Government and General Government Sector Financial Reporting*, other applicable Australian Accounting Standards and the *Government Financial Responsibility Act 2000*.

Basis for opinion

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

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

Other information

The Under Treasurer is responsible for the other information. The other information is the information in the Annual Report on State Finances for the year ended 30 June 2025, but not the financial statements as defined above and my auditor's report.

My opinion on the financial statements 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 statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 have nothing to report in this regard.

Responsibilities of the Under Treasurer for the financial statements

The Under Treasurer is responsible for:

- preparation and fair presentation of the Annual Report on State Finances that includes the preparation of the financial statements in accordance with Australian Accounting Standard AASB 1049 *Whole of Government and General Government Sector Financial Reporting*, other applicable Australian Accounting Standards and the *Government Financial Responsibility Act 2000*
- such internal control as the Under Treasurer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error
- disclosing matters related to going concern, if applicable, and using the going concern basis of accounting, unless this is assessed as not appropriate.

Auditor's responsibilities for the audit of the financial statements

As required by the *Government Financial Responsibility Act 2000*, my responsibility is to express an opinion on the financial statements based on my audit. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are 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 statements. 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 statements 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/ar3.pdf.

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

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 statements

This auditor's report relates to the financial statements of the Government of Western Australia for the year ended 30 June 2025 included on the Department of Treasury and Finance's website. The Department's management is responsible for the integrity of the Department's website. This audit does not provide assurance on the integrity of the Department's website. The auditor's report refers only to the financial statements described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the Annual Report on State Finances. If users of the financial statements are concerned with the inherent risks arising from publication on a website, they are advised to contact the Department to confirm the information contained in the website version.



Caroline Spencer
Auditor General for Western Australia
Perth, Western Australia
25 September 2025

2024-25 Annual Report on State Finances

Financial Results

HIGHLIGHTS

- The general government sector recorded an operating surplus of \$3.7 billion in 2024-25, up \$1.1 billion on the estimated actual in the 2025-26 Budget. This outcome largely reflects earlier than assumed receipt of a \$1 billion DisabilityCare Australia Fund (DCAF) grant. The DCAF grant reimburses the State for costs incurred in prior years as part of the transition to the National Disability Insurance Scheme. The May Budget assumed this grant would be received in 2025-26.
- The State Government's infrastructure program totalled a record \$13.1 billion in 2024-25, a substantial \$1.7 billion (or 15.1%) higher than the previous record in 2023-24. This investment enabled the completion of a range of major public transport projects, including the Yanchep Rail Extension and the Morley-Ellenbrook Line.
- Total public sector net debt at 30 June 2025 was \$30.2 billion, down \$3.4 billion on the expected outturn in the 2025-26 Budget. Western Australia's net debt represented an estimated 6.7% of Gross State Product in 2024-25, well below levels in other jurisdictions and less than half of the recent peak in this ratio in 2017-18.
- Western Australia remains the only State or Territory with a triple-A credit rating from both major international rating agencies. This reflects the Government's strong financial management and the continued strength of the State's domestic economy, which has been underpinned by resilient household consumption and growing dwelling investment.

Introduction¹

The following table summarises the key financial outcomes for 2024-25. A stronger general government operating surplus and lower total public sector net debt has been achieved relative to the estimated actual published in the 2025-26 Budget on 19 June 2025.

KEY BUDGET AGGREGATES					Table 1
Western Australia					
	2023-24	2024-25			
	Actual	Budget	Estimated Actual	Actual	
GENERAL GOVERNMENT SECTOR					
Net Operating Balance (\$m)	4,486	2,603	2,532	3,652	
Revenue (\$m)	45,947	46,194	48,388	49,689	
Revenue Growth (%)	5.4	2.5	5.3	8.1	
Expenses (\$m)	41,461	43,591	45,857	46,037	
Expense Growth (%)	7.7	4.0	10.6	11.0	
TOTAL PUBLIC SECTOR					
Net Debt at 30 June (\$m)	28,173	32,712	33,583	30,172	
Net Debt as a Share of GSP (%) ^(a)	6.2	8.2	7.5	6.7	
Asset Investment Program (\$m)	11,405	12,079	13,711	13,132	
Cash Surplus/Deficit (\$m)	-49	-3,618	-4,826	-1,718	

(a) Estimate for 2024-25 Actual. The final outcome for Gross State Product (GSP) is not available until November 2025.

Note: Columns/rows may not add due to rounding.

¹ This chapter mainly focuses on variations in outcomes between the estimated actual published in the State's 2025-26 Budget and the final outcomes for 2024-25. Comparisons to the original 2024-25 Budget projections (presented to the Legislative Assembly on 9 May 2024) are available in Appendix 4: *Comparison of Final Outcomes to Original Budget for the Year Ending 30 June 2025*.

Key economic parameters for 2024-25 are summarised in the following table.

Table 2

KEY ECONOMIC PARAMETERS
Western Australia

	2023-24	2024-25		
	Actual	Budget	Estimated Actual	Actual
Demand and Output (%) ^{(a)(b)}				
Household Consumption	3.1	2.25	2.0	2.3
Dwelling Investment	4.2	7.5	5.0	6.2
Business Investment	12.7	1.75	-1.0	-0.8
Government Consumption	2.8	4.0	6.0	5.9
Government Investment	16.6	15.0	15.0	9.5
State Final Demand	5.7	3.25	3.25	2.9
Merchandise Exports	-3.7	1.5	-2.25	-4.2
Merchandise Imports	9.1	1.25	1.25	-0.8
Net Exports ^(c)	-7.5	0.25	-3.5	-6.3
Gross State Product ^(d)	0.5	2.0	0.5	0.5
Labour Market (%)				
Population ^{(e)(f)}	3.0	1.8	1.9	1.9
Employment ^(a)	4.1	1.75	3.0	3.1
Unemployment Rate ^(g)	3.7	4.0	3.75	3.7
Participation Rate ^(g)	68.9	68.8	69.0	69.1
Prices (%)				
Consumer Price Index ^{(f)(h)}	4.7	3.0	2.75	2.7
Wage Price Index ^(f)	4.2	3.75	3.75	3.7
Perth Median House Price ^(a)	20.2	4.5	18.0	18.2
Other Key Parameters ^(g)				
Exchange Rate \$US/\$A (cents)	65.6	65.9	64.7	64.8
Iron Ore Price (\$US/t) (CFR)	119.4	75.0	101.4	100.9
Iron Ore Volumes (million dry tonnes) ⁽ⁱ⁾	866	886	858	864
Crude Oil Price (\$US/barrel)	83.6	83.3	72.9	73.4
Interest Rate Assumptions (%) ^(g)				
Public Bank Account Earnings	4.0	4.0	4.5	4.5
Consolidated Account Borrowings	3.5	3.5	3.5	3.6

(a) Annual growth.

(b) Based on State Final Demand and Balance of Payments data published for the June quarter 2025. Actual data for 2024-25 for Gross State Product is not available until 20 November 2025.

(c) Net exports include international trade in both goods and services.

(d) Forecasts for ownership transfer costs, international trade in services and the balancing item are not separately reported.

(e) Actual population figure for 2024-25 is not available until 18 December 2025.

(f) Year-ended growth.

(g) Data expressed as annual average during the financial year.

(h) The CPI growth rates are based on the total index excluding the electricity sub index as a result of the successive Household Electricity Credits provided across the State.

(i) 2024-25 actual is based on preliminary data and is subject to revision.

Note: Statistical outcomes sourced from the Australian Bureau of Statistics are subject to periodic revision by that organisation.

Results Compared to Estimated Actual

General Government Sector

Operating Statement

The general government sector recorded a seventh consecutive operating surplus of \$3.7 billion in 2024-25. The 2024-25 outcome was \$1.1 billion higher than the estimated actual in the 2025-26 Budget, with higher than expected revenue (up \$1.3 billion or 2.7%), partially offset by higher than anticipated expenses (up \$180 million or 0.4%).

Table 3

GENERAL GOVERNMENT Operating Statement

	2023-24	2024-25			
	Actual \$m	Budget \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	Variation on EA \$m (3)=(2)-(1)
REVENUE					
Taxation	13,631	13,577	14,862	14,849	-13
Current grants and subsidies	12,780	14,448	14,369	15,226	857
Capital grants	1,884	3,671	3,209	3,447	238
Sales of goods and services	3,460	3,236	3,477	3,704	227
Interest income	391	342	327	314	-13
Revenue from public corporations					
Dividends	210	1,571	541	518	-23
Tax equivalent income	912	902	894	910	16
Royalty income	11,866	7,773	9,946	9,806	-140
Other	813	674	763	915	152
<i>Total</i>	<i>45,947</i>	<i>46,194</i>	<i>48,388</i>	<i>49,689</i>	<i>1,301</i>
EXPENSES					
Salaries	16,518	17,242	18,230	18,370	141
Superannuation					
Concurrent costs	1,781	2,084	2,103	2,069	-34
Superannuation interest cost	167	200	214	157	-58
Other employee costs	401	524	483	431	-52
Depreciation and amortisation	2,112	2,253	2,300	2,320	19
Services and contracts	3,403	4,086	4,520	3,562	-957
Other gross operating expenses	7,330	6,664	6,852	7,985	1,132
Interest					
Interest on leases	175	139	143	190	47
Other interest	946	819	999	1,017	19
Current transfers	8,068	9,032	9,345	9,159	-186
Capital transfers	560	549	667	776	109
<i>Total</i>	<i>41,461</i>	<i>43,591</i>	<i>45,857</i>	<i>46,037</i>	<i>180</i>
NET OPERATING BALANCE	4,486	2,603	2,532	3,652	1,121

Note: Columns/rows may not add due to rounding.

The following table summarises key changes to the general government sector operating surplus relative to the estimated actual in the 2025-26 Budget. Detail of key movements between the original 2024-25 Budget and the final outcome is available in Appendix 4 of this report.

Table 4

**SUMMARY OF 2024-25 GENERAL GOVERNMENT REVENUE AND EXPENSE
VARIATIONS SINCE THE 2025-26 BUDGET ESTIMATED ACTUAL**

	\$m
NET OPERATING BALANCE - ESTIMATED ACTUAL (2025-26 BUDGET)	2,532
Revenue	
Taxation, comprising:	
- Payroll tax	-44
- Gambling taxes	19
- Motor vehicle taxes	14
- All other taxes	-2
<i>Sub-Total</i>	<i>-13</i>
Commonwealth grants, comprising:	
- Disability services	1,007
- Transport grants	154
- Critical Minerals Advanced Processing Common User Facility	-48
- All other grants	-19
<i>Sub-Total</i>	<i>1,095</i>
Royalty income, comprising:	
- Iron ore royalties	-100
- All other royalty income	-40
<i>Sub-Total</i>	<i>-140</i>
Sales of goods and services	227
Net assets transferred in	147
All other revenue	-15
TOTAL REVENUE	1,301
Expenses	
Transition to National Disability Insurance Scheme	165
WA Health	157
Planning, Lands and Heritage (administered)	125
Justice	73
Offset by:	
- Fire and Emergency Services (administered)	-163
- Education	-152
- Operating Subsidies	-127
- Transport	-98
- Premier and Cabinet (administered)	-89
- Local Government, Sport and Cultural Industries	-81
- Primary Industries	-58
- Minerals Research Institute of WA	-51
Reversal of 2025-26 Budget underspend provision	500
All other expenses	-20
TOTAL EXPENSES	180
TOTAL VARIANCE	1,121
NET OPERATING BALANCE - 2024-25 ANNUAL REPORT ON STATE FINANCES	3,652

Note: Column may not add due to rounding.

Revenue

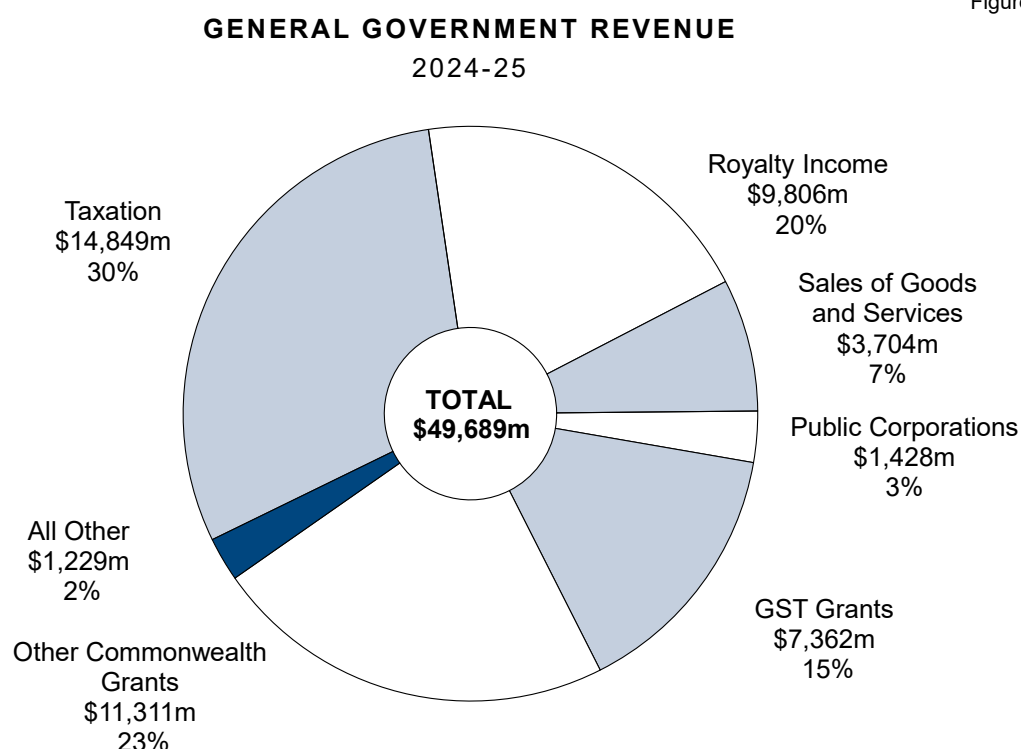
General government revenue totalled \$49.7 billion in 2024-25. This was \$1.3 billion (or 2.7%) higher than the estimated actual in the 2025-26 Budget, with the higher outcome mainly reflecting:

- higher Commonwealth grants revenue (up \$1.1 billion), mainly due to:
 - the bring-forward from 2025-26 of DisabilityCare Australia Fund (DCAF) funding of \$1 billion associated with the State's transition to the full National Disability Insurance Scheme (NDIS);
 - higher transport-related grants (up \$154 million), largely due to higher than anticipated receipts for jointly funded METRONET and road projects, including the Morley-Ellenbrook Line, Thornlie-Cockburn Link, Byford Rail Extension, Manuwarra Red Dog Highway, Tonkin Highway Extension Stage 3 and Albany Ring Road; and
 - delayed receipt of the Commonwealth's contribution towards the establishment of a Critical Minerals Advanced Processing (CMAP) Common User Facility (down \$48 million), which remains subject to finalisation of the associated Commonwealth/State agreement;
- higher sales of goods and services (up \$227 million), including material movements for the Departments of:
 - Energy, Mines, Industry Regulation and Safety (up \$82 million), mainly due to higher than expected industry fees and levies that support the delivery of government services to the resource sector; and
 - Communities (up \$70 million), largely reflecting higher business and operational support services revenue from the Housing Authority²;
- lower royalty income (down \$140 million), mainly due to lower iron ore royalties (down \$100 million or 1.2%), reflecting a lower than expected average iron ore price through the year of \$US100.9 per tonne compared to the \$US101.4 per tonne assumption in the 2025-26 Budget, partially offset by higher than expected volumes; and
- unbudgeted transfer of land reserves to the Department of Planning, Lands and Heritage (\$102 million) by various local governments and external parties, and to the Department of Education by the City of Perth for the Queens Gardens Carpark land (\$33 million).

² In 2024-25, the Department of Communities included general government activities and public housing functions delivered by the Housing Authority (a public non-financial corporation). A portion of shared corporate costs paid for by the general government segment of the Department was recovered as goods and services revenue from the Housing Authority. These arrangements changed after 30 June 2025, following Public Sector Reform changes which took effect from 1 July 2025.

Relative to 2023-24, general government revenue grew by 8.1% in 2024-25, up from the estimated growth of 5.3% in the 2025-26 Budget and the 5.4% increase recorded in 2023-24. This increase largely reflects the earlier than assumed receipt of the Commonwealth's one-off DCAF funding in 2024-25 (\$1 billion)³.

Figure 1



Note: Segments may not add due to rounding.

Expenses

At a total \$46 billion, general government expenses were \$180 million (or 0.4%) higher than estimated actual contained in the 2025-26 Budget. This is due to the net impact of:

- higher expenses for:
 - a \$165 million payment to the Commonwealth associated with the State's transition to the full National Disability Insurance Scheme (which was more than offset by \$1 billion in Commonwealth DCAF funding noted earlier);
 - WA Health (up \$157 million), mainly due to increased staffing costs in response to expanding service demand and higher than expected accrued leave expenses;

³ The NDIS transition in Western Australia began in 2018. A range of transition costs incurred by the States were agreed to be compensated through payment from the DCAF. Western Australia's compensation of \$1 billion was received in June 2025, which was partly offset by the settlement of \$165 million from disputed contributions during the transition period (which are recorded as expenses in 2024-25 and discussed in the next section).

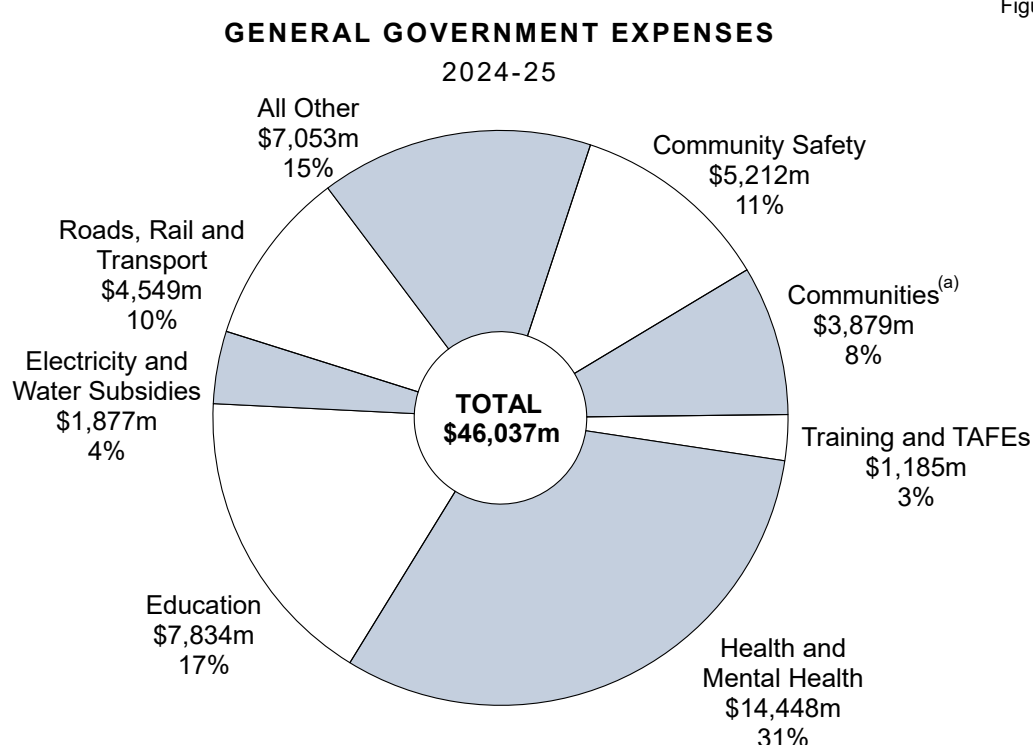
- administered activities of the Department of Planning, Lands and Heritage (up \$125 million), primarily due to higher than expected transfers of land reserves to various local governments, in support of land care and management actions; and
- the Department of Justice (up \$73 million), primarily due to additional expenditure on prison supplies and services (driven by higher than assumed prisoner numbers), rehabilitation and reintegration services purchased from non-government organisations, and building maintenance; and
- lower expenses for:
 - administered costs for the Department of Fire and Emergency Services (down \$163 million), reflecting reduced disaster recovery expenditure as a result of lower than anticipated numbers of claims for eligible natural disasters assistance packages by local governments and other parties during 2024-25;
 - Education (down \$152 million), primarily reflecting slower than assumed staff recruitment outcomes and increase in teacher turnover, partly offset by higher than expected non-salary spending for student support services, as well as resources and specialist equipment required for an increased number of students with higher needs;
 - operating subsidies for public non-financial corporations (down \$127 million), largely reflecting movement in the timing of subsidies provided to Synergy to support the Corporation's financial viability, payments of pensioner and other concessions, and a range of other smaller discrete non-commercial activities listed in the 2025-26 Budget Paper (see list in Table 8.6, page 323, in Appendix 8 of the 2025-26 Budget Paper No. 3: *Economic and Fiscal Outlook*);
 - Transport (down \$98 million), largely due to the retiming to 2025-26 of expensed costs for the Westport and METRONET programs of works, the timing of payments associated with a number of grant programs (including the Driving Access and Equity Program and Regional Airfare Zone Cap scheme), and lower than expected employee costs (primarily as a result of changes to program timings);
 - the Department of the Premier and Cabinet's administered function (down \$89 million), largely due to additional time required to process applications for Stolen Wages Class Action settlement payments (\$76.3 million);
 - lower recurrent spending by Local Government, Sport and Cultural Industries (down \$81 million), mainly due to later timing of capital grant payments including those for the WACA Ground Redevelopment (\$15 million), Keirnan Park Recreation Precinct (\$6 million), and the Kununurra Leisure Centre (\$5 million), and lower than expected maintenance expenditure due to procurement delays (\$8 million);
 - Primary Industries and Regional Development (down \$58 million), largely due to the retiming of delivery on a range of projects, including the Western Australia Agricultural Research Collaboration, Future Drought Fund, Collie Industry Attraction and Development Fund, Implementation of Sheep and Goat Electronic Identification, Southern Rangelands Revitalisation Project Extension and the Carbon Farming and Land Restoration Program; and

- the Minerals Research Institute of WA (down \$51 million), mostly due to delays in the establishment of the CMAP Common-User Facility (which is subject to finalisation of a Commonwealth/State Agreement).

The above spending reductions were largely anticipated by the inclusion in the 2025-26 Budget of a \$500 million global underspend provision.

The following chart shows that almost 70% of general government recurrent spending is associated with frontline services, including health and mental health, education and training, community services and community safety.

Figure 2



(a) The \$3.9 billion for Communities in this chart represents the general government portion of the Department's recurrent spending (with some expenditure from the former Housing Authority remaining within the public non-financial corporations sector for the purpose of whole-of-government reporting).

Note: Segments may not add due to rounding.

Balance Sheet

At \$192.2 billion, the net worth of the general government sector (i.e. the value of total assets less total liabilities) increased by \$21.7 billion over the year to 30 June 2025. This is \$12.9 billion higher than estimated at the time of the 2025-26 Budget, mainly reflecting the net impact of:

- an increase in year-end valuations of general government land and property, plant and equipment assets (up \$4.2 billion and \$3.5 billion respectively, reflecting market price movements and updated valuation methodology applied to restricted assets by the Valuer General);

- stronger general government sector ownership interest in public corporations (up \$3.9 billion), primarily reflecting increases in the net worth of public corporations due to higher land and property, plant and equipment valuations, and direct injections in support of new infrastructure spending by the public non-financial corporations;
- higher liquid cash assets (up \$1.8 billion), mainly driven by the stronger than expected operating surplus and lower than forecast infrastructure spending, leading to higher Public Bank Account cash and investments;
- lower receivables (down \$591 million), mainly reflecting the timing of receipts of Commonwealth funding for infrastructure, taxation assessments, and mining royalties; and
- broadly unchanged total liabilities, reflecting the net impact of:
 - lower borrowings (down \$286 million), mainly due to the receipt of Commonwealth funding by Main Roads (which avoided expected borrowings);
 - increased employee-related liabilities (up \$727 million), with increases in unfunded superannuation (up \$228 million, mainly reflecting movement in the year-end discount rate used to value these obligations) and other employee benefits (up \$498 million, driven by higher leave accruals for WA Health and the Department of Education); and
 - a \$322 million decrease in other liabilities, primarily due to timing of spending obligations that are yet to be paid (including for infrastructure projects by Main Roads and National Redress Scheme costs by the Department of Justice).

Further information on the general government sector balance sheet position relative to the original 2024-25 Budget forecasts can be found in Appendix 4: *Comparison of Final Outcomes to Original Budget for the Year Ending 30 June 2025*.

Cash Flow Statement

The general government sector recorded a sixth consecutive cash surplus of \$2.7 billion in 2024-25. The 2024-25 outcome is \$2.1 billion higher than the estimated actual in the 2025-26 Budget, and mainly reflects:

- higher net operating cashflows (up \$1.9 billion), largely due to the net impact of higher receipts from Commonwealth grants (including DisabilityCare Australia Fund and Transport grants) and the impact on cash of the higher accrual operating surplus outlined earlier; and
- lower infrastructure payments (down \$160 million, see *Asset Investment* section later in this Chapter).

Total Public Sector⁴

Summary

The total public sector recorded a \$3.6 billion operating surplus for 2024-25, \$1.1 billion higher than the estimated actual in the 2025-26 Budget.

The impact on cash from the stronger operating surplus and lower than expected net infrastructure spending (down \$717 million) resulted in a substantial \$3.1 billion lower cash deficit of \$1.7 billion.

Reflecting the lower cash deficit outcome, net debt stood at \$30.2 billion at 30 June 2025. This is \$3.4 billion lower than the estimated actual in the 2025-26 Budget and represents just 6.7% of estimated Gross State Product in 2024-25.

The following table summarises the key financial aggregates for the total public sector.

Table 5

TOTAL PUBLIC SECTOR Summary Financial Aggregates					
	2023-24	2024-25			
	Actual \$m	Budget \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	Variation on EA \$m (3)=(2)-(1)
OPERATING STATEMENT					
Revenue	83,785	85,619	90,700	94,895	4,195
Expenses	77,859	83,929	88,166	91,274	3,108
Net Operating Balance	5,926	1,691	2,534	3,621	1,087
BALANCE SHEET					
Assets	258,763	252,175	268,447	286,389	17,942
Liabilities	88,292	87,404	89,149	94,201	5,052
Net Worth	170,471	164,772	179,298	192,188	12,890
CASH FLOW STATEMENT					
Change in net cash held	-194	-4,058	-4,974	-1,023	3,951
Cash surplus/-deficit	-49	-3,618	-4,826	-1,718	3,108
Memorandum Item: Net Debt	28,173	32,712	33,583	30,172	-3,412

Note: Columns may not add due to rounding.

Operating Statement

An operating surplus of \$3.6 billion was recorded in 2024-25 by the total public sector, \$1.1 billion higher than estimated in the 2025-26 Budget. This outcome reflects the stronger general government operating surplus (up \$1.1 billion discussed earlier), and a higher operating surplus for the public financial corporations (PFC) sector (up \$144 million), partially offset by a lower operating surplus from the public non-financial corporations (PNFC) sector (down \$192 million).

⁴ The total public sector consolidates the general government, public non-financial corporations and public financial corporations sectors. The total public sector is also known as the whole-of-government. Detailed financial disclosures for each of these sectors are contained in Appendix 1: *Financial Statements*.

Table 6

TOTAL PUBLIC SECTOR OPERATING BALANCE**By Sector**

	2023-24		2024-25		Variation on EA \$m (3)=(2)-(1)
	Actual \$m	Budget \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	
Net Operating Balance					
General government sector	4,486	2,603	2,532	3,652	1,121
Public non-financial corporations sector	1,325	633	411	219	-192
Public financial corporations sector	357	24	134	278	144
<i>less</i>					
General government dividend revenue	210	1,571	541	518	-23
Public non-financial corporations dividend revenue ^(a)	35	-	4	13	9
Agency depreciation costs on right of use assets leased from other government sectors ^(b)	-3	-2	-3	-3	- ^(c)
Total public sector net operating balance	5,926	1,691	2,534	3,621	1,087

(a) Dividends received from Keystart (a PFC) by the Housing Authority (a PNFC).

(b) Depreciation costs incurred by agencies for right of use assets leased from other agencies within the same sub-sector of government are eliminated directly on consolidation. Non-cash depreciation costs between internal sectors of government contribute to expenses (and the operating balance) in the sector in which the lessee is classified, but these costs are not matched by a 'depreciation revenue' by the sector in which the lessor is classified. This gives rise to an adjustment against equity for this unmatched internal cost when consolidating the total public sector.

(c) Amounts less than \$0.5 million

Note: Columns/rows may not add due to rounding.

Public Non-Financial Corporations

The PNFC sector recorded a \$219 million operating surplus in 2024-25, \$192 million lower than estimated in the 2025-26 Budget. Significant movements include:

- stronger surplus contributions from:
 - Western Power, resulting from higher than forecast network and services revenue from external customers, partially offset by lower developer contributions due to movements in the timing of a number of projects;
 - the Lotteries Commission, primarily due to higher than forecast sales volumes, largely driven by higher than expected Lotto jackpot levels;
 - Pilbara Ports Authority, mainly reflecting increased rental revenue from properties purchased under the Port Hedland Voluntary Buy-back Scheme, and lower than forecast services and contracts costs, including for maintenance dredging;
 - Southern Ports Authority, largely due to the unexpected return of port assets to the Authority by nickel industry producers; and
 - the Gold Corporation, primarily due to the impact on revenue and expenses from higher than anticipated gold and silver prices, and lower than expected costs to successfully deliver the Anti-Money Laundering Remediation Program in response to the outcome of the 2022 AUSTRAC investigation; and

- the Gold Corporation, primarily due to the impact on revenue and expenses from higher than anticipated gold and silver prices, and lower than expected costs to successfully deliver the Anti-Money Laundering Remediation Program in response to the outcome of the 2022 AUSTRAC investigation; and
- lower contributions from:
 - Synergy, largely due to a reduction in electricity sales revenue from the contestable market driven by lower than assumed new customers and contract renewals; and
 - the Water Corporation, mainly due to higher asset maintenance repair and interest costs, partially offset by higher than expected water consumption revenue and developer contributions.

Public Financial Corporations

An operating surplus of \$278 million was recorded for the PFC sector in 2024-25, up \$144 million on the estimated actual in the 2025-26 Budget. This mainly reflects the net impact of:

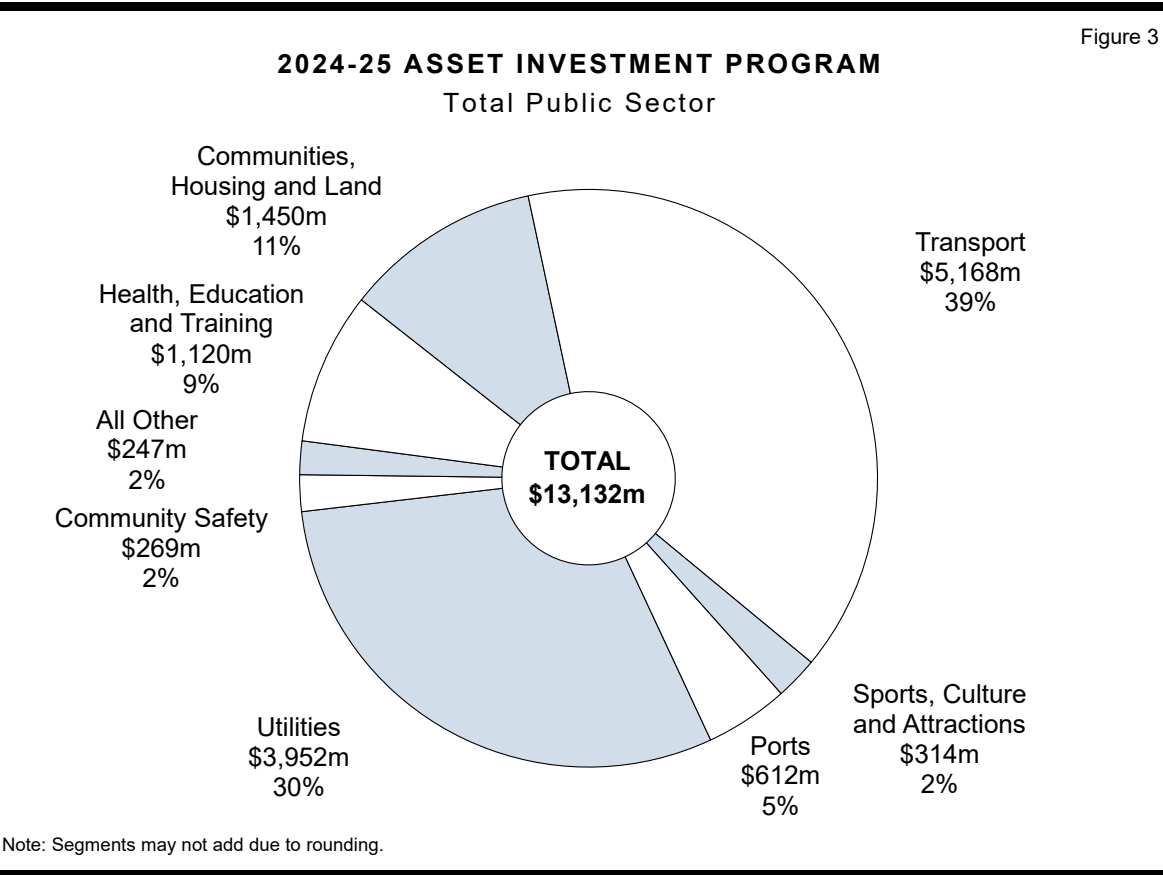
- higher operating profit for the Western Australian Treasury Corporation, mainly due to a stronger margin on interest transactions (i.e. the difference between interest revenue on client borrowings net of interest expense on the Corporation's external borrowings);
- higher profit for the Insurance Commission of Western Australia, mainly due to stronger than forecast investment and underwriting performance; and
- lower profit for the RiskCover Fund, reflecting a higher than assumed increase in the actuarial valuation of estimated future claims costs, partially offset by higher than forecast premium revenue.

Asset Investment

A record \$13.1 billion total public sector infrastructure spend was delivered through the Government's Asset Investment Program (AIP) in 2024-25. This outcome was \$578 million lower than estimated in the 2025-26 Budget, but is a substantial \$1.7 billion (or 15.1%) higher than the previous record spend in 2023-24.

Almost two thirds of the AIP was delivered by public corporations in 2024-25, with total infrastructure spending continuing to focus on rail and transport infrastructure (\$5.2 billion), electricity and water infrastructure (\$4 billion), communities, housing and land (\$1.5 billion), and health, education and training projects (\$1.1 billion).

Figure 3



The 2025-26 Budget included a global provision for underspending for the 2024-25 AIP of \$750 million. Actual underspending by agencies in 2024-25 totalled \$1.3 billion, resulting in the lower than expected AIP outcome to 30 June 2025.

Lower than expected agency spending since the Budget largely reflects outcomes for:

- the Public Transport Authority (down \$300 million), primarily for the impacts of revised construction sequencing across the METRONET program of works, with the associated spending to be retimed to subsequent years to align with the updated schedule of works;
- the Water Corporation (down \$216 million), mainly due to delays in materials procurement and the finalisation of access agreements, and slower than expected progress of works on a range of projects;
- Main Roads (down \$198 million), largely due to lower than expected spending on works associated with Tonkin Gap - Guildford Road to Great Eastern Highway, and Ex-Tropical Cyclone Ellie, and changes to the timing of land acquisition for Thomas and Anketell Roads Freight Upgrade - Stages One and Two Planning;
- WA Health (down \$134 million), mainly due to delays in the deployment of ICT projects and the impact of building conditions affecting a range of construction projects;

- Pilbara Ports Authority (down \$158 million), largely due to slower than expected work at the Lumsden Point General Cargo Facility and Logistics Hub, and at the Dampier Bulk Handling Facility;
- Synergy (down \$108 million), reflecting revised schedules for a number of generation and storage assets;
- Fremantle Port Authority (down \$41 million), due to lower spends on projects including Bollard Replacement, and Kwinana Ports Infrastructure Refurbishment as a result of scheduling delays and restricted access to worksites following a fire incident at Kwinana Bulk Jetty. Spending on the Inner Harbour Refurbishment project was also delayed following scope changes, while final expenditure associated with the KBT Clinker Project has been rescheduled to coincide with the expected commissioning of the asset in 2025-26;
- Western Australian Planning Commission (down \$38 million), mainly due to the deferral of land acquisition for the Metropolitan, Peel, and Greater Bunbury Region Schemes;
- the Department of Finance (down \$33 million), reflecting lower than anticipated vehicle purchases as a result of delivery delays (down \$9 million) and a combination of savings and underspends in various fit-out costs across the Government Office Accommodation portfolio (down \$23 million); and
- the Department of Education (down \$30 million), largely reflecting the net impact of updated project delivery schedules and the associated timing of payments across the Department's infrastructure program.

The following table summarises the material agency movements in AIP spending for 2024-25.

INFRASTRUCTURE INVESTMENT					
	2023-24	2024-25			
	Actual \$m	Budget \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	Variation on EA \$m (3)=(2)-(1)
<i>General Government</i>					
Commissioner of Main Roads	2,245	2,075	2,287	2,089	-198
WA Health	339	864	641	507	-134
Western Australian Planning Commission	58	74	106	68	-38
Finance	134	132	164	131	-33
Education	567	608	585	555	-30
All Other General Government Agencies	654	1,312	964	861	-103
Provision for Asset Investment Program					
Underspending	-	-1,500	-375	-	375
Total General Government	3,997	3,565	4,371	4,211	-160
<i>Public Corporations</i>					
Public Transport Authority	3,424	3,049	3,286	2,986	-300
Water Corporation	874	1,703	1,488	1,271	-216
Port Authorities	355	804	821	612	-209
Synergy (Electricity Generation and Retail Corporation)	691	1,228	1,298	1,190	-108
All Other Public Corporations	2,232	3,380	2,987	2,996	10
Provision for Asset Investment Program					
Underspending	-	-1,500	-375	-	375
Total Public Corporations	7,576	8,663	9,503	9,055	-448
Internal Purchases Between Sectors	-168	-149	-164	-134	30
TOTAL PUBLIC SECTOR	11,405	12,079	13,711	13,132	-578

Balance Sheet

The net worth of the total public sector is identical to that of the general government sector (discussed earlier). This is because the net worth of public corporations is recorded as an asset on the general government sector balance sheet. Net debt is discussed later in this Chapter.

Cash Flow Statement

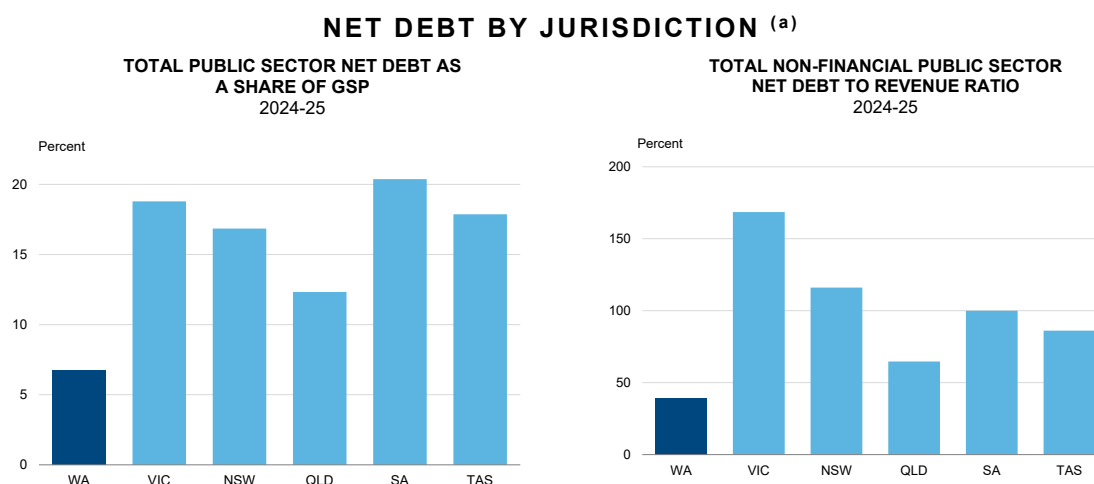
A total public sector cash deficit of \$1.7 billion was recorded in 2024-25, \$3.1 billion lower than the \$4.8 billion deficit forecast in the 2025-26 Budget. This reflects the net impact on cash of stronger operating surpluses across the general government and public corporations sectors, and lower asset investment (see earlier explanation).

Net Debt⁵

Total public sector net debt at 30 June 2025 was \$30.2 billion. This is \$3.4 billion lower than estimated in the 2025-26 Budget, and \$2.5 billion lower than the forecast level of net debt in the original 2024-25 Budget. The lower than expected net debt outcome reflects the net impact of the lower than estimated cash deficit discussed above (in turn due to stronger cash operating outcomes across the general government and public corporations sectors, and lower than forecast infrastructure investment to 30 June 2025 noted in preceding sections), higher holdings of investment assets by the Insurance Commission of Western Australia (which offset borrowings for net debt purposes), and non-cash movements in lease liabilities across the public sector⁶.

As a share of the State's economy (Gross State Product), total public sector net debt was an estimated 6.7% in 2024-25, which is less than half the peak level recorded in 2017-18 and well below levels forecast in 2025-26 Budgets by other States. Western Australia's ratio of total non-financial public sector net debt to revenue (a key net debt affordability metric) is the lowest of all other States.

Figure 4



(a) Source: 2024-25 ARSF (Western Australia). 2025-26 Budgets (all other jurisdictions).

While lower than expected at 30 June 2025, net debt increased by \$2 billion compared with the equivalent level at 30 June 2024.

⁵ Net debt consists of the State's gross debt liabilities (including borrowings, deposits held, leases, etc.), less cash and other liquid assets (cash holdings and investments, loans and advances to other sectors, etc.).

⁶ Leases are recorded as a form of borrowing in accordance with AASB 16: *Leases* and are included as debt liabilities for the purposes of calculating net debt.

Table 8

TOTAL PUBLIC SECTOR NET DEBT
At 30 June

	2024	2025	Change in Net Debt
	\$m	\$m	\$m
Leases and Service Concession Liabilities	3,736	3,887	151
Other Borrowings:			
Consolidated Account	22,887	22,887	-
Western Power	7,605	7,990	385
Water Corporation	4,402	4,304	-98
Western Australian Treasury Corporation ^(a)	5,005	7,677	2,672
Public Transport Authority	4,425	4,152	-273
Housing Authority	2,654	1,978	-675
Horizon Power	883	878	-5
Synergy	198	477	280
Main Roads	687	457	-230
Education	400	409	9
WA Sports Centre Trust	328	317	-11
All Other Agency Borrowings	892	672	-220
Deposits Held and Advances	276	322	46
less: Liquid Financial Assets	26,205	26,237	-32
Total Public Sector Net Debt at 30 June	28,173	30,171	1,998

(a) WATC borrowings excluding borrowings reported by agencies. Includes forward lending creditors (financial instrument transactions undertaken prior to 30 June 2025 and due for settlement after 30 June 2025) and borrowings supporting assets held for liquidity management purposes (with broadly equivalent assets held in Liquid Financial Assets in this table).

The following table reconciles movements in net debt at 30 June 2025 relative to the 2025-26 Budget.

Table 9	
SUMMARY OF TOTAL PUBLIC SECTOR NET DEBT VARIATIONS SINCE 2025-26 BUDGET	
	\$m
2025-26 Budget - Total Public Sector Net Debt	33,583
<i>Less change in net cash flows from operating activities and dividends paid</i>	
- General government	1,891
- Public non-financial corporations	268
- Public financial corporations	221
- Internal transactions	11
<i>Total Public Sector</i>	<i>2,390</i>
<i>Plus purchases of non-financial assets</i>	
- Public Transport Authority	-300
- Water Corporation	-216
- Commissioner of Main Roads	-198
- Pilbara Ports Authority	-158
- WA Health	-134
- Synergy	-108
- Fremantle Port Authority	-41
- Western Australian Planning Commission	-38
- Finance	-33
- Education	-30
- Underspend Provision	750
- All other	-73
<i>Total purchases of non-financial assets</i>	<i>-578</i>
<i>Less proceeds from sale of non-financial assets</i>	<i>139</i>
<i>Plus all other financing transactions ^(a)</i>	<i>-304</i>
<i>Cumulative impact on net debt at 30 June</i>	<i>-3,412</i>
2024-25 Annual Report on State Finances - Total Public Sector Net Debt	30,172
(a) Includes changes in lease liabilities and other movements in net debt attributable to issues such as revaluations of investment assets and debt liabilities, net acquisitions of financial assets for liquidity purposes, etc. These transactions have no associated operating or infrastructure cash flows reflected in other items in this table. Lease movements are matched by changes in (non-debt) related right-of-use assets and have no associated operating or infrastructure cash flows reflected in other items in this table.	

Financial Targets

The *Government Financial Responsibility Act 2000* requires that the Government report on performance against its medium-term financial targets each year in the *Annual Report on State Finances*.

The targets set out in the Government's 2024-25 Budget were to:

- maintain a net operating surplus for the general government sector on average over the forward estimates period;
- maintain disciplined general government expense management by:
 - delivering public sector wage outcomes in line with the Government's wages policy; and
 - ensuring key service delivery agency recurrent spending outcomes are in line with budgeted expense limits in Resource Agreements; and
- maintain or increase the net worth (i.e. net assets) of the total public sector.

As expected at the time of the 2025-26 Budget, all of the Government's financial targets were met in 2024-25 except for the expense management target (see summary table below). While the expense target was not met, the general government sector returned a larger than expected operating surplus, lower than expected net debt, and a substantially higher than forecast increase in net worth. Performance against each target is described in further detail in the remainder of this section.

Table 10

2024-25 FINANCIAL TARGETS

	2024-25 Budget	2025-26 Budget Estimated Actual	Actual
Maintain a net operating surplus for the general government sector on average over the forward estimates period			
- General government net operating balance (\$m)	2,603	2,532	3,652
- Target Met	Yes	Yes	Yes
Maintain disciplined general government expense management through:			
- delivering public sector wage outcomes in line with Government wages policy			
- Target Met	Yes	Yes	Yes
- ensuring key service delivery agency recurrent spending outcomes are in line with budgeted expense limits			
- Target Met	Yes	No	No
Maintain or increase net worth of the total public sector			
- Total public sector net worth (\$b)	164.8	179.3	192.2
- Target Met	Yes	Yes	Yes

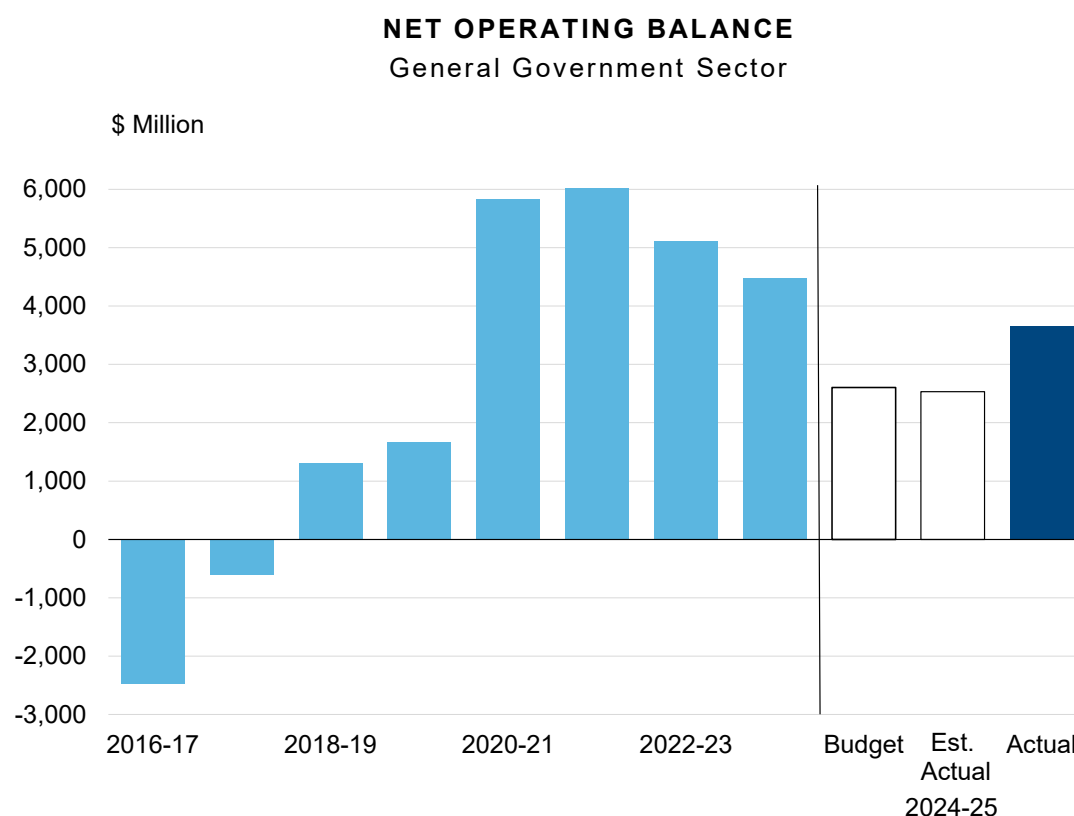
Performance Against Financial Targets

Maintain a Net Operating Surplus⁷ for the General Government Sector on Average over the Forward Estimates Period

The general government sector met this target in 2024-25 by recording an operating surplus of \$3.7 billion. This is the seventh consecutive general government operating surplus.

As noted earlier in this Chapter, higher revenue (up \$1.3 billion or 2.7%), partially offset by higher expenses (up \$180 million or 0.4%), has driven the stronger surplus outcome for 2024-25.

Figure 5



Operating surpluses are an important non-debt source of funding for the Government's record Asset Investment Program.

⁷ The net operating balance is an accrual-based measure of the day-to-day operations of the general government sector (excluding capital spending on infrastructure). An operating surplus indicates that the Government can sustainably deliver day-to-day services, financing recurrent costs from revenue generated in that financial year.

Maintain Disciplined General Government Expense Management

This target was partially met in 2024-25. Negotiated wage outcomes in 2024-25 were consistent with the Government's wages policy. However, two of the sector's largest spending agencies exceeded approved expense limits by more than 2%.

Deliver public sector wage outcomes in line with the Government's wages policy

Salaries and concurrent superannuation costs are the single largest expense for the general government sector, together representing over 44% of recurrent spending in 2024-25.

Agreements that have settled or have been agreed in-principle in the year to 30 June 2025 were in line with the Government's wages policy. Three key industrial agreements, for Public Transport Authority Salaried Officers, WA Police Auxiliary Officers and Firefighters, were subject to ongoing negotiations at 30 June 2025.

Table 11

INDUSTRIAL AGREEMENTS (a)

Agreement	Employees	Expiry Date	Status in 2024-25
2013-14			
School Traffic Wardens	546	1 April 2014	Under negotiation ^(b)
2023-24			
School Teachers and Administrators	34,500	5 Dec 2023	Registered ^(c)
TAFE Lecturers	2,904	15 Dec 2023	Registered ^(c)
VenuesWest	575	31 Dec 2023	Registered ^(c)
Arts and Culture Trust Venues Management	349	31 Dec 2023	Registered ^(c)
Main Roads (CSA)	1,333	31 Jan 2024	Registered ^(c)
Prison Officers	2,951	10 June 2024	Registered ^(c)
Youth Custodial Officers	370	12 June 2024	Agreed in-principle ^(d)
Public Servants and Government Officers	35,800	12 June 2024	Registered ^(c)
School Support Officers	5,482	12 June 2024	Registered ^(c)
Disability Services Social Trainers	445	12 June 2024	Registered ^(c)
Insurance Commission (Government Officers)	495	12 June 2024	Registered ^(c)
WA Health PACTS (Health Salaried Officers)	23,993	30 June 2024	Registered ^(c)
WA Police	7,286	30 June 2024	Registered ^(c)
AWU Miscellaneous Public Sector Employees	561	30 June 2024	Agreed in-principle ^(d)
2024-25			
Hospital Support Workers	5,468	4 Aug 2024	Registered
Medical Practitioners	7,810	2 Sept 2024	Registered
Enrolled Nurses	4,364	6 Oct 2024	Registered
Registered Nurses	22,543	11 Oct 2024	Registered
PTA Salaried Officers	1,326	26 Oct 2024	Under negotiation
Police Auxiliary Officers	360	1 Nov 2024	Under negotiation
Education Assistants	13,234	31 Dec 2024	Registered
Government Services (Miscellaneous)	4,880	31 Dec 2024	Registered
PTA Railcar Drivers	365	16 Mar 2025	Agreed in-principle ^(d)
Firefighters	1,250	9 Jun 2025	Under negotiation
Child Protection Officers ^(e)	2,254	N/A	Registered

(a) For materiality purposes, this table includes large key agreements only and excludes smaller agreements that cover less than 300 employees.

(b) Agreement not renegotiated since 2014, as salaries and conditions agreed under the Public Sector CSA Agreement automatically flow through to school traffic wardens. However, the agreement for school traffic wardens is now to be separately and regularly negotiated.

(c) Registered in 2024-25.

(d) Registered in 2025-26.

(e) New agreement.

Ensure key service delivery agency recurrent spending outcomes are in line with budgeted expense limits in Resource Agreements

This target is met when the 15 largest appropriation-funded agencies remain within 2% of approved expense limits for the financial year. All but two of the 15 largest centrally-funded agencies achieved spending outcomes in line with, or below, expense limits approved for the expected actual for 2024-25 contained in the 2025-26 Budget. The agencies that did not meet this target were:

- Justice (up \$75 million or 3.3%), reflecting additional expenditure on prison supplies and services (driven by the higher prison population), rehabilitation and reintegration services purchased from non-government organisations, and building maintenance; and
- Finance (up \$94 million or 5%), largely reflecting increased expenditure in supplies and services related to the whole-of-government capital works program.

Table 12

AGENCY RECURRENT SPENDING OUTCOMES ^(a)
2024-25

	Resource Agreement ^(b)	Transfers Since Approved Limit ^(c)	Revised Limit	Outcome for Target	Variance from Revised Limit	
	\$m	\$m	\$m	\$m	\$m	%
			(1)	(2)	(3)	(4)=(3)/(1)
WA Health	13,909	24.3	13,933	14,109	176	1.3
Education	7,337	-	7,337	7,232	-106	-1.4
Communities	3,076	-	3,076	3,090	14	0.5
Public Transport Authority	2,441	-	2,441	2,435	-7	-0.3
Commissioner for Main Roads	2,376	-	2,376	2,346	-31	-1.3
Justice	2,277	-	2,277	2,351	75	3.3
Western Australia Police Force	2,163	-	2,163	2,182	19	0.9
Finance	1,898	-	1,898	1,992	94	5.0
Mental Health Commission	1,516	-	1,516	1,506	-10	-0.7
Training and Workforce Development	1,009	-	1,009	1,007	-2	-0.2
Transport	827	-	827	730	-96	-11.7
Local Government, Sport and Cultural Industries	728	-	728	578	-151	-20.7
Primary Industries and Regional Development	697	-	697	641	-56	-8.1
Fire and Emergency Services	660	-	660	662	3	0.4
Biodiversity, Conservation and Attractions	645	0.3	646	597	-49	-7.6

(a) The target is met when recurrent spending outcomes for the 15 largest appropriation-funded agencies are no more than 2% higher than the amount approved for Resource Agreements for the year.

(b) Approved 2024-25 Total Cost of Services reflected in the 2025-26 Budget.

(c) Detailed in Appendix 7: *Public Ledger*.

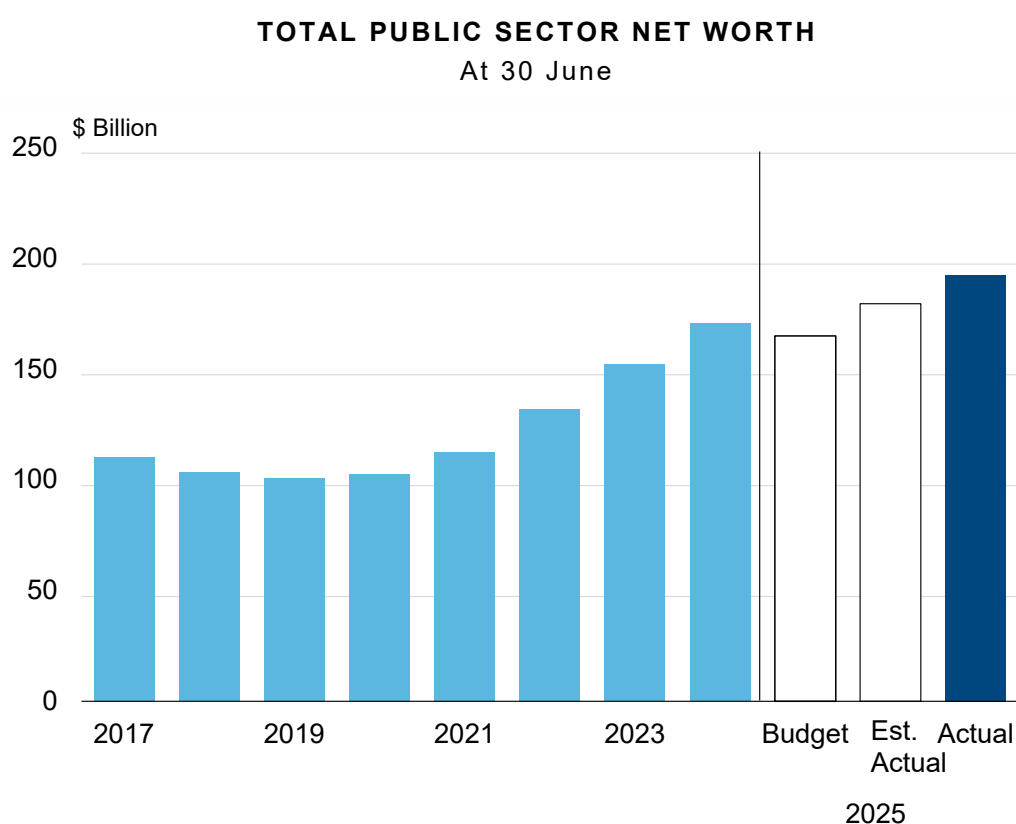
Note: Columns/rows may not add due to rounding

Maintain or Increase the Net Worth (i.e. Net Assets) of the Total Public Sector

This target was met in 2024-25. Public sector net worth increased from \$170.5 billion at 30 June 2024 to \$192.2 billion at 30 June 2025.

This increase largely reflects the impact of higher than expected cash operating surpluses across the general government and public corporations sectors, and increases in the value of physical assets held by the general government and public corporations sectors (particularly land, building and other property, plant and equipment assets).

Figure 6



Financial Statements

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Introduction

Financial information presented in this Appendix has been prepared in accordance with Australian Accounting Standards and pronouncements, in particular AASB 1049: *Whole of Government and General Government Sector Financial Reporting*, and requirements under section 14A(3) of the *Government Financial Responsibility Act 2000*. The formats used in this report are the same as those used in the 2024-25 and 2025-26 Budget Papers presented to the Legislative Assembly on 9 May 2024 and 19 June 2025 respectively, facilitating comparisons between estimates and outturns.

These financial statements (Operating Statement, Balance Sheet, Statement of Changes in Equity and Cash Flow Statement) also comply with Uniform Presentation Framework (UPF) disclosure requirements by reporting the finances of all sub-sectors of government. These sub-sectors are:

- the general government sector;
- the public non-financial corporations sector;
- the total non-financial public sector, representing the consolidation of the general government sector and the public non-financial corporations sector;
- the public financial corporations sector; and
- the total public sector (or whole-of-government).

Other UPF disclosure requirements are included in the notes to the financial statements, and in Appendices 2 and 3 of this report.

Table 1.1

GENERAL GOVERNMENT (a)
Operating Statement

	Notes	2023-24	2024-25				Actual \$m (2)	Variation on EA \$m (2) - (1)
		\$m	Budget Year \$m	MYR Revision \$m	PFPS Revision \$m	Estimated Actual (EA) \$m (1)		
RESULTS FROM TRANSACTIONS								
REVENUE								
Taxation		13,631	13,577	14,607	14,747	14,862	14,849	-13
Current grants and subsidies		12,780	14,448	15,065	14,338	14,369	15,226	857
Capital grants		1,884	3,671	3,124	3,078	3,209	3,447	238
Sales of goods and services		3,460	3,236	3,374	3,374	3,477	3,704	227
Interest income		391	342	341	335	327	314	-13
Revenue from public corporations								
Dividends from other sectors		210	1,571	1,502	1,502	541	518	-23
Tax equivalent income		912	902	914	914	894	910	16
Royalty income		11,866	7,773	9,408	10,023	9,946	9,806	-140
Other		813	674	695	711	763	915	152
Total	6	45,947	46,194	49,028	49,021	48,388	49,689	1,301
EXPENSES								
Salaries		16,518	17,242	18,059	18,063	18,230	18,370	141
Superannuation								
Concurrent costs		1,781	2,084	2,084	2,084	2,103	2,069	-34
Superannuation interest cost		167	200	210	209	214	157	-58
Other employee costs		401	524	409	409	483	431	-52
Depreciation and amortisation	7	2,112	2,253	2,278	2,278	2,300	2,320	19
Services and contracts		3,403	4,086	4,592	4,597	4,520	3,562	-957
Other gross operating expenses	8	7,330	6,664	6,868	6,809	6,852	7,985	1,132
Interest	9							
Interest on leases		175	139	140	140	143	190	47
Other interest		946	819	941	953	999	1,017	19
Current transfers	10	8,068	9,032	9,776	9,676	9,345	9,159	-186
Capital transfers	10	560	549	576	612	667	776	109
Total		41,461	43,591	45,932	45,830	45,857	46,037	180
NET OPERATING BALANCE (b)		4,486	2,603	3,097	3,190	2,532	3,652	1,121
Other economic flows - included in the operating result								
Net gains on assets/liabilities		-121	-98	-49	-49	-70	8	78
Provision for doubtful debts		-20	-14	-14	-14	-14	-51	-37
Changes in accounting policy/adjustment of prior periods		-168	-	-	-	-	4	4
Total other economic flows		-310	-112	-64	-64	-84	-39	45
OPERATING RESULT		4,176	2,491	3,033	3,127	2,447	3,613	1,166
All other movements in equity								
Items that will not be reclassified to operating result								
Revaluations		5,718	1,848	1,001	1,012	2,754	11,629	8,876
Net actuarial gains/-loss - superannuation		188	109	175	172	200	-85	-285
Gains recognised directly in equity		-	-45	-	-	-1	-	1
Change in net worth of the public corporations sectors		8,411	753	1,162	1,017	3,428	6,560	3,133
All other		-	-	-	-	-	-	-
Total all other movements in equity		14,318	2,665	2,338	2,201	6,380	18,104	11,724
TOTAL CHANGE IN NET WORTH (c)		18,494	5,157	5,371	5,327	8,827	21,717	12,890
KEY FISCAL AGGREGATES								
NET OPERATING BALANCE		4,486	2,603	3,097	3,190	2,532	3,652	1,121
Less Net acquisition of non-financial assets								
Purchase of non-financial assets		3,997	3,565	3,718	4,238	4,371	4,211	-160
Changes in inventories		-9	-	-	-	-	-21	-21
Other movement in non-financial assets		22	-	-	-	-	-10	-10
less:								
Sales of non-financial assets		60	104	108	108	67	73	6
Depreciation		2,112	2,253	2,278	2,278	2,300	2,320	19
Total net acquisition of non-financial assets		1,838	1,208	1,332	1,852	2,004	1,786	-217
NET LENDING/-BORROWING		2,648	1,395	1,764	1,339	528	1,866	1,338

(a) The accompanying notes form part of these financial statements.

(b) Also known as the 'Net Result from Transactions'.

(c) Also known as the 'Comprehensive Result'.

Note: Columns/rows may not add due to rounding.

Table 1.2

GENERAL GOVERNMENT (a)
Balance Sheet at 30 June

		2024	2025					
	Notes	Actual \$m	Budget Year \$m	MYR Revision \$m	PFPS Revision \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	Variation on EA \$m (2) - (1)
ASSETS								
Financial assets								
Cash and deposits		2,510	1,511	1,704	1,705	2,422	3,571	1,149
Advances paid		665	902	861	861	724	737	13
Investments, loans and placements		7,331	3,972	4,223	3,007	2,873	3,478	605
Receivables	11	5,635	4,275	5,110	5,419	5,694	5,102	-591
Shares and other equity								
Investments in other public sector entities - equity method		63,104	57,847	64,266	64,121	66,531	69,664	3,133
Investments in other public sector entities - direct injections		19,267	25,073	24,279	24,279	23,754	24,552	797
Investments in other entities		57	49	89	89	78	69	-9
Other financial assets		9	10	9	9	9	10	-
Total financial assets		98,580	93,640	100,542	99,492	102,086	107,183	5,097
Non-financial assets								
Land	12	46,524	47,727	47,837	47,839	49,535	53,693	4,158
Property, plant and equipment	13,14	65,653	64,537	67,681	68,203	68,546	72,089	3,543
Right of use assets	16,17	2,384	2,395	2,545	2,545	2,530	2,525	-5
Service concession assets	18	1,067	939	1,022	1,022	1,027	1,180	153
Biological assets	19	6	9	6	6	6	9	4
Inventories	20							
Land inventories		-	-	-	-	-	-	-
Other inventories		243	231	243	243	243	221	-21
Intangibles	21	726	708	785	785	763	795	33
Assets classified as held for sale	22	22	20	17	17	17	24	7
Investment property	23		-	-	-	-	2	2
Other		412	426	496	500	511	428	-83
Total non-financial assets		117,036	116,991	120,630	121,158	123,176	130,967	7,791
TOTAL ASSETS		215,616	210,631	221,172	220,650	225,263	238,151	12,888
LIABILITIES								
Deposits held		2,728	4,727	3,460	2,980	3,438	3,316	-122
Advances received		256	404	337	337	248	288	39-
Borrowings	24							
Lease liabilities		2,738	2,796	2,910	2,910	2,916	2,879	-37
Service concession liabilities		-	-	-	-	-	-	-
Other borrowings		24,436	23,755	23,934	23,934	24,445	24,197	-249
Superannuation	25	4,137	4,170	3,831	3,833	3,795	4,023	228
Other employee benefits	26	4,775	4,527	4,805	4,805	4,757	5,255	498
Payables		2,977	2,615	2,980	2,977	3,048	3,010	-38
Other liabilities	27	3,098	2,866	3,074	3,075	3,316	2,994	-322
TOTAL LIABILITIES		45,145	45,860	45,330	44,851	45,964	45,962	-2
NET ASSETS		170,471	164,772	175,842	175,799	179,298	192,188	12,890
Of which:								
Contributed equity		-	-	-	-	-	-	-
Accumulated surplus		29,848	32,172	33,153	33,281	32,637	33,378	741
Other reserves		140,623	132,600	142,689	142,518	146,661	158,811	12,149
NET WORTH		170,471	164,772	175,842	175,799	179,298	192,188	12,890
MEMORANDUM ITEMS								
Net financial worth		53,435	47,780	55,212	54,641	56,122	61,221	5,099
Net financial liabilities		28,936	35,140	33,334	33,759	34,163	32,995	-1,169
Net debt								
Gross debt liabilities		30,158	31,683	30,641	30,161	31,049	30,680	-369
less: liquid financial assets		10,507	6,385	6,788	5,574	6,019	7,787	1,768
Net debt		19,651	25,298	23,853	24,587	25,029	22,893	-2,136

(a) The accompanying notes form part of these financial statements.

Note: Columns/rows may not add due to rounding.

Table 1.3

GENERAL GOVERNMENT
Statement of Changes in Equity

	Asset Revaluation Surplus \$m	Accumulated net gain on equity investments in other sector entities \$m	Accumulated Surplus/deficit \$m	Total Equity \$m
<i>Balance at 1 July 2023</i>	71,786	54,693	25,498	151,977
Operating result	-	-	4,176	4,176
All other movements in equity	5,733	8,411	174	14,318
<i>Total change in net worth</i>	5,733	8,411	4,350	18,494
Balance at 30 June 2024	77,519	63,104	29,848	170,471
<i>Balance at 1 July 2024</i>	77,519	63,104	29,848	170,471
Operating result	-	-	3,613	3,613
All other movements in equity	11,628	6,560	-84	18,104
<i>Total change in net worth</i>	11,628	6,560	3,529	21,717
Balance at 30 June 2025	89,147	69,664	33,378	192,188

Note: Columns/rows may not add due to rounding.

Table 1.4

GENERAL GOVERNMENT (a)
Cash Flow Statement

		2023-24	2024-25						
	Notes	Actual \$m	Budget Year \$m	MYR Revision \$m	PFPS Revision \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	Variation on EA \$m (2) - (1)	
CASH FLOWS FROM OPERATING ACTIVITES									
Cash received									
Taxes received		13,444	13,594	14,623	14,764	14,884	14,796	-88	
Grants and subsidies received		17,024	20,634	20,935	19,877	20,241	21,556	1,315	
Receipts from sales of goods and services		3,704	3,214	3,365	3,365	3,464	3,868	404	
Interest receipts		354	342	341	335	328	341	13	
Dividends and tax equivalents		1,034	2,453	2,458	2,458	1,471	1,393	-79	
Other		14,802	10,258	12,127	12,458	12,110	12,901	791	
Total cash received		50,362	50,494	53,848	53,256	52,497	54,855	2,358	
Cash Paid									
Wages, salaries and supplements, and superannuation		-18,259	-19,531	-20,441	-20,445	-20,694	-20,398	296	
Payments for goods and services		-11,251	-11,393	-12,072	-12,043	-11,977	-12,059	-82	
Interest paid		-1,044	-952	-1,068	-1,079	-1,134	-1,150	-16	
Grants and subsidies paid		-10,424	-11,464	-12,359	-12,016	-11,614	-11,486	128	
Dividends and tax equivalents		-	-	-	-	-	-	-	
Other payments		-2,659	-1,962	-2,093	-2,070	-2,170	-2,963	-793	
Total cash paid		-43,638	-45,301	-48,033	-47,653	-47,590	-48,057	-467	
NET CASH FLOWS FROM OPERATING ACTIVITIES	28	6,724	5,193	5,815	5,604	4,907	6,799	1,891	
CASH FLOWS FROM INVESTING ACTIVITES									
Cash flows from investments in non-financial assets									
Purchase of non-financial assets		-3,997	-3,565	-3,718	-4,238	-4,371	-4,211	160	
Sales of non-financial assets		60	104	108	108	67	73	6	
Total cash flows from investments in non-financial assets		-3,938	-3,461	-3,610	-4,130	-4,304	-4,138	166	
Cash flows from investments in financial assets									
Cash received									
For policy purposes		71	10	10	10	10	27	17	
For liquidity purposes		64	65	72	72	76	83	8	
Cash paid									
For policy purposes		-3,746	-5,880	-5,817	-5,817	-5,393	-5,210	184	
For liquidity purposes		-97	-79	-173	-173	-126	-93	33	
Total cash flows from investments in financial assets		-3,708	-5,884	-5,909	-5,909	-5,433	-5,192	241	
NET CASH FLOWS FROM INVESTING ACTIVITIES		-7,646	-9,344	-9,519	-10,039	-9,737	-9,330	408	
CASH FLOWS FROM FINANCING ACTIVITES									
Cash received									
Advances received		18	25	25	25	25	18	-7	
Borrowings		619	115	316	316	833	65	-768	
Deposits received		936	721	732	252	710	574	-136	
Other financing receipts		286	33	4	4	21	483	462	
Total cash receipts from financing activities		1,858	895	1,077	597	1,590	1,140	-449	
Cash paid									
Advances paid		-18	-25	-25	-25	-25	-18	7	
Borrowings repaid		-50	-304	-804	-804	-810	-292	518	
Deposits paid		-1	-	-	-	-	-	-	
Other financing payments		-765	-393	-401	-404	-414	-988	-575	
Total payments for financing activities		-833	-722	-1,230	-1,233	-1,249	-1,298	-49	
NET CASH FLOWS FROM FINANCING ACTIVITIES		1,025	173	-153	-636	341	-158	-499	
Net increase in cash and cash equivalents		103	-3,979	-3,858	-5,072	-4,489	-2,690	1,800	
Cash and cash equivalents at the beginning of the year		9,093	9,160	9,196	9,196	9,196	9,196	-	
Cash and cash equivalents at the end of the year	29	9,196	5,182	5,338	4,124	4,707	6,506	1,800	
KEY FISCAL AGGREGATES									
Net cash flow s from operating activities									
Net cash flow s from investing in non-financial assets		-3,938	-3,461	-3,610	-4,130	-4,304	-4,138	166	
Cash surplus/-deficit		2,787	1,732	2,205	1,473	603	2,661	2,057	

(a) The accompanying notes form part of these financial statements.

Note: Columns/rows may not add due to rounding.

Table 1.5

PUBLIC NON-FINANCIAL CORPORATIONS
Operating Statement

	2023-24	2024-25					
	Actual	Budget	MYR	PFPS	Estimated		Variation
	\$m	Year	Revision	Revision	Actual (EA)	Actual	on EA
		\$m	\$m	\$m	\$m	\$m	\$m
					(1)	(2)	(2) - (1)
RESULTS FROM TRANSACTIONS							
REVENUE							
Current grants and subsidies	4,020	4,143	4,720	4,723	4,692	4,496	-196
Capital grants	314	336	380	386	443	388	-55
Sales of goods and services	38,101	40,855	40,741	40,743	42,701	45,774	3,073
Interest Income	343	282	294	294	341	356	15
Other	606	575	584	584	619	731	113
Total	43,384	46,192	46,719	46,730	48,796	51,746	2,950
EXPENSES							
Salaries	1,524	1,667	1,628	1,628	1,661	1,690	29
Superannuation							
Concurrent costs	168	201	188	188	192	195	3
Superannuation interest cost	-	-	-	-	-	-	-
Other employee costs	68	38	49	49	55	70	14
Depreciation and amortisation	3,270	3,503	3,539	3,539	3,547	3,694	147
Services and contracts	994	1,016	1,063	1,063	1,101	1,090	-11
Other gross operating expenses	32,433	35,597	35,813	35,958	37,826	40,673	2,847
Interest							
Interest on leases	72	76	72	72	74	74	-
Other interest	845	686	801	810	822	845	23
Tax equivalents	756	875	880	880	813	805	-8
Current transfers	1,896	1,888	2,264	2,264	2,265	2,360	95
Capital transfers	32	11	26	26	30	33	3
Total	42,059	45,559	46,322	46,476	48,385	51,527	3,142
NET OPERATING BALANCE (a)	1,325	633	397	254	411	219	-192
Other economic flows - included in the operating result							
Net gains on assets/liabilities	-98	-182	-162	-164	-120	-90	30
Provision for doubtful debts	-14	-50	-50	-50	-49	-10	39
Changes in accounting policy/adjustment of prior periods	44	-	-	-	-	-48	-48
Total other economic flows	-68	-231	-212	-214	-169	-148	20
OPERATING RESULT	1,257	401	185	40	242	71	-172
Other non-owner movements in equity							
Items that will not be reclassified to operating result							
Revaluations	7,007	1,718	2,373	2,373	3,450	6,349	2,899
Net actuarial gains/-loss - superannuation	-27	1	1	1	3	-41	-44
Gains recognised directly in equity	-	-1	-1	-1	-1	-	1
All other	-	-	-	-	-	-	-
Total other non-owner movements in equity	6,980	1,718	2,373	2,373	3,452	6,308	2,856
Movements in owner equity							
Dividends	-5	-1,503	-1,421	-1,421	-461	-436	25
Capital injections	3,787	5,901	5,013	5,013	4,561	5,285	724
Total movements in owner equity	3,781	4,398	3,592	3,591	4,100	4,849	749
TOTAL CHANGE IN NET WORTH (b)	12,018	6,518	6,150	6,004	7,795	11,228	3,433
KEY FISCAL AGGREGATES							
NET OPERATING BALANCE	1,325	633	397	254	411	219	-192
Less Net acquisition of non-financial assets							
Purchase of non-financial assets	7,475	8,604	8,916	9,428	9,444	9,005	-438
Changes in inventories	993	173	155	155	591	2,183	1,591
Other movement in non-financial assets	169	188	188	188	184	233	49
less:							
Sales of non-financial assets	494	490	517	517	551	669	118
Depreciation	3,270	3,503	3,539	3,539	3,547	3,694	147
Total net acquisition of non-financial assets	4,873	4,972	5,203	5,714	6,121	7,057	936
NET LENDING/-BORROWING	-3,549	-4,339	-4,806	-5,460	-5,710	-6,839	-1,128

(a) Also known as the 'Net Result from Transactions'.

(b) Also known as the 'Comprehensive Result'.

Note: Columns/rows may not add due to rounding.

Table 1.6

PUBLIC NON-FINANCIAL CORPORATIONS
Balance Sheet at 30 June

	2024	2025				Actual \$m (2)	Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	PFPS Revision \$m	Estimated Actual (EA) \$m (1)		
ASSETS							
<i>Financial assets</i>							
Cash and deposits	4,337	6,407	4,754	4,275	4,713	4,803	90
Advances paid	-	-	-	-	-	-	-
Investments, loans and placements	3,546	2,955	3,055	3,046	2,801	2,968	167
Receivables	2,097	1,469	1,807	1,807	1,805	1,947	142
Shares and other equity							
Investments in other public sector entities - equity method	-	-	-	-	-	-	-
Investments in other public sector entities - direct injections	-	-	-	-	-	-	-
Investments in other entities	23	24	21	21	21	17	-4
Other financial assets	181	156	156	156	156	156	-
Total financial assets	10,185	11,012	9,794	9,305	9,497	9,892	394
<i>Non-financial assets</i>							
Land	10,135	10,184	10,621	10,621	10,774	11,976	1,201
Property, plant and equipment	80,351	81,460	86,854	87,363	88,370	90,740	2,370
Right of use assets	411	369	386	386	386	454	67
Service concession assets	2,549	2,355	2,530	2,530	2,529	2,994	464
Biological assets	224	241	240	240	240	201	-39
Inventories							
Land inventories	1,440	1,767	1,525	1,525	1,366	1,409	43
Other inventories	8,459	6,982	8,614	8,614	9,050	10,641	1,591
Intangibles	389	491	455	455	463	335	-128
Assets classified as held for sale	96	8	96	96	8	6	-2
Investment property	23	16	23	23	23	28	5
Other	615	330	278	278	379	354	-26
Total non-financial assets	104,693	104,202	111,621	112,131	113,590	119,136	5,546
TOTAL ASSETS	114,878	115,214	121,415	121,436	123,088	129,028	5,940
LIABILITIES							
Deposits held	-	-	-	-	-	-	-
Advances received	256	404	337	337	248	288	39
Borrowings							
Lease liabilities	803	700	747	747	763	886	123
Service concession liabilities	298	294	291	291	291	278	-13
Other borrowings	20,506	21,332	20,834	21,000	20,591	20,105	-486
Superannuation	68	74	54	54	60	66	6
Other employee benefits	546	485	513	513	540	607	67
Payables	10,343	8,757	10,458	10,459	10,743	12,911	2,167
Other liabilities	2,681	3,065	2,654	2,654	2,681	3,285	604
TOTAL LIABILITIES	35,501	35,112	35,888	36,055	35,916	38,423	2,507
NET ASSETS	79,377	80,102	85,526	85,381	87,171	90,605	3,433
<i>Of which:</i>							
Contributed equity	19,522	25,379	24,535	24,535	24,083	24,807	724
Accumulated surplus	17,892	16,223	18,162	18,016	19,184	17,509	-1,675
Other reserves	41,963	38,500	42,830	42,830	43,905	48,289	4,384
NET WORTH	79,377	80,102	85,526	85,381	87,171	90,605	3,433
MEMORANDUM ITEMS							
<i>Net financial worth</i>	-25,316	-24,100	-26,095	-26,750	-26,419	-28,532	-2,113
<i>Net debt</i>							
Gross debt liabilities	21,863	22,731	22,209	22,374	21,892	21,556	-337
less: liquid financial assets	7,884	9,363	7,809	7,320	7,515	7,771	256
Net debt	13,979	13,368	14,400	15,054	14,378	13,785	-593

Note: Columns/rows may not add due to rounding.

Table 1.7

PUBLIC NON-FINANCIAL CORPORATIONS
Statement of Changes in Equity

	Contributed Equity \$m	Asset Revaluation Surplus \$m	Accumulated Surplus/deficit \$m	Total Equity \$m
<i>Balance at 1 July 2023</i>	15,735	34,997	16,627	67,359
Operating result	-	-	1,257	1,257
All other movements in equity	-	6,966	13	6,980
<i>Total change in net worth</i>	-	6,966	1,270	8,236
<i>Transactions with owners in their capacity as owners</i>				
Contributed Capital	3,787	-	-	3,787
Dividends	-	-	-5	-5
<i>Total</i>	3,787	-	-5	3,781
Balance at 30 June 2024	19,522	41,963	17,892	79,377
<i>Balance at 1 July 2024</i>	19,522	41,963	17,892	79,377
Operating result	-	-	71	71
All other movements in equity	-	6,326	-18	6,308
<i>Total change in net worth</i>	-	6,326	53	6,379
<i>Transactions with owners in their capacity as owners</i>				
Contributed Capital	5,285	-	-	5,285
Dividends	-	-	-436	-436
<i>Total</i>	5,285	-	-436	4,849
Balance at 30 June 2025	24,807	48,289	17,509	90,605

Note: Columns/rows may not add due to rounding.

Table 1.8

PUBLIC NON-FINANCIAL CORPORATIONS
Cash Flow Statement

	2023-24	2024-25					Variation on EA \$m (2) - (1)
		Budget	MYR	PFPS	Estimated	Actual	
	Actual	Year	Revision	Revision	Actual (EA)		
	\$m	\$m	\$m	\$m	\$m (1)	\$m (2)	
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash received							
Grants and subsidies received	4,319	4,489	5,070	5,065	5,042	4,922	-119
Receipts from sales of goods and services	28,091	26,970	27,030	27,046	28,927	34,912	5,986
Interest receipts	318	283	305	305	343	346	3
Dividends and tax equivalents	81	19	35	35	35	35	-
Other	2,046	1,676	1,941	1,941	1,947	2,257	310
Total cash received	34,855	33,437	34,382	34,392	36,293	42,472	6,179
Cash paid							
Wages, salaries and supplements, and superannuation	-1,688	-1,850	-1,864	-1,864	-1,865	-1,871	-6
Payments for goods and services	-21,563	-20,646	-20,897	-20,899	-22,484	-28,369	-5,885
Interest paid	-856	-698	-824	-833	-836	-896	-60
Grants and subsidies paid	-919	-972	-994	-994	-1,000	-1,008	-9
Tax equivalents	-769	-802	-798	-798	-771	-729	42
Other payments	-5,176	-4,503	-5,308	-5,451	-5,628	-5,648	-19
Total cash paid	-30,972	-29,471	-30,685	-30,839	-32,584	-38,520	-5,937
NET CASH FLOWS FROM OPERATING ACTIVITIES	3,883	3,966	3,696	3,554	3,709	3,952	243
CASH FLOWS FROM INVESTING ACTIVITIES							
Cash flows from investments in non-financial assets							
Purchase of non-financial assets	-7,475	-8,604	-8,916	-9,428	-9,444	-9,005	438
Sales of non-financial assets	494	490	517	517	551	669	118
Total cash flows from investments in non-financial assets	-6,981	-8,114	-8,399	-8,910	-8,893	-8,336	557
Cash flows from investments in financial assets							
Cash received							
For policy purposes	-	-	-	-	-	-	-
For liquidity purposes	54	99	98	98	110	-	-110
Cash paid							
For policy purposes	-10	-	-	-	-18	-	18
For liquidity purposes	-67	-52	-61	-61	-94	-67	27
Total cash flows from investments in financial assets	-23	47	37	37	-2	-67	-65
NET CASH FLOWS FROM INVESTING ACTIVITIES	-7,004	-8,067	-8,362	-8,873	-8,895	-8,403	492
CASH FLOWS FROM FINANCING ACTIVITIES							
Cash received							
Advances received	-	119	119	119	30	50	20
Borrowings	5,667	4,179	5,762	5,927	5,622	4,638	-984
Deposits received	-	-	-	-	-	-	-
Other financing receipts	3,793	5,895	5,832	5,832	5,408	5,228	-180
Total cash received	9,460	10,192	11,712	11,878	11,061	9,916	-1,144
Cash paid							
Advances paid	-18	-25	-25	-25	-25	-18	7
Borrowings repaid	-5,300	-3,747	-5,094	-5,094	-4,935	-4,400	536
Deposits paid	-	-	-	-	-	-	-
Other financing payments	-1,215	-950	-931	-452	-942	-804	138
Dividends paid	-5	-1,503	-1,421	-1,421	-461	-436	25
Total cash paid	-6,538	-6,224	-7,472	-6,993	-6,363	-5,657	706
NET CASH FLOWS FROM FINANCING ACTIVITIES	2,922	3,968	4,240	4,886	4,697	4,259	-438
Net increase in cash and cash equivalents	-199	-133	-425	-434	-489	-192	296
Cash and cash equivalents at the beginning of the year	3,800	3,505	3,601	3,601	3,601	3,601	-
Cash and cash equivalents at the end of the year	3,601	3,372	3,176	3,167	3,112	3,409	296
KEY FISCAL AGGREGATES							
Net cash flow s from operating activities	3,883	3,966	3,696	3,554	3,709	3,952	243
Net cash flow s from investing in non-financial assets	-6,981	-8,114	-8,399	-8,910	-8,893	-8,336	557
Dividends paid	-5	-1,503	-1,421	-1,421	-461	-436	25
Cash surplus/-deficit	-3,103	-5,650	-6,124	-6,778	-5,644	-4,820	824

Note: Columns/rows may not add due to rounding.

Table 1.9

TOTAL NON-FINANCIAL PUBLIC SECTOR

Operating Statement

	2023-24	2024-25					Variation on EA \$m (2) - (1)
	Actual	Budget	MYR	PFPS	Estimated	Actual	
	\$m	\$m	\$m	Revision \$m	Revision \$m		
RESULTS FROM TRANSACTIONS							
REVENUE							
Taxation	13,011	13,006	14,025	14,166	14,252	14,224	-27
Current grants and subsidies	12,780	14,448	15,065	14,338	14,369	15,226	857
Capital grants	1,884	3,671	3,124	3,078	3,209	3,447	238
Sales of goods and services	40,796	43,355	43,355	43,357	45,351	48,556	3,205
Interest income	647	546	556	550	553	549	-4
Royalty income	11,866	7,773	9,408	10,023	9,946	9,806	-140
Dividends and tax equivalents	395	95	115	115	166	201	35
Other	1,303	1,208	1,240	1,255	1,324	1,569	245
Total	82,684	84,101	86,887	86,881	89,170	93,578	4,409
EXPENSES							
Salaries	18,041	18,909	19,686	19,691	19,890	20,060	170
Superannuation							
Concurrent costs	1,950	2,286	2,272	2,272	2,295	2,264	-31
Superannuation interest cost	167	200	210	209	214	157	-58
Other employee costs	369	470	365	365	392	381	-11
Depreciation and amortisation	5,380	5,753	5,814	5,814	5,845	6,011	166
Services and contracts	4,397	5,114	5,669	5,673	5,628	4,652	-975
Other gross operating expenses	38,781	41,354	41,740	41,825	43,704	47,547	3,843
Interest							
Interest on leases	242	209	207	207	208	255	47
Other interest	1,711	1,432	1,669	1,690	1,714	1,750	36
Other property expenses	-	-	-	-	-	-	-
Current transfers	5,561	6,415	6,961	6,858	6,541	6,642	101
Capital transfers	278	224	221	251	254	421	167
Total	76,875	82,365	84,812	84,855	86,685	90,140	3,455
NET OPERATING BALANCE (a)	5,808	1,735	2,075	2,026	2,485	3,439	954
Other economic flows - included in the operating result							
Net gains on assets/liabilities	-219	-279	-212	-213	-190	-82	108
Provision for doubtful debts	-34	-64	-64	-64	-63	-62	2
Changes in accounting policy/adjustment of prior periods	-122	-	-	-	-	-43	-43
Total other economic flows	-375	-343	-276	-277	-253	-187	66
OPERATING RESULT	5,433	1,392	1,800	1,748	2,232	3,252	1,020
All other movements in equity							
Items that will not be reclassified to operating result							
Revaluations	12,725	3,568	3,376	3,386	6,352	17,979	11,627
Net actuarial gains/-loss - superannuation	162	110	176	173	202	-127	-329
Gains recognised directly in equity	-3	-48	-4	-4	-5	-3	2
Change in net worth of the public corporations sectors	177	134	23	23	46	616	570
All other	-	-	-	-	-	-	-
Total all other movements in equity	13,061	3,764	3,571	3,579	6,595	18,465	11,870
TOTAL CHANGE IN NET WORTH (b)	18,494	5,157	5,371	5,327	8,827	21,717	12,890
KEY FISCAL AGGREGATES							
NET OPERATING BALANCE	5,808	1,735	2,075	2,026	2,485	3,439	954
Less Net acquisition of non-financial assets							
Purchase of non-financial assets	11,396	12,071	12,522	13,554	13,703	13,119	-584
Changes in inventories	985	173	155	155	591	2,161	1,570
Other movement in non-financial assets	191	188	188	188	184	222	38
less:							
Sales of non-financial assets	477	497	513	513	506	645	139
Depreciation	5,380	5,753	5,814	5,814	5,845	6,011	166
Total net acquisition of non-financial assets	6,714	6,182	6,537	7,569	8,128	8,847	719
NET LENDING/-BORROWING	-906	-4,446	-4,462	-5,543	-5,643	-5,408	235
(a) Also known as the 'Net Result from Transactions'.							
(b) Also known as the 'Comprehensive Result'.							
Note: Columns/rows may not add due to rounding.							

Table 1.10

TOTAL NON-FINANCIAL PUBLIC SECTOR
Balance Sheet at 30 June

	2024		2025			Actual \$m (2)	Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	PFPS Revision \$m	Estimated Actual (EA) \$m (1)		
ASSETS							
<i>Financial assets</i>							
Cash and deposits	4,152	3,225	3,033	3,035	3,733	5,111	1,378
Advances paid	410	498	524	524	476	450	-26
Investments, loans and placements	10,722	6,813	7,128	5,903	5,501	6,234	733
Receivables	7,568	5,617	6,670	6,979	7,221	6,826	-395
Shares and other equity							
Investments in other public sector entities - equity method	2,994	2,819	3,019	3,019	3,114	3,611	497
Investments in other public sector entities - direct injections	-	-	-	-	-	-	-
Investments in other entities	80	73	110	110	99	86	-14
Other financial assets	9	10	9	9	9	10	-
Total financial assets	25,936	19,055	20,493	19,579	20,154	22,328	2,173
<i>Non-financial assets</i>							
Land	56,659	57,911	58,457	58,460	60,309	65,669	5,360
Property, plant and equipment	146,004	145,997	154,534	155,566	156,917	162,829	5,912
Right of use assets	2,795	2,758	2,931	2,931	2,916	2,979	63
Service concession assets	3,616	3,293	3,552	3,552	3,557	4,174	617
Biological assets	230	250	246	246	246	210	-35
Inventories							
Land inventories	1,440	1,767	1,525	1,525	1,366	1,409	43
Other inventories	8,702	7,213	8,856	8,856	9,293	10,863	1,570
Intangibles	1,115	1,198	1,240	1,240	1,225	1,130	-95
Assets classified as held for sale	118	29	113	113	25	31	5
Investment property	23	16	23	23	23	30	7
Other	1,027	755	773	777	889	779	-110
Total non-financial assets	221,729	221,187	232,251	233,288	236,766	250,101	13,336
TOTAL ASSETS	247,665	240,242	252,744	252,867	256,920	272,429	15,509
LIABILITIES							
Deposits held	26	29	28	28	29	44	15
Advances received	256	404	337	337	248	288	39
Borrowings							
Lease liabilities	3,391	3,382	3,513	3,513	3,513	3,562	49
Service concession liabilities	298	294	291	291	291	278	-13
Other borrowings	44,943	45,087	44,768	44,934	45,036	44,301	-735
Superannuation	4,206	4,244	3,885	3,888	3,855	4,089	234
Other employee benefits	5,321	5,012	5,318	5,318	5,297	5,862	565
Payables	13,176	11,253	13,211	13,208	13,534	15,725	2,190
Other liabilities	5,577	5,766	5,550	5,551	5,819	6,093	274
TOTAL LIABILITIES	77,193	75,471	76,902	77,069	77,622	80,241	2,619
NET ASSETS	170,471	164,772	175,842	175,799	179,298	192,188	12,890
<i>Of which:</i>							
Contributed equity	-	-	-	-	-	-	-
Accumulated surplus	47,747	48,402	51,321	51,304	51,828	50,894	-934
Other reserves	122,724	116,369	124,521	124,494	127,470	141,295	13,824
NET WORTH	170,471	164,772	175,842	175,799	179,298	192,188	12,890
MEMORANDUM ITEMS							
<i>Net financial worth</i>	<i>-51,258</i>	<i>-56,416</i>	<i>-56,409</i>	<i>-57,489</i>	<i>-57,468</i>	<i>-57,913</i>	<i>-445</i>
<i>Net financial liabilities</i>	<i>54,252</i>	<i>59,234</i>	<i>59,427</i>	<i>60,508</i>	<i>60,582</i>	<i>61,524</i>	<i>942</i>
<i>Net debt</i>							
Gross debt liabilities	48,914	49,196	48,938	49,103	49,117	48,473	-644
less: liquid financial assets	15,284	10,536	10,685	9,462	9,710	11,795	2,085
Net debt	33,630	38,660	38,253	39,641	39,407	36,678	-2,729

Note: Columns/rows may not add due to rounding.

Table 1.11

TOTAL NON-FINANCIAL PUBLIC SECTOR
Statement of Changes in Equity

	Asset Revaluation Surplus \$m	Accumulated net gain on equity investments in other sector entities \$m	Accumulated Surplus/deficit \$m	Total Equity \$m
<i>Balance at 1 July 2023</i>	107,029	2,816	42,132	151,977
Operating result	-	-	5,433	5,433
All other movements in equity	12,701	179	182	13,061
<i>Total change in net worth</i>	12,701	179	5,615	18,494
Balance at 30 June 2024	119,730	2,994	47,747	170,471
<i>Balance at 1 July 2024</i>	119,730	2,994	47,747	170,471
Operating result	-	-	3,252	3,252
All other movements in equity	17,954	617	-105	18,465
<i>Total change in net worth</i>	17,954	617	3,147	21,717
Balance at 30 June 2025	137,684	3,611	50,894	192,188

Note: Columns/rows may not add due to rounding.

Table 1.12

TOTAL NON-FINANCIAL PUBLIC SECTOR **Cash Flow Statement**

	2023-24	2024-25					Variation on EA \$m (2) - (1)
	Actual	Budget	MYR	PFPS	Estimated	Actual	
	\$m	Year \$m	Revision \$m	Revision \$m	Actual (EA) \$m (1)		
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash received							
Taxes received	12,807	13,024	14,044	14,185	14,277	14,170	-107
Grants and subsidies received	17,024	20,634	20,935	19,877	20,241	21,556	1,315
Receipts from sales of goods and services	30,877	29,348	29,536	29,552	31,455	37,693	6,238
Interest receipts	602	547	567	561	556	573	17
Dividends and tax equivalents	341	168	274	274	275	264	-11
Other	16,379	11,436	13,560	13,891	13,550	14,653	1,103
Total cash received	78,030	75,156	78,917	78,340	80,352	88,908	8,555
Cash paid							
Wages, salaries and supplements, and superannuation	-19,947	-21,381	-22,305	-22,309	-22,560	-22,270	290
Payments for goods and services	-31,583	-30,846	-31,750	-31,721	-33,180	-38,985	-5,804
Interest paid	-1,830	-1,571	-1,813	-1,833	-1,855	-1,932	-76
Grants and subsidies paid	-6,967	-7,914	-8,245	-7,906	-7,534	-7,538	-4
Dividends and tax equivalents	-	-	-	-	-	-	-
Other payments	-7,198	-5,894	-6,822	-6,942	-7,190	-7,981	-791
Total cash paid	-67,525	-67,607	-70,934	-70,712	-72,320	-78,706	-6,386
NET CASH FLOWS FROM OPERATING ACTIVITIES	10,505	7,550	7,983	7,629	8,032	10,202	2,170
CASH FLOWS FROM INVESTING ACTIVITIES							
Cash flows from investments in non-financial assets							
Purchase of non-financial assets	-11,396	-12,071	-12,522	-13,554	-13,703	-13,119	584
Sales of non-financial assets	477	497	513	513	506	645	139
Total cash flows from investments in non-financial assets	-10,919	-11,574	-12,009	-13,040	-13,197	-12,474	723
Cash flows from investments in financial assets							
Cash received							
For policy purposes	71	10	10	10	10	27	17
For liquidity purposes	118	163	170	170	185	83	-102
Cash paid							
For policy purposes	-67	-10	-10	-10	-10	-25	-15
For liquidity purposes	-163	-130	-234	-234	-220	-160	60
Total cash flows from investments in financial assets	-42	33	-65	-65	-34	-75	-40
NET CASH FLOWS FROM INVESTING ACTIVITIES	-10,960	-11,541	-12,074	-13,105	-13,231	-12,549	683
CASH FLOWS FROM FINANCING ACTIVITIES							
Cash received							
Advances received	-	119	119	119	30	50	20
Borrowings	6,286	4,294	6,077	6,243	6,456	4,703	-1,753
Deposits received	-	-	-	-	-	4	4
Other financing receipts	283	4	4	4	4	502	499
Total cash received	6,569	4,417	6,200	6,366	6,489	5,259	-1,230
Cash paid							
Advances paid	-18	-25	-25	-25	-25	-18	7
Borrowings repaid	-5,349	-4,050	-5,898	-5,898	-5,745	-4,692	1,053
Deposits paid	-1	-	-	-	-	-	-
Other financing payments	-842	-461	-468	-472	-497	-1,084	-587
Total cash paid	-6,210	-4,536	-6,392	-6,395	-6,268	-5,793	474
NET CASH FLOWS FROM FINANCING ACTIVITIES	359	-120	-192	-30	221	-535	-756
Net increase in cash and cash equivalents	-96	-4,111	-4,283	-5,506	-4,978	-2,882	2,096
Cash and cash equivalents at the beginning of the year	12,892	12,664	12,796	12,796	12,796	12,796	-
Cash and cash equivalents at the end of the year	12,796	8,553	8,513	7,290	7,818	9,914	2,096
KEY FISCAL AGGREGATES							
Net cash flows from operating activities	10,505	7,550	7,983	7,629	8,032	10,202	2,170
Net cash flows from investing in non-financial assets	-10,919	-11,574	-12,009	-13,040	-13,197	-12,474	723
Cash surplus/-deficit	-413	-4,025	-4,026	-5,412	-5,165	-2,273	2,892

Note: Columns/rows may not add due to rounding.

Table 1.13

PUBLIC FINANCIAL CORPORATIONS

Operating Statement

	2023-24	2024-25						
	Actual	Budget	MYR	PFPS	Estimated		Variation	
	\$m	Year	Revision	Revision	Actual (EA)	Actual	on EA	
		\$m	\$m	\$m	\$m	\$m	\$m	
					(1)	(2)	(2) - (1)	
RESULTS FROM TRANSACTIONS								
REVENUE								
Current grants and subsidies	-	-	-	-	-	-	-	
Capital grants	-	-	-	-	-	-	-	
Sales of goods and services	1,737	1,660	1,690	1,690	1,690	1,840	150	
Interest Income	2,038	2,070	2,269	2,269	2,262	2,034	-228	
Other	171	159	159	159	152	182	30	
Total	3,945	3,889	4,118	4,118	4,104	4,055	-49	
EXPENSES								
Salaries	77	87	87	87	85	87	2	
Superannuation								
Concurrent costs	9	11	10	10	10	10	-	
Superannuation interest cost	-	-	-	-	-	-	-	
Other employee costs	415	329	330	330	359	457	98	
Depreciation and amortisation	11	10	15	15	14	14	-	
Services and contracts	9	14	16	16	9	7	-2	
Other gross operating expenses	1,103	1,512	1,510	1,510	1,353	1,335	-17	
Interest								
Interest on leases	2	-	2	2	1	3	1	
Other interest	1,800	1,869	2,066	2,066	2,052	1,753	-299	
Tax equivalents	156	27	34	34	81	105	25	
Current transfers	5	6	6	6	6	6	-	
Capital transfers	1	1	1	1	1	-	-1	
Total	3,588	3,866	4,076	4,076	3,970	3,777	-193	
NET OPERATING BALANCE (a)	357	24	43	43	134	278	144	
Other economic flows - included in the operating result								
Net gains on assets/liabilities	61	230	230	230	238	434	196	
Provision for doubtful debts	-	-	-	-	-	-	-	
Changes in accounting policy/adjustment of prior periods	-	-	-	-	-	-	-	
Total other economic flows	61	230	230	230	238	434	196	
OPERATING RESULT	419	254	273	273	373	712	340	
Other non-owner movements in equity								
Items that will not be reclassified to operating result								
Revaluations	2	-51	-167	-167	-94	2	96	
Net actuarial gains/-loss - superannuation	-	-	-	-	-	1	1	
Gains recognised directly in equity	-2	-	-	-	-	-2	-2	
All other	-	-	-	-	-	-	-	
Total other non-owner movements in equity	1	-51	-167	-167	-94	1	94	
Movements in owner equity								
Dividends	-239	-68	-81	-81	-85	-96	-11	
Capital injections	-1	-1	-1	-1	-74	-	74	
Total movements in owner equity	-241	-69	-82	-82	-159	-96	63	
TOTAL CHANGE IN NET WORTH (b)	179	134	24	24	120	617	497	
KEY FISCAL AGGREGATES								
NET OPERATING BALANCE	357	24	43	43	134	278	144	
Less Net acquisition of non-financial assets								
Purchase of non-financial assets	9	8	8	8	8	13	6	
Changes in inventories	-	-	-	-	-	-	-	
Other movement in non-financial assets	-	-	-	-	-	-	-	
less:								
Sales of non-financial assets	-	-	-	-	-	-	-	
Depreciation	11	10	15	15	14	14	-	
Total net acquisition of non-financial assets	-2	-3	-7	-7	-7	-1	5	
NET LENDING/-BORROWING	359	27	50	50	141	280	139	

(a) Also known as the 'Net Result from Transactions'.

(b) Also known as the 'Comprehensive Result'.

Note: Columns/rows may not add due to rounding.

Table 1.14

PUBLIC FINANCIAL CORPORATIONS
Balance Sheet at 30 June

	2024	2025				Actual \$m (2)	Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	FFPS Revision \$m	Estimated Actual (EA) \$m (1)		
ASSETS							
<i>Financial assets</i>							
Cash and deposits	627	685	461	461	911	954	43
Advances paid	2,071	1,670	1,808	1,808	1,469	1,584	115
Investments, loans and placements	55,195	55,901	54,650	54,816	55,324	57,639	2,315
Receivables	1,028	929	1,018	1,018	1,035	1,080	44
Shares and other equity							
Investments in other public sector entities - equity method	-	-	-	-	-	-	-
Investments in other public sector entities - direct injections	-	-	-	-	-	-	-
Investments in other entities	2,856	2,928	3,066	3,066	3,080	2,748	-332
Other financial assets	8	8	8	8	8	2	-6
Total financial assets	61,786	62,120	61,011	61,176	61,828	64,006	2,178
<i>Non-financial assets</i>							
Land	-	-	-	-	-	-	-
Property, plant and equipment	4	7	6	6	7	8	1
Right of use assets	41	5	33	33	33	36	3
Service concession assets	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-
Inventories							
Land inventories	-	-	-	-	-	-	-
Other inventories	-	-	-	-	-	-	-
Intangibles	20	17	19	19	19	23	5
Assets classified as held for sale	-	-	-	-	-	-	-
Investment property	-	-	-	-	-	-	-
Other	5	5	5	5	5	5	1
Total non-financial assets	70	33	62	62	63	72	9
TOTAL ASSETS	61,856	62,154	61,073	61,239	61,891	64,079	2,187
LIABILITIES							
Deposits held	-	-	-	-	-	-	-
Advances received	-	3	-	-	-	-	-
Borrowings							
Lease liabilities	47	7	44	44	44	47	3
Service concession liabilities	-	-	-	-	-	-	-
Other borrowings	52,390	52,298	51,046	51,211	51,837	53,624	1,787
Superannuation	3	4	3	3	3	3	-
Other employee benefits	17	18	18	18	18	20	2
Payables	232	299	285	285	318	187	-131
Other liabilities	6,172	6,707	6,658	6,658	6,557	6,587	30
TOTAL LIABILITIES	58,861	59,335	58,054	58,220	58,777	60,468	1,690
NET ASSETS	2,994	2,819	3,019	3,019	3,114	3,611	497
<i>Of which:</i>							
Contributed equity	-255	-305	-256	-256	-329	-255	73
Accumulated surplus	3,222	3,183	3,368	3,368	3,463	3,837	374
Other reserves	27	-59	-94	-94	-20	29	49
NET WORTH	2,994	2,819	3,019	3,019	3,114	3,611	497
MEMORANDUM ITEMS							
<i>Net financial worth</i>	<i>2,925</i>	<i>2,785</i>	<i>2,957</i>	<i>2,957</i>	<i>3,051</i>	<i>3,539</i>	<i>487</i>
<i>Net debt</i>							
Gross debt liabilities	52,437	52,308	51,090	51,256	51,882	53,671	1,790
less: liquid financial assets	57,894	58,256	56,919	57,085	57,705	60,178	2,472
Net debt	-5,457	-5,948	-5,829	-5,829	-5,824	-6,506	-683

Note: Columns/rows may not add due to rounding.

Table 1.15

PUBLIC FINANCIAL CORPORATIONS
Statement of Changes in Equity

	Contributed Equity \$m	Asset Revaluation Surplus \$m	Accumulated Surplus/deficit \$m	Total Equity \$m
<i>Balance at 1 July 2023</i>	-254	25	3,045	2,816
Operating result	-	-	419	419
Movements in equity	-	2	-1	1
<i>Total change in net worth</i>	-	2	417	419
<i>Transactions with owners in their capacity as owners</i>				
Contributed Capital	-1	-	-	-1
Dividends	-	-	-239	-239
<i>Total</i>	-1	-	-239	-241
Balance at 30 June 2024	-255	27	3,222	2,994
<i>Balance at 1 July 2024</i>	-255	27	3,222	2,994
Operating result	-	-	712	712
Movements in equity	-	2	-1	1
<i>Total change in net worth</i>	-	2	711	713
<i>Transactions with owners in their capacity as owners</i>				
Contributed Capital	-	-	-	-
Dividends	-	-	-96	-96
<i>Total</i>	-	-	-96	-96
Balance at 30 June 2025	-255	29	3,837	3,611

Note: Columns/rows may not add due to rounding.

Table 1.16

PUBLIC FINANCIAL CORPORATIONS
Cash Flow Statement

	2023-24	2024-25				Actual \$m (2)	Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	PFPS Revision \$m	Estimated Actual (EA) \$m (1)		
CASH FLOWS FROM OPERATING ACTIVITIES							
<i>Cash received</i>							
Grants and subsidies received	-	5	5	5	5	-	-5
Receipts from sales of goods and services	1,759	1,823	1,853	1,853	1,847	1,965	118
Interest receipts	1,987	2,070	2,269	2,269	2,262	2,041	-221
Dividends and tax equivalents	-	-	-	-	-	-	-
Other	218	230	233	233	232	241	9
Total cash received	3,964	4,127	4,359	4,359	4,346	4,248	-99
<i>Cash paid</i>							
Wages, salaries and supplements, and superannuation	-85	-96	-96	-96	-94	-93	1
Payments for goods and services	-1,188	-1,347	-1,347	-1,347	-1,343	-1,368	-25
Interest paid	-1,758	-1,869	-2,078	-2,078	-2,054	-1,712	342
Grants and subsidies paid	-	-	-	-	-	-	-
Tax equivalents	-55	-80	-158	-158	-159	-146	13
Other payments	-219	-233	-236	-236	-234	-244	-10
Total cash paid	-3,305	-3,625	-3,915	-3,915	-3,885	-3,563	321
NET CASH FLOWS FROM OPERATING ACTIVITIES	659	502	444	444	462	684	222
CASH FLOWS FROM INVESTING ACTIVITIES							
<i>Cash flows from investments in non-financial assets</i>							
Purchase of non-financial assets	-9	-8	-8	-8	-8	-13	-6
Sales of non-financial assets	-	-	-	-	-	-	-
Total cash flows from investments in non-financial assets	-9	-7	-7	-7	-7	-13	-5
<i>Cash flows from investments in financial assets</i>							
<i>Cash received</i>							
For policy purposes	-	-	-	-	-	-	-
For liquidity purposes	10,365	7,984	8,023	8,023	8,473	10,286	1,813
<i>Cash paid</i>							
For policy purposes	-	-1	-1	-1	-	-	-
For liquidity purposes	-10,111	-7,881	-8,032	-8,032	-8,174	-9,314	-1,141
Total cash flows from investments in financial assets	254	102	-10	-10	299	971	672
NET CASH FLOWS FROM INVESTING ACTIVITIES	245	95	-17	-17	291	958	667
CASH FLOWS FROM FINANCING ACTIVITIES							
<i>Cash received</i>							
Advances received	-	-	-	-	-	-	-
Borrowings	28,185	25,642	24,991	25,157	25,778	26,449	672
Deposits received	-	-	-	-	-	-	-
Other financing receipts	-	-	-	-	-	-	-
Total cash received	28,185	25,642	24,991	25,157	25,778	26,449	672
<i>Cash paid</i>							
Advances paid	-	-	-	-	-	-	-
Borrowings repaid	-28,899	-26,093	-25,359	-25,524	-26,409	-26,109	300
Deposits paid	-	-	-	-	-	-	-
Other financing payments	-2	-5	-3	-3	-3	-6	-4
Dividends paid	-286	-88	-116	-116	-116	-117	-2
Total cash paid	-29,188	-26,186	-25,477	-25,643	-26,527	-26,233	294
NET CASH FLOWS FROM FINANCING ACTIVITIES	-1,002	-543	-486	-486	-749	216	966
Net increase in cash and cash equivalents	-98	53	-58	-58	4	1,859	1,855
Cash and cash equivalents at the beginning of the year	2,116	2,093	2,018	2,018	2,018	2,018	-
Cash and cash equivalents at the end of the year	2,018	2,146	1,960	1,960	2,022	3,877	1,855
KEY FISCAL AGGREGATES							
Net cash flows from operating activities	659	502	444	444	462	684	222
Net cash flows from investing in non-financial assets	-9	-7	-7	-7	-7	-13	-5
Dividends paid	-286	-88	-116	-116	-116	-117	-2
Cash surplus/-deficit	364	407	321	321	339	554	215

Note: Columns/rows may not add due to rounding.

Table 1.17

TOTAL PUBLIC SECTOR (a)
Operating Statement

		2023-24	2024-25					
	Notes	Actual \$m	Budget Year \$m	MYR Revision \$m	PFPS Revision \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	Variation on EA \$m (2) - (1)
RESULTS FROM TRANSACTIONS								
REVENUE								
Taxation		13,007	13,000	14,019	14,160	14,246	14,219	-27
Current grants and subsidies		12,780	14,448	15,065	14,338	14,369	15,226	857
Capital grants		1,884	3,671	3,124	3,078	3,209	3,447	238
Sales of goods and services		41,789	44,359	44,384	44,385	46,349	49,590	3,241
Interest income		986	1,003	1,106	1,097	1,106	857	-249
Royalty income		11,866	7,773	9,408	10,023	9,946	9,806	-140
Other		1,473	1,365	1,398	1,413	1,475	1,750	275
Total	6	83,785	85,619	88,503	88,493	90,700	94,895	4,195
EXPENSES								
Salaries		18,118	18,996	19,773	19,777	19,975	20,147	172
Superannuation								
Concurrent costs		1,958	2,296	2,282	2,282	2,305	2,274	-31
Superannuation interest cost		167	200	210	209	214	157	-58
Other employee costs		784	799	695	695	751	838	87
Depreciation and amortisation	7	5,391	5,764	5,829	5,829	5,859	6,025	166
Services and contracts		4,406	5,114	5,669	5,673	5,628	4,659	-969
Other gross operating expenses	8	39,140	42,223	42,602	42,687	44,373	48,076	3,703
Interest	9							
Interest on leases		243	210	209	209	209	258	48
Other interest		1,812	1,688	2,016	2,034	2,056	1,777	-279
Other property expenses		-	-	-	-	-	-	-
Current transfers	10	5,561	6,415	6,961	6,858	6,541	6,642	101
Capital transfers	10	278	225	222	252	255	422	167
Total		77,859	83,929	86,466	86,506	88,166	91,274	3,108
NET OPERATING BALANCE (b)		5,926	1,691	2,037	1,988	2,534	3,621	1,087
Other economic flows - included in the operating result								
Net gains on assets/liabilities		-158	-49	19	17	49	352	303
Provision for doubtful debts		-34	-64	-64	-64	-63	-62	2
Changes in accounting policy/adjustment of prior periods		-125	-	-	-	-	-44	-44
Total other economic flows		-317	-113	-45	-47	-14	247	261
OPERATING RESULT		5,610	1,578	1,992	1,941	2,519	3,868	1,348
All other movements in equity								
Items that will not be reclassified to operating result								
Revaluations		12,727	3,516	3,207	3,217	6,110	17,981	11,870
Net actuarial gains/-loss - superannuation		162	110	176	173	202	-126	-328
Gains recognised directly in equity		-5	-48	-4	-4	-5	-5	-1
All other		-	-	-	-	-	-	-
Total all other movements in equity		12,884	3,578	3,379	3,387	6,308	17,849	11,542
TOTAL CHANGE IN NET WORTH (c)		18,494	5,157	5,371	5,327	8,827	21,717	12,890
KEY FISCAL AGGREGATES								
NET OPERATING BALANCE		5,926	1,691	2,037	1,988	2,534	3,621	1,087
Less Net acquisition of non-financial assets								
Purchase of non-financial assets		11,405	12,079	12,530	13,561	13,711	13,132	-578
Changes in inventories		985	173	155	155	591	2,161	1,570
Other movement in non-financial assets		191	188	188	188	184	222	38
less:								
Sales of non-financial assets		477	497	513	513	506	646	139
Depreciation		5,391	5,764	5,829	5,829	5,859	6,025	166
Total net acquisition of non-financial assets		6,712	6,179	6,530	7,561	8,121	8,846	724
NET LENDING/-BORROWING		-786	-4,488	-4,493	-5,574	-5,587	-5,225	363

(a) The accompanying notes form part of these financial statements.

(b) Also known as the 'Net Result from Transactions'.

(c) Also known as the 'Comprehensive Result'.

Note: Columns/rows may not add due to rounding.

Table 1.18

TOTAL PUBLIC SECTOR (a)
Balance Sheet at 30 June

	Notes	2024	2025					Variation on EA \$m (2) - (1)
		Actual \$m	Budget	MYR	PFPS	Estimated	Actual \$m (2)	
			Year \$m	Revision \$m	Revision \$m	Actual (EA) \$m (1)		
ASSETS								
Financial assets								
Cash and deposits		4,774	3,902	3,486	3,488	4,636	6,056	1,420
Advances paid		2,481	2,166	2,332	2,332	1,945	2,034	89
Investments, loans and placements		18,950	15,978	15,335	14,111	14,378	18,147	3,769
Receivables	11	7,807	5,890	6,982	7,290	7,463	7,135	-328
Equity - Investments in other entities		2,936	3,002	3,176	3,176	3,179	2,833	-346
Other financial assets		17	17	17	17	17	11	-6
Total financial assets		36,964	30,954	31,329	30,414	31,619	36,216	4,597
Non-financial assets								
Land	12	56,659	57,911	58,457	58,460	60,309	65,669	5,360
Property, plant and equipment	13,14	146,009	146,004	154,540	155,572	156,923	162,837	5,913
Right of use assets	16,17	2,836	2,763	2,964	2,964	2,949	3,014	65
Service concession assets	18	3,616	3,293	3,552	3,552	3,557	4,174	617
Biological assets	19	230	250	246	246	246	210	-35
Inventories	20							
Land inventories		1,440	1,767	1,525	1,525	1,366	1,409	43
Other inventories		8,702	7,213	8,856	8,856	9,293	10,863	1,570
Intangibles	21	1,135	1,215	1,259	1,259	1,244	1,153	-91
Assets classified as held for sale	22	118	29	113	113	25	31	5
Investment property	23	23	16	23	23	23	30	7
Other		1,031	759	778	781	894	785	-109
Total non-financial assets		221,798	221,221	232,313	233,350	236,829	250,174	13,345
TOTAL ASSETS		258,763	252,175	263,642	263,765	268,447	286,389	17,942
LIABILITIES								
Deposits held		20	21	20	20	20	34	14
Advances received		256	404	337	337	248	288	39
Borrowings	24							
Lease liabilities		3,438	3,388	3,557	3,557	3,557	3,609	52
Service concession liabilities		298	294	291	291	291	278	-13
Other borrowings		50,366	50,650	49,371	49,537	50,426	52,199	1,773
Superannuation	25	4,209	4,248	3,888	3,891	3,858	4,092	234
Other employee benefits	26	5,338	5,030	5,336	5,336	5,315	5,882	567
Payables		13,032	11,267	13,145	13,143	13,434	15,511	2,077
Other liabilities	27	11,335	12,102	11,854	11,854	12,001	12,309	308
TOTAL LIABILITIES		88,292	87,404	87,800	87,966	89,149	94,201	5,052
NET ASSETS		170,471	164,772	175,842	175,799	179,298	192,188	12,890
Of which:								
Contributed equity		-	-	-	-	-	-	-
Accumulated surplus		50,969	51,585	54,689	54,673	55,291	54,731	-560
Other reserves		119,502	113,186	121,153	121,126	124,007	137,457	13,450
NET WORTH		170,471	164,772	175,842	175,799	179,298	192,188	12,890
MEMORANDUM ITEMS								
Net financial worth		-51,327	-56,449	-56,471	-57,552	-57,530	-57,985	-455
Net financial liabilities		51,327	56,449	56,471	57,552	57,530	57,985	455
Net debt								
Gross debt liabilities		54,378	54,758	53,577	53,742	54,543	56,408	1,865
less: liquid financial assets		26,205	22,046	21,153	19,930	20,959	26,236	5,277
Net debt		28,173	32,712	32,423	33,812	33,583	30,172	-3,412

(a) The accompanying notes form part of these financial statements.

Note: Columns/rows may not add due to rounding.

Table 1.19

TOTAL PUBLIC SECTOR
Statement of Changes in Equity

	Asset Revaluation Surplus \$m	Accumulated Surplus/deficit \$m	Total Equity \$m
<i>Balance at 1 July 2023</i>	106,801	45,177	151,977
Operating result	-	5,610	5,610
All other movements in equity	12,701	183	12,884
<i>Total change in net worth</i>	12,701	5,792	18,494
Balance at 30 June 2024	119,502	50,969	170,471
<i>Balance at 1 July 2024</i>	119,502	50,969	170,471
Operating result	-	3,868	3,868
All other movements in equity	17,955	-106	17,849
<i>Total change in net worth</i>	17,955	3,762	21,717
Balance at 30 June 2025	137,457	54,731	192,188

Note: Columns/rows may not add due to rounding.

Table 1.20

TOTAL PUBLIC SECTOR (a)
Cash Flow Statement

		2023-24	2024-25						
	Notes	Actual \$m	Budget Year \$m	MYR Revision \$m	PFPS Revision \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	Variation on EA \$m (2) - (1)	
CASH FLOWS FROM OPERATING ACTIVITIES									
Cash received									
Taxes received		12,803	13,013	14,033	14,174	14,266	14,164	-102	
Grants and subsidies received		17,024	20,634	20,935	19,877	20,241	21,556	1,315	
Receipts from sales of goods and services		31,976	30,515	30,727	30,743	32,632	38,899	6,267	
Interest receipts		909	998	1,097	1,089	1,103	876	-227	
Dividends and tax equivalents		-	-	-	-	-	-	-	
Other		16,594	11,663	13,791	14,122	13,780	14,893	1,112	
Total cash received		79,305	76,823	80,583	80,005	82,022	90,387	8,365	
Cash paid									
Wages, salaries and supplements, and superannuation		-20,032	-21,477	-22,401	-22,406	-22,654	-22,363	291	
Payments for goods and services		-32,109	-31,536	-32,433	-32,404	-33,852	-39,593	-5,741	
Interest paid		-1,908	-1,822	-2,152	-2,170	-2,195	-1,905	290	
Grants and subsidies paid		-6,967	-7,909	-8,240	-7,901	-7,529	-7,538	-9	
Dividends and tax equivalents		-	-	-	-	-	-	-	
Other payments		-7,411	-6,115	-7,046	-7,166	-7,413	-8,219	-805	
Total cash paid		-68,427	-68,859	-72,271	-72,047	-73,644	-79,619	-5,975	
NET CASH FLOWS FROM OPERATING ACTIVITIES	28	10,879	7,964	8,312	7,958	8,378	10,769	2,390	
CASH FLOWS FROM INVESTING ACTIVITIES									
Cash flows from investments in non-financial assets									
Purchase of non-financial assets		-11,405	-12,079	-12,530	-13,561	-13,711	-13,132	578	
Sales of non-financial assets		477	497	513	513	506	646	139	
Total cash flows from investments in non-financial assets		-10,928	-11,582	-12,016	-13,048	-13,204	-12,487	717	
Cash flows from investments in financial assets									
Cash received									
For policy purposes		68	10	10	10	10	27	17	
For liquidity purposes		10,483	8,146	8,193	8,193	8,658	10,369	1,711	
Cash paid									
For policy purposes		-67	-10	-10	-10	-10	-25	-15	
For liquidity purposes		-10,274	-8,011	-8,266	-8,266	-8,394	-9,474	-1,081	
Total cash flows from investments in financial assets		210	136	-73	-73	265	897	632	
NET CASH FLOWS FROM INVESTING ACTIVITIES		-10,718	-11,446	-12,090	-13,121	-12,940	-11,590	1,349	
CASH FLOWS FROM FINANCING ACTIVITIES									
Cash received									
Advances received		-	119	119	119	30	50	20	
Borrowings		22,839	21,594	19,095	19,260	20,034	21,762	1,728	
Deposits received		-	-	-	-	-	-	-	
Other financing receipts		283	3	3	3	3	502	499	
Total cash received		23,122	21,716	19,216	19,382	20,067	22,314	2,247	
Cash paid									
Advances paid		-18	-25	-25	-25	-25	-18	7	
Borrowings repaid		-22,613	-21,801	-19,283	-19,283	-19,955	-21,411	-1,456	
Deposits paid		-	-	-	-	-	-	-	
Other financing payments		-846	-466	-471	-474	-500	-1,086	-587	
Total cash paid		-23,476	-22,292	-19,780	-19,783	-20,480	-22,515	-2,035	
NET CASH FLOWS FROM FINANCING ACTIVITIES		-354	-576	-563	-401	-412	-201	211	
Net increase in cash and cash equivalents		-194	-4,058	-4,341	-5,564	-4,974	-1,023	3,951	
Cash and cash equivalents at the beginning of the period		15,007	14,756	14,813	14,813	14,813	14,813	-	
Cash and cash equivalents at the end of the period	29	14,813	10,698	10,471	9,248	9,839	13,790	3,951	
KEY FISCAL AGGREGATES									
Net cash flows from operating activities		10,879	7,964	8,312	7,958	8,378	10,769	2,390	
Net cash flows from investing in non-financial assets		-10,928	-11,582	-12,016	-13,048	-13,204	-12,487	717	
Cash surplus/-deficit		-49	-3,618	-3,705	-5,090	-4,826	-1,718	3,108	

(a) The accompanying notes form part of these financial statements.

Note: Columns/rows may not add due to rounding.

Notes to the Financial Statements

NOTE 1: MISSION STATEMENT THE GOVERNMENT OF WESTERN AUSTRALIA

The Government of Western Australia (the reporting entity hereafter referred to as 'the public sector') is created by the *Western Australian Constitution Act 1889*.

The Executive Council is the governing body responsible for the control and management of the operations, affairs, concerns and property of the public sector. The Executive Council consists of the Governor, the Premier, and Ministers of the Crown, and is hereafter referred to as 'the Government'.

The principal office of the Government is situated at Parliament House, Harvest Terrace, West Perth, Western Australia.

The Government's mission is summarised in the following key goals:

- achievement of strong and sustainable finances;
- implementation of its WA Jobs Plan, and training for the jobs of the future, by promoting local manufacturing and production;
- creating safe, strong and fair communities; and
- protecting the environment and supporting thriving suburbs and regions.

The *Government Financial Responsibility Act 2000* (GFRA) requires the Treasurer to release a Government Financial Strategy Statement at least once each year. This statement appears each year in Budget Paper No.3 *Economic and Fiscal Outlook*. The Government Financial Strategy Statement is supported by the Government's medium-term financial targets.

The financial targets for 2024-25 were detailed in the 2024-25 Budget and remained unchanged from the previous year. In line with section 14A (3)(bb) of the GFRA, performance against the 2024-25 Budget financial targets for the year ending 30 June 2025 is discussed in the *Financial Results* chapter of this report.

The public sector is a not-for-profit entity funded primarily through Commonwealth grants, State taxation, and other own-source revenue (i.e. mining royalties, user charges and other own-source revenue).

NOTE 2: STATEMENT OF COMPLIANCE

Compliance Framework

The financial statements of the general government sector and the total public sector for the year ended 30 June 2025 have been prepared in accordance with applicable Australian Accounting Standards (AASs) and Interpretations, in particular AASB 1049: *Whole of Government and General Government Sector Financial Reporting*.

The Standard under which the general government sector financial statements are prepared does not require full application of AASB 127: *Separate Financial Statements* and AASB 139: *Financial Instruments: Recognition and Measurement*. Assets, liabilities, income, expenses and cash flows of government-controlled entities that are in the public non-financial corporations sector and the public financial corporations sector are not separately recognised in the general government sector financial statements. Instead, the general government sector financial statements recognise an asset, being the controlling equity investment in those entities, and recognise a gain or loss relating to changes in the carrying amount of that asset, measured in accordance with AASB 1049.

In compliance with AASB 1049, where consistent with accounting standards, Government Financial Statistics (GFS) concepts, sources and methods are used. In Australia, GFS standards are promulgated by the Australian Bureau of Statistics (ABS).

NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) General Statement

The whole-of-government financial statements of the Government of Western Australia constitute general purpose financial statements.

The financial statements and other information presented in this *Annual Report on State Finances* are required under section 14A(3) of the *Government Financial Responsibility Act 2000* and the regulations supporting that Act.

(b) Reporting Entity

The reporting entities are the Government of Western Australia (also referred to as the total public sector and/or whole-of-government) and the general government sector, and include entities under their control.

The general government sector is a component of the total public sector reporting entity. The purpose of the general government sector financial statements is to provide users with information about the Government's stewardship of central government, and accountability for the resources entrusted to it. The statements also provide information about the financial position, changes in net assets/liabilities, performance and cash flows of the general government sector.

The statistical framework classifies the sub-sectors of the public sector (including the general government sector, the public corporations sectors and consolidated non-financial public sector and total public sector) in accordance with the principles and rules contained in the ABS' *Australian System of Government Finance Statistics: Concepts, Sources and Methods, Australia 2015* (ABS GFS Manual). The entities forming part of each sector are referred to as agencies in these financial statements and Note 38: *Composition of sectors* contains a full list of agencies forming each of the sectors listed below.

General government sector

The general government sector comprises public sector agencies that are engaged mainly in the provision of services outside the normal market mechanism, or that provide for the transfer of income for public policy purposes. Costs are financed predominantly from centrally-collected revenue such as taxes, Commonwealth grants and mining royalties.

Public non-financial corporation sector

The public non-financial corporation sector comprises those non-financial public sector agencies engaged mainly in the production of goods and services for sale in the market, with a key objective to recover at least a significant proportion of operating costs through charges for goods and services.

Public financial corporation sector

The public financial corporation sector comprises those public sector agencies engaged primarily in financial activities, such as providing central borrowing authority and public sector insurance services.

Control

The control of an agency by the Government is taken to exist where the:

- agency is accountable to the Government;
- the Government, through the public sector, has a residual financial interest in the net assets of that agency; and
- the Government has the power to control the financial and operating policies of an agency so as to obtain benefits for the State from its activities.

Where control of an agency is obtained during a financial year, results are included in the Operating Statement from the date on which control commenced. Where control of an agency ceased during a financial year, results are included for that part of the year for which control existed.

Specific details of agencies controlled by the Government and consolidated in the public sector are shown in Note 38: *Composition of sectors*. A detailed list of other entities nominally referred to as public sector agencies that are not included in the consolidated financial statements, is also shown in Note 38. Exclusion of these agencies is based on the criteria of control noted above, and ABS classifications in the GFS manual.

Most agencies have 30 June reporting dates. Where agencies have reporting dates other than 30 June, the data incorporated in this appendix are based on either:

- management accounts to 30 June; or
- the latest financial statements.

The use of management financial data or the latest financial statements in these cases does not have a material effect on these consolidated financial statements.

(c) Basis of Preparation

The financial statements of the total public sector and the general government sector have been prepared in accordance with applicable Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) in particular, AASB 1049: *Whole of Government and General Government Sector Financial Reporting*.

AASB 1049 harmonises Government Finance Statistics (GFS) with Generally Accepted Accounting Principles (GAAP) to the extent that GFS does not conflict with GAAP. This requires the selection of options within the Australian Accounting Standards that harmonise with the ABS GFS Manual. Further details are contained in Note 4: *Convergence differences*.

The Balance Sheet and Operating Statement have been prepared on an accrual basis of accounting, and assets and liabilities are shown at fair value unless otherwise stated.

The accounting policies applied in the preparation of the financial statements have been consistently applied throughout all periods presented.

Assets and liabilities are recognised in the Balance Sheet, when and only when, it is probable that future economic benefits or financial obligations will flow to or from the reporting entity and the amounts of the assets or liabilities can be reliably measured.

Accounting policies are selected and applied in a manner that ensures the resulting financial information satisfies the concepts of relevance and reliability. The judgements made in the process of applying accounting policies consistent with AASs that had the most significant effect on the amounts recognised in the financial statements are disclosed, where applicable, in the relevant notes to the financial statements.

(d) Accounting Judgements, Estimates and Assumptions

In the preparation of the consolidated financial statements, public sector entities are required to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at reporting date and the reported revenue and expenses during the reporting period.

On an ongoing basis, the public sector and its controlled entities evaluate estimates and judgements in relation to assets, liabilities, contingent assets and liabilities, revenue and expenses, based on historical experience and various other factors (such as discount rates used in estimating provisions and estimating the useful life of key assets) that are believed to be reasonable under the circumstance, the results of which form the basis of making judgements about the carrying values of assets and liabilities. Actual results may differ from these estimates.

Contingent assets and liabilities are not recognised in the Balance Sheet but are discussed in a note to the consolidated financial statements. They may arise through uncertainty as to the existence, settlement or measurement of an asset or liability and are recognised once this uncertainty is removed.

Judgements, estimates and assumptions that have significant effects on the financial statements are disclosed in the notes to the financial statements. These judgements and assumptions relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 15: *Fair value measurements*);
- identifying leases within contracts, estimation of the lease term, determination of the appropriate discount rate to discount the lease payments and assessing whether the right-of-use assets need to be impaired (refer to Note 16: *Right-of-use assets*);
- superannuation expense and liability (refer to Note 25: *Unfunded superannuation*);
- actuarial assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 26: *Other employee benefits*); and
- provisions for outstanding insurance claims (refer Note: 27 *Other liabilities*).

(e) Presentation and Rounding of Amounts

The consolidated financial statements are presented in Australian dollars and all amounts are rounded to the nearest million dollars (\$m). As a consequence, totals for columns and rows shown in tables may not always add due to rounding.

(f) Foreign Currency

Transactions in currencies other than Australian dollars are recorded at the rates of exchange prevailing on the settlement date of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the exchange rates prevailing at that date.

In order to hedge its exposure to certain foreign exchange risks, the public sector enters into forward contracts and options (see Note 34: *Financial Instruments* for details of the public sector accounting policies in respect of such derivative financial instruments).

(g) Basis of Consolidation

The consolidated financial statements of the reporting entity include the assets and the liabilities of the public sector and its controlled agencies at the end of the financial year and the revenue and expenses of the public sector and its controlled agencies for the year.

The consolidated financial statements include the information and results of each controlled agency from the date on which the State Government obtained control and until such time as the Government ceased to control the agency.

For the purposes of reporting the public sector as a single economic entity, all material transactions and balances and unrealised gains between agencies under the Government's control are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, the accounting policies and reporting periods of controlled agencies have been aligned with those adopted by the public sector as a whole, to achieve consistency. This approach has not materially affected the revenue and expenses or the assets and liabilities at the reporting date.

(h) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable net of the amount of goods and services tax payable and net of discounts, rebates, concessions and allowances.

The policies adopted for the recognition of significant categories of revenue are as follows.

Taxation revenue

Revenue and income recognition are determined by the State based on the substance of the relevant arrangement in accordance with the requirements of AASB 15: *Revenue from Contracts with Customers* and AASB 1058: *Income of Not-for-Profit Entities*.

Revenue is recognised when the underlying event that results in a right to receive income has occurred and assessments have been issued, or when the amount can be reliably measured.

Grants and subsidies income

Revenue from the Commonwealth, including GST grants, Specific Purpose, National Partnership and other grants is recognised when payment is received unless a contract (that creates enforceable rights and obligations) exists. Capital grants are recognised as income when agencies achieve the milestones specified in the grant agreements in line with AASB 15: *Revenue from Contracts with Customers*.

Sale of goods and services

Revenue from the sale of goods and services, including regulatory fees, is recognised (net of returns, discounts, rebates, concessions and allowances) when performance obligations are satisfied through transferring a promised good or service to a customer and is based upon the transfer of control rather than transfer of significant risks and benefits. The performance obligations may be satisfied over time or at a point in time.

Interest income

Interest revenue is accrued on a time proportion basis, by reference to the principal outstanding and taking into account the effective yield on the financial asset.

Revenue from public corporations

Dividends, income tax equivalent revenue and local government rate equivalent revenue for the general government sector represent income from other sectors of government. Dividends are recognised as revenue when the right to receive payment is established. Tax and rate equivalent revenue is recognised when assessment notices are issued.

Royalty income

Mineral and petroleum royalties from companies operating under Western Australian legislation are recognised when the taxable event occurs and the receivables arising from the taxable event can be measured reliably. Royalties are calculated in accordance with the substance of the relative agreements considering the base on which the royalty is calculated. Under current systems, the base can be production, royalty value, net cash flows or profit.

(i) Expense Recognition

Expenses are recognised when incurred and are reported in the financial year to which they relate. The policies adopted for the recognition of significant categories of expenses are as follows.

Salaries

Salaries include wages and salaries, leave entitlements, redundancy payments and district allowances.

Superannuation concurrent costs

The superannuation expense (concurrent cost) of defined benefit plans relates to current service cost which is the cost of employer financed benefits that are expected to accrue for defined benefit members during the reporting period.

The superannuation expense (concurrent cost) of defined contribution plans is recognised as and when the contributions fall due.

Actuarial gains or losses relating to remeasurement adjustments and changes in actuarial assumptions of the defined benefit plans are reported separately as 'other movements in equity'.

Superannuation interest cost

The carrying cost of superannuation liabilities is recognised as an interest cost. This cost is estimated by an actuary based on the value of the gross superannuation liability, less the expected return on plan assets' incorporating a range of demographic and financial assumptions.

Depreciation and amortisation

Depreciation of non-financial physical assets (excluding inventories) is generally provided on a straight-line basis at rates based on the expected useful lives of those assets. The expected useful life for each class of depreciable asset is provided at Note 3(k).

Amortisation is provided on leasehold improvements and intangible assets, and is calculated on a straight-line basis, generally over the expected useful lives of the underlying assets.

Other interest

Interest costs include interest charges and borrowing costs. Interest costs are expensed in the period in which they are incurred. Interest expense is recognised as it accrues and includes items of a similar nature realised in managing portfolios. Borrowing costs are recognised immediately as an expense, even when they are directly attributable to the acquisition, construction or production of a qualifying asset.

Current and capital transfers

Current and capital transfers include grants and subsidies and other payments made to other sectors of government and to non-government organisations for the delivery of services. They are recognised as an expense to the extent when the grantee meets conditions such as grant eligibility criteria, or has provided the service or facilities required under the grant agreement.

(j) Other Economic Flows

Other economic flows are changes in volume or value of an asset or liability that do not result from revenue or expense transactions.

Net gains on assets/liabilities

Realised gains (or losses) on disposal of non-financial assets

Net gains (or losses) arising on the disposal or retirement of a non-current asset are recognised when control of the asset and the significant risks and benefits incidental to ownership have passed to the buyer.

Impairment – non-financial assets

Impairment losses are recognised as a non-transaction cost when an asset's carrying amount exceeds its recoverable amount.

Net actuarial gains (or losses) – superannuation

Actuarial gains (or losses) on superannuation defined benefit plans are recognised in the period in which they occur.

(k) Land, and Other Property, Plant and Equipment

Initial recognition and measurement

All items of land and other property, plant and equipment are initially recognised at cost.

Subsequent recognition and measurement

After initial recognition, the public sector has adopted the following measurement models.

Class of Asset	Subsequent Measurement
Land (including land under roads)	Fair value
Buildings	Fair value less accumulated depreciation and accumulated impairment losses
Infrastructure – road network	Fair value less accumulated depreciation and accumulated impairment losses
Infrastructure – water storage and distribution	Fair value less accumulated depreciation and accumulated impairment losses
– electricity generation and transmission	
– other	
Plant, equipment and other	Fair value less accumulated depreciation and accumulated impairment losses

Revaluations

Non-financial physical assets are revalued with sufficient regularity to ensure that the carrying amount of an asset does not differ materially from its fair value at the end of the reporting period. Revaluation increases or decreases arise from differences between carrying value and fair value of an asset.

Net revaluation movements are recognised in 'all other movements in equity' and accumulated in equity under 'Other Reserves'.

Land

The fair value attributed to the land component of government-owned non-current real estate assets (excluding land under roads) for financial reporting purposes is determined on the basis of highest and best use taking into consideration the legal, physical and economic restrictions affecting the sites ability to realise that potential.

Fair value is defined in AASB 116: *Property, Plant and Equipment* as the amount for which an asset could be exchanged, between knowledgeable parties in an 'arm's length' transaction. There is a going concern presumption and it is assumed that an asset is exchanged after an adequate period of marketing.

The fair value of land under roads (i.e. land within road reserves) is based on the market value of the land adjoining the road reserve. The land values are provided by geographic location on an annual basis by the Western Australian Land Information Authority (Valuation Services) as follows:

- metropolitan area – median value for single residential land for each Local Government Area. Land parcels up to 899 m² are assumed to have a single residential zoning;
- South West region – nominal unimproved valuation rates covering the south west of the State from Geraldton to Esperance; and
- balance of State – nominal unimproved valuation rates based on leasehold rates for Crown land.

Buildings

The fair value of buildings is based on current market values determined by reference to recent market transactions. Where market evidence is not available, the fair value of buildings is determined on the basis of existing use where buildings are specialised. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset (i.e. the current replacement cost).

Building valuations are provided by the Western Australian Land Information Authority (Valuation Services), or by other independent professional valuers, with sufficient regularity, such that the carrying amount does not differ materially from that which would be determined using fair values at the reporting date.

In addition, for buildings under the current replacement cost basis, estimated professional and project management fees are included in the valuation of current use assets as required by AASB 2022-10: *Amendments to Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*. The fair value of these assets will increase with a higher level of professional and project management fees.

Professional and project management fees are estimated by individual government agencies and incorporated into the current replacement costs provided by Valuation Services for current use buildings.

Buildings in the course of construction are carried at cost, less any recognised impairment loss. Depreciation of these assets commences when the asset is ready for its intended use.

Infrastructure

Road infrastructure is independently valued every three years by reference to the cost of a new asset and adjusted in the intervening years by reference to a cost index (ABS Road and Bridge Construction Cost Index or rates obtained from professional estimators specialising in road infrastructure works) to ensure the carrying values do not materially differ from fair value. The value of bridges at 30 June 2025 is based on the current replacement cost determined at 30 June 2025 calculated using construction unit rates provided by professional estimators and multiplying these by the units of relevant categories that form the infrastructure asset. The ABS Road and Bridge Construction Cost Index has been applied to roads and principal shared paths (earthworks, drainage, pavement and seals), bridges and road furniture assets to ensure asset values do not materially differ from fair value.

Fair value for other infrastructure assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset (i.e. the current replacement cost). Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications, adjusted for obsolescence and optimisation (where applicable). Obsolescence encompasses physical deterioration, functional (technological) obsolescence and economic (external) obsolescence.

Plant, equipment and other assets

Plant, equipment and other assets are stated at fair value which approximates carrying value (cost less accumulated depreciation and accumulated impairment losses).

Art collections and artefacts classified as heritage assets are stated at fair value. The revaluation of art works and artefacts is an independent valuation, provided by independent professional valuers, by reference to the current replacement cost as the assets are specialised and no market evidence of value is available.

Depreciation

All property, plant and equipment assets including service concession assets having a limited useful life are systematically depreciated over the asset’s estimated useful life in a manner that reflects the consumption of its future economic benefits.

Land, the majority of earthworks, art collections and artifacts are not depreciated as they are deemed to have an indefinite life.

Depreciation is generally calculated using the straight-line method (as adjusted for any impairment), over the estimated useful lives of the assets. The assets’ residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year end.

The following table summarises the expected useful lives for each class of depreciable asset in both the current and prior years used in compiling these financial statements.

Class of Asset	Depreciation Period
<i>Buildings</i>	17 - 80 years
<i>Infrastructure – Road network</i>	
Seals	7 - 19 years
Pavements	12 - 50 years
Drainage	50 – 80 years
Road furniture	5 - 50 years
Structures (mainly bridges)	50 - 100 years
Earthworks(a)	Up to 100 years
<i>Infrastructure – Water, storage and distribution</i>	
Pipelines and fittings	30 - 110 years
Drains and channels	20 - 150 years
Dams and reservoirs	40 - 120 years
<i>Infrastructure – Electricity generation and transmission</i>	2 - 50 years
<i>Infrastructure – Other</i>	
Public transport	5 - 120 years
Harbour and ports	2 - 80 years
<i>Plant, equipment and other(b)</i>	2 - 100 years

(a) While road earthworks are generally assumed to have an infinite life, a small percentage of earthworks are depreciated in accordance with UIG Interpretation 1055: *Accounting for Road Earthworks*.

(b) Heritage collections, works of art, and museum collections are anticipated to have an infinite life, their service potential has not, on any material sense, been consumed during the reporting period. State Library Collections are depreciated by expensing the value of the tenth oldest year's acquisitions.

Disposal

The gain or loss arising on disposal or retirement of an asset (calculated as the difference between the carrying amount of the asset at the time of disposal and the net disposal proceeds), is included in the Operating Statement in the period the item is disposed.

Where an asset that has been previously revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is retained in 'Other Reserves'.

(I) Right-of-use Assets

Initial recognition

Right-of-use assets are measured at cost including the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs, including dismantling and removing the underlying asset.

This includes all leased assets other than investment property right-of-use assets, which are measured in accordance with AASB 140: *Investment Property*.

In line with AASB 16: *Leases*, Western Australia's public sector agencies do not recognise right-of-use assets and lease liabilities for short-term leases (with a lease term of 12 months or less) and low value leases (with an underlying value of \$5,000 or less). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

Subsequent measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any remeasurement of lease liability.

Depreciation and impairment of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to an agency at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in Note 3(r): *Impairment of assets*.

(m) Service Concession Assets

Initial recognition and measurement

A service concession asset is recognised initially measured at current replacement cost in accordance with the cost approach to fair value in AASB 13: *Fair Value Measurement*.

Subsequent recognition and measurement

Subsequent to initial recognition, a service concession asset is depreciated or amortised in accordance with AASB 116: *Property, Plant and Equipment* or AASB 136: *Intangible Assets*, as appropriate, with any impairment recognised in accordance with AASB 136: *Impairment of Assets*.

(n) Biological Assets

Biological assets in the form of plantation timber are stated at fair value less estimated point-of-sale costs and costs necessary to get the assets to market.

The fair value of the biological asset is based on its present location and condition. As a result, fair value is determined based on historical volume increases and historical cash flows, adjusted for known variances.

Gains or losses arising from changes in the fair value of biological assets trees, are taken to account as 'net gains on assets/liabilities' in the Operating Statement.

(o) Investment Properties

Initial recognition and measurement

Investment properties are held for rental yield and capital appreciation and are initially recognised at cost.

Subsequent recognition and measurement

After initial recognition, the public sector has adopted the fair value model. Investment properties are carried at fair value and no depreciation is provided in respect of buildings.

The fair value of investment properties is determined by reference to market-based evidence, having regard to current economic and market conditions at reporting date. Valuations are performed annually by an independent professional valuer.

Gains and losses arising from changes in the fair value of investment properties are included in the Operating Statement in the year in which they arise.

(p) Intangible Assets

Acquired and internally developed intangible assets are initially measured at cost. The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

The carrying value of intangible assets is reviewed for impairment annually when the asset is not yet in use, or more frequently when an indicator of impairment arises during the reporting year indicating that the carrying value may not be recoverable.

Amortisation is calculated for the period of the expected benefit (estimated useful life) on a straight-line basis using rates which are reviewed annually. All intangible assets controlled by the public sector have a finite useful life and zero residual value.

Software-as-a-service (SaaS) expenses are recognised as incurred when the related services are delivered, unless they qualify for capitalisation as computer software because they are identifiable and controlled in a way that allows future economic benefits to be obtained, and others' access to those benefits can be restricted. Costs incurred to configure or customise, and the ongoing fees to obtain access to a cloud provider's application software, are recognised as operating expenses when the services are received. Some of the costs incurred are for the development of software code that enhances, modifies or creates additional capability to existing on-premise systems and meets the recognition criteria for an intangible asset.

Expected useful lives for all classes of intangible asset are assumed to be between 3 to 30 years

(q) Assets Held for Sale

Assets held for sale are recognised at the lower of carrying amount and fair value less costs to sell and are presented separately from other assets in the Balance Sheet. These assets are not depreciated or amortised while they are classified as held for sale.

(r) Impairment of Assets

Property, plant, equipment, infrastructure and intangible assets are tested for any indication of impairment at each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised as a revaluation decrement through 'All other movements in equity' in the Operating Statement. As the public sector is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of asset is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of asset's future economic benefits and to evaluate any impairment risk from declining replacement costs.

Intangible assets not yet available for use or with an indefinite useful life are tested for impairment each reporting period irrespective of whether there is any indication of impairment. Tests are undertaken by agencies at each reporting period.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

(s) Leased Assets

AASB 16: *Leases* includes a comprehensive model for the identification of lease arrangements and requires lessees to recognise most leases (operating and finance leases) on the Balance Sheet as right-of-use assets and lease liabilities. This excludes short-term leases (lease terms of 12 months or less at commencement date) and low-value assets (valued less than \$5,000) which are expensed directly in the Operating Statement.

(t) Service Concession Assets

AASB 1059: *Service Concession Arrangements: Grantors* addresses the accounting for a service concession arrangement by a grantor that is a public sector agency by prescribing the accounting for the arrangement from the grantor's perspective. The service concession arrangement is a type of public private partnership which involves an operator that is contractually obliged to provide public services related to a service concession asset on behalf of the grantor and managing at least some of those services under its own discretion, rather than at the discretion of the grantor.

(u) Lease Liabilities

Initial recognition and measurements

Lease liabilities at commencement date, are measured at present value of lease payments that are not paid at that date. Lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, then the incremental borrowing rate provided by Western Australia Treasury Corporation is applied.

The lease payments that form part of the present value calculation of lease liabilities include:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise of purchase options (where these are reasonably certain to be exercised); and
- payments for penalties for terminating a lease, where the lease term reflects the exercising of options to terminate leases.

Interest on lease liabilities is recognised in the Operating Statement over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Periods covered by extension or termination options are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Variable lease payments, not included in the measurement of lease liabilities, that are dependent on sales are recognised in the Operating Statement in the period in which the condition that triggers those payments occurs.

Subsequent measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities, reducing the carrying amount to reflect the lease payments made, and remeasuring the carrying amount at amortised cost (subject to adjustments to reflect any reassessment or lease modifications).

(v) Service Concession liabilities

Initial recognition and measurement

If an amount is initially recognised as a service concession asset, the State recognises a corresponding liability, adjusted by the amount of any other consideration.

Subsequent recognition and measurement

Depending on the nature of the service concession arrangement, the State may compensate the operator by any combination of either making payments to the operator and/ or compensating through no-monetary exchange. The State recognises the liability based on the 'financial liability' model or 'grant of right to the operator' model (as deferred service concession assets revenue) or a combination of both.

(w) Inventories

Inventories, other than inventories held for distribution, are measured at the lower of cost and net realisable value. Costs are assigned using the weighted average cost or the 'first in first out' method.

Inventories consisting of land held for development and resale are valued at the lower of cost and net realisable value. Costs include the cost of acquisition and development.

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential.

Precious metal inventories are measured at fair value, being the applicable market prices ruling at the reporting date.

(x) Cash and Cash Equivalents

For the purposes of the Cash Flow Statement, cash and cash equivalents also comprise restricted cash and cash equivalents (which includes cash held for specific purposes). These include cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value, and bank overdrafts.

(y) Financial Instruments

Financial assets and liabilities are recognised on the Balance Sheet when the public sector becomes a party to the contractual provisions of the financial instrument. The public sector has the following categories of financial instruments:

- cash and deposits;
- receivables/payables;
- investments, loans and placements;
- advances paid/received;
- shares and other equity;
- deposits held;
- borrowings;
- other employee benefits; and
- other financial assets/liabilities.

Financial assets are measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss. The classification is based on two criteria:

- the business model for managing the assets; and
- whether contractual cash flows for the assets represent solely payments of principal and interest on the principal amount outstanding.

The following classifications are applied to financial assets and liabilities.

Financial assets are measured at amortised cost if they are held to collect the contractual cash flows and those cash flows are solely payments of principal and interest.

Financial assets are measured at fair value through other comprehensive income:

- for debt instruments – if the assets are held both to collect contractual cash flows, comprising solely payments of principal and interest, and to sell the financial assets; and
- for equity instruments – if they have been irrevocably elected to be measured at fair value through other comprehensive income.

Other financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or fair value through other comprehensive income as explained above.

Payables are recognised when the public sector becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are usually settled within 30 days. Payables are measured at either amortised cost or at fair value through profit or loss.

Borrowings are initially recognised at the fair value of the net proceeds received. Subsequent fair value measurements are calculated using current lending rates for similar borrowings with remaining maturities consistent with the debt being valued. Unrealised gains or losses arising from changes in fair value are recognised in the Operating Statement. With the exclusion of leases and service concession liabilities measured using the financial liability model, borrowings are predominantly conducted by the Western Australian Treasury Corporation, which operates within the capital markets as the central borrowing authority of the public sector. Borrowings are measured at either amortised cost, at fair value through profit or loss, or at fair value through other comprehensive income.

Derivative financial instruments are recognised in the Balance Sheet and measured at fair value. The fair values for derivative financial instruments are obtained from quoted market prices. Application of hedge accounting will only be available where specific designation and effectiveness criteria are satisfied. Where hedge accounting cannot be achieved for ongoing risk mitigation activity, the changes in the fair value of derivative financial instruments are recognised in the Operating Statement as they arise. Derivative financial instruments are measured at fair value through profit or loss.

(z) Provisions

Provisions are liabilities of uncertain timing and amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

Superannuation

The public sector provides superannuation benefits under two types of schemes: defined benefit plans and defined contribution plans.

In accordance with legislative requirements, the Government Employees Superannuation Board (GESB) administers, the following State public sector plans:

Defined Benefit Plans:

- Pension Scheme, which was closed to new members on 15 August 1986;
- Judges Pension Scheme which provides pension benefits to members upon retirement;
- Parliamentary Pension Scheme which provides pension benefits to members on death, retirement, or electoral defeat;
- Gold State Superannuation (GSS) Scheme, which was closed to new members on 29 December 1995.

Defined Contribution Plans:

- West State Superannuation (WSS) Scheme which was closed to new members on 16 April 2007; and
- GESB Super Scheme which commenced on 16 April 2007.

From 30 March 2012, existing members of the WSS, GESB Super Scheme and new employees have been able to choose their preferred superannuation fund provider. Agencies make contributions to GESB or other fund providers on behalf of employees in compliance with the Commonwealth Government's *Superannuation Guarantee (Administration) Act 1992*. Contributions to these accumulation schemes extinguish agency liabilities for superannuation charges in respect of employees who are not members of defined benefit schemes.

The defined benefit plans are superannuation plans that define the benefit amount that an employee will be entitled to receive upon retirement taking into account expected future salary increases and other actuarial assumptions such as mortality and retirement rates. Defined benefit plan contributions are calculated based upon regulatory requirements and/or plan terms. The defined benefit obligations and the related services costs are determined separately for each plan at each reporting date by a qualified actuary, using the Projected Unit Credit method.

The expected future payments are discounted to present value using market yields at the reporting date on Commonwealth government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Actuarial gains and losses of the defined benefits superannuation plans are immediately recognised in the Operating Statement.

The amounts recognised in the Balance Sheet represent the present value of the defined benefit obligations, reduced by the fair value of the associated plan assets. The assets of these plans are held separately from the public sector's general assets.

The value of unfunded liabilities reported in the ARSF will differ to the liabilities reported by GESB due to the application of different accounting standards which result in the application of different measurement methodologies¹.

The defined contribution plans are superannuation plans in which the employer pays a defined contribution amount into a separate fund. Contributions to defined contribution plans are charged to the Operating Statement as incurred. The public sector has no further obligation to the plans as scheme members assume the investment risk.

See also Note 3(i): *Expense Recognition*.

¹ Since 2016-17, GESB has valued and reported unfunded superannuation liabilities in accordance with the requirements of AASB 1056: *Superannuation Entities*, while for the purposes of the *Annual Report on State Finances*, the liabilities will continue to be valued in line with AASB 119: *Employee Benefits*. The two standards allow for the use of different discount factors which will result in a different valuation for the two entities. In addition, GESB reports an employer-sponsored receivable (being the difference between the defined benefit liability and the assets available to meet the liability). The employer sponsored receivable is not reciprocated in a separately identifiable payable in the *Annual Report on State Finances*.

Other employee benefits

Annual Leave and Long Service Leave

Annual leave is not expected to be settled wholly within 12 months after the end of the reporting period and is therefore considered to be 'other long-term employee benefits'. The annual leave liability is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments, consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability also considers experience of employee departures and periods of service.

The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match as closely as possible the estimated future cash payments.

All annual leave and unconditional long service leave provisions are classified as current liabilities as the public sector does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Other compensated absences

Liabilities for sick leave are recognised when it is probable that sick leave paid in the future will be greater than the entitlement that will accrue in the future.

Past experience indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As accumulated sick leave does not give rise to a liability should the employee leave the public sector, an expense is recognised in the Operating Statement for this leave as it is taken.

Other provisions

Employment On-costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are not included as part of the salaries expense and the related on-cost liability is recognised separately from the employee benefit provision.

Decommissioning, Restoration and Rehabilitation

A provision is recognised where the public sector has a legal or constructive obligation in respect of plant decommissioning, restoration and site rehabilitation works. Estimates are based on the present value of expected future cash payments.

Where leased premises are required to be restored to original condition at the end of the respective lease terms, a provision is recognised for the present value of the estimated expenditure required to remove any leasehold improvements. These costs are capitalised as part of the cost of leasehold improvements or right-of-use assets and are amortised over the shorter of the lease term and the useful life of the assets.

A restoration provision is recognised when:

- there is a present obligation as a result of activities undertaken by agencies;
- it is probable that an outflow of economic benefits will be required to settle the obligation; and
- the amount of the provision can be measured reliably.

(aa) Future Impact of Australian Accounting Standards That Are Not Yet Operative

After assessment of Australian Accounting Standards and Interpretations with future commencement dates, it has been determined that these Standards and Interpretations are either not applicable or are not expected to have a material impact on the total public sector or the general government sector.

(bb) Comparative Figures

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

NOTE 4: CONVERGENCE DIFFERENCES

Where possible, AASB 1049 harmonises GFS and accounting concepts into a single presentation. Where harmonisation cannot be achieved as a result of differences in definition, recognition, measurement, classification and consolidation principles and rules, a convergence difference arises.

Full convergence on GFS and Generally Accepted Accounting Principles (GAAP) has not been achieved. This means that there are some differences between AASB 1049 aggregates in this report and the GFS information that the ABS reports.

The following key convergence differences relate to the 30 June 2025 results.

- GFS recognises dividends to owners by the public corporations sectors as a GFS expense, whereas under GAAP they are treated as a distribution to owners and therefore a direct reduction of accumulated funds. This difference does not flow through to the total public sector as dividends are eliminated on consolidation.
- GFS does not recognise an allowance for doubtful debts as the statistical framework only recognises bad debts when they are written off. Under GAAP, an allowance for doubtful debts is recognised in the balance sheet and doubtful debts are recognised in the Operating Statement as 'other economic flows'.

- Transactions with owners as owners (such as equity injections) are excluded from the 'total change in net worth'. However, these transactions are included in the movement in GFS net worth. These types of transactions result in a convergence difference as the total change in net worth under GAAP is disclosed before such transactions, while under GFS, these transactions are included in the movement in GFS net worth.

These convergence differences do not present material variations in the presentation of Western Australia's data under GAAP and GFS.

NOTE 5: CLASSIFICATION OF THE FUNCTIONS OF GOVERNMENT

General Government		
	2025	2024
	\$m	\$m
EXPENSES		
General public services	1,803	1,708
Public order and safety	5,364	4,839
Economic affairs	3,096	2,769
Environmental protection	694	593
Housing and community amenities	1,817	1,706
Health	14,471	13,168
Recreation, culture and religion	1,179	1,106
Education	8,887	8,039
Social protection	4,405	3,846
Transport	4,320	3,686
TOTAL EXPENSES	46,037	41,461
ASSETS AT 30 JUNE		
General public services	10,794	13,145
Public order and safety	6,239	5,353
Economic affairs	3,224	3,275
Environmental protection	5,534	4,847
Housing and community amenities	5,115	4,749
Health	12,003	9,956
Recreation, culture and religion	5,241	4,644
Education	21,670	19,905
Social protection	321	299
Transport	73,794	67,073
<i>plus</i> Investments in other public sector entities	94,216	82,371
TOTAL ASSETS	238,151	215,616

Note: Columns may not add due to rounding.

NOTE 5: CLASSIFICATION OF THE FUNCTIONS OF GOVERNMENT (CONT.)

Total Public Sector		
	2025	2024
	\$m	\$m
EXPENSES		
General public services	1,562	1,742
Public order and safety	5,290	4,767
Economic affairs	42,873	33,714
Environmental protection	670	580
Housing and community amenities	3,246	2,998
Health	14,368	13,071
Recreation, culture and religion	4,493	4,325
Education	8,689	7,859
Social protection	4,613	4,055
Transport	5,468	4,747
TOTAL EXPENSES	91,274	77,859
ASSETS AT 30 JUNE		
General public services	18,545	18,483
Public order and safety	6,234	5,350
Economic affairs	51,010	44,470
Environmental protection	5,532	4,844
Housing and community amenities	38,219	35,712
Health	12,003	9,956
Recreation, culture and religion	6,735	5,994
Education	21,670	19,905
Social protection	22,799	19,854
Transport	103,640	94,196
TOTAL ASSETS	286,389	258,763

Note: Columns may not add due to rounding.

NOTE 6: OPERATING REVENUE

A detailed disclosure of general government and total public sector operating revenue (which includes Uniform Presentation Framework requirements) is included in Appendix 2: *Operating Revenue*.

NOTE 7: DEPRECIATION AND AMORTISATION EXPENSE

General Government		
	2025	2024
	\$m	\$m
<i>Depreciation</i>		
Property, Plant and Equipment		
Buildings	700	603
Infrastructure	736	676
Plant, equipment and other	351	344
Right-of-use assets	404	364
Service concession assets		
Buildings	21	21
Infrastructure	1	1
Plant, equipment and other	2	2
<i>Total</i>	<i>2,215</i>	<i>2,012</i>
<i>Amortisation</i>		
Intangible assets	97	94
Service concession intangible assets	8	7
<i>Total</i>	<i>105</i>	<i>101</i>
Total depreciation and amortisation expenses	2,320	2,112

Total Public Sector		
	2025	2024
	\$m	\$m
<i>Depreciation</i>		
Property, Plant and Equipment		
Buildings	951	818
Infrastructure	3,394	2,999
Plant, equipment and other	913	854
Right-of-use assets	513	467
Service concession assets		
Buildings	45	43
Infrastructure	4	4
Plant, equipment and other	6	7
<i>Total</i>	<i>5,824</i>	<i>5,192</i>
<i>Amortisation</i>		
Intangible assets	193	192
Service concession intangible assets	8	7
<i>Total</i>	<i>201</i>	<i>199</i>
Total depreciation and amortisation expenses	6,025	5,391

Note: Columns may not add due to rounding.

NOTE 8: OTHER GROSS OPERATING EXPENSES

General Government		
	2025	2024
	\$m	\$m
Services purchased from non-government agencies	2,129	1,910
Health sector specific expenses	2,101	1,893
Education sector specific expenses	894	857
Consumable expenses	761	697
Other	2,099	1,973
Total	7,985	7,330
Total Public Sector		
	2025	2024
	\$m	\$m
Gold Corporation cost of goods sold	32,787	25,221
Betting dividends payouts	1,854	1,757
Health sector specific expenses	2,101	1,893
Services purchased from non-government agencies	2,141	1,925
Electricity, gas and other direct costs	2,115	1,581
Insurance claims expenses	1,155	947
Education sector specific expenses	894	857
Consumable expenses	558	510
Other	4,471	4,450
Total	48,076	39,140

Note: Columns may not add due to rounding.

NOTE 9: OTHER INTEREST

General Government		
	2025	2024
	\$m	\$m
Interest on leases	190	175
Other interest	1,017	946
Total	1,208	1,121
Total Public Sector		
	2025	2024
	\$m	\$m
Interest on leases	258	243
Other interest	1,777	1,812
Total	2,035	2,055

Note: Columns may not add due to rounding.

NOTE 10: TRANSFER EXPENSES

Transfer expenses are defined as the provision of something of value for no specific return or consideration, such as grants, subsidies, donations, transfers of assets free of charge.

The following tables provide detail of current and capital transfer expenses of the general government sector and the total public sector, in line with Uniform Presentation Framework disclosure requirements.

TRANSFER EXPENSES		
General Government		
	2025	2024
	\$m	\$m
<i>CURRENT TRANSFERS</i>		
Local government	464	365
Private and not-for-profit sector	2,723	2,358
Other sectors of government	5,972	5,345
Total Current Transfers	9,159	8,068
<i>CAPITAL TRANSFERS</i>		
Local government	235	90
Private and not-for-profit sector	153	156
Other sectors of government	388	314
Total Capital Transfers	776	560
Total Public Sector		
	2025	2024
	\$m	\$m
Local government	413	366
Private and not-for-profit sector	4,782	3,924
Other sectors of government	1,448	1,271
Total Current Transfers	6,642	5,561
<i>CAPITAL TRANSFERS</i>		
Local government	240	97
Private and not-for-profit sector	181	182
Total Capital Transfers	422	278

Note: Columns may not add due to rounding.

NOTE 11: RECEIVABLES

General Government

	2025	2024
	\$m	\$m
Receivables	5,377	5,825
Provision for impairment of receivables	-275	-190
Total receivables	5,102	5,635
<i>Reconciliation of changes in the allowance for impairment of receivables:</i>		
<i>Balance at start of year</i>	<i>190</i>	<i>193</i>
Expected credit losses expense	51	20
Amounts written-off during the year	32	-21
Amounts recovered during the year	2	-3
Balance at the end of year	275	190

Total Public Sector

	2025	2024
	\$m	\$m
Receivables	7,582	8,154
Provision for impairment of receivables	-447	-348
Total receivables	7,135	7,807
<i>Reconciliation of changes in the allowance for impairment of receivables:</i>		
<i>Balance at start of year</i>	<i>348</i>	<i>360</i>
Expected credit losses expense	62	34
Amounts written-off during the year	52	-7
Amounts recovered during the year	-14	-39
Balance at the end of year	447	348

Note: Columns may not add due to rounding.

NOTE 12: LAND

General Government

	2025	2024
	\$m	\$m
Land, at fair value ^(a)	17,942	15,544
Land under roads, at fair value ^(b)	35,751	30,980
Total	53,693	46,524

Total Public Sector

	2025	2024
	\$m	\$m
Land, at fair value ^(a)	29,918	25,679
Land under roads, at fair value ^(b)	35,751	30,980
Total	65,669	56,659

(a) Land valuations are provided by the Western Australian Land Information Authority (Valuation Services Branch) each financial year with an effective date of 1 July. The valuation for 30 June 2025 is based on information on the stock of land as at 30 June 2024. Land vested in local authorities of \$3,175 million (2024: \$2,607 million) is not recognised in the consolidated Balance Sheet, as it is not under State public sector control.

(b) Land under roads valuations are provided by the Western Australian Land Information Authority (Valuation Services) each financial year with an effective date of 1 July. The valuation for 30 June 2025 is based on information on the stock of land at 30 June 2024.

Note: Columns may not add due to rounding.

NOTE 13: PROPERTY, PLANT AND EQUIPMENT

General Government

	2025	2024
	\$m	\$m
Buildings, at fair value ^(a)	28,150	24,270
Accumulated Depreciation	-934	-754
Total	27,217	23,516
Road networks, at fair value ^(b)	51,811	46,519
Accumulated Depreciation	-18,154	-17,264
Total	33,657	29,255
Other infrastructure, at fair value	4,554	4,200
Accumulated Depreciation	-542	-476
Total	4,013	3,724
Plant, equipment and other, at fair value	6,136	5,744
Accumulated Depreciation	-2,943	-2,705
Total	3,194	3,039
Fixed assets under construction	4,008	6,120
Total Property, Plant and Equipment	72,089	65,653

Total Public Sector

	2025	2024
	\$m	\$m
Buildings, at fair value ^(a)	40,153	34,318
Accumulated Depreciation	-2,286	-2,236
Total	37,867	32,082
Electricity generation and transmission, at fair value ^(c)	34,302	30,479
Accumulated Depreciation	-13,435	-11,973
Total	20,867	18,506
Road networks, at fair value ^(b)	51,832	46,528
Accumulated Depreciation	-18,154	-17,264
Total	33,679	29,264
Water storage and distribution, at fair value ^(d)	42,238	39,610
Accumulated Depreciation	-18,893	-17,487
Total	23,345	22,123
Other infrastructure, at fair value	48,530	41,882
Accumulated Depreciation	-27,123	-26,105
Total	21,406	15,778
Plant, equipment and other, at fair value	23,560	22,354
Accumulated Depreciation	-11,988	-11,121
Total	11,572	11,233
Fixed assets under construction	14,100	17,024
Total Property, Plant and Equipment	162,837	146,009

- (a) Building valuations are provided by Western Australian Land Information Authority (Valuation Services) and by other independent professional valuers. Revaluations are made with sufficient regularity to ensure that the carrying amount does not materially differ from fair value at reporting date.
- (b) Road infrastructure comprising roads, bridges and road furniture, was valued at fair value by the Commissioner of Main Roads' Engineer at 30 June 2025.
- (c) Electricity generation and transmission includes the cost of decommissioning of property, plant and equipment including the cost of dismantling and removing the asset and restoring the site on which it is located, to the extent that these costs are also recognised as a provision.
- (d) Water storage and distribution, comprising pipelines, outfalls and fittings, dams, reservoirs, bores and tanks, ocean outfalls, pump stations and treatment plants, drains and channels and other structures, are reported at deemed cost, being a revalued amount prior to transition that approximates the fair value as at date of valuation.

Note: Columns may not add due to rounding.

NOTE 14: RECONCILIATION OF LAND AND PROPERTY, PLANT AND EQUIPMENT (a)

General Government

	Land	Land under Roads	Buildings	Road networks	Other Infra- structure	Plant, equip & other	Fixed Assets under Construction	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
30 June 2025								
<i>Carrying amount at beginning of year</i>	15,544	30,980	23,516	29,255	3,724	3,039	6,120	112,177
Assets classified as held for sale	-2	-	-	-	-	-	-	-2
Additions	76	-	63	-	19	343	3,515	4,016
Disposals	-8	-	-25	-63	-4	-41	-3	-144
Transfers in/-out	85	85	741	4,420	125	208	-5,604	60
Revaluation increments/-decrements ^(b)	2,228	4,686	3,602	668	263	5	-	11,451
Depreciation	-	-	-700	-622	-113	-351	-	-1,787
Other	20	-	21	-	-	-9	-20	11
Carrying amount at end of year	17,942	35,751	27,217	33,657	4,013	3,194	4,008	125,782
30 June 2024								
<i>Carrying amount at beginning of year</i>	14,804	29,100	21,145	28,105	3,612	2,790	5,220	104,776
Assets classified as held for sale	2	-	-	-	-	-	-	2
Additions	71	-	74	-	24	339	3,404	3,912
Disposals	-45	-	-5	-148	-	-37	-5	-240
Transfers in/-out	-131	21	782	1,255	-48	180	-2,495	-437
Revaluation increments/-decrements	1,117	1,860	2,130	618	198	119	-	6,041
Depreciation	-	-	-603	-576	-100	-344	-	-1,623
Impairment losses	-	-	-	-	-	-	-3	-3
Other	-274	-	-6	-	38	-8	-1	-251
Carrying amount at end of year	15,544	30,980	23,516	29,255	3,724	3,039	6,120	112,177

(a) Information on fair value measurements is provided in Note 15.

(b) Revaluation increments include the implementation of AASB 2022-10: *Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-profit Public Sector Entities*. The Western Australian Land Information Authority's (Valuation Services) methodology takes into consideration the comparable utility of land assets to service the functions of public sector agencies. Revaluation increments for buildings also reflects the inclusion of professional and project management fees.

Note: Columns/rows may not add due to rounding.

NOTE 14: RECONCILIATION OF LAND AND PROPERTY, PLANT AND EQUIPMENT ^(a)(CONT.)

Total Public Sector

	Land	Land under Roads	Buildings	Electricity generation and transmission	Road networks	Water storage and distribution	Other Infra-structure	Plant, equip & other	Fixed Assets under Construction	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
30 June 2025										
<i>Carrying amount at beginning of year</i>	25,679	30,980	32,082	18,506	29,264	22,123	15,778	11,233	17,024	202,667
Assets classified as held for sale	-7	-	-1	-	-	-	-	-	-	-8
Additions	292	-	297	128	-	145	38	394	11,905	13,198
Disposals	-32	-	-59	-20	-63	-8	-20	-54	-4	-261
Transfers in/-out	182	85	1,322	1,644	4,432	520	5,878	867	-14,781	149
Revaluation increments/-decrements ^(b)	3,783	4,686	5,107	1,465	668	1,119	483	54	-	17,365
Depreciation	-	-	-951	-1,472	-622	-552	-747	-913	-	-5,257
Other	22	-	70	615	-	-	-2	-8	-44	652
Carrying amount at end of year	29,918	35,751	37,867	20,867	33,679	23,345	21,406	11,572	14,100	228,506
30 June 2024										
<i>Carrying amount at beginning of year</i>	23,779	29,100	28,899	16,547	28,105	21,413	13,602	10,243	12,713	184,400
Assets classified as held for sale	-1	-	-3	-	-	-	-	-	-88	-92
Additions	258	-	250	25	-	-	29	393	10,188	11,144
Disposals	-79	-	-28	-26	-148	-3	-1	-58	-5	-347
Transfers in/-out	103	21	1,124	1,181	1,264	494	694	718	-5,776	-176
Revaluation increments/-decrements	1,898	1,860	2,666	2,042	618	751	2,017	796	-	12,647
Depreciation	-	-	-818	-1,287	-577	-531	-603	-854	-	-4,671
Impairment losses	-	-	-	-	-	-	-	-	-7	-7
Other	-279	-	-8	25	-	-	39	-6	-1	-231
Carrying amount at end of year	25,679	30,980	32,082	18,506	29,264	22,123	15,778	11,233	17,024	202,667

(a) Information on fair value measurements is provided in Note 15.

(b) Revaluation increments include the implementation of AASB 2022-10: *Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-profit Public Sector Entities*. The Western Australian Land Information Authority's (Valuation Services) methodology takes into consideration the comparable utility of land assets to service the functions of public sector agencies. Revaluation increments for buildings also reflects the inclusion of professional and project management fees.

Note: Columns/rows may not add due to rounding

NOTE 15: FAIR VALUE MEASUREMENTS

General Government

Assets measured at fair value

	Level 1 ^(a) \$m	Level 2 ^(b) \$m	Level 3 ^(c) \$m	Fair value at end of period \$m
30 June 2025				
Assets classified as held for sale (Note 22)	-	10	14	24
Land (Note 12,14)	-	3,316	14,626	17,942
Land under roads (Note 12,14)	-	-	35,751	35,751
Buildings (Note 13,14)	-	575	26,642	27,217
Road networks (Note 13,14)	-	-	33,657	33,657
Other infrastructure (Note 13,14)	-	-	4,013	4,013
Plant, equipment and other (Note 13,14)	-	2	3,192	3,194
Service concession assets - Land (Note 18)	-	-	64	64
Service concession assets - Buildings (Note 18)	-	-	1,057	1,057
Service concession assets - Other infrastructure (Note 18)	-	-	33	33
Service concession assets - Plant, equipment and other (Note 18)	-	-	9	9
Biological assets (Note 19)	-	3	7	9
Investment property (Note 23)	-	2	-	2
Total	-	3,907	119,066	122,973

	Level 1 ^(a) \$m	Level 2 ^(b) \$m	Level 3 ^(c) \$m	Fair value at end of period \$m
30 June 2024				
Assets classified as held for sale (Note 22)	-	8	14	22
Land (Note 12,14)	-	3,074	12,470	15,544
Land under roads (Note 12,14)	-	-	30,980	30,980
Buildings (Note 13,14)	-	513	23,003	23,516
Road networks (Note 13,14)	-	-	29,255	29,255
Other infrastructure (Note 13,14)	-	-	3,724	3,724
Plant, equipment and other (Note 13,14)	-	2	3,037	3,039
Service concession assets - Land (Note 18)	-	-	64	64
Service concession assets - Buildings (Note 18)	-	-	935	935
Service concession assets - Other infrastructure (Note 18)	-	-	38	38
Service concession assets - Plant, equipment and other (Note 18)	-	-	12	12
Biological assets (Note 19)	-	-	5	6
Investment property (Note 23)	-	-	-	-
Total	-	3,596	103,538	107,134

(a) Assets valued using quoted prices (unadjusted) in active markets for identical assets.

(b) Assets valued using inputs based on observable market data (either directly or indirectly).

(c) Assets valued using inputs not based on observable market data.

Note: Columns/rows may not add due to rounding.

NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

Measurement of fair values

Transfers between Level 1, 2 and 3

There were no material transfers between fair value hierarchy levels for agencies with significant asset values within the general government sector for the periods ended 30 June 2025 and 30 June 2024.

Valuation techniques to derive Level 2 fair values

There were no significant changes in valuation techniques during the period.

The following valuation techniques to derive Level 2 fair values have been identified for agencies with significant asset values within the general government sector.

Level 2 fair values of assets classified as held for sale, land, buildings, plant, equipment and 'other', biological assets and investment properties are derived using the market approach.

Market evidence of sales prices of comparable assets is used to determine price per square metre for land and buildings, with adjustments made for differences in key attributes.

Assets held for sale have been written down to fair value less costs to sell. Fair value has been determined by reference to market evidence of sales prices of comparable assets.

Fair value of biological assets has been determined based on market prices of livestock of similar age, breed and generic merit.

NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

General Government

Fair value measurements using significant unobservable inputs (Level 3)

	Fair value at start of period	Additions	Revaluation increments/- decrements(a)	Revaluation increments/- decrements(b)	Transfers from/-to Level 2	Transfers between asset classes	Transfers from/-to other sectors of government	Disposals	Depreciation	Other	Fair value at end of period
30 June 2025	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Assets classified as held for sale	14	-	-	-	-	-	-	-	-	-	14
Land	12,470	86	-	1,852	185	20	-	-11	-	22	14,626
Land under Roads	30,980	-	-	4,686	-	85	-	-	-	-	35,751
Buildings	23,003	146	-	3,397	63	667	-	-26	-668	59	26,642
Road networks	29,255	-	-	668	-	4,420	-	-63	-622	-	33,657
Other Infrastructure	3,724	28	-	263	-	29	88	-4	-113	-	4,013
Plant, equipment & other	3,037	340	-	4	-	208	-	-41	-351	-4	3,192
Service Concession assets - Land	64	-	-	7	-	-8	-	-	-	-	64
Service Concession assets - Buildings	935	48	-	150	-	-56	-	-	-21	-	1,057
Service concession assets - Other infrastructure	38	-	-	1	-	-5	-	-	-1	-	33
Service concession assets - Plant, equipment & other	12	-	-	-	-	-	-	-	-2	-	9
Biological assets	5	4	-1	-	-2	-	-	-	-	-	7

(a) Recognised in Operating Statement.

(b) Recognised in 'All other movements in equity'.

Note: Rows may not add due to rounding.

NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

General Government

Fair value measurements using significant unobservable inputs (Level 3)

	Fair value at start of period	Additions	Revaluation increments/- decrements(a)	Revaluation increments/- decrements(b)	Transfers from/-to Level 2	Transfers between asset classes	Transfers from/-to other sectors of government	Disposals	Depreciation	Other	Fair value at end of period
30 June 2024	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Assets classified as held for sale	14	-	-	-	-	1	-	-	-	-	14
Land	11,653	40	-	961	178	9	-161	-42	-	-168	12,470
Land under Roads	29,100	21	-	1,860	-	-	-	-	-	-	30,980
Buildings	20,604	96	-	2,130	78	789	-95	-6	-580	-13	23,003
Road networks	28,105	-	-	618	-	1,261	-6	-148	-576	-	29,255
Other Infrastructure	3,612	27	-	198	-	37	-89	-	-100	39	3,724
Plant, equipment & other	2,789	339	-	122	-	177	-	-37	-344	-8	3,037
Service Concession assets - Land	62	-	-	3	-	-	-	-	-	-	64
Service Concession assets - Buildings	874	53	-	18	-	11	-	-	-21	-	935
Service concession assets - Other infrastructure	39	-	-	-	-	-	-	-	-1	-	38
Service concession assets - Plant, equipment & other	13	1	-	-	-	-	-	-	-2	-	12
Biological assets	6	-	-3	-	3	-	-	-	-	-	5

(a) Recognised in Operating Statement.

(b) Recognised in 'All other movements in equity'.

Note: Rows may not add due to rounding.

NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

Valuation processes

There were no significant changes to valuation processes within the general government sector for the period ended 30 June 2025.

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer. Transfers are generally limited to assets newly classified as assets held for sale as the State's Treasurer's Instructions require valuations of land, buildings and infrastructure to be categorised within Level 3 where the valuations will utilise significant Level 3 inputs on a recurring basis.

Valuation techniques to derive Level 3 fair values

There were no significant changes in valuation methodologies within the general government sector for the period ended 30 June 2025.

The following valuation techniques have been identified for agencies with significant Level 3 asset values within the general government sector, reflecting the accounting policy of the agencies with such assets.

Fair value for restricted-use land is based on comparison with market evidence for land with low-level utility (high restricted-use land). The relevant comparators of land with low-level utility is selected by Valuation Services and represents the application of a significant Level 3 input in this valuation methodology. The fair value measurement is sensitive to values of comparator land, with higher values of comparator land correlating with higher estimated fair values of land.

Fair value for current-use land assets is measured firstly by establishing the opportunity cost of public purpose land, which is termed the hypothetical alternate land use value. This approach assumes unencumbered land use based upon potential highest and best alternative use as represented by surrounding land uses and market analysis. Fair value of the land is then determined on the assumption that the site is rehabilitated to a vacant marketable condition. This requires costs associated with rehabilitation to be deducted from the hypothetical alternate land-use value of the land. Costs may include building demolition, clearing, planning approvals and time allowances associated with realising that potential. In some instances the legal, physical, economic and socio-political restrictions on a land parcel results in a minimal or negative current use land value. In this situation, the land value adopted is the higher of the calculated rehabilitation amount or the amount determined on the basis of comparison to market-corroborated evidence of land with low-level utility. Land of low-level utility is considered to be grazing land on the urban fringe of the metropolitan area with no economic farming potential or foreseeable development or redevelopment potential at the measurement date.

NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

Fair value for existing use specialised buildings, other infrastructure, road networks, and plant, equipment and 'other' is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset (i.e. the current replacement cost). Current replacement cost is the current cost of an asset less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired economic benefit, or obsolescence, and optimisation (where applicable) of the asset. Obsolescence encompasses physical deterioration, functional (technological) obsolescence, and economic (external) obsolescence. Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications.

Valuation using current replacement cost utilises the significant Level 3 input, consumed economic benefit/obsolescence of an asset which is estimated by Valuation Services. The fair value measurement is sensitive to the estimate of consumption/obsolescence, with higher values of the estimate correlating with lower estimated fair values of buildings and infrastructure.

Professional and project management fees have been estimated and added to the current replacement costs provided by Valuation Services for current use buildings, representing significant Level 3 inputs used in the valuation process.

Current replacement cost for road networks is determined every three years by reference to the cost of a new asset and adjusted in the intervening years by reference to a cost index (ABS Road and Bridge Construction Cost index or rates obtained by professional estimators specialising in road infrastructure works) to ensure asset values do not materially differ from fair value.

The State Library of Western Australia adopts a cyclical approach to valuing its collections. Most items undergo a full valuation every five years, with items worth less than \$5,000 assessed using sampling techniques. Rare books and private archives are valued annually, with heritage collections and Works of Art occurring every five years.

Fair value for the Art Gallery of Western Australia's Works of Art collection and the Western Australian Museum collections are valued every five years. For the Art Gallery, a sampling methodology is employed due to the specialised nature of the collection, using specific criteria to estimate fair value in the absence of readily available market-based evidence. The Museum's collections are valued using a combination of market values and recollection costs as applicable.

Fair value for assets classified as held for sale or for distribution to owners has been written down to fair value less costs to sell. Fair value has been determined by reference to market evidence of sales prices of comparable assets.

NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

The valuation of biological assets contains key estimates and assumptions made concerning the future, and other estimations of uncertainty as at 30 June 2025. Variations to these estimates carry a risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year. Fair value for biological assets is based on estimating the future harvests after considering constraints imposed by sustainable management, contracts and markets. The valuation model for standing timber considers the present value of the net cash flows to be generated from the forest.

The Level 3 inputs used are derived and evaluated as follows.

Selection of land with similar approximate utility

Fair value for restricted-use land is determined by comparison with market evidence for land with low-level utility. Relevant comparators of land with low-level utility are selected by Valuation Services.

Difference between hypothetical alternate land use value and current-use land value

For current-use land assets, fair value is measured firstly by establishing the opportunity cost of public purpose land, which is termed the hypothetical alternate land use value.

Selection of land adjoining road reserve

The fair value of road infrastructure comprising of land under roads is determined by comparison with the unimproved land values for land tax purposes maintained by Valuation Services.

Consumed economic benefit/obsolescence of assets

This is estimated by Valuation Services and applies to the majority of the asset classes.

Effective age

The effective age is determined by Valuation Services for buildings and by the Department of Education's valuer for its building sub-classes, after taking into account factors such as planned routine maintenance, building improvements and upgrades.

NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

Percentage rate of add-on cost – buildings and land improvements

Valuation Services has determined that the costs relating to contingencies, headworks and demolitions are inherent in the building valuations and therefore should not be added to its valuations. This also applies to the building sub-classes.

Professional and project fees

Professional and project fees which are directly attributable to bringing the asset to the location and condition for use as intended.

Average installation costs – transportable

The cost of transportation and connection of services is determined by a quantity surveyor.

Residual value of 25% of current replacement cost

The straight-line method of depreciation is applied to derive the depreciated replacement cost, assuming a uniform pattern of consumption over the initial 37 years of asset life (up to 75% of current replacement costs). All specialised buildings are assumed to have a residual value of 25% of their current replacement costs.

Application of a building utilisation category cost rate per square metre

The application of building utilisation category cost rate per square metre for hospitals and medical centres, calculated from the historical construction costs of similar facilities adjusted by a building cost index, to derive fair value.

Application of regional building cost indices

The fair value for some hospitals and medical centres includes the application of regional building construction cost indices where applicable.

Historical cost per cubic metre – road networks

The fair value of road infrastructure comprising of earthworks, pavements, drainage and seals, bridges and road furniture is calculated using construction unit rates determined by a professional quantity surveying firm and multiplying these by the units that form the infrastructure asset.

The fair value of road infrastructure comprising of principal shared paths and certain road furniture are extracted from financial records of the Commissioner of Main Roads and indexed by movements in the ABS Road and Bridge Construction Cost index.

NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

Historical cost per library and Works of Art collection

The cost approach is based on the principle that the price that a buyer in the market would pay no more for an asset than the cost to obtain an asset of equal utility or similar characteristics, whether by purchase, by construction or by fieldwork. The cost of works of art and fieldworks for collections is extracted from financial records of the State Library of Western Australia and the Art Gallery of Western Australia.

Recollection costs

The application of recollection costs is applied to the market values to derive fair value of museum collections.

Estimated variables associated with biological assets

Unobservable variables are mainly represented by estimated future timber market price per cubic metre, estimated average volume per annum, applying a discount rate to assess net present value of cash flows.

Information about significant unobservable inputs (Level 3) in fair value measurements

The following table shows the valuation techniques used in measuring Level 3 fair values for significant asset classes, including the significant unobservable inputs used.

NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

SIGNIFICANT UNOBSERVABLE INPUTS

General Government ^(a)

Asset Measured at Fair Value	Valuation Technique(s)	Unobservable inputs
Assets classified as held for sale	Market Approach	Consumed economic benefit/obsolescence of asset
Land	Market Approach	Selection of land with restricted utility
Land under roads	Market Approach	Selection of land adjoining road reserve
Buildings	Current Replacement Cost	Effective Age Professional and project fees Percentage rate add-on cost buildings and land improvements Average installation costs - transportables Residual value of 25% of current replacement cost Consumed economic benefit/obsolescence of asset Application of a building utilisation category cost rate per square meter (m ²) Application of regional building cost indices
Road networks	Current Replacement Cost	Historical cost per cubic metre (m ³) Consumed economic benefit/obsolescence of asset
Other infrastructure	Current Replacement Cost	Consumed economic benefit/obsolescence of asset Effective Age Percentage rate add-on cost buildings and land improvements Average installation costs - transportables
Plant, equipment and other		
<i>State Library collections and works of arts</i>	Current Replacement Cost	Historical cost per library and artwork collection Consumed economic benefit/obsolescence of asset
<i>Museum Collections and the Art Gallery Works of Arts</i>	Market Approach	Recollection costs Consumed economic benefit/obsolescence of asset
Biological assets		
<i>Standing Timber (Sandalwood)</i>	Discounted Cash Flow	Estimated future timber market prices Estimated average volume per annum

(a) Reconciliations of the opening and closing balances are provided in Notes 14, 18, 19, 22 and 23.

Basis of valuation

In the absence of market-based evidence, due to the specialised nature of some non-financial assets, these assets are valued at Level 3 of the fair value hierarchy on an existing use basis. The existing use basis recognises that restrictions or limitations have been placed on the use and disposal of these assets when they are not determined to be surplus to requirements. These restrictions are imposed by virtue of the assets being held to deliver a specific community service.

NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

Total Public Sector

Assets measured at fair value

	Level 1 ^(a)	Level 2 ^(b)	Level 3 ^(c)	Fair value at end of period
	\$m	\$m	\$m	\$m
30 June 2025				
Assets classified as held for sale (Note 22)	-	15	15	31
Land (Note 12,14)	-	13,033	16,885	29,918
Land under roads (Note 12,14)	-	-	35,751	35,751
Buildings (Note 13,14)	-	9,250	28,618	37,867
Electricity generation and transmission (Note 13,14)	-	-	20,867	20,867
Road networks (Note 13,14)	-	-	33,679	33,679
Water storage and distribution (Note 13,14)	-	-	23,345	23,345
Other infrastructure (Note 13,14)	-	-	21,406	21,406
Plant, equipment and other (Note 13,14)	-	634	10,939	11,572
Service concession assets - Land (Note 18)	-	1,367	64	1,431
Service concession assets - Buildings (Note 18)	-	1,450	1,057	2,506
Service concession assets - Water storage and distribution (Note 18)	-	-	133	133
Service concession assets - Other infrastructure (Note 18)	-	-	33	33
Service concession assets - Plant, equipment and other (Note 18)	-	-	53	53
Biological assets (Note 19)	-	-	208	210
Investment property (Note 23)	-	30	-	30
Total	-	25,778	193,053	218,833

	Level 1 ^(a)	Level 2 ^(b)	Level 3 ^(c)	Fair value at end of period
	\$m	\$m	\$m	\$m
30 June 2024				
Assets classified as held for sale (Note 22)	-	16	102	118
Land (Note 12,14)	-	11,370	14,308	25,679
Land under roads (Note 12,14)	-	-	30,980	30,980
Buildings (Note 13,14)	-	7,423	24,658	32,082
Electricity generation and transmission (Note 13,14)	-	-	18,506	18,506
Road networks (Note 13,14)	-	-	29,264	29,264
Water storage and distribution (Note 13,14)	-	-	22,123	22,123
Other infrastructure (Note 13,14)	-	-	15,778	15,778
Plant, equipment and other (Note 13,14)	-	585	10,648	11,233
Service concession assets - Land (Note 18)	-	1,192	64	1,256
Service concession assets - Buildings (Note 18)	-	1,173	935	2,108
Service concession assets - Water storage and distribution (Note 18)	-	-	136	136
Service concession assets - Other infrastructure (Note 18)	-	-	38	38
Service concession assets - Plant, equipment and other (Note 18)	-	-	60	60
Biological assets (Note 19)	-	-	230	230
Investment property (Note 23)	-	23	-	23
Total	-	21,782	167,830	189,612

(a) Assets valued using quoted prices (unadjusted) in active markets for identical assets.

(b) Assets valued using inputs based on observable market data (either directly or indirectly).

(c) Assets valued using inputs not based on observable market data.

Note: Columns/rows may not add due to rounding.

NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

Measurement of fair values

Transfers between Level 1, 2 and 3

There were no material transfers between fair value hierarchy levels for agencies with significant asset values within the total public sector for the period ending 30 June 2025.

The following transfers between fair value hierarchy levels have been identified for agencies with significant asset values within the total public sector for the period ended 30 June 2024.

- The Public Transport Authority transferred rollingstock valued at \$518 million from Level 2 to Level 3, resulting from a review of classification inputs during the revaluation process.
- The Department of Communities (Housing Authority) transferred rental properties valued at \$33 million from Level 2 to Level 3 in 2023-24.

Valuation techniques to derive Level 2 fair values

There were no significant changes in valuation techniques during the period.

The valuation techniques to derive Level 2 fair values disclosed in the general government sector above also applies to the total public sector. In addition, the disclosure below is specific to the total public sector.

The fair values of Level 2 plant, equipment and 'other' are derived using current replacement cost. These assets include buses owned by the Public Transport Authority. Market evidence of sales prices of bus contracts held by the Public Transport Authority are used to determine the fair value.

NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

Total Public Sector

Fair value measurements using significant unobservable inputs (Level 3)

	Fair value at start of period	Additions	Revaluation increments/- decrements (a)	Revaluation increments/- decrements (b)	Transfers from/-to Level 2	Transfers between asset classes	Disposals	Depreciation	Other	Fair value at end of period
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
30 June 2025										
Assets classified as held for sale	102	1	-	-	-	-88	-	-	-	15
Land	14,308	174	-	2,253	119	21	-11	-	21	16,885
Land under Roads	30,980	85	-	4,686	-	-	-	-	-	35,751
Buildings	24,658	201	-	3,634	63	813	-30	-779	58	28,618
Electricity generation and transmission	18,506	128	-	1,465	-	1,644	-19	-1,472	615	20,867
Road networks	29,264	12	-	668	-	4,420	-63	-622	-	33,679
Water storage and distribution	22,123	145	-	1,119	-	520	-8	-552	-	23,345
Other Infrastructure	15,778	5,546	-	483	-	369	-20	-747	-2	21,406
Plant, equipment & other	10,648	468	-	36	-	697	-54	-852	-4	10,939
Service Concession assets - Land	64	-	-	7	-	-8	-	-	-	64
Service Concession assets - Buildings	935	48	-	150	-	-56	-	-21	-	1,057
Service Concession Assets - Water storage and distribution	136	-	-	-	-	-	-	-3	-	133
Service concession assets - Other infrastructure	38	-	-	1	-	-5	-	-1	-	33
Service concession assets - Plant, equipment & other	60	-	-	-	-	-	-	-6	-	53
Biological assets	230	18	-37	-	-2	-	-	-	-	208

(a) Recognised in Operating Statement.

(b) Recognised in 'All other movements in equity'.

Note: Rows may not add due to rounding.

NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

Total Public Sector

Fair value measurements using significant unobservable inputs (Level 3)

	Fair value at start of period	Additions	Revaluation increments/-decrements (a)	Revaluation increments/-decrements (b)	Transfers from/-to Level 2	Transfers between asset classes	Disposals	Depreciation	Other	Fair value at end of period
30 June 2024	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Assets classified as held for sale	14	-	-	-	-	88	-	-	-	102
Land	13,861	144	-	1,045	-555	28	-46	-	-168	14,308
Land under Roads	29,100	21	-	1,860	-	-	-	-	-	30,980
Buildings	21,857	155	-	2,278	113	950	-9	-673	-14	24,658
Electricity generation and transmission	16,547	25	-	2,042	-	1,181	-26	-1,287	25	18,506
Road networks	28,105	3	-	618	-	1,261	-148	-577	-	29,264
Water storage and distribution	21,413	-	-	751	-	494	-3	-531	-	22,123
Other Infrastructure	13,602	73	-	2,112	2	654	-1	-603	-62	15,778
Plant, equipment & other	9,168	448	-	793	518	573	-57	-793	-1	10,648
Service Concession assets - Land	62	-	-	3	-	-	-	-	-	64
Service Concession assets - Buildings	874	53	-	18	-	11	-	-21	-	935
Service Concession Assets - Water storage and distribution	139	-	-	-	-	-	-	-3	-	136
Service concession assets - Other infrastructure	39	-	-	-	-	-	-	-1	-	38
Service concession assets - Plant, equipment & other	66	1	-	-	-	-	-	-7	-	60
Biological assets	226	9	-12	4	3	-	-	-	-	230

(a) Recognised in Operating Statement.

(b) Recognised in 'All other movements in equity'.

Note: Rows may not add due to rounding.

NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

Valuation processes

There were no significant changes to valuation processes for the period ended 30 June 2025.

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer. Transfers are generally limited to assets newly classified as non-current assets held for sale as the State's Treasurer's Instructions require valuations of land, buildings and infrastructure to be categorised within Level 3 where the valuations will utilise significant Level 3 inputs on a recurring basis.

Valuation techniques to derive Level 3 fair values

There were no significant changes in valuation techniques during the period. In addition, the following valuation techniques have been identified for public corporations with significant Level 3 asset values within the total public sector.

Fair value for restricted-use land is based on comparison with market evidence for land with low-level utility (high restricted-use land). The relevant comparators of land with low-level utility is selected by Valuation Services and represents the application of a significant Level 3 input in this valuation methodology. The fair value measurement is sensitive to values of comparator land, with higher values of comparator land correlating with higher estimated fair values of land.

Fair value for existing-use specialised buildings, electricity generation and transmission, water storage and distribution, other infrastructure, road networks, and plant, equipment and 'other' is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset (i.e. the current replacement cost). Current replacement cost is the current cost of an asset less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired economic benefit, or obsolescence, and optimisation (where applicable) of the asset. Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications.

Fair value for existing-use specialised infrastructure assets is calculated by reference to the historical cost indexed by a combination of the following price indices as published by the ABS.

- Producer Price Index for building construction in Western Australia (approximately 81% weighting).

NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

- Labour Price Index for total hourly rates of pay excluding bonuses using the index covering Australia; private industry; electricity, gas, water and waste supply; and all occupations (approximately 15% weighting).
- Consumer Price Index for all groups in Perth (approximately 4% weighting).
- Professional, Scientific and Technical Services in Western Australia (67% weighting).
- Administrative and Support Services in Western Australia (33% weighting).

Fair value for biological assets is based on estimating the future harvests after considering constraints imposed by sustainable management, contracts and markets, as a result, fair value is determined based on historical volume increases and historical cash flows, adjusted for known variances. The valuation model for standing timber considers the present value of the net cash flows to be generated from the forest. The cash flow projections include specific estimates for Sandalwood Plantations of 12 years and standing timber softwood plantations of approximately 30 years dependant on species and market conditions. The expected net cash flows are discounted using a risk adjusted discounted rate.

The Level 3 inputs disclosed in the general government sector above also applies to the total public sector. In addition, the disclosures below are specific to the total public sector.

Historical cost of specialised electricity infrastructure per square kilometre

Historical cost of electricity infrastructure per square kilometre is extracted from the financial records of Western Power, then indexed by a combination of observable price indices for electricity-related goods and services.

Historical cost of specialised water storage and distribution

Historical cost of water storage and distribution is extracted from the financial records of the Water Corporation, then indexed by a combination of observable price indices.

Application of Channel dredging quantities and costs

The application of dredging quantities and recent dredging costs specific to channels is applied to specialised Port plant, equipment, and 'other' assets, to derive fair value.

Freight, Railway and Bus Infrastructure

The unobservable inputs for Public Transport Authority infrastructure assets have been estimated by a combination of internal asset management experts, applying relevant observable price indices and unit rates determined by a professional independent valuation.

NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

Estimated variables associated with biological assets

The unobservable variables are mainly represented by estimated future timber market price per cubic metre, estimated production costs, estimated average volume per annum and changes in forward exchange rates, discounted at the rates for 2025 provided by an independent valuation obtained by the Forest Products Commission.

Information about significant unobservable inputs (Level 3) in fair value measurements

The following table shows the valuation techniques used in measuring Level 3 fair values, for significant asset classes, including the significant unobservable inputs used.

SIGNIFICANT UNOBSERVABLE INPUTS		
Total Public Sector ^(a)		
Asset Measured at Fair Value	Valuation Technique(s)	Unobservable inputs
Assets classified as held for sale	Market Approach	Consumed economic benefit/obsolescence of asset
Land	Market Approach	Selection of land with similar approximate utility Selection of land with restricted utility
Land under roads	Market Approach	Selection of land adjoining road reserve
Buildings	Current Replacement Cost	Effective Age Professional and project fees Percentage rate add-on cost buildings and land improvements Average installation costs - transportables Residual value of 25% of current replacement cost Application of a building utilisation category cost rate per square meter (m ²) Regional building cost indices Consumed economic benefit/obsolescence for asset
Electricity generation and transmission	Current Replacement Cost	Consumed economic benefit/obsolescence of electricity infrastructure Historical cost of specialised electricity infrastructure per km ²
Road networks	Current Replacement Cost	Historical cost per cubic metre (m ³) Consumed economic benefit/obsolescence of asset
Water, storage and distribution	Current Replacement Cost	Historical cost of specialised water storage and distribution Consumed economic benefit/obsolescence of asset
Other infrastructure		
<i>Freight Network Infrastructure</i>	Current Replacement Cost	Consumed economic benefit/obsolescence of asset Replacement cost per kilometre of network Replacement cost per kilometre of rail Replacement cost per cubic metres of ballast Replacement cost per sleeper

NOTE 15: FAIR VALUE MEASUREMENTS (CONT.)

SIGNIFICANT UNOBSERVABLE INPUTS

Total Public Sector ^(a)

Asset Measured at Fair Value	Valuation Technique(s)	Unobservable inputs
Other infrastructure		
<i>Railway Infrastructure</i>	Current Replacement Cost	Consumed economic benefit/obsolescence of asset Replacement cost per individual tunnel Replacement cost per station structure Replacement cost per kilometre of rail line Replacement cost per signal Replacement cost per sleeper Replacement cost per kilometre of overhead traction wiring
<i>Systems Infrastructure</i>	Current Replacement Cost	Consumed economic benefit/obsolescence of asset Replacement cost per individual items Replacement cost per kilometre of cabling
<i>Bus Infrastructure</i>	Current Replacement Cost	Consumed economic benefit/ obsolescence of asset Replacement cost per square metre floor area (m ²) Replacement cost per individual items
<i>Other</i>	Current Replacement Cost	Consumed economic benefit/obsolescence of asset Effective Age Percentage rate add-on cost buildings and land improvements Average installation costs - transportables
Plant, equipment and other	Current Replacement Cost	Consumed economic benefit/obsolescence of asset Application of channel dredging quantities and costs Historical cost of specialised water storage and distribution Application of a capital cost index
Biological assets		
<i>Standing Timber (Plantations)</i>	Discounted Cash Flow	The area stocked Estimated future timber market prices per cubic metre (m ³) Future wood flow projections
<i>Sandalwood Plantations</i>	Discounted Cash Flow	Estimated future timber market prices based on \$US/\$A forward exchange rates to 2037 provided by the Western Australian Treasury Corporation The weighted average price for products Estimated average volume per annum Estimated cost per tonne to harvest, produce and sell the volume over the forecast horizon
<i>Bluegum Plantations</i>	Market Approach	Consumed economic benefit/obsolescence of asset

(a) Reconciliations of the opening and closing balances are provided in Notes 14, 18, 19, 22 and 23.

Basis of valuation

In the absence of market-based evidence, due to the specialised nature of some non-financial assets, these assets are valued at Level 3 of the fair value hierarchy on an existing use basis. The existing use basis recognises that restrictions or limitations have been placed on the use and disposal of these assets when they are not determined to be surplus to requirements. These restrictions are imposed by virtue of the assets being held to deliver a specific community service.

NOTE 16: RIGHT-OF-USE ASSETS

General Government

	2025	2024
	\$m	\$m
Depreciation expense of right-of-use assets	404	364
Lease interest expense	163	146
Expenses relating to variable lease payments not included in lease liabilities	103	93
Short-term leases	64	58
Low-value leases	27	24
Total amount recognised in the Operating Statement	761	685
Total cash outflow for leases	583	533

Total Public Sector

	2025	2024
	\$m	\$m
Depreciation expense of right-of-use assets	513	467
Lease interest expense	220	204
Expenses relating to variable lease payments not included in lease liabilities	103	93
Short-term leases	73	66
Low-value leases	28	24
Total amount recognised in the Operating Statement	937	853
Total cash outflow for leases	733	705

Note: Columns may not add due to rounding.

NOTE 17: RECONCILIATION OF RIGHT-OF-USE ASSETS

General Government

	Land	Buildings	Plant, Equipment and Other	Vehicles	Total
	\$m	\$m	\$m	\$m	\$m
30 June 2025					
<i>Carrying amount at beginning of year</i>	6	2,311	65	1	2,384
Additions	1	314	163	1	479
Transfers in/-out	-	1	-	-1	-
Lease reassessment	-	50	-	-	50
Price changes/term extensions	-	39	-1	-	38
Disposals	-	-19	-	-	-19
Depreciation	-1	-366	-36	-	-404
Other	-	-1	-2	-	-3
Carrying amount at end of year	6	2,328	190	1	2,525
Gross carrying amount	10	3,652	384	1	4,047
Accumulated depreciation and impairment loss	-4	-1,324	-194	-1	-1,522
30 June 2024					
<i>Carrying amount at beginning of year</i>	5	2,296	64	1	2,365
Additions	2	271	28	1	302
Transfers in/-out	-	22	-	-	22
Lease reassessment	-	41	-	-	41
Price changes/term extensions	-	30	6	-	36
Disposals	-	-15	-1	-	-16
Depreciation	-1	-332	-31	-	-364
Other	-	-1	-	-	-1
Carrying amount at end of year	6	2,311	65	1	2,384
Gross carrying amount	10	3,396	286	3	3,695
Accumulated depreciation and impairment loss	-3	-1,085	-221	-1	-1,310

NOTE 17: RECONCILIATION OF RIGHT-OF-USE ASSETS (CONT.)

Total Public Sector

	Land	Buildings	Plant, Equipment and Other	Vehicles	Power purchase agreements	Total
	\$m	\$m	\$m	\$m	\$m	\$m
30 June 2025						
<i>Carrying amount at beginning of year</i>	23	2,464	102	52	194	2,836
Additions	5	367	230	46	14	662
Transfers in/-out	-	5	-6	-1	-	-2
Lease reassessment	-	41	-	-	-	41
Price changes/term extensions	-	44	-1	-	3	46
Disposals	-	-21	-43	-1	-	-64
Depreciation	-3	-412	-50	-19	-28	-513
Impairment losses	-	-	-	-	-	-
Other	-	-2	18	-8	-	8
Carrying amount at end of year	26	2,486	251	70	182	3,014
Gross carrying amount	42	3,985	464	141	856	5,488
Accumulated depreciation and impairment loss	-16	-1,499	-213	-71	-674	-2,474
	Land	Buildings	Plant, Equipment and Other	Vehicles	Power purchase agreements	Total
	\$m	\$m	\$m	\$m	\$m	\$m
30 June 2024						
<i>Carrying amount at beginning of year</i>	21	2,408	80	41	222	2,773
Additions	3	350	61	40	3	457
Transfers in/-out	-	22	-	-	-	22
Lease reassessment	-	41	-	-	1	41
Price changes/term extensions	-	35	6	-	-	40
Disposals	-	-17	-1	-12	-	-30
Depreciation	-2	-370	-45	-17	-32	-467
Other	2	-5	2	-	-	-1
Carrying amount at end of year	23	2,464	102	52	194	2,836
Gross carrying amount	37	3,702	393	119	840	5,091
Accumulated depreciation and impairment loss	-14	-1,238	-290	-66	-646	-2,255

NOTE 18: SERVICE CONCESSION ASSETS (a)

General Government

	Land	Buildings	Other Infra- structure	Plant, equip & other	Commer- cialised assets	Total
	\$m	\$m	\$m	\$m	\$m	\$m
30 June 2025						
Carrying amount at beginning of year	64	935	38	12	18	1,067
Additions	-	48	-	-	7	55
Transfers in/-out	-8	-56	-5	-1	-	-69
Revaluation increments/-decrements ^(b)	7	150	1	-	-	158
Depreciation and amortisation	-	-21	-1	-2	-8	-32
Carrying amount at end of year	64	1,057	33	9	17	1,180
Gross carrying amount	64	1,057	38	31	96	1,287
Accumulated depreciation and amortisation	-	-	-5	-22	-79	-107
30 June 2024						
Carrying amount at beginning of year	62	874	39	13	18	1,006
Additions	-	53	-	1	7	60
Transfers in/-out	-	11	-	-	-	11
Revaluation increments/-decrements	3	18	-	-	-	21
Depreciation and amortisation	-	-21	-1	-2	-7	-31
Carrying amount at end of year	64	935	38	12	18	1,067
Gross carrying amount	64	935	43	32	89	1,164
Accumulated depreciation and amortisation	-	-	-5	-20	-71	-98

(a) Information on fair value measurements is provided in Note 15.

(b) Revaluation increments include the implementation of AASB 2022-10: *Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-profit Public Sector Entities*.

NOTE 18: SERVICE CONCESSION ASSETS (CONT.)

Service concession arrangements are contracts between a grantor and an operator where an operator provides public services related to a service concession asset on behalf of a public sector grantor for a specified period and manages at least some of those services.

The following service concession arrangements have been identified for general government sector agencies with significant service concession asset values.

Queen Elizabeth II Medical Centre (QEIMC) Multi-Deck Car Park

In 2014, a public-private partnership project agreement was executed between the State Government of Western Australia and Capella Parking Pty Ltd, to facilitate the construction of the Queen Elizabeth II Medical Centre Multi-Deck car park. The project agreement requires Capella Parking Pty Ltd to own, operate and manage the car park, in exchange for the right to collect and retain car park charges. Upon expiry of the Agreement in November 2037, Capella is required to hand over the legal ownership of the Car Park to the State Government for nil consideration. In 2019, Capella assigned its rights under the Agreement to the International Parking Group (IPG), which established for IPG to own, operate and manage the multi-deck car park. A grant of the right to operate liability is recognised under AASB 1059 for the multi-deck car park, as the State does not have a contractual obligation to pay cash or another financial asset but grants the right to a private operator to earn revenue from the public use of the car park.

Peel Health Campus

Peel Health Campus is a general hospital that was established in September 1997 by the State Government of Western Australia. The hospital was operated on behalf of the State Government under a 20 year service contract by Health Solutions WA until 2013 when the remainder of the licence was transferred to Ramsay Health Care. The agreement was made between South Metropolitan Health Service (Grantor) and Ramsay Health Care Australia Pty Ltd (Operator).

Control of the Peel Health Campus was returned to the State Government of Western Australia on 13 August 2024. On the date of transfer, service concession assets previously identified in the service agreement were reclassified to property, plant and equipment.

St John of God Health Care

In 2012, St John of God Health Care signed a 20 year public-private partnership agreement with the State Government of Western Australia, to operate a hospital for public patients in St John of God Midland Public Hospital.

Ramsay Health Care

Ramsay Health Care (Ramsay) holds a 20 year contract to provide a range of services to public patients at the Joondalup Health Campus. The contract specifies an annual maximum operating budget for required levels of activity and the services to be provided to public patients.

NOTE 18: SERVICE CONCESSION ASSETS (CONT.)

Other

WA Health has four public-private partnership agreements with private providers who provide medical imaging and radiation oncology services in the South West and Great Southern regions. Under all four arrangements, services provided by these private contractors are delivered within buildings owned by the State.

Camp Schools and Landsdale Farm

The Department of Education has leased five camp schools to Fairbridge Western Australia Incorporated for a period of 15 years (renewable for another two, five year lease terms) for a nominal cost, and Landsdale Farm to Strive Community Services Incorporated for an initial period of five years (renewable for another two five year lease terms) at an annual rental amount.

Commercialised intangible assets

On 22 October 2019, Landgate entered into a partial commercialisation arrangement with Land Services WA for a maximum term of 40 years. In consideration of this arrangement, Landgate received an upfront lump sum payment of \$1.4 billion. The asset types included within the commercialised intangible asset category includes major computer software packages and other internally developed software.

NOTE 18: SERVICE CONCESSION ASSETS (CONT.) (a)

Total Public Sector

	Land \$m	Buildings \$m	Water storage and distribution \$m	Other Infra- structure \$m	Plant, equip & other \$m	Commer- cialised assets \$m	Total \$m
30 June 2025							
Carrying amount at beginning of year	1,256	2,108	136	38	60	18	3,616
Additions	-	48	-	-	-	7	55
Disposals	-	-1	-	-	-	-	-2
Transfers in/-out	-2	-32	-	-5	-1	-	-39
Revaluation increments/-decrements ^(b)	177	428	-	1	-	-	606
Depreciation and amortisation	-	-45	-3	-1	-6	-8	-62
Other	-	-	-	-	-	-	-1
Carrying amount at end of year	1,431	2,506	133	33	53	17	4,174
Gross carrying amount	1,431	2,506	170	38	129	96	4,371
Accumulated depreciation and amortisation	-	-	-36	-5	-76	-79	-197
30 June 2024							
Carrying amount at beginning of year	1,170	1,967	139	39	66	18	3,398
Additions	-	54	-	-	1	7	62
Disposals	-1	-1	-	-	-	-	-2
Transfers in/-out	3	18	-	-	-	-	21
Revaluation increments/-decrements	84	113	-	-	-	-	197
Depreciation	-	-43	-3	-1	-7	-7	-61
Carrying amount at end of year	1,256	2,108	136	38	60	18	3,616
Gross carrying amount	1,256	2,108	170	43	130	89	3,797
Accumulated depreciation and amortisation	-	-	-34	-5	-70	-71	-181

(a) Information on fair value measurements is provided in Note 15.

(b) Revaluation increments include the implementation of AASB 2022-10: *Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-profit Public Sector Entities*.

NOTE 18: SERVICE CONCESSION ASSETS (CONT.)

In addition to those service concession arrangements identified for the general government sector, the following arrangements with significant service concession asset values have been identified for the total public sector.

Mundaring Water Treatment Plant

In 2012, the Water Corporation entered into a public-private partnership with Helena Water Pty Ltd (Helena Water) to privately finance, design, construct, own and operate Mundaring Water Treatment Plant under a 35 year operating concession.

The Water Corporation supplies raw water to Helena Water and purchases the treated product water that is pumped to Sawyer's Valley tank at the flow rate specified by the Water Corporation's operation centre.

The agreement with the Water Corporation requires Helena Water to use reasonable endeavours to obtain the most favourable terms from existing or potential financiers when refinancing. Gains or losses will be allocated to each party on ratios determined by the agreement with the next refinancing event scheduled for 2027.

The agreement allows for the review of goods and services costs at set intervals across the term of the contract. This review process has the potential to impact the monthly service charge. The purpose of the review and benchmarking process is to ensure that both parties receive a degree of protection from volatile price increase/decrease (outside of Consumer Price Index changes) on goods and services that are procured during the term of the contract.

Termination options for the Water Corporation include convenience, force majeure, substantial damage to infrastructure, and default events. The Water Corporation may step in to operate and maintain the infrastructure in certain circumstances. There were no changes to the arrangement during the reporting period ending 30 June 2025.

Social Housing Properties

The Department of Communities (Housing Authority) has various agreements for the management and maintenance of social housing properties with Community Housing Organisations (CHOs), that they may or may not own. The Housing Authority as the grantor, controls the tenant allocation rights to these assets, while CHOs manage and maintain these properties as the operator.

The agreements for these service concession assets vary based on the specific program and contract. They typically involve the contribution of capital or property by the Housing Authority in exchange for the management services of the social housing properties by CHOs. The Housing Authority maintains its interest in these assets through certain limitations, such as caveats on property titles. The period of the agreements may differ based on contract specification. However, most agreements are ongoing indefinitely, subject to future reassessments. There were no changes to the arrangements during the reporting period ending 30 June 2025.

NOTE 19: BIOLOGICAL ASSETS (a)

General Government

	2025	2024
	\$m	\$m
Native and plantation standing trees ^(b)	2	3
Livestock and other	7	3
Total Biological Assets	9	6

Reconciliation of Biological Assets

Reconciliation of changes in the carrying amount of biological assets at the beginning and the end of the year are set out below .

30 June 2025	Standing Trees	Livestock and Other	Total
	\$m	\$m	\$m
<i>Carrying amount at beginning of year</i>	3	3	6
Gain/-loss from changes in fair value	-1	1	-
Purchases	-	4	4
Other	-	-	-
Carrying amount at end of year	2	7	9

30 June 2024	Standing Trees	Livestock and Other	Total
	\$m	\$m	\$m
<i>Carrying amount at beginning of year</i>	5	4	9
Gain/-loss from changes in fair value	-2	-1	-3
Other	-	-	-
Carrying amount at end of year	3	3	6

(a) Information on fair value measurements is provided in Note 15.

(b) Native and plantation standing trees consist of mature and maturing standing trees stated at fair value less estimated selling costs, based on discounted cash flow models using a pre-tax weighted average cost of capital, supported by market evidence.

Note: Columns/rows may not add due to rounding.

NOTE 19: BIOLOGICAL ASSETS ^(a) (CONT.)

Total Public Sector

	2025	2024
	\$m	\$m
Native and plantation standing trees ^(b)	203	227
Livestock and other	7	3
Total Biological Assets	210	230

Reconciliation of Biological Assets

Reconciliation of changes in the carrying amount of biological assets at the beginning and the end of the year are set out below.

30 June 2025	Standing Trees	Livestock and Other	Total
	\$m	\$m	\$m
Carrying amount at beginning of year	227	3	230
Gain/-loss from changes in fair value	-37	1	-36
Purchases	13	4	17
Other	-	-	-1
Carrying amount at end of year	203	7	210

30 June 2024	Standing Trees	Livestock and Other	Total
	\$m	\$m	\$m
Carrying amount at beginning of year	225	4	229
Gain/-loss from changes in fair value	-11	-1	-12
Purchases	12	-	12
Other	-	-	-
Carrying amount at end of year	227	3	230

(a) Information on fair value measurements is provided in Note 15.

(b) Native and plantation standing trees consist of mature and maturing standing trees stated at fair value less estimated selling costs, based on discounted cash flow models using a pre-tax weighted average cost of capital, supported by market evidence.

Note: Columns/rows may not add due to rounding.

NOTE 20: INVENTORIES

General Government

	2025	2024
	\$m	\$m
<i>Land Inventories</i>	-	-
<i>Other Inventories</i>		
Other materials and stores	174	208
Other	47	34
<i>Total Other inventories</i>	<i>221</i>	<i>243</i>
Total Inventories	221	243

Total Public Sector

	2025	2024
	\$m	\$m
<i>Land Inventories</i>		
Land acquisition and development	1,409	1,440
<i>Total Land inventories</i>	<i>1,409</i>	<i>1,440</i>
<i>Other Inventories</i>		
Precious metals	10,029	7,953
Power station fuel stocks	163	125
Other materials and stores	605	566
Other	66	58
<i>Total Other inventories</i>	<i>10,863</i>	<i>8,702</i>
Total Inventories	12,271	10,142

Note: Columns may not add due to rounding.

NOTE 21: INTANGIBLE ASSETS

General Government

	2025	2024
	\$m	\$m
Computer software	1,592	1,561
Accumulated Amortisation and impairment losses	-1,240	-1,168
Total	352	393
Software in progress	319	225
Other	235	212
Accumulated Amortisation and impairment losses	-110	-104
Total	124	108
Total Intangible Assets	795	726

Reconciliation of Intangibles

	Computer Software	Software in progress	Other	Total
30 June 2025				
	\$m	\$m	\$m	\$m
Carrying amount at beginning of year	393	225	108	726
Additions	17	131	1	149
Disposals	-15	-	-4	-20
Transfers in/-out	43	-36	26	34
Amortisation	-87	-	-10	-97
Accumulated amortisation written back	2	-	4	6
Other	-2	-	-	-2
Carrying amount at end of year	352	319	124	795
30 June 2024				
	\$m	\$m	\$m	\$m
Carrying amount at beginning of year	388	156	101	646
Additions	26	115	-	142
Disposals	-2	-	-1	-3
Transfers in/-out	66	-45	13	34
Amortisation	-86	-	-8	-94
Accumulated amortisation written back	2	-	1	3
Other	-1	-1	1	-1
Carrying amount at end of year	393	225	108	726

Note: Columns/rows may not add due to rounding.

NOTE 21: INTANGIBLES ASSETS (CONT.)

Total Public Sector

	2025	2024
	\$m	\$m
Computer software	3,313	3,181
Accumulated Amortisation	-2,724	-2,563
Total	589	618
Software in progress	332	234
Renewable Energy Certificates	37	62
Other	399	412
Accumulated Amortisation and impairment losses	-204	-190
Total	195	222
Total Intangible Assets	1,153	1,135

Reconciliation of Intangibles

	Computer Software	Software in progress	Renewable Energy Certificates	Other	Total
	\$m	\$m	\$m	\$m	\$m
30 June 2025					
Carrying amount at beginning of year	618	234	62	222	1,135
Additions	23	138	141	1	303
Disposals	-18	-	-166	-4	-188
Transfers in/-out	141	-39	-	-8	94
Amortisation	-174	-	-	-19	-193
Accumulated amortisation written back	2	-	-	4	6
Other	-3	-	-	-	-3
Carrying amount at end of year	589	332	37	195	1,153

	Computer Software	Software in progress	Renewable Energy Certificates	Other	Total
	\$m	\$m	\$m	\$m	\$m
30 June 2024					
Carrying amount at beginning of year	618	162	41	211	1,032
Additions	34	121	198	5	358
Disposals	-3	-	-177	-1	-181
Transfers in/-out	139	-48	-	27	117
Amortisation	-170	-	-	-22	-192
Accumulated amortisation written back	2	-	-	1	3
Other	-1	-1	-	1	-1
Carrying amount at end of year	618	234	62	222	1,135

Note: Columns/rows may not add due to rounding.

NOTE 22: ASSETS CLASSIFIED AS HELD FOR SALE (a)

General Government

	2025	2024
	\$m	\$m
Land	20	17
Other	4	5
Total Current	24	22

Assets held for sale primarily relate to: the Trustees of the Public Education Endowment (\$7 million land held for sale), Burswood Park Board (\$4 million infrastructure held for sale), the Department of Education (\$3 million land held for sale), and the Commissioner of Main Roads (\$3 million land held for sale).

Reconciliation of Assets classified as Held for Sale

Reconciliation of changes in the carrying amount of assets classified as held for sale at the beginning and the end of the year are set out below.

30 June 2025	Land	Other	Total
	\$m	\$m	\$m
Carrying amount at beginning of year	17	5	22
Assets reclassified as held for sale	2	-	2
Assets sold	-	-1	-1
Transfers out/other	1	-	1
Carrying amount at end of year	20	4	24

30 June 2024	Land	Other	Total
	\$m	\$m	\$m
Carrying amount at beginning of year	28	4	32
Assets reclassified as held for sale	-2	-	-2
Impairment losses	-1	-	-1
Transfers out/other	-7	1	-7
Carrying amount at end of year	17	5	22

(a) Information on fair value measurements is provided in Note 15.

Note: Columns/rows may not add due to rounding.

NOTE 22: ASSETS CLASSIFIED AS HELD FOR SALE (CONT.) (a)**Total Public Sector**

	2025	2024
	\$m	\$m
Land	20	19
Other	11	99
Total Current	31	118

In addition to those disclosed for the general government sector, assets held for sale by the total public sector primarily relates to the Department of Communities (Housing Authority) (\$6 million rental properties held for sale), during the year Pilbara Ports Authority transferred \$88 million of assets relating to Spoilbank Marina, to the Department of Transport.

Reconciliation of Assets classified as Held for Sale

Reconciliation of changes in the carrying amount of assets classified as held for sale at the beginning and the end of the year are set out below.

30 June 2025	Land	Other	Total
	\$m	\$m	\$m
Carrying amount at beginning of year	19	99	118
Assets reclassified as held for sale	2	6	8
Assets sold	-	-6	-6
Transfers out/other	-1	-88	-89
Carrying amount at end of year	20	11	31

30 June 2024	Land	Other	Total
	\$m	\$m	\$m
Carrying amount at beginning of year	30	10	40
Assets reclassified as held for sale	-2	93	92
Assets sold	-	-6	-6
Impairment losses	-1	-	-1
Transfers out/other	-7	1	-7
Carrying amount at end of year	19	99	118

(a) Information on fair value measurements is provided in Note 15.

Note: Columns/rows may not add due to rounding.

NOTE 23: INVESTMENT PROPERTIES (a)

General Government

	2025	2024
	\$m	\$m
<i>Carrying amount at beginning of year</i>	-	-
Additions	2	-
Revaluation increments/-decrements	-	-
Reclassified as assets held for sale	-	-
Carrying amount at end of year	2	-

Total Public Sector

	2024	2023
	\$m	\$m
<i>Carrying amount at beginning of year</i>	23	16
Additions	2	-
Revaluation increments/-decrements	3	5
Reclassified to assets held for sale /-disposals	3	2
Reclassification to distribution to owner	-	-
Carrying amount at end of year	30	23

(a) Information on fair value measurements is provided in Note 15.

Note: Columns/rows may not add due to rounding.

NOTE 24: BORROWINGS

General Government

	2025	2024
	\$m	\$m
Lease Liabilities	2,879	2,738
Loan Liabilities	317	328
Domestic and foreign borrowings ^(a)	23,880	24,109
Total ^(b)	27,076	27,174

(a) Foreign currency borrowings - the general government sector had no foreign currency borrowings at the reporting date or at the same time last year.

(b) Information on the maturity profile of Borrowings is provided in Note 34: *Financial Instruments*.

NOTE 24: BORROWINGS (CONT.)

Total Public Sector

	2025	2024
	\$m	\$m
Lease Liabilities	3,609	3,438
Loan Liabilities	317	328
Service Concession Liabilities - financial liability ^(a)	278	298
Domestic and foreign borrowings ^(b)	51,883	50,038
Total ^(c)	56,086	54,102

(a) Service concession liabilities are recognised according to AASB 1059: *Service Concession Arrangements : Grantors*.

	2025	2024
	\$m	\$m
Minimum lease payments due:		
- not later than one year	16	16
- later than one year and not later than five years	59	61
- later than five years	203	222
Minimum lease payments	278	298
Future Finance charges	-	-
Total service concession liabilities	278	298
Amounts expected to be settled:		
- not later than one year	16	16
- later than one year	262	282

(b) The following foreign currency borrowings are reported at Australian dollar equivalents applicable at the reporting date.

2025	Current	Non-current
United States Dollars	120	-
Hong Kong Dollars	287	-
	406	-
2024	Current	Non-current
United States Dollars	-	-
	-	-

At the reporting date, any foreign currency loans are either economically hedged, swapped or covered forward specifically or invested in the foreign currency. Consequently, any gain or loss on the translation of the overseas borrowing is matched by a corresponding loss or gain made on the foreign currency contract, the overseas investment or the back to back lending and the net exchange gain or loss is therefore zero.

(c) Information on the maturity profile of Borrowings is provided in Note 34: *Financial Instruments*.

Note: Columns may not add due to rounding.

NOTE 25: UNFUNDED SUPERANNUATION

General Government

	2025	2024
	\$m	\$m
Defined Benefit superannuation schemes:		
Pension Scheme	1,165	1,264
Gold State Super Scheme	2,113	2,180
Judges' Pension Scheme	591	538
Parliamentary Superannuation Scheme	154	156
Total Defined Benefit superannuation schemes	4,023	4,137

The superannuation liability for the general government sector at 30 June 2025 was \$4,023 million (2024: \$4,137 million). The liability represents 98.32% (2024: 98.3%) of the whole-of-government total superannuation liability of \$4,092 million at 30 June 2025 (2024: \$4,209 million).

The disclosure information included in the total public sector note below also applies to the general government sector.

Total Public Sector

	2025	2024
	\$m	\$m
Defined Benefit superannuation schemes:		
Pension Scheme	1,234	1,335
Gold State Super Scheme	2,113	2,180
Judges' Pension Scheme	591	538
Parliamentary Superannuation Scheme	154	156
Total Defined Benefit superannuation schemes	4,092	4,209

The Government Employee Superannuation Board (GESB) administers a range of defined benefit superannuation schemes provided in Note 3 (z): *Provisions (Superannuation)*.

Note: Columns may not add due to rounding.

NOTE 25: UNFUNDED SUPERANNUATION (CONT.)

The actuary has applied the following principal assumptions in assessing the defined benefit superannuation liabilities at the reporting date and for the following year expense.

	2025	2024
	%	%
Discount rate (gross of tax) ^(a)	3.8	4.3
Salary rate ^(b)	4.5	3.5
Inflation (pensions)	2.8	3.0

(a) The discount rate is based on the average term of liabilities.

(b) Assumed rate of salary inflation is 4.5% per annum for the first year and 4% per annum thereafter.

Major categories of defined benefit plan assets as a percentage of total fund assets are as follows ^(c).

	Class 1 ^(d) 2025 %	Class 2 ^(e) 2025 %	Class 3 ^(f) 2025 %	Total 2025 %
Equities	50	-	-	50
Cash and Investment funds	14	6	8	28
Others	-	22	-	22
	Class 1 ^(d) 2024 %	Class 2 ^(e) 2024 %	Class 3 ^(f) 2024 %	Total 2024 %
Equities	50	-	-	50
Cash and Investment funds	12	5	9	26
Others	1	23	-	24

(c) Only the Pension Scheme and Gold State Super Scheme have plan assets. The Judges' Pension and Parliamentary Superannuation Schemes are unfunded with no employer/employee contributions.

(d) Quoted in active markets.

(e) Significant observable inputs.

(f) Unobservable inputs.

Movement in net liability.

	2025 \$m	2024 \$m
Net liability/-asset in balance sheet at end of prior year	4,209	4,486
Expense recognised in profit and loss	242	283
Employer contributions	-485	-398
Remeasurements	126	-162
Net liability/-asset in balance sheet at end of year	4,092	4,209

The net liability of defined benefit plans recognised in the balance sheet is as follows.

	2025 \$m	2024 \$m
Total defined benefit obligations	7,615	7,573
Scheme assets	-3,523	-3,364
Net liability^(g)	4,092	4,209
Not later than one year	35	33
Later than one year	4,057	4,176
Total	4,092	4,209

(g) Based on the actuarial valuation, the net liabilities fall due with the following profile.

Note: Columns/rows may not add due to rounding.

NOTE 25: UNFUNDED SUPERANNUATION (CONT.)

Details of the deficit of the defined benefit plans measured in accordance with AASB 25: *Financial Reporting by Superannuation Plans* as determined from the plans' most recent financial report are shown below.

	Pension Scheme	Gold State Super Scheme	Judges' Pension Scheme	Parliamentary Superannuation Scheme	Total
	2025	2025	2025	2025	2025
	\$m	\$m	\$m	\$m	\$m
Gross accrued benefits	1,324	5,546	591	154	7,615
Net market value of plan assets	-90	-3,432	-	-	-3,523
Net liability	1,234	2,113	591	154	4,092

	Pension Scheme	Gold State Super Scheme	Judges' Pension Scheme	Parliamentary Superannuation Scheme	Total
	2024	2024	2024	2024	2024
	\$m	\$m	\$m	\$m	\$m
Gross accrued benefits	1,425	5,454	538	156	7,573
Net market value of plan assets	-90	-3,275	-	-	-3,364
Net liability	1,335	2,180	538	156	4,209

The amounts recorded for the Gold State Super Scheme relate to the scheme as a whole (i.e. the pre-transfer benefit component plus the concurrently funded benefit component). The funding policy in respect of the defined benefit plans is directed at ensuring that benefits accruing to members and beneficiaries are fully funded at the time the benefits become payable. As such, the actuary has considered long-term trends in such factors as scheme membership, salary growth and average market value of the schemes' assets when advising on employer and employee contribution rates.

The amounts recognised in the operating statement in respect of the defined benefit plans are as follows.

	2025	2024
	\$m	\$m
Total employer current service cost	86	113
Net interest cost	157	167
Recognised actuarial -gains/losses	126	-162
Total	368	118

Reconciliation of the fair value of defined benefit superannuation assets at the beginning and at the end of the year are set out below.

	2025	2024
	\$m	\$m
<i>Fair value plan assets at beginning of year</i>	3,364	3,122
Employer contributions	485	398
Actual participant contributions	20	5
Actual benefit payments	-707	-534
Interest income	130	120
<i>Expected plan assets at end of year</i>	3,290	3,111
Return in excess of interest income	232	253
Fair value of plan assets at end of year	3,523	3,364

Note: Columns/rows may not add due to rounding.

NOTE 25: UNFUNDED SUPERANNUATION (CONT.)

Reconciliation of the fair value of defined benefit superannuation obligations at the beginning and at the end of the year are set out in the following table.

	2025	2024
	\$m	\$m
<i>Defined benefit obligation at beginning of year</i>	7,573	7,608
Employer service cost plus operating costs	85	112
Interest cost	286	287
Actual participant contributions	20	5
Actual benefit payments	-707	-534
<i>Expected defined benefit obligations at end of year</i>	7,256	7,479
Actuarial -gain/loss on liabilities	357	95
Defined benefit obligation at end of year	7,615	7,573

Reconciliation of actuarial gain/loss on assets and liabilities are set out below.

	2025	2024
	\$m	\$m
Actuarial -gain/loss due to demographic assumptions	-44	172
Actuarial -gain/loss due to financial assumptions	345	-148
Actuarial -gain/loss arising from experience	57	70
Return in excess of interest income	-232	-255
Amount recognised during year in 'other changes in equity'	126	-162

Liabilities for defined benefit scheme at 30 June for the last five years are as follows.

	2025	2024	2023	2022	2021
	\$m	\$m	\$m	\$m	\$m
Total defined benefit obligations	7,615	7,573	7,608	7,499	8,786
Net market value of plan assets	-3,523	-3,364	-3,122	-2,896	-3,180
Deficit/-surplus	4,092	4,209	4,486	4,603	5,606

Sensitivity analysis for the defined benefit obligation is presented on the following scenarios ^(h).

<i>Sensitivity to discount rate</i>	2025	2025
	+0.5 %	-0.5 %
	discount	discount
Discount rate (%)	4.3	3.3
Defined benefit obligation (\$m)	7,274	7,894
Changes in obligation (\$m)	-299	322
Percentage changes in obligation (%)	-4.1	4.1
<i>Sensitivity to discount rate</i>	2024	2024
	+0.5 %	-0.5 %
	discount	discount
Discount rate (%)	4.8	3.8
Defined benefit obligation (\$m)	7,295	7,785
Changes in obligation (\$m)	-238	253
Percentage changes in obligation (%)	-3.3	3.3

Note: Columns/rows may not add due to rounding.

NOTE 25: UNFUNDED SUPERANNUATION (CONT.)

<i>Sensitivity to future salary increase</i>	2025	2025
	+0.5% future salary increase	-0.5% future salary increase
Future salary increases	5.0% for the first year and 4.5% thereafter	4.0% for the first year and 3.5% thereafter
Defined benefit obligation (\$m)	7,649	7,501
Changes in obligation (\$m)	77	-72
Percentage changes in obligation (%)	1.0	-1.0
<i>Sensitivity to future salary increase</i>	2024	2024
	+0.5% future salary increase	-0.5% future salary increase
Future salary increases	4.0% for the first year and 3.5% thereafter	3.0% for the first year and 2.5% thereafter
Defined benefit obligation (\$m)	7,616	7,454
Changes in obligation (\$m)	84	-78
Percentage changes in obligation (%)	1.0	-1.0
<i>Sensitivity to pension indexation rate</i>	2025	2025
	+0.5% pension indexation rate	-0.5% pension indexation rate
Pension increases (%)	3.3	2.3
Defined benefit obligation (\$m)	7,829	7,331
Changes in obligation (\$m)	257	-242
Percentage changes in obligation (%)	3.0	-3.0
<i>Sensitivity to pension indexation rate</i>	2024	2024
	+0.5% pension indexation rate	-0.5% pension indexation rate
Pension increases (%)	3.5	2.5
Defined benefit obligation (\$m)	7,716	7,359
Changes in obligation (\$m)	184	-173
Percentage changes in obligation (%)	2.0	-2.0
<i>Sensitivity to mortality</i>	2025	2025
	1 year increase in future life expectancy	1 year decrease in future life expectancy
Defined benefit obligation (\$m)	7,681	7,467
Changes in obligation (\$m)	109	-106
Percentage changes in obligation (%)	1.0	-1.0
<i>Sensitivity to mortality</i>	2024	2024
	1 year increase in future life expectancy	1 year decrease in future life expectancy
Defined benefit obligation (\$m)	7,639	7,428
Changes in obligation (\$m)	106	-104
Percentage changes in obligation (%)	1.0	-1.0

(h) Sensitivity figures do not include Gold State Super Scheme reserves amounting to \$42.1 million (30 June 2024: \$40.9 million).

Note: Columns may not add due to rounding.

NOTE 26: OTHER EMPLOYEE BENEFITS

General Government

	2025	2024
	\$m	\$m
Annual leave	1,552	1,404
Long service leave	2,595	2,305
Other	1,108	1,066
Total	5,255	4,775

Assessments indicate that actual settlement of the annual leave liabilities is expected to occur as follow s.

	2025	2024
	\$m	\$m
Within 12 months of reporting date	1,045	959
More than 12 months after reporting date	507	445
Total	1,552	1,404

Assessments indicate that actual settlement of the long service leave liabilities is expected to occur as follow s.

	2025	2024
	\$m	\$m
Within 12 months of reporting date	627	581
More than 12 months after reporting date	1,968	1,724
Total	2,595	2,305

Total Public Sector

	2025	2024
	\$m	\$m
Annual leave	1,786	1,619
Long service leave	2,893	2,569
Other	1,204	1,150
Total	5,882	5,338

Assessments indicate that actual settlement of the annual leave liabilities is expected to occur as follow s.

	2025	2024
	\$m	\$m
Within 12 months of reporting date	1,228	1,121
More than 12 months after reporting date	557	498
Total	1,786	1,619

Assessments indicate that actual settlement of the long service leave liabilities is expected to occur as follow s.

	2025	2024
	\$m	\$m
Within 12 months of reporting date	737	682
More than 12 months after reporting date	2,156	1,887
Total	2,893	2,569

Note: Columns may not add due to rounding.

NOTE 27: OTHER LIABILITIES

General Government

	2025	2024
	\$m	\$m
Deferred Revenue	129	81
Service Concession Liabilities - Grant of Right to Operate	1,291	1,329
Grant liabilities ^(a)	395	321
Interest payable	199	198
Contract liabilities ^(b)	128	164
Insurance claims	118	119
Other provisions	504	619
Other liabilities	229	267
Total Other Liabilities	2,994	3,098

Reconciliation of Other Provisions

30 June 2025

	Employment on-costs	Restoration costs	Other	Total
	\$m	\$m	\$m	\$m
<i>Carrying amount at beginning of year</i>	14	15	591	619
Additional provisions recognised	7	1	540	547
Amounts used	-5	-	-10	-15
Unused amounts reversed	-	-1	-153	-154
Unwinding of the discount	-	-	-	-
Other	-1	-	-493	-493
Carrying amount at end of year	14	15	475	504

30 June 2024

	Employment on-costs	Restoration costs	Other	Total
	\$m	\$m	\$m	\$m
<i>Carrying amount at beginning of year</i>	15	7	566	588
Additional provisions recognised	4	10	46	60
Amounts used	-5	-2	-1	-8
Unused amounts reversed	-	-	-7	-8
Unwinding of the discount	-	-	-12	-12
Other	-	-	-	-
Carrying amount at end of year	14	15	591	619

2025
\$m

2024
\$m

(a) Grant liabilities

Reconciliation of changes in grant liabilities:

Opening balance	321	154
Additions	1,443	1,314
Income recognised in the reporting period	-1,369	-1,146
Balance at the end of period	395	321
Income recognition		
- not later than one year	171	321
- later than one year and not later than five years	-	-
- later than five years	-	-
Total	171	321

(b) Contract Liabilities

Reconciliation of changes in contract liabilities

Opening balance	164	142
Additions	78	138
Revenue recognised in the reporting period	-114	-116
Balance at the end of period	128	164

Note: Columns/rows may not add due to rounding.

NOTE 27: OTHER LIABILITIES (CONT.)

Total Public Sector

	2025	2024
	\$m	\$m
Insurance claims ^(a)	5,805	5,386
Deferred Revenue	698	636
Service Concession Liabilities - Grant of Right to Operate	1,424	1,465
Grant liabilities ^(b)	395	321
Interest payable	462	465
Contract liabilities ^(c)	564	562
Other provisions	2,537	2,075
Other liabilities	423	426
Total Other Liabilities	12,309	11,335

Reconciliation of Other Provisions

30 June 2025

	Employment on-costs	Decommissioning costs	Restoration costs	Other	Total
	\$m	\$m	\$m	\$m	\$m
Carrying amount at beginning of year	26	494	72	1,482	2,075
Additional provisions recognised	15	636	14	838	1,503
Amounts used	-10	-25	-5	-370	-411
Unused amounts reversed	-1	-	-20	-175	-196
Unwinding of the discount	-	23	-	48	71
Other	-	-16	1	-490	-505
Carrying amount at end of year	30	1,112	62	1,334	2,537

30 June 2024

	Employment on-costs	Decommissioning costs	Restoration costs	Other	Total
	\$m	\$m	\$m	\$m	\$m
Carrying amount at beginning of year	26	459	70	1,982	2,537
Additional provisions recognised	9	12	12	478	511
Amounts used	-8	-20	-7	-345	-381
Unused amounts reversed	-1	-	-3	-676	-680
Unwinding of the discount	-	45	-1	46	90
Other	-	-2	1	-1	-2
Carrying amount at end of year	26	494	72	1,482	2,075

	2025	2024
	\$m	\$m
(a) Insurance claims		
The liabilities for outstanding insurance claims comprise:		
Third Party Insurance Fund	2,930	2,716
Government Insurance Fund	208	220
RiskCover	1,478	1,307
Motor Vehicle (Catastrophic Injuries) Fund	989	923
Other	201	220
Total	5,805	5,386
Liability for outstanding claims (undiscounted)	8,308	7,790
Discount to present value	-2,503	-2,404
Total Liability for outstanding claims (undiscounted)	5,805	5,386

Note: Columns/rows may not add due to rounding.

NOTE 27: OTHER LIABILITIES (CONT.)

Total Public Sector

	2025	2024
	%	%
Claims expected to be paid:		
Not later than one year		
Inflation rate	3.49	3.79
Discount rate	3.30	4.40
Later than one year		
Inflation rate	3.00	3.49
Discount rate	3.10	3.90
	2025	2024
	\$m	\$m
(b) Grant liabilities		
<i>Reconciliation of changes in grant liabilities:</i>		
Opening balance	321	154
Additions	1,443	1,314
Income recognised in the reporting period	-1,369	-1,146
Balance at the end of period	395	321
Income recognition:		
- not later than one year	171	321
- later than one year and not later than five years	-	-
- later than five years	-	-
Total	171	321
(c) Contract Liabilities		
<i>Reconciliation of changes in contract liabilities:</i>		
Opening balance	562	476
Additions	382	437
Revenue recognised in the reporting period	-380	-352
Balance at the end of period	564	562

Note: Columns/rows may not add due to rounding.

NOTE 28: RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO OPERATING SURPLUS FOR THE PERIOD

General Government		
	2025 \$m	2024 \$m
<i>Surplus /-deficit for period</i>	3,652	4,486
Non-cash movements		
Depreciation	2,320	2,112
Increase/-decrease in accrual in employees benefits	254	314
-Increase/decrease in inventories	3	109
-Increase/decrease in receivables	446	-498
-Increase/decrease in prepayments and other assets	-19	-62
Increase/-decrease in payables	61	363
Increase/-decrease in other liabilities and accruals	113	4
Net GST receipts/-payments	19	-31
Other non-cash net asset transfers	-129	-138
Adjustment for other non-cash items	79	66
Net cash flows from operating activities as shown in the Cash Flow Statement	6,799	6,724
Total Public Sector		
	2025 \$m	2024 \$m
<i>Surplus /-deficit for period</i>	3,621	5,926
Non-cash movements		
Depreciation	6,025	5,391
Premium discount amortisation	45	12
Increase/-decrease in accrual in employees benefits	271	318
-Increase/decrease in inventories	-2,180	-884
-Increase/decrease in receivables	585	-577
-Increase/decrease in prepayments and other assets	4	-79
Increase/-decrease in payables	2,507	1,285
Increase/-decrease in other liabilities and accruals	441	90
Net GST receipts/-payments	-65	-164
Other non-cash net asset transfers	-405	-370
Adjustment for other non-cash items	-80	-69
Net cash flows from operating activities as shown in the Cash Flow Statement	10,769	10,879
Note: Columns may not add due to rounding.		

NOTE 29: CLOSING CASH BALANCES

For the purposes of the Cash Flow Statement, cash includes cash on hand, cash at bank and investments in highly liquid money market instruments, net of outstanding bank overdrafts.

Cash for the purposes of the Cash Flow Statement is defined differently to 'Cash' for the purposes of the consolidated Balance Sheet (which only includes cash holdings at the balance date and not other liquid assets included in the Cash Flow Statement). As a result, the Cash reported on the Cash Flow Statement does not equal 'Cash' in the Balance Sheet.

General Government		
	2025	2024
	\$m	\$m
Cash assets reported on the Balance Sheet	3,571	2,510
Investments included as cash on the Cash Flow Statement	2,935	6,686
Total closing cash balance	6,506	9,196
Total Public Sector		
	2025	2024
	\$m	\$m
Cash assets reported on the Balance Sheet	6,056	4,774
Investments included as cash on the Cash Flow Statement	7,734	10,039
Total closing cash balance	13,790	14,813

Note: Columns may not add due to rounding.

NOTE 30: RESTRICTED FINANCIAL ASSETS

There are restrictions on the uses of specific purpose Commonwealth grants. At 30 June 2025, funding received and not yet spent totals \$188 million (2024: \$170 million).

NOTE 31: MONEYS HELD IN TRUST

Moneys held in a trustee capacity are not controlled by the State and are excluded from assets and liabilities. An amount of \$690 million was held in trust at 30 June 2025, compared with \$626 million at 30 June 2024. This balance mainly reflects rental tenancy bonds.

NOTE 32: CAPITAL EXPENDITURE COMMITMENTS

General Government

Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are expected to require payment as follows.

	2025	2024
	\$m	\$m
Capital expenditure commitments ^(a)	6,330	4,168
(a) Capital commitments include the following material amounts:		
<ul style="list-style-type: none"> major health infrastructure totalling \$3 billion (30 June 2024: \$931 million), including managing contractor claims in relation to the New Women and Babies Hospital Project; the Perth Health innovation hub; step up/step down facilities in Karratha, Broome and South Hedland; building condition audits across various WA Health sites; the Bunbury Regional Hospital redevelopment; annual hospital services with, and construction at, Joondalup Health Campus; the Geraldton Health Campus redevelopment; and construction of a new facility for the Peel Community Mental Health Service; road infrastructure spending of \$1.5 billion (30 June 2024: \$1.3 billion), including for the Tonkin Highway Extension and Thomas Road Upgrade (\$802 million); State-wide panel contracts for the provision of road markings (\$159 million), asphalt resurfacing works (\$69 million) and heavy plant leasing service (\$57 million); design and construction of Fiona Stanley Hospital precinct western car park (\$70 million); and the Great Eastern Highway Bypass Interchanges Project (\$34 million); and school infrastructure of \$724 million (30 June 2024: \$742 million), including building of new schools, additions and improvements to primary and high schools (\$707 million) and additional funding as part of the ongoing COVID-19 response (\$17 million). 		

Total Public Sector

Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are expected to require payment as follows.

	2025	2024
	\$m	\$m
Capital expenditure commitments ^(b)	14,864	11,123
(b) In addition to the major commitments for the general government sector disclosed above, the following material commitments are included for the total public sector:		
<ul style="list-style-type: none"> rail and bus infrastructure of \$3.6 billion (30 June 2024: \$2.5 billion), including for the METRONET High Capacity Signalling Project (\$1.6 billion), METRONET Railcar Procurement (\$533 million), the supply and delivery of buses (\$196 million), Radio Systems Replacement design (\$156 million), the Byford Rail Extension (\$128 million), the Midland Station Project (\$113 million), and new railcar maintenance (\$106 million); waste and wastewater projects of \$1.8 billion (30 June 2024: \$2.2 billion), including for the Alkimos Seawater Desalination Plant (ASDP) Stage 1 (\$1.1 billion), the ASDP trunk main from Wanneroo Road to Wanneroo Reservoir (\$172 million), Woodman Point Wastewater Treatment Plant Sludge Upgrade (\$89 million), Onslow Treatment Plant (\$43 million), expansion of the Burrup Seawater Supply Scheme (\$40 million), expansion of the Kwinana Water Reclamation Plant (\$26 million), and the Ord Irrigation Scheme Upgrade (\$21 million); transmission and distribution capital expenditure of \$895 million (30 June 2024: \$308 million), associated with asset replacements, non-network and hybrid projects like Distributed Energy Resources and Stand-alone Power Systems, customer-funded work, undergrounding, and fleet initiatives; and renewable projects of \$783 million (30 June 2024 \$1 billion), including for King Rocks Wind Farm and the Collie Battery Energy Storage System. 		

NOTE 33: CONTINGENT ASSETS AND LIABILITIES

Contingent assets and liabilities represent potential benefits and costs that could materialise in the future under certain conditions. Given their uncertain nature, the consolidated financial statements do not contain any provision in respect of the material quantifiable or unquantifiable contingent assets and liabilities noted below.

More information on the majority of the contingencies identified in this section can be found in the annual reports of the associated agencies.

Quantifiable Contingent Assets and Liabilities at 30 June

The following material contingent assets and liabilities have been identified across the public sector.

QUANTIFIABLE CONTINGENT ASSETS AND LIABILITIES AT 30 JUNE

	2025 \$m	2024 \$m
<i>(a) Contingent Assets</i>		
General government	27	30
Public non-financial corporations	21	15
Total	48	45
<i>Contingent Liabilities</i>		
(b) Contingent liabilities under guarantees, warranties, indemnities and sureties	544	514
(c) Contingent liabilities for superannuation entitlements of public universities	48	52
(d) Other quantified contingent liabilities ^(e)	712	825
Total	1,304	1,391

(e) Restated for amended value reported by the Western Australian Planning Commission for the year ending 30 June 2024 following finalisation of its 2023-24 annual report.

Note: Columns may not add due to rounding.

(a) Contingent Assets

WA Health

WA Health has contingent assets totalling \$19 million (30 June 2024: \$17 million), mainly for cross-border receipts for residents from other Australian jurisdictions treated in hospitals in Western Australia.

Synergy

Synergy is currently in a contractual dispute with a supplier. As the outcome of the dispute is not certain, a contingent asset estimated at \$15 million at 30 June 2025 (30 June 2024: \$15 million) has been identified.

All Other

A number of smaller contingent assets held across the sector make up the residual \$14 million (30 June 2024: \$13 million).

(b) Contingent Liabilities Under Guarantees, Warranties, Indemnities and Sureties

Public Trustee Common Fund

Deposits in the Public Trustee's Common Fund include balances held on behalf of third parties at 30 June each year. Guarantees for balances held in the Common Fund at 30 June 2025 totalled \$530 million (30 June 2024: \$502 million).

Water Corporation

The Water Corporation issues bank guarantees in the normal course of business to guarantee the Corporation's performance under contracts. At 30 June 2025, the value of these guarantees was \$14 million (30 June 2024: \$12 million).

(c) Contingent Liabilities for Superannuation Entitlements of Public Universities

The *State Superannuation Act 2000* (SSA) repealed the *Government Employees Superannuation Act 1987* and the *Superannuation and Family Benefits Act 1938*. The schemes operating under the repealed Acts continue under the SSA. The State guarantees the benefits payable under those schemes. Entitlements for State government employees under this guarantee are recognised as part of unfunded superannuation liabilities on the face of the balance sheet. However, public university employees are not employees of the State for the purposes of this *Annual Report on State Finances* (in recognition of the national control of higher education institutions exercised by the Commonwealth).

Based on the actuarially assessed value of these entitlements at 30 June 2025, the guarantee for superannuation entitlements of public universities is \$48 million (30 June 2024: \$52 million).

(d) Other Quantified Contingent Liabilities

Asbestos Injuries Compensation Fund

On 16 October 2015, the Commonwealth Treasurer and all State and Territory Treasurers agreed on an approach for sharing the default risk of the Asbestos Injuries Compensation Fund (AICF). Each State's and Territory's share of the total default risk reflects the proportion of claims paid in each jurisdiction since the inception of the Fund (after the Commonwealth takes responsibility for one-third of the default risk as it has agreed to do). From 2007-08 until 2024-25, approximately 14.5% of all filed claims were in Western Australia, which equates to an estimated contingent liability of \$31 million. The arrangement for sharing the default risk is only triggered if James Hardie Pty Ltd, which is directly responsible for the AICF, were to go into receivership and was no longer able to contribute to the Fund to pay for compensation claims.

Commissioner of Main Roads

A contingent liability of \$281 million at 30 June 2025 (30 June 2024: \$289 million) relates to claims lodged by owners of property acquired for road construction purposes. The contingent liability reflects the difference between the owners' claims and estimated prices determined by Main Roads in accordance with independent valuations.

Western Australian Planning Commission

Under the operation of the Metropolitan, Peel and Greater Bunbury Region Schemes, reservations exist on properties that may result in compensation being paid to the landholder or the property being acquired for the Western Australian Planning Commission's (WAPC) land assets portfolio. The Commission sets such compensation and acquisition priorities on an annual basis. In some cases, the landholder may dispute the compensation offered by the WAPC, either through arbitration or through Court action. Resolving such disputes forms part of the ordinary business of the WAPC and any additional payments that arise are managed within the resources of the Metropolitan Region Improvement Fund and the Regional Land Acquisition appropriation. The current estimate of this contingent liability is around \$78 million (30 June 2024: \$126 million, restated from \$52 million following finalisation of the agency's 2023-24 annual report).

Native Title¹

South West Native Title Settlement

Under the Indigenous Land Use Agreements for this settlement, and subject to meeting certain conditions, a State-managed Noongar Land Fund of up to a maximum of \$47 million will be used over 10 years to meet the Settlement's land, joint management and heritage objectives through the development of effective partnerships between the Noongar Regional Corporations and the State's key land/heritage agencies. A portion of this amount (\$6.1 million at 30 June 2025) is recognised as a payable obligation on the State's balance sheet, while the remainder of the Fund is recorded on an emerging cost basis.

Yamatji Nation Indigenous Land Use Agreement

Under the Yamatji Nation Indigenous Land Use Agreement, the State has agreed to provide the Trustee of the Charitable Trust on behalf of the Yamatji Nation, with an annual payment calculated as a percentage of rent received from mining tenements within the Agreement Area, to meet the Settlement's economic development objectives. These payments commenced in 2023-24 and will be made annually over the 10 years to 2032-33, with residual annual payments forecast to total approximately \$9.8 million.

¹ An unquantified contingent liability for other Native Title claims is also disclosed later in this note.

Home Indemnity Insurance

The contingent liability for Home Indemnity Insurance (HII) is administered by the Department of Energy, Mines, Industry Regulation and Safety. Future claims liability (FCL) of the HII has been actuarially assessed as at 30 June 2025. The FCL is an estimation of the future claims costs which may arise as a result of events which may occur in the future for currently in-force HII policies. The FCL has been assessed at an approximate value of \$100 million (30 June 2024: \$84 million). An unquantifiable contingent liability for HII is also disclosed later in this note.

Communities

The Department is a party to a number of pending legal cases for which the outcomes are not certain. The State Solicitor's Office has estimated that depending on outcomes for these cases, a total amount of \$14 million (30 June 2024: \$14 million) in potential compensation to claimants may be payable.

Stolen Wages Class Action

On 29 October 2024, the Federal Court approved the 2023 settlement of the Stolen Wages Class Action for legal costs and individual payments to eligible claimants up to a total sum of \$180.4 million.

At 30 June 2025, legal costs and payments have been made to 5,374 applicants who have been assessed as eligible. A remaining balance of \$76.3 million is available for future eligible claimants under the settlement.

WA Health

WA Health has contingent liabilities of \$51 million (30 June 2024: \$45 million) which are mainly associated with cross-border charges for Western Australian residents treated in hospitals in other Australian jurisdictions (\$29 million), and facilities management matters under negotiation for South Metropolitan Health Service (\$19 million, which are an ongoing part of contract management processes involving formal contractual dispute mechanisms).

Various Agencies

Other quantifiable contingent liabilities include various legal and contractual claims against various individual agencies, totalling an estimated \$31 million (30 June 2024: \$22 million).

Non-quantifiable Contingent Assets and Liabilities at 30 June

1. Non-quantifiable Contingent Assets

Building Cladding Class Action

The State is a party to a class action brought against specific building cladding manufacturers. This action proceeded to trial in August 2024 and concluded in October 2024, with judgment being reserved. A value has not been attributed to this contingent asset.

Other Litigation in Progress

A number of government agencies are currently involved with different legal proceedings, which are all at varying stages. Due to the wide variety and nature of the claims and the uncertainty around the likely outcomes of these cases, it is not possible to reliably quantify the potential benefits that may flow to agencies should favourable outcomes emerge.

2. Non-quantifiable Guarantees, Warranties, Indemnities and Sureties

Physical and Sexual Abuse Insurance Coverage for Non-Government Providers of Out-of-Home Care and Youth Accommodation Services

Since 2021, Non-Government Organisations (NGOs) delivering OOHC and youth homelessness accommodation services on behalf of the State have reported difficulties in renewing and obtaining insurance against Physical and Sexual Abuse (PSA) claims. This has adversely impacted the OOHC and youth homelessness sectors, where several NGOs have indicated the inability to obtain PSA coverage might result in the cessation of services.

To ensure continued service delivery, the Government has approved an interim solution through the provision of temporary indemnities to NGO providers of State funded OOHC and youth accommodation services against PSA claims up to 31 December 2025. This provides certainty to NGO providers. This interim response creates an unquantified contingent liability for the State regarding potential future damages from events occurring within the indemnity period. Any additional costs to the State will be assessed and funded on an emerging basis should any claims be made and settled, noting no claims have been lodged to date. A permanent longer-term scheme is being developed.

Gold Corporation

Under the *Gold Corporation Act 1987*, the Treasurer guarantees the payment of all financial obligations including cash equivalent of precious metal due, payable and deliverable by the Gold Corporation (including metal held on behalf of third parties). The probability of any payment associated with this guarantee has been assessed to be low.

Home Indemnity Insurance

Since 1 November 2013, the State has wholly underwritten the provision of new Home Indemnity Insurance (HII) policies to provide cover on an emerging cost basis for financial loss resulting from the death, insolvency or disappearance of a builder or building group. This arrangement extends until 31 December 2027. From 1 July 2015, premiums for HII policies, net of insurer commissions, have been paid into the HII Account administered by the Department of Energy, Mines, Industry Regulation and Safety, with any claims and associated costs arising from these policies being met from the Account. A related quantified contingent liability for the item is disclosed earlier in this note.

3. Non-quantifiable Contingent Liabilities

Litigation

A number of government agencies are currently involved with different legal proceedings, all at varying stages. Due to the wide variety and nature of the claims and uncertainty around the likely outcomes of these cases, it is not possible to reliably quantify the potential impact should the State be found liable.

Aboriginal Residential Tenancy Class Action

The Western Australian Government and government agencies are party to several class actions lodged in State and Federal Courts. These include matters relating to claims of breach of the *Residential Tenancies Act 1987*, various local laws of the Shire of Derby and the Australian Consumer Law in the provision of housing for Aboriginal communities, and allegations of unlawful racial discrimination against Aboriginal and Torres Strait Islander children in care and their families. The value of any potential asset/liability for these claims have yet to be determined.

Barrow Island Royalty Variation

The *Barrow Island Royalty Variation Agreement Act 1985* requires royalties (equal to approximately 40% of the value of production, less eligible rehabilitation and well abandonment costs, in the final calendar year of operations and the subsequent three calendar years) to be refunded. The cost of the refund will be split between the Commonwealth (75%) and Western Australian (25%) Governments in line with royalty income shares. While a significant amount of royalties will need to be refunded, the amount of the refund cannot be accurately calculated until the value of production is verified and audited, and eligible costs are paid, and similarly verified and audited.

Casual Employee's Entitlement to Long Service Leave

Under the *Long Service Leave Act 1958*, casual employees who have been employed for more than 10 years and meet continuous service requirements, may be entitled to long service leave. Where agencies have been able to reliably measure obligations for long service leave for casual employees, these liabilities have been recognised in the *Annual Report on State Finances*. However, many entities have not been able to reliably measure long service leave obligations for current or former casual employees at the reporting date. The financial impact of this matter is subject to ongoing assessment.

Contaminated Sites

Under the *Contaminated Sites Act 2003*, agencies are required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (DWER). In accordance with the Act, DWER classifies these sites on the basis of risk to human health, the environment and environmental issues. Where sites are classified as 'contaminated – remediation required', or 'possibly contaminated – investigation required', the agency may have a liability in respect of investigation or remediation expenses. DWER is yet to finalise the classification of sites that have been reported by agencies. As agencies are unable to assess the likely outcome of the classification process, it is not possible to estimate the potential financial effect or to identify the uncertainties relating to the amount or timing of any outflows. Agencies are required to have ongoing management plans to remediate contaminated sites as they are identified.

Employees' Potential Superannuation Guarantee Adjustments

Western Australian Meat Industry Authority's management believes that the calculation and payment of historic Superannuation Guarantee contributions for a number of employees were incorrect due to uncertainties in calculation.

While a professional accountancy firm has been engaged prior to 30 June 2024 to advise and assist in quantifying any required adjustments, further work is required to estimate potential liabilities to June 2025. The exact amount of the liability cannot be reliably determined at this time.

Forestry Contracts

The Forest Products Commission (FPC) has identified a potential shortfall of current pine resources that would be available to meet future contracted supply commitments. This is not expected to impact the Western Australian housing industry. At 30 June 2025, there is a high degree of uncertainty regarding the likelihood, timing and amount of any potential shortfall, and the FPC is therefore unable to determine a reliable estimate of the magnitude of any potential obligation that may arise in the future.

The Government's \$350 million investment in expanding the softwood estate (announced as part of the 2021-22 Budget) will help mitigate the risk of long-term pine supply constraints. The FPC is undertaking further analysis to develop and implement any necessary mitigation strategies and will continue to monitor the need for further disclosure, or a provision, at future reporting dates.

Gold Corporation

In prior years, ground water contamination occurred at the Newburn site of the AGR Matthey refinery. The AGR Joint Venture partners (the Western Australian Mint and Australian Gold Alliance Pty Ltd) were responsible for any remediation and restoration of the site. Pursuant to the dissolution of the AGR Matthey Partnership on 29 March 2010, the Western Australian Mint has assumed full responsibility for any future liabilities. Expenses incurred to date have been expensed in the financial statements. The Corporation is still assessing the estimated potential financial effects, if any, of any ongoing remediation.

Housing Authority/Keystart

Required additional repayment (RAR) contracts are contracts originally issued by Keystart in the late 1990s and early 2000s. These are substantially like other Keystart lending contracts, with the exception of additional RAR requirements to include the payment of costs such as council rates and Water Corporation expenses. Keystart has identified an issue in how these RAR contracts have been managed on shared equity accounts, where the responsibility for council rates and Water Corporation expenses is shared between the co-owner (the Keystart customer) and the Housing Authority. The Australian Securities and Investments Commission was notified of this matter in July 2022.

The issues under consideration in this remediation are:

- whether customers subject to RAR contracts are owed a contribution from the Housing Authority towards shire, water and other outgoings for the property (pursuant to the rights and obligations between those parties as co-owners' of the property); and
- whether Keystart has operated the RAR facility on the loan correctly and, if not, whether the customers have suffered loss as a result, referred to as 'impact to loan' remediation.

The Housing Authority has accepted that it has likely breached the terms of the co-ownership deeds in question and is likely to be liable to compensate co-owners to the extent of the rates and charges overpaid by those co-owners.

While significant efforts have been made during the financial year to ascertain the extent of this liability, the amount of remediation is not presently quantifiable as further investigation and analysis is being undertaken.

Native Title Settlements

The Commonwealth's *Native Title Act 1993* creates a potential liability for all jurisdictions for compensation for the loss or impairment of Native Title rights and interests that occurred after 31 October 1975. There are currently 26 Native Title claimant applications and 146 Native Title determinations in Western Australia.

The State is continuing to negotiate agreements with Native Title holders that better support their economic and social development aspirations, and to provide full and final settlement of any compensation liability for the State. Negotiation is preferred to Court-determined settlements, which can be costly and time consuming for all parties. There is currently one active Native Title compensation claim in the Federal Court.

An estimate of the financial impact of these contingent liabilities, the uncertainties relating to the amount or timing of any outflow, and the possibility of any reimbursement has not been disclosed as doing so would seriously prejudice the position of the State in relation to Native Title compensation matters.

In addition to the quantified Native Title contingent liabilities disclosed earlier in this Note, some commitments under existing Native Title agreements (such as land and building transfers) represent an unquantified contingent liability.

Public Transport Authority

Litigations in Progress

Three separate claims have been lodged by third parties with the Supreme Court in relation to taking orders for the acquisition of land for the construction of public transport infrastructure. One claim has been to trial and subsequently appealed by the plaintiffs. The other two claims are scheduled to be heard at later dates. The size of the claims are subject to settlement negotiations and/or court determinations.

Perth Airport Pty Ltd

In April 2022, the Public Transport Authority (PTA) granted an indemnity to Perth Airport Pty Ltd for any loss or damage it suffers or incurs resulting from or caused by PTA breaching its obligations under the Airport Line Operating Agreement. The Authority has put in place insurance to reduce the State's exposure to claims under the indemnity.

Asbestos Related Risks

Synergy (Electricity Generation and Retail Corporation)

Synergy operates a portfolio of thermal power stations of varying ages. Many of these power stations utilised asbestos for its insulation and fire-resistant qualities prior to the market becoming aware of the dangers of asbestos. Synergy has a current asbestos management process in place and addresses these risks on an ongoing basis. However, diseases which emanate from asbestos, such as asbestosis, may take many years to develop. As such, Synergy may have a liability to those workers and other contractors who came in contact with asbestos at one of its power stations in the past. Synergy has a contingent liability for undiagnosed illnesses which may arise from exposure to asbestos at one of Synergy's sites. The magnitude of this liability is uncertain and cannot be quantified with any accuracy.

Horizon Power

A number of properties, including power stations and residential accommodation, owned by Horizon Power, contain asbestos. Horizon Power has a management and monitoring process in place for the ongoing identification and risk assessment of asbestos hazards and implements safe systems of works during any repair, maintenance and demolition works at these sites. Horizon Power complies with the relevant regulations, including the Code of Practice for the Management and Control of Asbestos in Workplaces and commissions compliance surveys on a regular basis, and has a long-term objective to remove asbestos materials from all of its sites.

There are currently no claims against Horizon Power from current or past employees and contractors for illnesses arising from exposure to asbestos that is not covered by RiskCover. Should any claim arise in the future, Horizon Power is likely to be appropriately covered by its workers' compensation and public liability insurance, or RiskCover.

Synergy

Compliance enforcement notice issued by the Economic Regulation Authority

In March 2025, the Corporation self-reported an overcharging breach of the Code of Conduct for the Supply of Electricity to Small Use Customers 2022 to the Economic Regulation Authority (ERA). The overcharging related to Centrepay payments received on closed accounts that were not identified by the Corporation. It has impacted 2,845 customers, with overpayments totalling approximately \$2.3 million dating back to 2009. The ERA has issued a compliance enforcement (rectification) notice requiring the Corporation to rectify the breach by 30 November 2025. Further actions may be taken if the Corporation fails to comply with the rectification notice, which may lead to a monetary penalty up to \$100,000.

No provision is made as at 30 June 2025 as the Corporation has been in contact with the customers affected and has taken action and implemented new controls to rectify the issue and prevent further breaches.

Removal of Statutory Limitation Periods for Civil Litigation by Victims of Child Sexual Abuse – the Civil Liability Legislation Amendment (Child Sexual Abuse Actions) Act 2018

The *Civil Liability Legislation Amendment (Child Sexual Abuse Actions) Act 2018* to remove statutory limitation periods for victims of historical child sexual abuse came into operation on 1 July 2018. The removal of statutory limitation periods potentially exposes organisations in which abuse occurred (including State-based institutions) to claims for damages and compensation. The implementation of this reform represents an unquantified liability to the State.

Further claims as a result of the Act may arise that are not insurable and which will be assessed and funded on an emerging basis, in line with the settlement of resulting claims. The State Government has also established an account to hold funds for any future claims under the National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse (see Appendix 5 of this ARSF).

National Redress Scheme

Under the initial design of the Scheme, where an institution named on an application is defunct, but a government institution is jointly responsible for the abuse with the defunct institution, the government institution may agree to act as a funder of last resort (FoLR) and pay the defunct institution's share of redress. As a result of recommendations from the Second Anniversary Review commissioned by the Commonwealth Government, an expanded FoLR arrangement was implemented in December 2021, whereby government institutions with no shared responsibility with a defunct institution may agree to take on the defunct institution's redress payments.

The provision for National Redress Scheme costs recognised by the Department of Justice (\$368 million at 30 June 2025 – reported as part of the Department's Administered Liabilities) excludes the expanded FoLR provisions that could involve the Western Australian Government paying redress for:

- community sporting groups and other community organisations; and
- workers aged under 18 who were sexually abused while working (this could arise from small business and business franchise licences).

At present, there is insufficient data and information to reliably estimate the impact from the expanded provisions which gives rise to a contingent liability.

State-wide Building Cladding Audit

In September 2017, the Department of Energy, Mines, Industry Regulation and Safety contacted all government departments and agencies regarding the risk presented by combustible building cladding and requested that they undertake audits of their respective portfolios. Recent results to June 2025 note that of the buildings within scope that were reviewed, 52 buildings have been cleared after detailed risk assessment, 27 buildings were found to require remedial action and remedial action has been completed for nine of those buildings. The Government has set aside funds in the Budget to address the emerging costs of any required remediation.

Water Corporation

Aboriginal Communities Water Services (ACWS)

On 1 July 2023, the Corporation had officially assumed responsibility for the management of water services in 137 regional Aboriginal communities as part of the ACWS program. Water services will continue to be delivered by Aboriginal-owned service providers.

Prior to 1 July 2023, these services were managed by the Department of Communities with the exception of Mowanjumb community for which the Corporation assumed responsibility from 1 April 2023. The future of these assets is yet to be determined.

Australian Energy Market Operator (AEMO)

The Corporation is a market customer in the Western Australian Wholesale Electricity Market (WEM), which is administered by the AEMO. The Corporation's participation and subsequent electricity purchases in the WEM are subject to meeting the prudential support requirements. The level of credit support required fluctuates and represents an unquantified contingent liability. The required credit support is equivalent to the maximum net amount the Corporation is expected to owe the AEMO over any 70-day period, based on actual electricity purchases.

Griffin Coal

Payments to secure generation capacity from coal fired electricity generation facilities in the South West Interconnected System are expected to continue to June 2026. Under the Process Agreement, future payments are at the discretion of the State and are not quantifiable at this time.

Aboriginal Land Trust Building Insurance

Building and land that is owned or under the Aboriginal Land Trust's responsibility covers approximately 8% of the State. The Aboriginal Affairs Planning Authority assesses insured values for known property conditions, and these properties are insured at replacement building value or cost to demolish. The Authority reviews its insurance requirements on an annual basis.

Future Decommissioning of Remote Aboriginal Community Infrastructure

An Essential Services Transfer Deed reallocated responsibility and funding for the delivery of power services in 117 remote Aboriginal communities from the Department of Communities to Horizon Power from 1 July 2023. Horizon Power may be required at a point in the future to decommission some existing infrastructure within these communities.

Department of Communities – Racial Discrimination Complaint

The Australian Human Rights Commission (AHRC) has notified the Department, through the State Solicitor's Office (SSO), that a complaint has been brought against the State of Western Australia (through the Department and its officers) by seven complainants, on behalf of themselves and on behalf of the class members. The complainants claim that the Department and its officers have unlawfully discriminated against the complainants and the class members based on their race, breaching the Commonwealth's *Racial Discrimination Act 1975*. The AHRC must consider whether to inquire into the complaints or terminate the complaints without inquiry. However, this action may be subject to further legal action.

The SSO is managing this issue on behalf of the Department and in the process of assessing the matter. Where there is any possible financial liability, the Department will recognise a contingent liability in its financial statements.

Redress Scheme for Stolen Generations

On 27 May 2025, the Premier announced a new Western Australia Stolen Generations Redress Scheme, with registrations expected to open in the second half of 2025 and individual payments of \$85,000 commencing late 2025, for Aboriginal people who were removed as children from their families in Western Australia before 1 July 1972.

The total cost of the initiative will be impacted by factors including the number of survivors accessing redress and non-cash supports and is expected to be addressed during 2025-26.

Other Contingent Liabilities

There may be claims that arise in relation to works or activities associated with infrastructure projects that have reached or are reaching completion. Claims will generally be subject to a period of negotiation and may either be withdrawn, subsequently settled (at a value agreed between the two parties), or proceed to some alternative process for resolution such as through legal action. Where costs are negotiated and claims settled, these are reflected in the financial statements.

Other contingent liabilities may arise from time to time under certain conditions under various statutes. The circumstances for such potential future liabilities are varied and may be subject to quantification and further detail if, and when, provisions under an Act give rise to a potential obligation.

NOTE 34: FINANCIAL INSTRUMENTS

(a) Financial Risk Management Objectives and Policies

Exposure to credit risk, liquidity risk, interest rate risk and other financial risks arise in the normal course of public sector activity. Public sector agencies adopt various techniques for managing market risk, which include derivative financial instruments. The two main sources of market risk are fluctuations in interest and foreign exchange rates. Derivatives in use include interest rate swaps, interest rate futures, cross-currency swaps and forward foreign exchange contracts. Whenever derivative positions are created, cash or an underlying physical security is held to cover any potential liability.

Credit risk

Credit risk in relation to financial assets is the risk that a third party will not meet its obligation in accordance with agreed terms. The maximum exposure to credit risk at the balance date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Balance Sheet. Credit risk in relation to cash assets and fixed interest securities is mitigated by investing in counter-parties that have acceptable credit ratings. Credit risk concentration is minimised in relation to financial assets and hedging instruments, and public sector agencies do not have significant exposures to any concentrations of credit risk. Generally, agencies exposures are to a large number of customers or highly rated counter-parties and their credit risks are very low. There is a high degree of geographically-based concentrations of recognised financial assets in Australia. Provision for impairment of financial assets is calculated based on past experience, and current and expected changes in client credit ratings. For financial assets that are either past due or impaired, refer to Note 11: *Receivables*.

Liquidity risk

Liquidity management is undertaken by the Western Australian Treasury Corporation (WATC) on behalf of public sector agencies. WATC maintains a minimum prudent level of highly liquid quality assets at all times to ensure that commitments are met. The risk is minimised through the diversification of its funding activity across domestic and offshore markets and across the maturity spectrum.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency exposures are managed through the use of foreign exchange contracts and derivatives.

Market risk

Exposure to market risk for changes in interest rates primarily relates to long-term debt obligations. The risk is managed by WATC through portfolio diversification and maturity spread.

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The interest rate risk by class of recognised financial asset and financial liability at 30 June 2025 is shown in the tables below. The interest rate shown is the effective interest rate or weighted average effective interest rate in respect of a class of assets or liabilities. For 'floating' instruments, the rate is the current market rate. The bands reflect the earlier of the next contractual repricing date or the maturity date of the asset or liability.

(b) Fair Value of Financial Assets and Liabilities

The carrying amount of financial assets and financial liabilities recorded in the consolidated Balance Sheet are not materially different from the fair value of these items.

(c) Derivative Financial Instruments

The public sector limits dealings in derivatives to only those counter-parties that are recognised financial intermediaries and possess a credit rating of 'A' or better. The public sector does not have a material exposure to any individual counter-party. The following table provides details of outstanding derivatives used for hedging purposes at 30 June 2025.

FINANCIAL INSTRUMENTS		
General Government		
	2025	2024
	\$m	\$m
Financial Assets at amortised cost		
Cash and deposits	3,571	2,510
Receivables	4,691	5,274
Investments, loans and placements	3,478	7,331
Advances paid	737	665
Shares and other equity	94,285	82,429
Other financial assets	10	9
Financial Liabilities at amortised cost		
Deposits held	3,316	2,728
Advances received	288	256
Lease liabilities	2,878	2,738
Other borrowings	24,197	24,436
Payables	3,010	2,977
Other employee benefits	626	550
Other financial liabilities	474	506

Note: Columns may not add due to rounding.

NOTE 34: FINANCIAL INSTRUMENTS (CONT.)

Total Public Sector

	2025	2024
	\$m	\$m
Financial assets at amortised cost		
Cash and deposits	6,056	4,774
Receivables	6,147	6,845
Investments, loans and placements	2,783	1,608
Advances paid	2,034	2,481
Shares and other equity	136	143
Other financial assets	11	17
Financial assets at fair value through profit or loss		
Receivables	617	604
Investments, loans and placements	15,372	17,343
Shares and other equity	2,697	2,793
Financial Liabilities at amortised cost		
Deposits held	34	20
Advances received	288	256
Borrowings		
Lease liabilities	3,608	3,438
Service concession liabilities	278	298
Other borrowings	41,604	2,508
Payables	10,560	4,571
Guarantees	544	514
Other employee benefits	700	612
Other financial liabilities	6,296	5,894
Financial liabilities at fair value through profit or loss		
Borrowings	10,597	47,857
Payables	4,946	8,455

Note: Columns may not add due to rounding.

NOTE 34: FINANCIAL INSTRUMENTS (CONT.)

Total Public Sector

The following derivatives are all held by public corporations. There are no equivalent holdings by the general government sector.

<i>Fair Values at 30 June 2025</i>	Notional face Value \$m	Net fair Value \$m	Credit Exposure \$m
Interest rate contracts	12,795	-213	-218
Forward exchange contracts	-3,840	130	220
Equity Contracts	-	-8	-
Other commodity contracts	-287	661	-
Total	8,669	570	2
<i>Fair Values at 30 June 2024</i>	Notional face Value \$m	Net fair Value \$m	Credit Exposure \$m
Interest rate contracts	13,026	-395	-407
Forward exchange contracts	-2,372	-6	-
Equity Contracts	-	-1	-
Other commodity contracts	-1,014	-12	-
Total	9,641	-413	-407

NOTE 34: FINANCIAL INSTRUMENTS (CONT.)

General Government

Interest rate risk exposure

The general government sector's exposure to interest rate risk and the effective interest rate by class of recognised financial asset and financial liability are shown below.

30 June 2025

	Fixed Interest Maturing in					Total Fixed interest rate \$m	Non-interest bearing \$m	Total carrying amount \$m	Weighted average effective interest rate %
	Floating interest rate \$m	up to 3 months \$m	3 to 12 months \$m	1 year to 5 years \$m	Over 5 years \$m				
Financial assets									
Cash and deposits	601	2,851	10	-	-	2,861	110	3,571	4.3
Receivables ^(a)	-	-	1	-	-	1	4,689	4,691	4.6
Investments, loans and placements	23	306	934	1,782	388	3,409	46	3,478	3.9
Advances paid:									
Non-government schools	-	11	34	178	150	373	-	373	4.4
Other advances	-	-	-	-	-	-	364	364	-
Shares and other equity	-	-	-	-	-	-	94,285	94,285	-
Other financial assets	-	-	-	-	-	-	10	10	-
Total financial assets ^(b)	624	3,168	978	1,960	538	6,644	99,504	106,772	
Financial liabilities									
Deposits held	3	1,320	527	1,178	257	3,282	31	3,316	4.5
Advances received	-	-	-	-	-	-	288	288	-
Borrowings:									
Lease Liabilities	-	121	305	1,172	1,281	2,878	-	2,878	4.7
Service concession liabilities	-	-	-	-	-	-	-	-	-
Other borrowings	862	2,017	4,154	16,921	206	23,297	38	24,197	3.6
Payables ^(c)	-	-	-	10	-	10	3,000	3,010	-
Other employee benefits	-	-	-	-	-	-	626	626	-
Other financial liabilities	-	-	-	-	-	-	474	474	-
Total financial liabilities ^(b)	865	3,457	4,985	19,281	1,744	29,467	4,457	34,789	

(a) The amount of receivables excludes GST recoverable from the Australian Taxation Office (statutory receivable) and from the National Tax Equivalent Regime.

(b) Excludes non-financial assets and liabilities that are reported on the face of the balance sheet.

(c) The amount of payables excludes GST payable to the Australian Taxation Office (statutory payable).

Note: Columns/rows may not add due to rounding.

NOTE 34: FINANCIAL INSTRUMENTS (CONT.)

General Government

30 June 2024

	Fixed Interest Maturing in					Total Fixed interest rate \$m	Non-interest bearing \$m	Total carrying amount \$m	Weighted average effective interest rate %
	Floating interest rate \$m	up to 3 months \$m	3 to 12 months \$m	1 year to 5 years \$m	Over 5 years \$m				
Financial assets									
Cash and deposits	503	1,897	8	-	-	1,905	102	2,510	4.2
Receivables ^(a)	1	-	1	-	-	2	5,271	5,274	5.0
Investments, loans and placements	26	2,669	1,698	2,464	433	7,264	42	7,331	4.0
Advances paid:									
Non-government schools	-	11	33	177	150	371	-	371	4.3
Other advances	-	-	-	-	-	-	295	295	-
Shares and other equity	-	-	-	-	-	-	82,429	82,429	-
Other financial assets	-	-	-	-	-	-	9	9	-
Total financial assets^(b)	530	4,577	1,740	2,641	583	9,541	88,147	98,218	
Financial liabilities									
Deposits held	-	1,352	479	745	132	2,708	20	2,728	4.5
Advances received	-	-	-	-	-	-	256	256	-
Borrowings:									
Lease Liabilities	-	107	280	1,032	1,319	2,738	-	2,738	4.3
Service concession liabilities	-	-	-	-	-	-	-	-	-
Other borrowings	356	763	2,977	12,390	7,910	24,039	41	24,436	3.7
Payables ^(c)	-	-	-	14	-	14	2,963	2,977	-
Other employee benefits	-	-	-	-	-	-	550	550	-
Other financial liabilities	-	-	-	-	-	-	506	506	-
Total financial liabilities^(b)	356	2,221	3,735	14,181	9,360	29,498	4,337	34,191	

(a) The amount of receivables excludes GST recoverable from the Australian Taxation Office (statutory receivable) and from the National Tax Equivalent Regime.

(b) Excludes non-financial assets and liabilities that are reported on the face of the balance sheet.

(c) The amount of payables excludes GST payable to the Australian Taxation Office (statutory payable).

Note: Columns/rows may not add due to rounding.

NOTE 34: FINANCIAL INSTRUMENTS (CONT.)

Total Public Sector

Interest rate risk exposure

The total public sector's exposure to interest rate risk and the effective interest rate by class of recognised financial asset and financial liability are shown below.

30 June 2025

	Fixed Interest Maturing in					Total Fixed interest rate \$m	Non-interest bearing \$m	Total carrying amount \$m	Weighted average effective interest rate %
	Floating interest rate \$m	up to 3 months \$m	3 to 12 months \$m	1 year to 5 years \$m	Over 5 years \$m				
Financial assets									
Cash and deposits	2,854	3,038	13	-	-	3,052	150	6,056	4.0
Receivables ^(a)	-	1	1	-	-	2	6,761	6,763	4.7
Investments, loans and placements	682	5,617	1,478	4,038	2,447	13,580	3,894	18,155	3.7
Advances paid:									
Homebuyers	1,584	-	-	-	-	-	-	1,584	7.4
Non-government schools	-	11	34	178	150	373	-	373	4.4
Other	-	-	-	-	-	-	77	77	-
Shares and other equity	-	-	-	-	-	-	2,833	2,833	-
Other financial assets	-	-	-	-	-	-	11	11	-
Total financial assets ^(b)	5,120	8,667	1,527	4,216	2,597	17,007	13,726	35,852	
Financial liabilities									
Deposits held	3	-	-	-	-	-	31	34	2.2
Advances received	50	-	19	76	143	238	-	288	4.2
Borrowings:									
Lease liabilities	-	125	439	1,570	1,474	3,608	-	3,608	5.0
Service concession liabilities	-	4	11	61	201	278	-	278	3.5
Other borrowings	380	6,551	3,352	23,964	15,939	49,806	2,014	52,200	3.6
Payables ^(c)	-	-	-	10	-	10	15,496	15,506	1.7
Guarantees ^(d)	-	-	-	-	-	-	544	544	-
Other employee benefits	-	-	-	-	-	-	700	700	-
Other financial liabilities	-	-	-	-	-	-	6,296	6,296	-
Total financial liabilities ^(b)	434	6,681	3,821	25,681	17,757	53,939	25,080	79,453	

(a) The amount of receivables excludes GST recoverable from the Australian Taxation Office (statutory receivable).

(b) Excludes non-financial assets and liabilities that are reported on the face of the balance sheet.

(c) The amount of payables excludes GST payable to the Australian Taxation Office (statutory payable).

(d) Includes guarantees, warranties, indemnities and sureties. See Note 33: *Contingent Assets and Liabilities*.

Note: Columns/rows may not add due to rounding.

NOTE 34: FINANCIAL INSTRUMENTS (CONT.)

Total Public Sector

	30 June 2024								
	Fixed Interest Maturing in								
	Floating interest rate	up to 3 months	3 to 12 months	1 year to 5 years	Over 5 years	Total Fixed interest rate	Non-interest bearing	Total carrying amount	Weighted average effective interest rate
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Financial assets									
Cash and deposits	2,461	2,068	36	-	-	2,104	209	4,774	4.1
Receivables(a)	1	1	1	-	-	2	7,445	7,448	5.0
Investments, loans and placements	645	6,828	2,415	3,937	1,813	14,994	3,312	18,950	3.8
Advances paid:									
Homebuyers	2,071	-	-	-	-	-	-	2,071	7.5
Non-government schools	-	11	33	177	150	371	-	371	4.3
Other	-	-	-	-	-	-	39	39	-
Shares and other equity	-	-	-	-	-	-	2,936	2,936	-
Other financial assets	-	-	-	-	-	-	17	17	-
Total financial assets(b)	5,178	8,907	2,485	4,115	1,963	17,470	13,958	36,606	
Financial liabilities									
Deposits held	-	-	-	-	-	-	20	20	-
Advances received	-	-	18	77	161	256	-	256	4.3
Borrowings:									
Lease liabilities	-	115	393	1,388	1,542	3,438	-	3,438	5.0
Service concession liabilities	-	4	11	61	222	298	-	298	3.5
Other borrowings	427	13,057	1,120	18,807	14,934	47,918	2,021	50,366	3.5
Payables(c)	-	1	-	14	-	15	13,011	13,026	2.1
Guarantees(d)	-	-	-	-	-	-	514	514	-
Other employee benefits	-	-	-	-	-	-	612	612	-
Other financial liabilities	-	-	-	-	18	18	5,877	5,894	-
Total financial liabilities(b)	427	13,178	1,542	20,346	16,876	51,943	22,055	74,424	

(a) The amount of receivables excludes GST recoverable from the Australian Taxation Office (statutory receivable).

(b) Excludes non-financial assets and liabilities that are reported on the face of the balance sheet.

(c) The amount of payables excludes GST payable to the Australian Taxation Office (statutory payable).

(d) Includes guarantees, warranties, indemnities and sureties. See Note 33: *Contingent Assets and Liabilities*.

Note: Columns/rows may not add due to rounding.

NOTE 34: FINANCIAL INSTRUMENTS (CONT.)

General Government

	30 June 2025					30 June 2024				
	Carrying amount	-1% change		+1% change		Carrying amount	-1% change		+1% change	
		Profit	Equity	Profit	Equity		Profit	Equity	Profit	Equity
<i>Interest rate sensitivity analysis</i>	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Financial Assets										
Cash and deposits	3,452	-35	-35	35	35	2,400	-24	-24	24	24
Receivables	-	-	-	-	-	-	-	-	-	-
Investments, loans and placements	329	-3	-3	3	3	2,695	-27	-27	27	27
Advances paid	11	-	-	-	-	11	-	-	-	-
Financial Liabilities										
Deposits held	1,323	13	13	-13	-13	1,352	14	14	-14	-14
Borrowings	2,999	29	29	-29	-29	1,225	11	11	-11	-11
Total Increase/-Decrease		4	4	-4	-4		-26	-26	26	26

Total Public Sector

	30 June 2025					30 June 2024				
	Carrying amount	-1% change		+1% change		Carrying amount	-1% change		+1% change	
		Profit	Equity	Profit	Equity		Profit	Equity	Profit	Equity
<i>Interest rate sensitivity analysis</i>	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Financial Assets										
Cash and deposits	5,892	-59	-59	59	59	4,350	-45	-45	45	45
Receivables	1	-	-	-	-	2	-	-	-	-
Investments, loans and placements	6,298	-63	-63	63	63	7,473	-75	-75	75	75
Advances paid	1,595	-16	-16	16	16	2,071	-21	-21	21	21
Financial Liabilities										
Borrowings	7,061	69	69	-69	-69	13,603	136	136	-136	-136
Payables	-	-	-	-	-	1	-	-	-	-
Total Increase/-Decrease		-68	-68	68	68		-5	-5	5	5

Note: Columns/rows may not add due to rounding.

NOTE 34: FINANCIAL INSTRUMENTS (CONT.)

General Government

	Carrying amount as at 30 June 2025	Fair value measurement at end of reporting period using:		
		Level 1 ^(a)	Level 2 ^(b)	Level 3 ^(c)
	\$m	\$m	\$m	\$m
Financial Assets				
Investments, loans and placements	3,435	173	3,262	-
Shares and other equity	94,312	96	-	94,216
Other financial assets	10	-	-	10
Financial Liabilities				
Borrowings	61	-	-	61
	Carrying amount as at 30 June 2024	Fair value measurement at end of reporting period using:		
		Level 1 ^(a)	Level 2 ^(b)	Level 3 ^(c)
	\$m	\$m	\$m	\$m
Financial Assets				
Investments, loans and placements	7,297	143	7,153	-
Shares and other equity	75,663	39	45	75,579
Other financial assets	9	-	-	9
Financial Liabilities				
Borrowings	61	-	-	61

Total Public Sector

	Carrying amount as at 30 June 2025	Fair value measurement at end of reporting period using:		
		Level 1 ^(a)	Level 2 ^(b)	Level 3 ^(c)
	\$m	\$m	\$m	\$m
Financial Assets				
Investments, loans and placements	13,792	2,630	9,606	1,557
Shares and other equity	5,308	3,330	1,976	2
Other financial assets	10	-	-	10
Financial Liabilities				
Borrowings	49,987	41,512	8,475	-
Payables	10,597	10,597	-	-
	Carrying amount as at 30 June 2024	Fair value measurement at end of reporting period using:		
		Level 1 ^(a)	Level 2 ^(b)	Level 3 ^(c)
	\$m	\$m	\$m	\$m
Financial Assets				
Investments, loans and placements	15,656	1,257	12,887	1,511
Shares and other equity	5,568	4,355	1,213	-
Other financial assets	9	-	-	9
Financial Liabilities				
Borrowings	48,311	35,472	12,835	3
Payables	8,455	8,455	-	-

(a) Assets/liabilities valued using quoted prices (unadjusted) in active markets for identical assets or liabilities.

(b) Assets/liabilities valued using inputs based on observable market data (either directly using prices or indirectly derived from prices).

(c) Assets/liabilities valued using inputs not based on observable market data.

Note: Columns/rows may not add due to rounding.

NOTE 35: OTHER DISAGGREGATED INFORMATION

The total public sector (or whole-of-government) includes agencies classified into general government, public non-financial corporation and public financial corporation sectors in accordance with the Australian Bureau of Statistics' (ABS') coverage for Government Finance Statistics purposes. Details of the classification of State agencies are provided in Note 38: *Composition of Sectors*.

Revenue, expenses, assets and liabilities that are reliably attributable to each of the above sectors are set out in the following tables. For the purpose of this disclosure, effects of transactions and balances between sectors have not been eliminated, but those between agencies within each sector have been eliminated.

NOTE 35: OTHER DISAGGREGATED INFORMATION (CONT.)

Operating Statement for the year ended 30 June

	General Government		Public Non-Financial Corporations		Public Financial Corporations		Inter-sector Eliminations		Total Public Sector	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
RESULTS FROM TRANSACTIONS										
REVENUE										
Taxation	14,849	13,631	-	-	-	-	-630	-625	14,219	13,007
Current grants and subsidies	15,226	12,780	4,496	4,020	-	-	-4,496	-4,020	15,226	12,780
Capital grants	3,447	1,884	388	314	-	-	-388	-314	3,447	1,884
Sales of goods and services	3,704	3,460	45,774	38,101	1,840	1,737	-1,728	-1,509	49,590	41,789
Interest income	314	391	356	343	2,034	2,038	-1,848	-1,785	857	986
Revenue from public corporations										
Dividends	518	210	-	-	-	-	-518	-210	-	-
Tax equivalent income	910	912	-	-	-	-	-910	-912	-	-
Royalty income	9,806	11,866	-	-	-	-	-	-	9,806	11,866
Other	915	813	731	606	182	171	-78	-117	1,750	1,473
Total	49,689	45,947	51,746	43,384	4,055	3,945	-10,596	-9,491	94,895	83,785
EXPENSES										
Salaries	18,370	16,518	1,690	1,524	87	77	-	-	20,147	18,118
Superannuation										
Concurrent costs	2,069	1,781	195	168	10	9	-	-	2,274	1,958
Superannuation interest cost	157	167	-	-	-	-	-	-	157	167
Other employee costs	431	401	70	68	457	415	-120	-101	838	784
Depreciation and amortisation	2,320	2,112	3,694	3,270	14	11	-3	-3	6,025	5,391
Services and contracts	3,562	3,403	1,090	994	7	9	-	-	4,659	4,406
Other gross operating expenses	7,985	7,330	40,673	32,433	1,335	1,103	-1,917	-1,727	48,076	39,140
Interest										
Interest on leases	190	175	74	72	3	2	-9	-6	258	243
Other interest	1,017	946	845	845	1,753	1,800	-1,839	-1,779	1,777	1,812
Tax equivalents	-	-	805	756	105	156	-910	-912	-	-
Current transfers	9,159	8,068	2,360	1,896	6	5	-4,882	-4,408	6,642	5,561
Capital transfers	776	560	33	32	-	1	-387	-314	422	278
Total	46,037	41,461	51,527	42,059	3,777	3,588	-10,068	-9,249	91,274	77,859
NET OPERATING BALANCE	3,652	4,486	219	1,325	278	357	-528	-242	3,621	5,926

Note: Columns/rows may not add due to rounding.

NOTE 35: OTHER DISAGGREGATED INFORMATION (CONT.)

Operating Statement for the year ended 30 June (cont.)

	General Government		Public Non-Financial Corporations		Public Financial Corporations		Inter-sector Eliminations		Total Public Sector	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<i>Other economic flows - included in the operating result</i>										
Net gains on assets/liabilities	8	-121	-90	-98	434	61	-	-	352	-158
Provision for doubtful debts	-51	-20	-10	-14	-	-	-	-	-62	-34
Changes in accounting policy/adjustment of prior periods	4	-168	-48	44	-	-	-	-	-44	-125
<i>Total other economic flows</i>	-39	-310	-148	-68	434	61	-	-	247	-317
OPERATING RESULT	3,613	4,176	71	1,257	712	419	-528	-242	3,868	5,610
<i>All other movements in equity</i>										
<i>Items that will not be reclassified to operating result</i>										
Revaluations	11,629	5,718	6,349	7,007	2	2	-	-	17,981	12,727
Net actuarial gains - superannuation	-85	188	-41	-27	1	-	-	-	-126	162
Gains recognised directly in equity	-	-	-	-	-2	-2	-3	-3	-5	-5
Change in net worth of the public corporations sectors	6,560	8,411	-	-	-	-	-6,560	-8,411	-	-
All other	-	-	-	-	-	-	-	-	-	-
<i>Total all other movements in equity</i>	18,104	14,318	6,308	6,980	1	1	-6,563	-8,413	17,849	12,884
<i>Movements in owner equity</i>										
Dividends	-	-	-436	-5	-96	-239	532	245	-	-
Capital injections	-	-	5,285	3,787	-	-1	-5,284	-3,786	-	-
<i>Total movements in owner equity</i>	-	-	4,849	3,781	-96	-241	-4,753	-3,541	-	-
TOTAL CHANGE IN NET WORTH	21,717	18,494	11,228	12,018	617	179	-11,845	-12,196	21,717	18,494
KEY FISCAL AGGREGATES										
NET OPERATING BALANCE	3,652	4,486	219	1,325	278	357	-528	-242	3,621	5,926
<i>Less Net acquisition of non-financial assets</i>										
Purchase of non-financial assets	4,211	3,997	9,005	7,475	13	9	-97	-76	13,132	11,405
Changes in inventories	-21	-9	2,183	993	-	-	-	-	2,161	985
Other movement in non-financial assets	-10	22	233	169	-	-	-	-	222	191
<i>less:</i>										
Sales of non-financial assets	73	60	669	494	-	-	-97	-76	646	477
Depreciation	2,320	2,112	3,694	3,270	14	11	-3	-3	6,025	5,391
<i>Total net acquisition of non-financial assets</i>	1,786	1,838	7,057	4,873	-1	-2	3	3	8,846	6,712
NET LENDING/-BORROWING	1,866	2,648	-6,839	-3,549	280	359	-532	-245	-5,225	-786
Note: Columns/rows may not add due to rounding.										

NOTE 35: OTHER DISAGGREGATED INFORMATION (CONT.)

Balance Sheet as at 30 June

	General Government		Public Non-Financial Corporations		Public Financial Corporations		Inter-sector Eliminations		Total Public Sector	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ASSETS										
<i>Financial assets</i>										
Cash and deposits	3,571	2,510	4,803	4,337	954	627	-3,274	-2,701	6,056	4,774
Advances paid	737	665	-	-	1,584	2,071	-288	-256	2,034	2,481
Investments, loans and placements	3,478	7,331	2,968	3,546	57,639	55,195	-45,938	-47,123	18,147	18,950
Receivables	5,102	5,635	1,947	2,097	1,080	1,028	-995	-954	7,135	7,807
Shares and other equity										
Investments in other public sector entities - equity method	69,664	63,104	-	-	-	-	-69,664	-63,104	-	-
Investments in other public sector entities - direct injections	24,552	19,267	-	-	-	-	-24,552	-19,267	-	-
Investments in other entities	69	57	17	23	2,748	2,856	-	-	2,833	2,936
Other financial assets	10	9	156	181	2	8	-156	-181	11	17
<i>Total financial assets</i>	<i>107,183</i>	<i>98,580</i>	<i>9,892</i>	<i>10,185</i>	<i>64,006</i>	<i>61,786</i>	<i>-144,866</i>	<i>-133,586</i>	<i>36,216</i>	<i>36,964</i>
<i>Non-financial assets</i>										
Land	53,693	46,524	11,976	10,135	-	-	-	-	65,669	56,659
Property, plant and equipment	72,089	65,653	90,740	80,351	8	4	-	-	162,837	146,009
Right-of-use assets	2,525	2,384	454	411	36	41	-	-	3,014	2,836
Service concession assets	1,180	1,067	2,994	2,549	-	-	-	-	4,174	3,616
Biological assets	9	6	201	224	-	-	-	-	210	230
Inventories										
Land inventories	-	-	1,409	1,440	-	-	-	-	1,409	1,440
Other inventories	221	243	10,641	8,459	-	-	-	-	10,863	8,702
Intangibles	795	726	335	389	23	20	-	-	1,153	1,135
Assets held for sale	24	22	6	96	-	-	-	-	31	118
Investment property	2	-	28	23	-	-	-	-	30	23
Other	428	412	354	615	5	5	-2	-1	785	1,031
<i>Total non-financial assets</i>	<i>130,967</i>	<i>117,036</i>	<i>119,136</i>	<i>104,693</i>	<i>72</i>	<i>70</i>	<i>-2</i>	<i>-1</i>	<i>250,174</i>	<i>221,798</i>
TOTAL ASSETS	238,151	215,616	129,028	114,878	64,079	61,856	-144,868	-133,587	286,389	258,763

Note: Columns/rows may not add due to rounding.

NOTE 35: OTHER DISAGGREGATED INFORMATION (CONT.)

Balance Sheet as at 30 June (cont.)

	General Government		Public Non-Financial Corporations		Public Financial Corporations		Inter-sector Eliminations		Total Public Sector	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
LIABILITIES										
Deposits held	3,316	2,728	-	-	-	-	-3,282	-2,708	34	20
Advances received	288	256	288	256	-	-	-288	-256	288	256
Borrowings										
Lease Liabilities	2,879	2,738	886	803	47	47	-203	-149	3,609	3,438
Service concession liabilities	-	-	278	298	-	-	-	-	278	298
Other borrowings	24,197	24,436	20,105	20,506	53,624	52,390	-45,726	-46,967	52,199	50,366
Superannuation	4,023	4,137	66	68	3	3	-	-	4,092	4,209
Other employee benefits	5,255	4,775	607	546	20	17	-	-	5,882	5,338
Payables	3,010	2,977	12,911	10,343	187	232	-597	-520	15,511	13,032
Other liabilities	2,994	3,098	3,285	2,681	6,587	6,172	-556	-616	12,309	11,335
TOTAL LIABILITIES	45,962	45,145	38,423	35,501	60,468	58,861	-50,653	-51,216	94,201	88,292
NET ASSETS	192,188	170,471	90,605	79,377	3,611	2,994	-94,216	-82,371	192,188	170,471
<i>Of which:</i>										
Contributed equity	-	-	24,807	19,522	-255	-255	-24,552	-19,267	-	-
Accumulated surplus	33,378	29,848	17,509	17,892	3,837	3,222	7	7	54,731	50,969
Other reserves	158,811	140,623	48,289	41,963	29	27	-69,671	-63,111	137,457	119,502
NET WORTH	192,188	170,471	90,605	79,377	3,611	2,994	-94,216	-82,371	192,188	170,471

Note: Columns/rows may not add due to rounding.

NOTE 35: OTHER DISAGGREGATED INFORMATION (CONT.)

Statement of Changes in Equity for the year ended 30 June

	Equity at 1 July 2024 \$m	Change in net worth \$m	Contributed capital \$m	Dividends \$m	Other \$m	Equity at 30 June 2025 \$m
General Government						
Accumulated surplus/(deficit)	29,848	3,528	-	-	2	33,378
Reserves	77,519	11,629	-	-	-2	89,147
Accumulated net gain on equity investments in other sector entities	63,104	6,560	-	-	-	69,664
Total	170,471	21,717	-	-	-	192,188
Public Non Financial Corporations						
Accumulated surplus/(deficit)	17,892	29	-	-436	24	17,509
Contributed equity	19,522	-	5,285	-	-	24,807
Reserves	41,963	6,349	-	-	-24	48,289
Total	79,377	6,379	5,285	-436	-	90,605
Public Financial Corporations						
Accumulated surplus/(deficit)	3,222	712	-	-96	-1	3,837
Contributed Equity	-255	-	-	-	-	-255
Reserves	27	2	-	-	-	29
Total	2,994	714	-	-96	-1	3,611
Inter-sector eliminations						
Accumulated surplus/(deficit)	7	-533	-	532	2	7
Contributed Equity	-19,267	-	-5,284	-	-	-24,552
Reserves	-7	-	-	-	-	-7
Accumulated net gain on equity investments in other sector entities	-63,104	-6,560	-	-	-	-69,664
Total	-82,371	-7,093	-5,284	532	2	-94,216
Total Public Sector						
Accumulated surplus/(deficit)	50,969	3,736	-	-	25	54,731
Contributed Equity	-	-	-	-	-	-
Reserves	119,502	17,981	-	-	-25	137,457
Total	170,471	21,717	-	-	-	192,188

Note: Columns/rows may not add due to rounding.

NOTE 35: OTHER DISAGGREGATED INFORMATION (CONT.)

Cash Flow Statement for the year ended 30 June

	General Government		Public Non-Financial Corporations		Public Financial Corporations		Inter-sector Eliminations		Total Public Sector	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
CASH FLOWS FROM OPERATING ACTIVITIES										
<i>Cash received</i>										
Taxes received	14,796	13,444	-	-	-	-	-632	-642	14,164	12,803
Grants and subsidies received	21,556	17,024	4,922	4,319	-	-	-4,922	-4,319	21,556	17,024
Receipts from sales of goods and services	3,868	3,704	34,912	28,091	1,965	1,759	-1,847	-1,578	38,899	31,976
Interest receipts	341	354	346	318	2,041	1,987	-1,852	-1,751	876	909
Dividends and tax equivalents	1,393	1,034	35	81	-	-	-1,428	-1,115	-	-
Other	12,901	14,802	2,257	2,046	241	218	-506	-471	14,893	16,594
Total cash received	54,855	50,362	42,472	34,855	4,248	3,964	-11,188	-9,876	90,387	79,305
<i>Cash Paid</i>										
Wages, salaries and supplements, and superannuation	-20,398	-18,259	-1,871	-1,688	-93	-85	-	-	-22,363	-20,032
Payments for goods and services	-12,059	-11,251	-28,369	-21,563	-1,368	-1,188	2,203	1,893	-39,593	-32,109
Interest paid	-1,150	-1,044	-896	-856	-1,712	-1,758	1,852	1,751	-1,905	-1,908
Grants and subsidies paid	-11,486	-10,424	-1,008	-919	-	-	4,956	4,377	-7,538	-6,967
Dividends and tax equivalents	-	-	-729	-769	-146	-55	875	824	-	-
Other payments	-2,963	-2,659	-5,648	-5,176	-244	-219	636	644	-8,219	-7,411
Total cash paid	-48,057	-43,638	-38,520	-30,972	-3,563	-3,305	10,522	9,488	-79,619	-68,427
NET CASH FLOWS FROM OPERATING ACTIVITIES	6,799	6,724	3,952	3,883	684	659	-666	-388	10,769	10,879
CASH FLOWS FROM INVESTING ACTIVITIES										
<i>Cash flows from investments in non-financial assets</i>										
Purchase of non-financial assets	-4,211	-3,997	-9,005	-7,475	-13	-9	97	76	-13,132	-11,405
Sales of non-financial assets	73	60	669	494	-	-	-97	-76	646	477
Total cash flows from investments in non-financial assets	-4,138	-3,938	-8,336	-6,981	-13	-9	-	-	-12,487	-10,928
<i>Cash flows from investments in financial assets</i>										
<i>Cash received</i>										
For policy purposes	27	71	-	-	-	-	-	-3	27	68
For liquidity purposes	83	64	-	54	10,286	10,365	-	-	10,369	10,483
<i>Cash paid</i>										
For policy purposes	-5,210	-3,746	-	-10	-	-	5,184	3,689	-25	-67
For liquidity purposes	-93	-97	-67	-67	-9,314	-10,111	-	-	-9,474	-10,274
Total cash flows from investments in financial assets	-5,192	-3,708	-67	-23	971	254	5,185	3,687	897	210
NET CASH FLOWS FROM INVESTING ACTIVITIES	-9,330	-7,646	-8,403	-7,004	958	245	5,185	3,687	-11,590	-10,718

Note: Columns/rows may not add due to rounding.

NOTE 35: OTHER DISAGGREGATED INFORMATION (CONT.)

Cash Flow Statement for the year ended 30 June (cont.)

	General Government		Public Non-Financial Corporations		Public Financial Corporations		Inter-sector Eliminations		Total Public Sector	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
CASH FLOWS FROM FINANCING ACTIVITIES										
<i>Cash received</i>										
Advances received	18	18	50	-	-	-	-18	-18	50	-
Borrowings	65	619	4,638	5,667	26,449	28,185	-9,390	-11,633	21,762	22,839
Deposits received	574	936	-	-	-	-	-574	-936	-	-
Other financing receipts	483	286	5,228	3,793	-	-	-5,210	-3,795	502	283
<i>Total cash receipts from financing activities</i>	<i>1,140</i>	<i>1,858</i>	<i>9,916</i>	<i>9,460</i>	<i>26,449</i>	<i>28,185</i>	<i>-15,192</i>	<i>-16,382</i>	<i>22,314</i>	<i>23,122</i>
<i>Cash paid</i>										
Advances paid	-18	-18	-18	-18	-	-	18	18	-18	-18
Borrowings repaid	-292	-50	-4,400	-5,300	-26,109	-28,899	9,390	11,636	-21,411	-22,613
Deposits paid	-	-1	-	-	-	-	-	1	-	-
Other financing payments	-988	-765	-804	-1,215	-6	-2	712	1,137	-1,086	-846
Dividends paid	-	-	-436	-5	-117	-286	553	291	-	-
<i>Total payments for financing activities</i>	<i>-1,298</i>	<i>-833</i>	<i>-5,657</i>	<i>-6,538</i>	<i>-26,233</i>	<i>-29,188</i>	<i>10,673</i>	<i>13,083</i>	<i>-22,515</i>	<i>-23,476</i>
NET CASH FLOWS FROM FINANCING ACTIVITIES	-158	1,025	4,259	2,922	216	-1,002	-4,518	-3,299	-201	-354
Net increase in cash and cash equivalents	-2,690	103	-192	-199	1,859	-98	-	-	-1,023	-194
Cash and cash equivalents at the beginning of the year	9,196	9,093	3,601	3,800	2,018	2,116	-2	-2	14,813	15,007
Cash and cash equivalents at the end of the year	6,506	9,196	3,409	3,601	3,877	2,018	-2	-2	13,790	14,813
Net cash flows from operating activities										
Net cash flows from operating activities	6,799	6,724	3,952	3,883	684	659	-666	-388	10,769	10,879
Net cash flows from investing in non-financial assets	-4,138	-3,938	-8,336	-6,981	-13	-9	-	-	-12,487	-10,928
Dividends paid	-	-	-436	-5	-117	-286	553	291	-	-
Cash surplus/-deficit	2,661	2,787	-4,820	-3,103	554	364	-113	-97	-1,718	-49

Note: Columns/rows may not add due to rounding

NOTE 36: RELATED PARTY DISCLOSURES

General Government

Parent and controlling entity

The general government sector comprises public sector agencies that are wholly-owned and controlled by the Government of Western Australia and which are largely funded by centrally-collected revenue such as taxes, royalties and Commonwealth grants. Agencies in the general government sector are principally engaged in the provision of services outside the normal market mechanism, or provide for the transfer of income for public policy purposes. Related parties of the general government sector include:

- all Ministers and their close family members, and their controlled or jointly controlled entities;
- all public non-financial and public financial corporations, included in Note 38: *Composition of Sectors*;
- all associates and joint ventures; and
- the Government Employees Superannuation Board (GESB)¹.

Key Management Personnel (KMP)

KMP are those people having authority and responsibility for planning, directing and controlling the activities of the State. As the Western Australian Cabinet is the decision making body for the State, all State Cabinet Ministers are considered to be KMP of the State.

Compensation of all Ministers is disclosed later in this note.

Significant transactions with government-related entities

Transactions between general government agencies are eliminated on consolidation and are not included in this disclosure. The transactions below represent those between the general government sector and public corporations.

Significant transactions and balances associated with related parties for the year ending 30 June 2025 include:

- taxation revenue:
 - a) loan guarantee fees (\$127.6 million, 2023-24: \$124.5 million);

¹ For statutory purposes, GESB is a public sector entity but reflecting Australian Bureau of Statistics concepts, sources and methods related to Government Finance Statistics is not included in the definition of the public sector used in this report, making it a related party for the purposes of this Note. The public sector also makes superannuation contributions to private sector scheme providers which are not related parties as they are outside government. For more details on the sectoral classification of agencies, refer to Note 38: *Composition of Sectors*.

- b) payroll tax (\$134.5 million, 2023-24: \$121.6 million);
- c) land tax (\$84 million, 2023-24: \$78 million); and
- d) betting tax (\$51.5 million, 2023-24: \$49 million);
- sales of goods and services:
 - a) services rendered (\$165 million, 2023-24: \$109 million);
 - b) service delivery agreement (\$288 million, 2023-24: \$278 million); and
 - c) other revenue (\$15 million, 2023-24: \$16 million);
- dividend revenue (\$518 million, 2023-24: \$210 million);
- Tax Equivalent Regime revenue (\$910 million, 2023-24: \$912 million);
- grants and subsidies revenue (\$33 million, 2023-24: \$43 million);
- current transfer expenses:
 - a) operating subsidies (\$3,391 million, 2023-24: \$3,036 million);
 - b) Royalties for Regions grants (\$258 million, 2023-24: \$323 million); and
 - c) other recurrent transfers (\$205 million, 2023-24: \$201 million);
- capital appropriations (\$2,371 million, 2023-24: \$1,978 million);
- Government Regional Officers' Housing expenses (\$120 million, 2023-24: \$101 million);
- Public Bank Account interest expense (\$101 million, 2023-24: \$64 million);
- capital transfer expenses (\$382 million, 2023-24: \$310 million);
- insurance premiums (\$547 million, 2023-24: \$498 million);
- water and electricity expenses (\$301 million, 2023-24: \$276 million);
- lease liabilities (\$203 million, 30 June 2024: \$149 million); and
- borrowings (\$23.8 billion, 30 June 2024: \$24 billion).

Material transactions with other related parties

General government agencies make superannuation contributions for some staff to GESB. In 2024-25, these payments totalled \$1.6 billion (2023-24: \$1.4 billion). The Consolidated Account reimburses GESB for the majority of the State's emerging cost defined benefit superannuation payments (\$485 million, 2023-24: \$375 million).

The Department of Primary Industries and Regional Development has a number of joint venture arrangements. Further details of these arrangements can be found in the Department's annual report.

There were no other related party transactions (including general citizen-type transactions²) with Ministers or their close family members or their controlled (or jointly controlled) entities that are material for disclosure.

Total Public Sector

Parent and controlling entity

The total public sector (or whole-of-government) includes agencies across the general government, public non-financial and financial corporations sectors. These agencies are wholly-owned or controlled by the Government of Western Australia and are consolidated to form the total public sector financial statements contained in this report. Details of agencies controlled by the Government and consolidated in the total public sector are shown in Note 38: *Composition of Sectors*.

Related parties of the total public sector include:

- all Ministers and their close family members, and their controlled or jointly controlled entities;
- all associates and joint ventures; and
- GESB.

Significant transactions with government-related entities

Transactions between public sector agencies are eliminated on consolidation and are not included in this disclosure. Intersector transactions are summarised in Note 35: *Other Disaggregated Information*. The significant transactions below represent transactions between public sector agencies and their associates and joint ventures.

Material transactions with other related parties

During the financial year, Synergy purchased goods and services from its related parties to the value of \$337 million (2023-24: \$228 million) and sold goods and services to related parties to the value of \$2 million (2023-24: \$2 million).

During the financial year, Horizon Power made capital and non-capital purchases from its related parties to the value of \$4.4 million (2023-24: \$4.9 million).

The Western Australian Land Authority (DevelopmentWA) has a number of joint venture arrangements. Further details of these arrangements can be found in the agency's annual report.

² General citizen-type transactions are transactions where Ministers or their close family members interact with a public sector entity under the same terms and conditions as a public citizen, such as paying taxes, levies or other statutory fees/charges and using public services such as hospitals, schools or public transport.

Government Employees Superannuation Board

Public sector agencies make superannuation contributions for some staff to GESB. In 2024-25, these payments totalled \$1.6 billion (2023-24: \$1.4 billion).

There were no other related party transactions (including general citizen-type transactions) with Ministers or their close family members or their controlled (or jointly controlled) entities that are material for disclosure.

Key Management Personnel Compensation

Total public sector KMP include all Ministers. Total compensation for the State's KMP for the reporting period is presented in the following bands^(a)

Remuneration (\$)	2024-25 (number)	2023-24 (number)
100,000-150,000	3	-
150,000-200,000	-	-
200,000-250,000	-	1
250,000-300,000	-	1
300,000-350,000	1	-
350,000-400,000	1	-
400,000-450,000	2	3
450,000-500,000	9	10
500,000-550,000	3	3
550,000-600,000	1	-
	2024-25	2023-24
	\$m	\$m
Short-term employee benefits ^(b)	7.6	7.3
Post-employment benefits	0.8	0.8
Termination benefits	-	-
Total compensation of Ministers	8.4	8.1

(a) Includes part year remuneration of both new and old Ministers.

(b) Short-term employee benefits include salaries, electorate allowances, motor vehicle allowances and accommodation allowances paid to Ministers.

NOTE 37: EVENTS OCCURRING AFTER THE REPORTING PERIOD

Public Sector Reforms

In March 2025, the Government announced a targeted reform of the public sector to deliver on its commitment to jobs, hospitals and houses for Western Australians. Under the reforms:

- there will be increased focus on project work through the Departments of Housing and Works, and Transport and Major Infrastructure. The Department of Transport and Major Infrastructure will bring together the State's major infrastructure project delivery expertise into a single entity driving the Government's major health infrastructure program, Westport, METRONET and major infrastructure works, while the reshaped Department of Housing and Works will be better placed to deliver the Government's social housing agenda, and consolidation of the entity's service delivery and expertise on smaller capital works projects across the State;
- the Department of Treasury absorbs responsibility for the former Department of Finance's State revenue and procurement policy functions (becoming the Department of Treasury and Finance);
- strategic leadership will be brought together within the Department of the Premier and Cabinet with the inclusion of the Office of Defence Industries, the Office of Early Childhood, a consolidated leadership role in Aboriginal Affairs policy, and the Coordinator General function, to support building a more resilient economy; and
- job creation and economic resilience will be supported by:
 - establishment of the Department of Energy and Economic Diversification to progress economic diversification initiatives, energy transition and support for local manufacturing, and centralisation of regulatory functions within the Department of Local Government, Industry Regulation and Safety;
 - the reframed Department of Creative Industries, Tourism and Sport will leverage Western Australia's sport, cultural, creative, and tourism sectors as key economic drivers; and
 - the new Department of Mines, Petroleum and Exploration will support continued sustainable development of Western Australia's resources sector through a dedicated emphasis on exploration, regulatory assurance, and industry innovation.

This 2024-25 *Annual Report on State Finances* has been prepared based on the pre-reform structure which remained in place to 30 June 2025. The reformed agency structures took effect from 1 July 2025.

Other Events

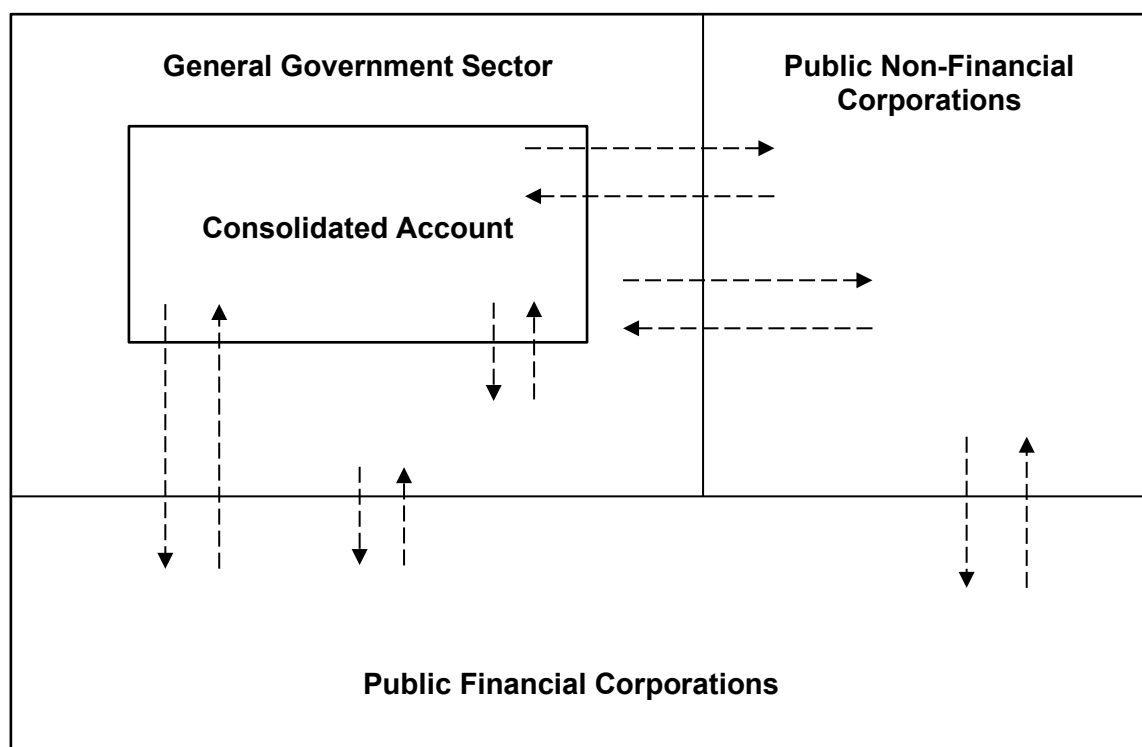
There have been no other significant events occurring after the reporting period which have had a material financial effect on these statements since 30 June 2025.

An update to the financial outlook for 2025-26 to 2028-29 and incorporating any new Government decisions will be available in the 2025-26 *Government Mid-year Financial Projection Statement* to be released by 31 December 2025.

NOTE 38: COMPOSITION OF SECTORS

The following diagram shows the financial relationship between sectors within which agencies are classified using the Australian Bureau of Statistics' Government Finance Statistics manual, which are included in the consolidated financial statements and described in Note 3 to these financial statements.

TOTAL PUBLIC SECTOR



Each agency produces its own annual report. All agencies controlled by the Government, regardless of funding source or sector classification, have been included in these consolidated financial statements.

The agencies included within each sector are listed below and are wholly-owned or controlled by the Government of Western Australia.

NOTE 38: COMPOSITION OF SECTORS (CONT.)

General Government

Agricultural Produce Commission	North Metropolitan TAFE
Arts and Culture Trust	North Metropolitan Health Service
Building and Construction Industry Training Board	North Regional TAFE
Botanical Gardens and Parks Authority	Office of the Auditor General
Central Regional TAFE	Office of the Director of Public Prosecutions
Chemistry Centre (WA)	Office of the Information Commissioner
Child and Adolescent Health Service	Office of the Inspector of Custodial Services
Combat Sports Commission	Office of the Parliamentary Inspector of the Corruption and Crime Commission
Commissioner for Children and Young People	Parliamentary Commissioner for Administrative Investigations
Commissioner of Main Roads	Parliamentary Services Department
Corruption and Crime Commission	Peel Development Commission
Department of Biodiversity, Conservation and Attractions	Pilbara Development Commission
Department of Communities (including the Disability Services Commission)	Professional Standards Council
Department of Education	Public Sector Commission
Department of Finance	Quadriplegic Centre Board
Department of Fire and Emergency Services	Racing Penalties Appeal Tribunal of Western Australia
Department of Jobs, Tourism, Science and Innovation	Rural Business Development Corporation
Department of Justice	Salaries and Allowances Tribunal
Department of Local Government, Sport and Cultural Industries	School Curriculum and Standards Authority
Department of Energy, Mines, Industry Regulation and Safety	Screenwest Inc.
Department of Planning, Lands and Heritage	Small Business Development Corporation
Department of Primary Industries and Regional Development	South Metropolitan TAFE
Department of Training and Workforce Development	South Metropolitan Health Service
Department of Transport	South Regional TAFE
Department of Treasury	South West Development Commission
Department of the Legislative Assembly	State Solicitor's Office
Department of the Legislative Council	The Aboriginal Affairs Planning Authority
Department of the Premier and Cabinet	The ANZAC Day Trust
Department of the Registrar, Western Australian Industrial Relations Commission	The Board of the Art Gallery of Western Australia
Department of Water and Environmental Regulation	The Burswood Park Board
East Metropolitan Health Service	The Coal Miners' Welfare Board of Western Australia
Economic Regulation Authority	The Library Board of Western Australia
Gascoyne Development Commission	The National Trust of Australia (W.A.)
Gaming and Wagering Commission of Western Australia	The Queen Elizabeth II Medical Centre Trust
Goldfields Development Commission	The Western Australian Museum
Governor's Establishment	Trustees of the Public Education Endowment
Great Southern Development Commission	WA Health (including the Department of Health and public hospitals)
Health and Disability Services Complaints Office	Western Australia Police Force
Health Support Services	Western Australian Country Health Service
Heritage Council of Western Australia	Western Australian Building Management Authority
Infrastructure WA	Western Australian Electoral Commission
Keep Australia Beautiful Council (W.A.)	Western Australian Energy Disputes Arbitrator
Kimberley Development Commission	Western Australian Greyhound Racing Association
Law Reform Commission of Western Australia	Western Australian Health Promotion Foundation
Legal Aid Commission of Western Australia	Western Australian Institute of Sport
Legal Costs Committee	Western Australian Land Information Authority
Local Health Authorities Analytical Committee	Western Australian Planning Commission
Mental Health Commission	Western Australian Sports Centre Trust
Mid West Development Commission	Western Australian Tourism Commission
Minerals Research Institute of Western Australia	WorkCover Western Australia
	Wheatbelt Development Commission
	Zoological Parks Authority

NOTE 38: COMPOSITION OF SECTORS (CONT.)

Public Non-Financial Corporations

Bunbury Water Corporation	Metropolitan Cemeteries Board
Busselton Water Corporation	Mid West Ports Authority
Department of Communities (Housing Authority)	Pilbara Ports Authority
DevelopmentWA ³	Public Transport Authority of Western Australia
Electricity Networks Corporation (Western Power)	Racing and Wagering Western Australia
Electricity Generation and Retail Corporation	Regional Power Corporation (Horizon Power)
(Synergy)	Rottneest Island Authority
Forest Products Commission	Southern Ports Authority
Fremantle Port Authority	Water Corporation
Gold Corporation and its subsidiaries	Western Australian Coastal Shipping Commission
Kimberley Ports Authority	
Lotteries Commission	

Public Financial Corporations

Country Housing Authority	RiskCover Fund
Insurance Commission of Western Australia	Western Australian Treasury Corporation
Keystart Housing Scheme, comprising:	
Keystart Loans Ltd	
Keystart Housing Scheme Trust	
Keystart Support Trust	

Agencies outside the State Public Sector

Some State agencies are not covered by the whole-of-government reporting framework as defined under Australian Accounting Standards and/or the GFS framework. The entities listed below, which administer superannuation and like funds and/or hold private funds in trust or fidelity type funds, are examples of such agencies not included in the definition of the public sector used in this report. This is because the assets are not available for the benefit of, and/or are not controlled by, the State.

Construction Industry Long Service Leave	Legal Contribution Trust
Payments Board	Murdoch University and its subsidiaries
Curtin University and its subsidiaries	Public Trustee
Edith Cowan University	Parliamentary Superannuation Board
Fire and Emergency Services Superannuation	The University of Western Australia and its
Board	subsidiaries
Government Employees Superannuation Board	

³ DevelopmentWA includes the Metropolitan Redevelopment Authority and the Western Australian Land Authority.

**NOTE 39: BUDGETARY INFORMATION - COMPARISON OF FINAL
OUTCOMES TO ORIGINAL BUDGET**

Explanations of significant variances between actual results for 2024-25 and the original Budget (presented to the Legislative Assembly on 9 May 2024) for the general government sector and the total public sector are included in Appendix 4 of this report. For the purposes of these financial statements, and the associated notes to the financial statements, the discussion in Appendix 4 meets the requirements of paragraphs 59(f) and 61 of AASB 1049: *Whole of Government and General Government Financial Reporting*.

The *Financial Results* chapter of this report details variations from the estimated outturn contained in the 2025-26 Budget, released on 19 June 2025.

APPENDIX 2

Operating Revenue

The tables in this appendix detail operating revenue of the general government and total public sectors. They provide detailed revenue information consistent with the operating statements presented in Appendix 1: *Financial Statements*.

The total public sector consolidates internal transfers between the general government sector and agencies in the public corporations sectors.

Accordingly, some total public sector revenue aggregates may be smaller than the general government equivalent. For example, the general government sector collects payroll tax from some public corporations. These internal collections are not shown in the total public sector taxation revenue data which is thus smaller than the equivalent general government taxation revenue aggregate.

Table 2.1

OPERATING REVENUE

General Government

	2023-24	2024-25					Variation on EA \$(2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	FFPS Revision \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	
TAXATION							
Taxes on employers' payroll and labour force							
<i>Payroll tax</i>	5,404	5,832	5,830	5,880	5,880	5,836	-44
Property taxes							
<i>Land tax</i>	844	887	887	887	899	903	4
Transfer Duty	2,575	2,360	3,028	3,119	3,117	3,101	-16
Foreign Buyers Surcharge	33	32	32	32	26	29	3
Landholder Duty	324	194	194	194	255	262	8
<i>Total duty on transfers</i>	2,932	2,586	3,254	3,345	3,398	3,392	-6
Other stamp duties	— (a)	— (a)	— (a)	— (a)	— (a)	— (a)	— (a)
Metropolitan Region Improvement Tax	95	101	101	101	102	101	-1
Perth Parking Levy	56	62	62	62	62	59	-3
Emergency Services Levy	401	424	424	424	424	424	-
Loan guarantee fees	131	134	136	136	136	134	-1
Building and Construction Industry Training Fund Levy	76	53	58	58	78	77	-1
<i>Total other property taxes</i>	760	774	781	781	801	795	-6
Taxes on provision of goods and services							
Lotteries Commission	248	198	198	198	222	229	7
Video lottery terminals	— (a)	— (a)	— (a)	— (a)	— (a)	— (a)	— (a)
Casino Tax	59	54	54	54	62	72	10
Betting Tax	125	111	129	129	129	132	3
<i>Total taxes on gambling</i>	432	363	381	381	414	433	19
Insurance Duty	1,000	1,031	1,071	1,071	1,071	1,073	2
Other	20	21	18	18	18	18	— (a)
<i>Total taxes on insurance</i>	1,020	1,052	1,089	1,089	1,089	1,091	2
Taxes on use of goods and performance of activities							
Vehicle Licence Duty	755	542	756	756	782	793	11
Permits - Oversize Vehicles and Loads	11	8	8	8	8	11	4
Motor Vehicle registrations	1,293	1,366	1,442	1,442	1,410	1,407	-3
Other vehicle taxes	40	34	40	40	40	43	3
<i>Total motor vehicle taxes</i>	2,099	1,951	2,245	2,245	2,240	2,254	14
Mining Rehabilitation Levy	44	39	44	44	47	48	1
Landfill Levy	96	95	95	95	95	98	3
Total Taxation	13,631	13,577	14,607	14,747	14,862	14,849	-13

(a) Amount less than \$500,000.

Note: Columns/rows may not add due to rounding.

Table 2.1 (cont.)

OPERATING REVENUE **General Government**

	2023-24	2024-25					Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	PFPS Revision \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	
CURRENT GRANTS AND SUBSIDIES							
General Purpose Grants							
GST grants	6,565	7,264	7,194	7,391	7,362	7,362	-
North West Shelf grants	694	591	551	576	597	612	15
Commonwealth compensation for changed crude oil excise arrangements	34	24	22	23	33	30	-2
National Agreements							
Skills and Workforce Development	90	-	-	-	-	-	-
Skills	115	236	248	251	253	250	-3
Housing and Homelessness	191	185	-	-	-	-	-
Social Housing and Homelessness	-	-	190	190	190	190	-
Mental Health and Suicide Prevention	3	3	3	3	3	3	-
Schools Reform - Quality Schools	1,221	1,275	1,268	649	646	649	3
Better and Fairer Schools	-	-	40	692	685	693	8
Health Reform	3,070	3,209	3,252	3,252	3,252	3,265	12
National Partnerships/Other Grants							
Health	230	134	249	249	249	267	18
Transport	89	282	335	335	373	160	-213
Disability Services	4	1,010	1,010	2	2	1,010	1,007
Other	476	236	703	725	724	735	11
Total Current Grants and Subsidies	12,780	14,448	15,065	14,338	14,369	15,226	857
CAPITAL GRANTS							
National Partnerships/Other Grants							
Transport	1,707	2,969	2,752	2,752	2,905	3,273	368
Other	177	702	373	326	303	174	-129
Total Capital Grants	1,884	3,671	3,124	3,078	3,209	3,447	238
SALES OF GOOD AND SERVICES ^(b)							
WA Health	937	903	983	983	1,026	1,010	-16
Department of Transport	312	313	313	313	314	317	3
Department of Education	223	224	224	224	233	229	-3
State Training Providers/TAFE Colleges	101	89	89	89	103	117	14
Department of Training and Workforce Development	26	31	28	28	30	28	-2
Western Australian Land Information Authority	86	87	89	89	90	95	5
Department of Biodiversity, Conservation and Attractions	87	143	132	132	134	86	-48
Department of Justice	164	169	169	169	159	166	7
Department of Mines, Industry Regulation and Safety	223	164	169	169	169	251	82
All Other	1,300	1,113	1,178	1,178	1,220	1,405	186
Total Sales of Goods and Services	3,460	3,236	3,374	3,374	3,477	3,704	227
INTEREST INCOME	391	342	341	335	327	314	-13
REVENUE FROM PUBLIC CORPORATIONS							
Dividends	210	1,571	1,502	1,502	541	518	-23
Tax Equivalent Regime	912	902	914	914	894	910	16
Total Revenue from Public Corporations	1,122	2,473	2,416	2,416	1,435	1,428	-7
ROYALTY INCOME							
Iron ore	10,365	6,329	8,096	8,625	8,581	8,481	-100
Other	1,502	1,444	1,312	1,397	1,365	1,325	-40
Total Royalty Income	11,866	7,773	9,408	10,023	9,946	9,806	-140
OTHER							
Mining Tenement Rentals	180	180	180	195	205	197	-8
Fines	239	238	240	240	240	237	-3
Revenue not elsewhere counted	394	256	275	275	318	480	163
Total Other	813	674	695	711	763	915	152
GRAND TOTAL	45,947	46,194	49,028	49,021	48,388	49,689	1,301

Note: Columns/rows may not add due to rounding.

Table 2.2

OPERATING REVENUE

Total Public Sector

	2023-24	2024-25					Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	PFPS Revision \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	
TAXATION							
Taxes on employers' payroll and labour force							
<i>Payroll tax</i>	5,282	5,712	5,709	5,759	5,757	5,701	-55
Property taxes							
<i>Land tax</i>	766	807	806	806	815	819	4
Transfer Duty	2,575	2,360	3,028	3,119	3,117	3,101	-16
Foreign Buyers Surcharge	33	32	32	32	26	29	3
Landholder Duty	324	194	194	194	255	262	8
<i>Total duty on transfers</i>	2,932	2,586	3,254	3,345	3,398	3,392	-6
Other stamp duties	— ^(a)	— ^(a)	— ^(a)	— ^(a)	— ^(a)	— ^(a)	— ^(a)
Metropolitan Region Improvement Tax	95	101	101	101	102	101	-1
Perth Parking Levy	56	62	62	62	62	59	-3
Emergency Services Levy	397	418	418	418	418	420	2
Loan guarantee fees	6	7	7	7	7	7	-
Building and Construction Industry Training Fund Levy	76	53	58	58	78	77	-1
<i>Total other property taxes</i>	631	641	645	645	666	663	-3
Taxes on provision of goods and services							
Video lottery terminals	— ^(a)	— ^(a)	— ^(a)	— ^(a)	— ^(a)	— ^(a)	— ^(a)
Casino Tax	59	54	54	54	62	72	10
Betting Tax	76	65	78	78	78	81	3
<i>Total taxes on gambling</i>	136	119	132	132	140	153	13
Insurance Duty	1,000	1,031	1,071	1,071	1,071	1,073	2
Other	20	21	18	18	18	18	— ^(a)
<i>Total taxes on insurance</i>	1,020	1,052	1,089	1,089	1,089	1,091	2
Taxes on use of goods and performance of activities							
Vehicle Licence Duty	755	542	756	756	782	793	11
Permits - Oversize Vehicles and Loads	11	8	8	8	8	11	4
Motor Vehicle registrations	1,293	1,366	1,442	1,442	1,410	1,407	-3
Other vehicle taxes	40	34	40	40	40	43	3
<i>Total motor vehicle taxes</i>	2,099	1,951	2,245	2,245	2,240	2,254	14
Mining Rehabilitation Levy	44	39	44	44	47	48	1
Landfill Levy	96	95	95	95	95	98	3
Total Taxation	13,007	13,000	14,019	14,160	14,246	14,219	-27

(a) Amount less than \$500,000.

Note: Columns/rows may not add due to rounding.

Table 2.2 (cont.)

OPERATING REVENUE **Total Public Sector**

	2023-24	2024-25					Variation on EA \$(2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	PFPS Revision \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	
CURRENT GRANTS AND SUBSIDIES							
<i>General Purpose Grants</i>							
GST grants	6,565	7,264	7,194	7,391	7,362	7,362	-
North West Shelf grants	694	591	551	576	597	612	15
Commonwealth compensation for changed crude oil excise arrangements	34	24	22	23	33	30	-2
<i>National Agreements</i>							
Skills and Workforce Development	90	-	-	-	-	-	-
Skills	115	236	248	251	253	250	-3
Housing and Homelessness	191	185	-	-	-	-	-
Social Housing and Homelessness	-	-	190	190	190	190	-
Mental Health and Suicide Prevention	3	3	3	3	3	3	-
Schools Reform - Quality Schools	1,221	1,275	1,308	649	646	649	3
Better and Fairer Schools	-	-	-	692	685	693	8
Health Reform	3,070	3,209	3,252	3,252	3,252	3,265	12
<i>National Partnerships/Other Grants</i>							
Health	230	134	249	249	249	267	18
Transport	89	282	335	335	373	160	-213
Disability Services	4	1,010	1,010	2	2	1,010	1,007
Other	476	236	703	725	724	735	11
Total Current Grants and Subsidies	12,780	14,448	15,065	14,338	14,369	15,226	857
CAPITAL GRANTS							
<i>National Partnerships/Other Grants</i>							
Transport	1,707	2,969	2,752	2,752	2,905	3,273	368
Other	177	702	373	326	303	174	-129
Total Capital Grants	1,884	3,671	3,124	3,078	3,209	3,447	238
SALES OF GOOD AND SERVICES	41,789	44,359	44,384	44,385	46,349	49,590	3,241
INTEREST INCOME	986	1,003	1,106	1,097	1,106	857	-249
ROYALTY INCOME							
Iron ore	10,365	6,329	8,096	8,625	8,581	8,481	-100
Other	1,502	1,444	1,312	1,397	1,365	1,325	-40
Total Royalty Income	11,866	7,773	9,408	10,023	9,946	9,806	-140
OTHER							
Mining Tenement Rentals	180	180	180	195	205	197	-8
Fines	239	238	240	240	240	237	-3
Revenue not elsewhere counted	1,055	947	977	977	1,030	1,316	286
Total Other	1,473	1,365	1,398	1,413	1,475	1,750	275
GRAND TOTAL	83,785	85,619	88,503	88,493	90,700	94,895	4,195

Note: Columns/rows may not add due to rounding.

Spending by Classification of the Functions of Government

Under an intergovernmental agreement between the States, Territories and the Commonwealth in the early 1990s, all jurisdictions release whole-of-government and other public sector financial information in a consistent format. This Uniform Presentation Framework (UPF) supports transparency and interjurisdictional comparisons.

Western Australia's whole-of-government financial disclosures, found in its annual Budget Papers, Mid-year Review and quarterly and annual outturn reporting, including this *Annual Report on State Finances* (ARSF), are consistent with the UPF disclosure requirements.

In particular, UPF information in this ARSF includes:

- financial statements by sector of government and for the consolidated total public sector (see Appendix 1: *Financial Statements*);
- information on grants and transfer payments which are available in the notes to the financial statements (see Notes to the Financial Statements, Appendix 1);
- detailed general government sector operating revenue information (disclosed in Appendix 2: *Operating Revenue*); and
- detailed general government expenses and purchases of non-financial assets by function (detailed in this Appendix).

Table 3.1

CLASSIFICATION OF THE FUNCTIONS OF GOVERNMENT General Government

	2023-24	2024-25					Variation on EA \$(2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	PFPS Revision \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	
EXPENSES							
<i>General public services ^(a)</i>	1,708	1,809	1,819	1,833	1,923	1,803	-120
Executive and legislative organs, financial and fiscal affairs, external affairs	367					343	
General services	31					34	
Public debt transactions	1,288					1,364	
Transfers of a general character between different levels of government	-					-	
General public services n.e.c.	22					61	
<i>Public order and safety</i>	4,839	4,858	5,209	5,238	5,345	5,364	19
Police services	1,623					1,758	
Civil and fire protection services	666					704	
Law courts	1,271					1,465	
Prisons	1,206					1,364	
Research and development — public order and safety	33					37	
Public order and safety n.e.c.	39					36	
<i>Economic Affairs</i>	2,769	2,872	3,435	3,438	3,345	3,096	-249
General economic, commercial and labour affairs	724					666	
General economic and commercial affairs	508					454	
General labour affairs	215					212	
Agriculture, forestry, fishing and hunting	259					326	
Agriculture	139					183	
Forestry	37					58	
Fishing and hunting	83					85	
Fuel and energy	1,179					1,437	
Petroleum and natural gas	8					9	
Electricity	1,039					1,264	
Fuel and energy n.e.c.	133					164	
Mining, manufacturing and construction	243					278	
Mining of mineral resources and other than mineral fuels	190					214	
Construction	53					64	
Other industries	196					190	
Distributive trades, storage and warehousing	5					6	
Hotel and restaurants	24					29	
Tourism	167					155	
Research and development — agriculture, forestry, fishing and hunting	109					107	
Research and development — mining, manufacturing and construction	59					92	
<i>Environmental protection</i>	593	682	705	719	715	694	-21
Pollution abatement	2					2	
Protection of biodiversity and landscape	436					519	
Environmental protection n.e.c.	155					174	
<i>Housing and community amenities</i>	1,706	1,874	1,906	1,914	1,641	1,817	176
Housing development	60					39	
Community development	838					1,045	
Indigenous community development	133					130	
Community development n.e.c.	705					915	
Water supply	809					734	

Note: Columns/rows may not add due to rounding.

Table 3.1 (cont.)

CLASSIFICATION OF THE FUNCTIONS OF GOVERNMENT
General Government

	2023-24	2024-25				Actual \$m (2)	Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	PFPS Revision \$m	Estimated Actual (EA) \$m (1)		
Health	13,168	13,213	13,966	14,014	14,326	14,471	145
Medical products, appliances and equipment	839					997	
Pharmaceutical products	472					568	
Other medical products	228					269	
Therapeutic appliances and equipment	140					160	
Outpatient services	3,136					3,505	
General medical services	44					45	
Specialised medical services	2,428					2,681	
Dental services	9					7	
Paramedical services	655					771	
Hospital services	5,465					6,115	
General hospital services	4,742					5,315	
Specialised hospital services	556					551	
Nursing and convalescent home services	167					249	
Mental health institutions	393					603	
Community health services	1,726					2,060	
Community mental health services	725					852	
Patient transport	379					490	
Community health services n.e.c.	622					718	
Public health services	789					441	
Research and development — health	52					96	
Health n.e.c.	769					654	
Recreation, culture and religion ^(a)	1,106	1,207	1,263	1,274	1,250	1,179	-71
Recreational and sporting services	781					815	
Cultural services	325					364	
Film production services	8					13	
Cultural services n.e.c.	317					351	
Education	8,039	8,426	8,874	8,933	9,067	8,887	-180
Pre-primary and primary education	3,698					4,053	
Government pre-primary education	295					320	
Non-government pre-primary education	18					19	
Government primary education	3,196					3,511	
Non-government primary education	189					203	
Secondary education	2,701					2,981	
Government secondary education	2,409					2,667	
Non-government secondary education	292					314	
Tertiary education	953					1,093	
University education	12					32	
Vocational education and training (excl apprenticeships and traineeships)	941					1,061	
Education not definable by level	51					57	
Apprenticeships and traineeships	51					57	
Education not definable by level n.e.c.	-					-	
Subsidiary services to education	195					202	
Transportation of non-urban school students	106					119	
Transportation of other students	65					57	
Subsidiary services to education n.e.c.	25					27	
Special education	441					501	

Note: Columns/rows may not add due to rounding.

Table 3.1 (cont.)

CLASSIFICATION OF THE FUNCTIONS OF GOVERNMENT

General Government

	2023-24	2024-25					Variation on EA \$m (2) - (1)
	Actual \$m	Budget Year \$m	MYR Revision \$m	PFPS Revision \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)	
<i>Social protection</i>	3,846	3,963	4,335	4,337	4,268	4,405	138
Sickness and disability	1,354					1,564	
Old age	203					224	
Family and children	1,333					1,446	
Housing	666					786	
Social exclusion n.e.c.	93					123	
Research and development — social protection	3					4	
Social protection n.e.c.	193					260	
Natural disaster relief	-					-	
Social protection n.e.c.	193					260	
<i>Transport</i>	3,686	4,095	4,417	4,434	4,471	4,320	-151
Road transport	2,381					2,805	
Road maintenance	1,447					1,679	
Road rehabilitation	149					203	
Road construction	312					336	
Road transport n.e.c.	474					587	
Bus transport	508					572	
Urban bus transport	467					528	
Non-urban bus transport	41					44	
Water transport	127					124	
Urban water transport passenger services	1					3	
Urban water transport freight services	-					-	
Non-urban water transport services	126					121	
Railway transport	625					771	
Urban railway transport services	583					721	
Non-urban railway transport freight services	22					29	
Non-urban railway transport passenger services	20					21	
Air transport	45					48	
<i>Other^(b)</i>	-	592	2	-302	-494	-	494
TOTAL EXPENSES	41,461	43,591	45,932	45,830	45,857	46,037	180
PURCHASES OF NON-FINANCIAL ASSETS							
General public services	146	149	186	186	185	149	-35
Public order and safety	192	354	421	421	319	269	-50
Economic affairs	34	120	142	143	78	44	-34
Environmental protection	91	204	177	179	156	105	-51
Housing and community amenities	94	124	150	151	81	107	26
Health	342	872	894	904	646	511	-135
Recreation, culture and religion	92	248	243	243	224	220	-5
Education	693	677	630	639	645	605	-40
Social protection	30	20	20	20	13	12	-1
Transport	2,284	2,254	2,344	2,344	2,399	2,189	-210
Other ^(b)	-	-1,458	-1,488	-991	-375	-	375
TOTAL PURCHASE OF NON-FINANCIAL ASSETS	3,997	3,565	3,718	4,238	4,371	4,211	-160

(a) The 2024-25 Budget Year amounts for 'General public services' and 'Recreation, culture and religion' were restated in the 2024-25 Mid-year Review to reflect the correct COFOG classifications following reassignment of the Rottneest Island Authority (part of the broader Department of Biodiversity, Conservation and Attractions since machinery of government changes that took effect in 2017) to the public non-financial corporations sector. This follows resolution of a classification issue outlined in the Notes to the Financial Statements in the 2022-23 *Annual Report on State Finances*.

(b) Budget / Mid-year review/PFPS provisions.

Note: Columns/rows may not add due to rounding.

Comparison of Final Outcomes to Original Budget for the Year Ending 30 June 2025

This appendix contains explanations for material variations in general government and total public sector financial aggregates compared to the original 2024-25 Budget presented to the Legislative Assembly on 9 May 2024, in line with the requirements of AASB 1055: *Budgetary Reporting*¹.

For the general government operating statement, explanations are provided in this appendix for the three largest revenue sources (taxation, Commonwealth grants and royalties, which account for around 87% of general government revenue in 2024-25) and the three largest categories of expense (salaries, transfers and 'other gross operating expenses', which represent approximately 79% of general government expenses in 2024-25). Based on materiality, explanations are also provided for other revenue and expense items where the variance since the 2024-25 Budget is greater than or equal to \$10 million and 10%, and for key line items that appear on the face of the operating statement.

High-level explanations are also provided for the other financial statements (the general government balance sheet and cash flow statement, and the three financial statements for the total public sector).

¹ Paragraph 6(f) of this standard requires explanations of major variances between the original Budget estimates and outcomes in the financial statements. Paragraph 9 of the standard indicates that the original Budget is the first Budget presented to Parliament in respect of the reporting period.

Detailed explanations of key variations to the estimates for 2024-25 can also be reviewed in:

- the 2024-25 *Government Mid-year Financial Projections Statement* (or Mid-year Review, released in December 2024), describing changes between the cut-off dates for the original 2024-25 Budget (8 April 2024) and the Mid-year Review (2 December 2024);
- the 2024-25 *Pre-election Financial Projections Statement* (PFPS), released in February 2025), describing changes since the Mid-year Review and up to the 1 February 2025 PFPS cut-off date;
- the 2025-26 Budget Paper No. 3: *Economic and Fiscal Outlook* (presented to the Legislative Assembly on 19 June 2025), which updated the estimated actual for 2024-25 for financial revisions since the PFPS cut-off date; and
- the *Financial Results* chapter in this report, which describes variations in final outcomes relative to the estimated actual included in the 2025-26 Budget estimates.

The most recent whole-of-government financial forecasts are available in the 2025-26 Budget Papers, which can be accessed online at www.ourstatebudget.wa.gov.au.

Table 4.1

GENERAL GOVERNMENT **Operating Statement**

		2024-25			
	Notes	Budget Year \$m	Actual \$m	Variation on Budget \$m	Variation on Budget %
RESULTS FROM TRANSACTIONS					
REVENUE					
Taxation	a	13,577	14,849	1,272	9.4
Current grants and subsidies	b	14,448	15,226	778	5.4
Capital grants	b	3,671	3,447	-224	-6.1
Sales of goods and services	c	3,236	3,704	469	14.5
Interest Income		342	314	-28	-8.3
Revenue from public corporations					
Dividends from other sectors	d	1,571	518	-1,053	-67.0
Tax equivalent income	d	902	910	8	0.9
Royalty income	e	7,773	9,806	2,034	26.2
Other	f	674	915	240	35.6
Total		46,194	49,689	3,495	7.6
EXPENSES					
Salaries	g	17,242	18,370	1,128	6.5
Superannuation					
Concurrent costs		2,084	2,069	-15	-0.7
Superannuation interest cost	h	200	157	-43	-21.7
Other employee costs	i	524	431	-93	-17.8
Depreciation and amortisation		2,253	2,320	67	3.0
Services and contracts	j	4,086	3,562	-523	-12.8
Other gross operating expenses	k	6,664	7,985	1,320	19.8
Interest					
Interest on leases	l	139	190	51	36.8
Other interest	l	819	1,017	198	24.2
Current transfers	m	9,032	9,159	128	1.4
Capital transfers	m	549	776	228	41.5
Total		43,591	46,037	2,446	5.6
NET OPERATING BALANCE	n	2,603	3,652	1,049	40.3
Other economic flows - included in the operating result					
Net gains on assets/liabilities		-98	8	106	-108.3
Provision for doubtful debts		-14	-51	-37	257.5
Changes in accounting policy/adjustment of prior periods		-	4	4	-
Total other economic flows	o	-112	-39	73	-64.9
OPERATING RESULT		2,491	3,613	1,122	45.0
All other movements in equity					
Items that will not be reclassified to operating result					
Revaluations		1,848	11,629	9,781	529.3
Net actuarial gains - superannuation		109	-85	-195	-178.0
Gains recognised directly in equity		-45	-	45	-99.6
Change in net worth of the public corporations sectors		753	6,560	5,808	771.7
All other		-	-	-	-
Total all other movements in equity	p	2,665	18,104	15,439	579.2
TOTAL CHANGE IN NET WORTH	q	5,157	21,717	16,561	321.2
KEY FISCAL AGGREGATES					
NET OPERATING BALANCE		2,603	3,652	1,049	40.3
Less Net acquisition of non-financial assets					
Purchase of non-financial assets		3,565	4,211	646	18.1
Changes in inventories		-	-21	-21	-
Other movement in non-financial assets		-	-10	-10	-
less:					
Sales of non-financial assets		104	73	-31	-29.6
Depreciation		2,253	2,320	67	3.0
Total net acquisition of non-financial assets		1,208	1,786	579	47.9
NET LENDING/-BORROWING	r	1,395	1,866	471	33.7

Note: Columns/rows may not add due to rounding.

General Government Sector Operating Statement

Revenue

(a) Taxation revenue was \$1.3 billion (or 9.4%) higher than budgeted, including the combined impact of higher collections from:

- total duty on transfers (which includes transfer duty, foreign buyer duty surcharge and landholder duty), up \$806 million (or 31.2%), primarily reflecting larger than expected house price growth, which led to a record level of transfer duty, and several assessments issued for high value commercial landholder transactions;
- vehicle licence duty, up \$251 million (or 46.2%), largely reflecting continued elevated demand for vehicles; and
- a net increase of \$215 million (or 2.1%) across all other taxes, including taxes on gambling, insurance, and various other taxes and levies.

(b) Current and capital grants from the Commonwealth were \$554 million (or 3.1%) higher than budgeted, with key movements including:

- the inclusion in the budget of \$419 million of grants under the Disaster Recovery Funding Arrangements (which reimburse the State for costs incurred in relation to past disasters), which was subsequently re-timed to later years;
- the unbudgeted receipt of \$368 million for the Commonwealth's electricity bill relief payments for households and small business customers;
- higher health-related grants, up \$186 million (or 5.5%), primarily for higher public hospital funding under the National Health Reform Agreement, and health and aged care services under the Multi-Purpose Service Program;
- higher transport-related grants, up \$181 million (or 5.6%), largely reflecting higher than anticipated receipts for jointly funded METRONET and road projects, including the Morley-Ellenbrook Line, Thornlie-Cockburn Link, Byford Rail Extension and Manuwarra Red Dog Highway;
- higher GST grants, up \$99 million (or 1.4%), reflecting an increase to the estimate of Western Australia's share of the national population and a larger national GST pool relative to the estimate at the time of the 2024-25 Budget; and
- a net increase of \$140 million (or 3.7%) across all other Commonwealth grants, mainly for the education and training sectors.

(c) Sales of goods and services were \$469 million (or 14.5%) higher than budgeted, mainly driven by:

- WA Health (up \$107 million), largely reflecting an increase in forecast patient revenue, and higher Pharmaceutical Benefits Scheme recoveries;

- Energy, Mines, Industry Regulation and Safety (up \$88 million), mainly due to higher than expected collections from industry fees and levies as a result of continued high levels of resource sector activity;
 - Communities (up \$86 million), largely reflecting higher business and operational support services revenue recouped from the Housing Authority²; and
 - Main Roads (up \$53 million), mainly due to additional works undertaken on behalf of the Pilbara Ports Authority at the Great Northern Highway and Pinga Street Interchange, and a revised funding profile for the Tonkin Highway Gap associated works.
- (d) Revenue from public corporations (comprising dividends and tax equivalent revenue) was \$1 billion (or 42.2%) lower than budgeted, primarily reflecting the 2025-26 Budget decision to defer the timing of interim dividends for the Water Corporation and Western Power to 2025-26.
- (e) Royalty income was \$2 billion (or 26.2%) higher than forecast in the 2024-25 Budget, primarily due to higher iron ore royalties (up \$2.2 billion or 34%), largely reflecting higher iron ore prices (which averaged \$US100.9 per tonne through the year compared to the 2024-25 Budget assumption of \$US75 per tonne). Other royalties were down a net \$118 million (or 8.2%), with higher collections of gold and alumina royalties more than offset by lower collections for lithium, nickel and other royalties.
- (f) 'Other' revenue was \$240 million (or 35.6%) higher than budgeted, mainly due to unbudgeted (non-cash) assets such as land transferred to the State from the local government and private sectors, along with a minor increase in collections from mining tenement rentals.

Expenses

- (g) Salaries expenses were \$1.1 billion (or 6.5%) higher than budgeted. The largest movements were for:
- WA Health (up \$995 million), primarily due to increased staffing costs in response to expanding service demand, higher costs following settlement of industrial agreements, and higher than budgeted accrued leave expenses;
 - The Department of Education (up \$138 million), mainly due to wage increases from the settlement of industrial agreements, including the School Education Act Employees' (Teachers and Administrators) General Agreement 2023, additional spending resulting from updated student enrolment projections, higher than projected spending on personal leave expenses for school staff, and increased expenditure under the Better and Fairer Schools Agreement; and

² In 2024-25, the Department of Communities included general government activities and public housing functions delivery by the Housing Authority (a public non-financial corporation). A portion of shared corporate costs paid for by the general government segment of the Department was recovered as goods and services revenue from the Housing Authority. This arrangement ceased on 30 June 2025, following Public Sector Reform changes effective from 1 July 2025.

- the Department of Justice (up \$122 million), mainly reflecting higher staffing costs in corrective services, reflecting the impact of faster than expected growth in the offender population, and costs related to the settlement of industrial agreements.

Along with increases in salaries for other agencies across the general government sector, the above increases were partly offset by a \$402 million salary component of the Budget-time wages provision.

- (h) Superannuation interest costs were \$43 million (or 21.7%) lower than budgeted, mainly reflecting a lower than expected discount rate used by the actuary to value unfunded superannuation entitlements (down from the 4.3% assumption used in the Budget estimate to 3.8% used for the actuarial valuation, with the decrease reflecting movements in bond markets during 2024-25).
- (i) Other employee costs were \$93 million (or 17.8%) lower than budgeted, largely reflecting a budget-time provision for additional costs under the Government's wages policy that was subsequently allocated to salaries expenses in agencies.
- (j) Services and contracts expenses were \$523 million (or 12.8%) lower than budgeted, largely reflecting reclassifications in WA Health to other categories of spending (\$356 million).
- (k) 'Other gross operating expenses' (largely made up of the day-to-day non-salaries operating costs of agencies, such as office accommodation costs, building and maintenance costs, electricity and water costs, administration costs, and services purchased from non-government organisations) were \$1.3 billion (or 19.8%) higher than budgeted. This was largely due to the combined impact of higher than budgeted spending by:
 - WA Health (up \$486 million), mainly related to patient support services and reclassification of spending from other expenditure categories;
 - the Department of Communities (up \$239 million), primarily due to higher than anticipated expenditure required to complete the transition of children on individual care arrangements to new sector-based care arrangements as part of the out-of-home care reform and additional spending on non-government contract costs;
 - the Department of Education (up \$139 million), reflecting higher than anticipated spending on maintenance and minor works across school infrastructure, increased non-salary expenditure for student support services, resources and specialist equipment driven by an increased number of students with higher needs, and additional spending aligned with updated student enrolment projections;
 - the Department of Justice (up \$132 million), primarily due to additional expenditure on prison supplies and services (such as food, medical and educational supplies), rehabilitation and reintegration services purchased from non-government organisations, and building maintenance; and

- the inclusion in the original Budget of a \$138 million Royalties for Regions recurrent underspend provision in anticipation of lower spending that would emerge across the general government sector by 30 June 2025.
- (l) Interest expenses were \$250 million (or 26.1%) higher than budgeted, with interest on leases accounting for \$51 million of the increase, and interest on other borrowings representing \$198 million. Higher interest expenses include higher than expected debt servicing costs for Consolidated Account borrowings (up \$35 million) driven by marginally higher market-driven interest rates (with an average rate of 3.6% compared with the Budget assumption of 3.5%), and higher interest payments to the public non-financial corporations sector for cash held in the Public Bank Account (up \$39 million).

The Budget also included a \$95 million allowance for lower interest costs related to a \$1.5 billion provision for lower general government infrastructure spending expected to emerge over 2024-25 (but which could not be reliably allocated to individual projects or agencies). The actual outturn for savings on unspent infrastructure investment is reflected as a combination of movements in individual agency interest expenses (where an agency would have borrowed to spend on capital investment), or higher interest revenue (where unspent funds are held by the agency at 30 June 2025 or in the Public Bank Account if appropriation funding was not drawn from the Consolidated Account). Lower than expected infrastructure spending is discussed in the cash flow section later in this appendix.

- (m) Transfer expenses (mainly comprising recurrent and capital grants and subsidies) were a total \$355 million (or 3.7%) higher than budgeted, with both higher than forecast outcomes for current transfers (up \$128 million) and capital transfers (up \$228 million). Key changes since the Budget include:
- higher than anticipated operating subsidies to the State's public corporations (up \$294 million), largely reflecting the on-passing of Commonwealth funding to Synergy and Horizon Power for electricity bill relief payments, and higher subsidies to the Public Transport Authority for a range of public transport initiatives;
 - higher than budgeted grants by Main Roads (up \$185 million), primarily due to an increase in payments for the Thornlie–Cockburn Link, higher grants to local governments reflecting the accelerated delivery of local government road projects, and asset transfers (including the Hearson Cove Road (Burrup Peninsula) and Freight Rail Level Crossings transferred to the Public Transport Authority);
 - a \$165 million payment to the Commonwealth associated with the State's transition to the full National Disability Insurance Scheme;
 - unbudgeted (non-cash) transfers of land reserves to the local government sector, administered by the Department of Planning, Lands and Heritage, totalling \$126 million;
 - the implementation of the 2025 Western Australian Student Assistance Payment, increasing grants administered by the Department of Education (up \$84 million);

- lower than anticipated grants by the Department of Jobs, Tourism, Science and Innovation (down \$76 million), largely due to delayed grants from the Investment Attraction Fund (aligning payments with revised milestones for various projects), the repurposing of grant spending towards the Western Australian Venture Capital Initiative, and revised spending expectations for the Collie Industrial Transition Fund;
 - lower than budgeted grants administered by the Department of Fire and Emergency Services (down \$91 million), with lower than expected disaster recovery spending due to a lesser number of eligible events, including Ex-Tropical Cyclone Ellie recovery assistance packages, mainly reflecting the timing of assessments for incurred expenditure incurred and the reimbursements of claims;
 - lower than expected grants by the Minerals Research Institute of Western Australia, reflecting the retiming to future years of an assumed \$97 million for the establishment of the Critical Minerals Advanced Processing Common-User Facility, which is subject to confirmation and finalisation of a Commonwealth/State Agreement; and
 - the inclusion in the original Budget of \$201 million of spending provisions that were subsequently allocated to agencies and/or retimed to future years.
- (n) The \$3.7 billion net operating balance for 2024-25 was \$1 billion higher than forecast in the original Budget. Revenue was \$3.5 billion (or 7.6%) higher than budgeted while expenses were \$2.4 billion (or 5.6%) higher than forecast, as detailed above.

Other Economic Flows and Movements in Equity

- (o) Unbudgeted changes to 'Other economic flows'³ resulted in a \$39 million reduction in net worth (\$73 million higher than forecast in the Budget), primarily driven by movements in net gains on assets/liabilities.
- (p) All other movements in equity equated to an aggregate increase in net worth of \$18.1 billion, a \$15.4 billion increase on 2024-25 Budget expectations. This item accounts for all changes in the net worth of the public sector balance sheet that are not accounted for on the general government sector operating statement, including the operations and valuation changes of public corporations, valuation changes across the sector's other assets and liabilities (including superannuation), and the impact of investing and financing activities. These other sources of variance are discussed throughout the following sections of this appendix.

³ Changes in the value of assets or liabilities that do not result from transactions are referred to as 'other economic flows'. They include net gains on assets/liabilities, changes in accounting policy/adjustment of prior periods (which are not forecast in the Budget) and provisions for doubtful debts.

- (q) Net worth at 30 June 2025 increased by \$21.7 billion on the final outcome for 30 June 2024, representing a \$16.6 billion increase relative to the forecast in the original Budget. This increase in the net value of the general government sector balance sheet largely reflects the impact of the higher than expected net operating balance, 'other economic flows' and 'all other movements in equity' variances noted above.
- (r) A \$1.9 billion net lending surplus outcome (which includes the net operating balance from transactions, less non-cash depreciation costs, plus the net cost of infrastructure investment activities) compares with a projected \$1.4 billion surplus at the time of the 2024-25 Budget. This \$471 million stronger net position primarily reflects the \$1 billion improvement in the net operating balance, and an \$579 million movement in non-financial assets, mainly due to higher purchases of non-financial assets (discussed later in this Appendix).

Table 4.2

GENERAL GOVERNMENT **Balance Sheet**

		2024-25			
	Notes	Budget Year \$m	Actual \$m	Variation on Budget \$m	Variation on Budget %
ASSETS					
Financial assets					
Cash and deposits		1,511	3,571	2,060	136.4
Advances paid		902	737	-165	-18.3
Investments, loans and placements		3,972	3,478	-494	-12.4
Receivables		4,275	5,102	827	19.4
Shares and other equity					
Investments in other public sector entities - equity method		57,847	69,664	11,817	20.4
Investments in other public sector entities - direct injections		25,073	24,552	-522	-2.1
Investments in other entities		49	69	20	40.4
Other financial assets		10	10	-	0.1
Total financial assets	a	93,640	107,183	13,544	14.5
Non-financial assets					
Land		47,727	53,693	5,966	12.5
Property, plant and equipment		64,537	72,089	7,552	11.7
Right-of-use assets		2,395	2,525	130	5.4
Service concession assets		939	1,180	242	25.7
Biological assets		9	9	1	6.7
Inventories					
Land inventories		-	-	-	-
Other inventories		231	221	-10	-4.4
Intangibles		708	795	88	12.4
Assets classified as held for sale		20	24	4	20.1
Investment property		-	2	2	-
Other		426	428	2	0.5
Total non-financial assets	b	116,991	130,967	13,976	11.9
TOTAL ASSETS	c	210,631	238,151	27,519	13.1
LIABILITIES					
Deposits held		4,727	3,316	-1,411	-29.8
Advances received		404	288	-116	-28.8
Borrowings					
Lease liabilities		2,796	2,879	83	3.0
Service concession liabilities		-	-	-	-
Other borrowings		23,755	24,197	442	1.9
Superannuation		4,170	4,023	-146	-3.5
Other employee benefits		4,527	5,255	729	16.1
Payables		2,615	3,010	396	15.1
Other liabilities		2,866	2,994	128	4.5
TOTAL LIABILITIES	d	45,860	45,962	103	0.2
NET ASSETS		164,772	192,188	27,417	16.6
Of which:					
Contributed equity		-	-	-	-
Accumulated surplus		32,172	33,378	1,205	3.7
Other reserves		132,600	158,811	26,211	19.8
NET WORTH	e	164,772	192,188	27,417	16.6
MEMORANDUM ITEMS					
Net financial worth		47,780	61,221	13,441	28.1
Net financial liabilities		35,140	32,995	-2,146	-6.1
Net debt					
Gross debt liabilities		31,683	30,680	-1,003	-3.2
less: liquid financial assets		6,385	7,787	1,402	22.0
Net debt	f	25,298	22,893	-2,405	-9.5
Note: Columns/rows may not add due to rounding.					

Note: Columns/rows may not add due to rounding.

General Government Sector Balance Sheet

- (a) General government sector financial assets totalled \$107.2 billion at 30 June 2025, up \$13.5 billion (or 14.5%) from the original Budget. This reflected an increase in the value of investments in other public sector entities (up \$11.3 billion), higher than budgeted holdings of liquid cash investments (up \$1.4 billion), mainly due to higher Public Bank Account (PBA) investment holdings⁴, and a higher than expected outturn for receivables⁵ (up \$827 million, mainly for yet-to-be received mining revenue collections due to the timing of cash receipts).
- (b) Non-financial assets (such as land, infrastructure holdings and leased assets) totalled \$131 billion at 30 June 2025, up \$14 billion (or 11.9%) from Budget, largely reflecting higher than budgeted holdings of property, plant and equipment (up \$7.6 billion) and higher year-end values for the sector's land holdings (up \$6 billion).
- (c) Total assets were \$238.2 billion at 30 June 2025, up \$27.5 billion (or 13.1%) compared to the original Budget, reflecting the movements outlined above.
- (d) Total liabilities were \$46 billion at 30 June 2025, broadly unchanged from the original Budget forecast (up \$103 million (or 0.2%)). Key movements included:
- debt liabilities (down a net \$1 billion), which includes deposits held on behalf of public corporations and other parties, advances from the Commonwealth, and borrowings (inclusive of lease liabilities, service concession liabilities, and other borrowings), with higher borrowings reflecting \$457 million of short-term debt acquired by Main Roads to deliver road projects (following delays with receipt of Commonwealth road funding); and
 - non-debt liabilities (up a net \$1.1 billion), reflecting higher than budgeted outcomes for employee benefits such as accruing leave and salary entitlements (up \$729 million, mainly due to higher employee numbers and valuation changes), along with payables⁶ (up \$396 million, which are subject to the timing of cash payments by the sector), and 'other' liabilities (up \$128 million). These increases were partly offset by lower than budgeted unfunded superannuation liabilities (down \$146 million, mainly reflecting a decrease in the value of the discount rate used by the actuary for year-end valuation of these obligations).

⁴ The PBA is the central bank account of the Western Australian public sector. Divisions of the PBA include the Consolidated Account, agency and Treasurer's Special Purpose Accounts and other centrally managed bank accounts. The PBA is administered by the Department of Treasury and Finance (Treasury to 30 June 2025 prior to recent Public Sector Reforms) with funds management provided by the Western Australian Treasury Corporation. Key components of the PBA are discussed further in Appendix 7: *Public Ledger*.

⁵ Accounts for revenue that have been invoiced but for which cash is still to be received.

⁶ Payables include short and long-term trade creditors, and accounts payable.

- (e) Net worth (the difference between total assets and total liabilities) was \$192.2 billion at 30 June 2025. This outcome is \$27.4 billion (or 16.6%) higher than the forecast \$164.8 billion in the 2024-25 Budget, reflecting the net impact of the outcomes noted above.
- (f) General government sector net debt was \$22.9 billion at 30 June 2025, \$2.4 billion (or 9.5%) lower than the \$25.3 billion estimate in the original Budget. This was mainly due to the net impact of:
- the better than expected net debt outcome at 30 June 2024 (down \$1.1 billion on the estimated actual for 2023-24 contained in the 2024-25 Budget, and detailed in the 2023-24 *Annual Report on State Finances*);
 - lower capital and equity contributions to public corporations (down \$670 million), mainly for lower Consolidated Account contributions for the Public Transport Authority reflecting timing changes to a range of project works since the original Budget was delivered)⁷; and
 - the higher cash surplus outcome for 2024-25, detailed in the next section.

⁷ Consolidated Account appropriations for capital works and other equity contributions to public corporations are funded by general government net debt while the investment of these funds is carried out by agencies in the public corporations sectors.

Table 4.3

GENERAL GOVERNMENT **Cash Flow Statement**

		2024-25			
	Notes	Budget Year \$m	Actual \$m	Variation on Budget \$m	Variation on Budget %
CASH FLOWS FROM OPERATING ACTIVITES					
Cash received					
Taxes received		13,594	14,796	1,203	8.8
Grants and subsidies received		20,634	21,556	922	4.5
Receipts from sales of goods and services		3,214	3,868	655	20.4
Interest receipts		342	341	-1	-0.4
Dividends and tax equivalents		2,453	1,393	-1,060	-43.2
Other		10,258	12,901	2,643	25.8
Total cash received		50,494	54,855	4,361	8.6
Cash Paid					
Wages, salaries and supplements, and superannuation		-19,531	-20,398	-868	4.4
Payments for goods and services		-11,393	-12,059	-666	5.8
Interest paid		-952	-1,150	-198	20.8
Grants and subsidies paid		-11,464	-11,486	-21	0.2
Dividends and tax equivalents		-	-	-	-
Other payments		-1,962	-2,963	-1,001	51.1
Total cash paid		-45,301	-48,057	-2,755	6.1
NET CASH FLOWS FROM OPERATING ACTIVITIES	a	5,193	6,799	1,606	30.9
CASH FLOWS FROM INVESTING ACTIVITES					
Cash flows from investments in non-financial assets					
Purchase of non-financial assets	b	-3,565	-4,211	-646	18.1
Sales of non-financial assets	c	104	73	-31	-29.6
Total cash flows from investmtns in non-financial assets	d	-3,461	-4,138	-677	19.6
Cash flows from investments in financial assets					
Cash received					
For policy purposes		10	27	17	171.9
For liquidity purposes		65	83	19	28.7
Cash paid					
For policy purposes		-5,880	-5,210	670	-11.4
For liquidity purposes		-79	-93	-14	18.2
Total cash flows from investments in financial assets		-5,884	-5,192	692	-11.8
NET CASH FLOWS FROM INVESTING ACTIVITIES		-9,344	-9,330	14	-0.2
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash received					
Advances received		25	18	-7	-29.5
Borrowings		115	65	-51	-43.8
Deposits received		721	574	-147	-20.4
Other financing receipts		33	483	450	1,358.2
Total cash receipts from financing activities		895	1,140	245	27.4
Cash paid					
Advances paid		-25	-18	7	-29.5
Borrowings repaid		-304	-292	12	-3.8
Deposits paid		-	-	-	-
Other financing payments		-393	-988	-596	151.7
Total payments for financing activities		-722	-1,298	-577	79.9
NET CASH FLOWS FROM FINANCING ACTIVITIES		173	-158	-331	-191.5
Net increase in cash and cash equivalents		-3,979	-2,690	1,289	-32.4
Cash and cash equivalents at the beginning of the year		9,160	9,196	36	0.4
Cash and cash equivalents at the end of the year		5,182	6,506	1,325	25.6
KEY FISCAL AGGREGATES					
Net cash flows from operating activities					
Net cash flows from investing in non-financial assets		-3,461	-4,138	-677	19.6
Cash surplus/-deficit	e	1,732	2,661	928	53.6
Note: Columns/rows may not add due to rounding.					

Note: Columns/rows may not add due to rounding.

General Government Sector Cash Flow Statement

- (a) Net cash flows from operating activities (i.e. the receipts and payments of day-to-day operating activities of general government agencies) were in a net \$6.8 billion cash surplus position in 2024-25, \$1.6 billion stronger than the \$5.2 billion cash operating surplus forecast in the 2024-25 Budget⁸. Operating cash receipts totalled \$54.9 billion in 2024-25, \$4.4 billion (or 8.6%) higher than Budget. Total cash paid in 2024-25 was \$48.1 billion, \$2.8 billion (or 6.1%) higher than Budget.

The \$1.6 billion stronger net cash operating result reflects similar factors to the improvement for the accrual operating balance on the operating statement (discussed earlier in this appendix). In particular, improvements in revenue, (particularly for taxation, Commonwealth grants and royalty income), were matched broadly by similar increases in operating receipts, while lower dividend revenue was matched by lower dividend receipts. At the same time, the higher than budgeted accrual expenses (discussed earlier) were also broadly matched by their cash flow equivalents.

- (b) Purchases of non-financial assets (i.e. largely land and infrastructure investment) totalled \$4.2 billion in 2024-25, \$646 million (or 18.1%) higher than the forecast in the 2024-25 Budget. The 2024-25 Budget included a global infrastructure underspend provision for the general government sector of \$1.5 billion, resulting in a budgeted general government sector infrastructure spend of \$3.6 billion. The actual underspend by general government sector agencies totalled \$854 million. Details of underspending largely emerge in the last quarter of the financial year and are discussed in more detail in the *Financial Results* chapter of this ARSF.
- (c) Receipts from the sale of surplus non-financial assets totalled \$73 million in 2024-25, \$31 million lower than Budget, largely reflecting provisions for land sales across the sector that were subsequently written down in value.
- (d) Net cash flows from investments in non-financial assets totalled \$4.1 billion in 2024-25, \$677 million higher than Budget, reflecting the combined effect of changes in purchases and sales outlined above.
- (e) The general government sector recorded a \$2.7 billion cash surplus in 2024-25, \$928 million higher than the \$1.7 billion cash surplus forecast in the original Budget. This reflects the combination of net cash receipts from operations and net investment in non-financial assets described above. The cash surplus/deficit is the key driver of movements in net debt (discussed in the *Balance Sheet* section above and in the *Financial Results* chapter of this ARSF).

⁸ The net cash flow from operating activities is the cash equivalent of the operating balance on the operating statement discussed earlier in this appendix and in the *Financial Results* chapter of this report. This cash flow aggregate is only based on cash information while the accrual operating balance includes non-cash transactions such as depreciation charges, and recognises costs (expenses) and benefits (revenue) as they occur rather than only when cash is paid or received.

TOTAL PUBLIC SECTOR Operating Statement

Table 4.4

		2024-25			
	Notes	Budget Year \$m	Actual \$m	Variation on Budget \$m	Variation on Budget %
RESULTS FROM TRANSACTIONS					
REVENUE					
Taxation		13,000	14,219	1,219	9.4
Current grants and subsidies		14,448	15,226	778	5.4
Capital grants		3,671	3,447	-224	-6.1
Sales of goods and services		44,359	49,590	5,231	11.8
Interest income		1,003	857	-146	-14.6
Royalty income		7,773	9,806	2,034	26.2
Other		1,365	1,750	385	28.2
Total	a	85,619	94,895	9,275	10.8
EXPENSES					
Salaries		18,996	20,147	1,151	6.1
Superannuation					
Concurrent costs		2,296	2,274	-22	-1.0
Superannuation interest cost		200	157	-43	-21.7
Other employee costs		799	838	39	4.9
Depreciation and amortisation		5,764	6,025	261	4.5
Services and contracts		5,114	4,659	-455	-8.9
Other gross operating expenses		42,223	48,076	5,854	13.9
Interest					
Interest on leases		210	258	48	23.0
Other interest		1,688	1,777	89	5.3
Current transfers		6,415	6,642	227	3.5
Capital transfers		225	422	197	87.7
Total	b	83,929	91,274	7,345	8.8
NET OPERATING BALANCE	c	1,691	3,621	1,930	114.2
Other economic flows - included in the operating result					
Net gains on assets/liabilities		-49	352	401	-820.5
Provision for doubtful debts		-64	-62	2	-3.7
Changes in accounting policy/adjustment of prior periods		-	-44	-44	-
Total other economic flows	d	-113	247	359	-318.7
OPERATING RESULT		1,578	3,868	2,290	145.1
All other movements in equity					
Items that will not be reclassified to operating result					
Revaluations		3,516	17,981	14,465	411.4
Net actuarial gains - superannuation		110	-126	-236	-214.2
Gains recognised directly in equity		-48	-5	42	-88.8
All other		-	-	-	-
Total all other movements in equity	e	3,578	17,849	14,271	398.8
TOTAL CHANGE IN NET WORTH	f	5,157	21,717	16,561	321.2
KEY FISCAL AGGREGATES					
NET OPERATING BALANCE		1,691	3,621	1,930	114.2
Less Net acquisition of non-financial assets					
Purchase of non-financial assets		12,079	13,132	1,054	8.7
Changes in inventories		173	2,161	1,988	1,151.6
Other movement in non-financial assets		188	222	35	18.4
less:					
Sales of non-financial assets		497	646	148	29.9
Depreciation		5,764	6,025	261	4.5
Total net acquisition of non-financial assets		6,179	8,846	2,667	43.2
NET LENDING/-BORROWING	g	-4,488	-5,225	-737	16.4

Note: Columns/rows may not add due to rounding.

Total Public Sector⁹ Operating Statement

- (a) Operating revenue in 2024-25 was \$94.9 billion, \$9.3 billion (or 10.8%) higher than budgeted. This higher outcome includes movements for taxation (\$1.3 billion), royalties (\$2 billion) and Commonwealth grants (\$554 million), which also appear on the general government operating statement with most of this income received by that sector, as outlined earlier in this appendix¹⁰.

In addition to the general government revenue movements noted above, total public sector revenue from sales of goods and services was higher than expected (up \$5.2 billion or 11.8% relative to Budget). This upward revision primarily reflects higher Gold Corporation revenue (up \$4.5 billion), driven by higher than anticipated gold and silver prices. Higher gold revenue is broadly matched by an equivalent increase in related expenses (see (b) later in this section).

Other material movements in goods and services revenue included:

- the Lotteries Commission (up \$179 million), primarily reflecting increased sales volumes, largely driven by higher than expected Lotto jackpots, broadly matched by an associated increase in cost of sales of lottery products; and
- Racing and Wagering Western Australia (up \$164 million), due to higher than budgeted betting turnover, with an associated increase in betting dividend payouts.

⁹ The total public sector (also known as the whole-of-government) reflects the consolidation of the general government sector (discussed earlier), the public non-financial corporations sector (which includes entities delivering non-financial services on a predominantly cost recovery basis, like the State's ports, and the electricity and water utilities), and the public financial corporations sector (which includes agencies mainly engaged in financial activities such as the Western Australian Treasury Corporation and the Insurance Commission of Western Australia).

¹⁰ Internal transfers between the general government sector and agencies in the public corporations sectors are eliminated in the whole-of-government consolidation process. Accordingly, some total public sector financial aggregates may be smaller than the general government equivalent. For example, the general government sector collects payroll tax from some public corporations. These internal collections are not shown in the total public sector taxation revenue data which is thus smaller in magnitude than the equivalent general government taxation revenue aggregate.

- (b) Operating expenses in 2024-25 were \$91.3 billion, \$7.3 billion (or 8.8%) higher than Budget, mainly due to higher outcomes for 'other' gross operating expenses (up \$5.9 billion or 13.9%) – discussed below. Other upward movements were recorded for salaries, recurrent and capital transfer expenses (mainly grants), interest, and other staffing costs. These increases were partly offset by lower spending on services and contracts, depreciation and amortisation, and superannuation interest costs.

The major contributor to the higher outcome for 'Other' gross operating expenses was the Gold Corporation (up \$4.5 billion), mirroring the impact of higher gold and silver prices outlined above in (a). In addition, higher than budgeted outcomes were recorded by the Lotteries Commission (up \$82 million), and Racing and Wagering Western Australia (up \$125 million), due largely to the impact on expenses of the revenue issues outlined above (of similar magnitude). Synergy's costs in this category were also \$194 million higher than budgeted, reflecting the expenditure associated with updated fuel supply contract prices.

Claims expenses for the Insurance Commission of Western Australia (ICWA) were \$229 million lower than budgeted, mainly due to an increase in the long-term discount rates applied in valuing claims liabilities. In addition, fewer new catastrophic injury claims were received than anticipated. A range of RiskCover Fund claims expenses were an aggregate \$50 million higher than estimated, driven by a greater than expected number of large claims received in the liability (general and medical treatment) insurance class.

Salaries were \$1.2 billion higher than forecast in the 2024-25 Budget. This largely reflects higher general government salaries costs (up \$1.1 billion) detailed earlier in this appendix, while salaries outcomes for the State's public corporations were \$22 million higher than forecast.

Current and capital transfers were a net \$424 million (or 6.4%) higher than Budget, with movements in the general government sector discussed earlier. Public non-financial corporations sector transfers were \$494 million (or 26%) higher than budget, largely reflecting the Commonwealth Government's electricity credit to households and eligible small businesses facilitated through Synergy and Horizon Power.

- (c) The total public sector recorded a \$3.6 billion operating surplus in 2024-25, \$1.9 billion higher than the \$1.7 billion surplus projected at the time of the 2024-25 Budget, reflecting revenue and expense movements detailed above.

- (d) 'Other' economic flows (net gains and losses on assets, doubtful debt provisions and accounting adjustments) resulted in an aggregate increase in net worth of \$247 million, \$359 million higher than forecast in the 2024-25 Budget. This was predominantly due to a \$401 million change in net gains on assets/liabilities, partly offset by accounting policies/adjustment of prior periods¹¹ (which are not forecast in the Budget, reflecting amendments to accumulated operating results from prior period reporting that are brought to book in year-end outcomes for 2024-25).
- (e) All other movements in equity total to an aggregate increase in net worth of \$17.8 billion in 2024-25, up \$14.3 billion from expectations at the time of the Budget. This was primarily driven by higher than expected valuations (such as land and property, plant and equipment valuations) in 2024-25 (up \$14.5 billion).
- (f) Relative to 30 June 2024, net worth at 30 June 2025 increased by a total \$21.7 billion, a \$16.6 billion stronger outcome than the 2024-25 Budget forecast. This change is comprised of the changes in the net operating balance, other economic flows and all other movements in equity variances outlined above and in the equivalent general government sector discussion earlier in this appendix, and the final outcome for 30 June 2024 reported in the 2023-24 *Annual Report on State Finances*.
- (g) Net lending/borrowing was in a \$5.2 billion deficit position in 2024-25, a \$737 million deterioration on the \$4.5 billion net lending deficit projected in the original Budget.

This reflects:

- the stronger total public sector operating surplus discussed earlier in this section (up \$1.9 billion), less the impact of depreciation movements removed in the calculation of net lending/borrowing (\$261 million);
- changes in total public sector purchases (up \$1.1 billion) and sales (up \$148 million) of non-financial assets detailed later in this appendix (under the cash flow statement); and
- a \$2 billion increase on expected inventory levels, primarily due to higher gold and other precious metal prices for the Gold Corporation.

¹¹ Movements in the value of the public sector balance sheet that result from a revaluation or restatement of assets and liabilities are included in equity as reserves. These reserves are used to account for any unrealised gains or losses that would otherwise be recognised in the operating statement. These adjustments typically arise as a result of movements in annual reports for the previous year that may not be finalised until after last year's *Annual Report on State Finances* was published, or for other valuation changes brought to book this year but which would impact a prior year outcome.

TOTAL PUBLIC SECTOR
Balance Sheet

Table 4.5

		2024-25			
	Notes	Budget Year \$m	Actual \$m	Variation on Budget \$m	Variation on Budget %
ASSETS					
Financial assets					
Cash and deposits		3,902	6,056	2,154	55.2
Advances paid		2,166	2,034	-132	-6.1
Investments, loans and placements		15,978	18,147	2,169	13.6
Receivables		5,890	7,135	1,245	21.1
Equity - Investments in other entities		3,002	2,833	-168	-5.6
Other financial assets		17	11	-6	-34.5
Total financial assets		30,954	36,216	5,261	17.0
Non-financial assets					
Land		57,911	65,669	7,758	13.4
Property, plant and equipment		146,004	162,837	16,833	11.5
Right-of-use assets		2,763	3,014	252	9.1
Service concession assets		3,293	4,174	880	26.7
Biological assets		250	210	-40	-15.9
Inventories					
Land inventories		1,767	1,409	-359	-20.3
Other inventories		7,213	10,863	3,650	50.6
Intangibles		1,215	1,153	-62	-5.1
Assets classified as held for sale		29	31	2	6.7
Investment property		16	30	14	83.5
Other		759	785	25	3.4
Total non-financial assets		221,221	250,174	28,953	13.1
TOTAL ASSETS		252,175	286,389	34,214	13.6
LIABILITIES					
Deposits held		21	34	13	64.5
Advances received		404	288	-116	-28.8
Borrowings					
Lease liabilities		3,388	3,609	221	6.5
Service concession liabilities		294	278	-17	-5.7
Other borrowings		50,650	52,199	1,549	3.1
Superannuation		4,248	4,092	-156	-3.7
Other employee benefits		5,030	5,882	852	16.9
Payables		11,267	15,511	4,244	37.7
Other liabilities		12,102	12,309	207	1.7
TOTAL LIABILITIES		87,404	94,201	6,797	7.8
NET ASSETS		164,772	192,188	27,417	16.6
Of which:					
Contributed equity		-	-	-	-
Accumulated surplus		51,585	54,731	3,145	6.1
Other reserves		113,186	137,457	24,271	21.4
NET WORTH	a	164,772	192,188	27,417	16.6
MEMORANDUM ITEMS					
Net financial worth					
Net financial liabilities		-56,449	-57,985	-1,536	2.7
Net debt		56,449	57,985	1,536	2.7
Net debt					
Gross debt liabilities		54,758	56,408	1,650	3.0
less: liquid financial assets		22,046	26,236	4,190	19.0
Net debt	b	32,712	30,172	-2,540	-7.8

Note: Columns/rows may not add due to rounding.

Total Public Sector Balance Sheet¹²

- (a) Net worth of the total public sector was \$192.2 billion at 30 June 2025 (up \$27.4 billion, or 16.6% on the Budget-time forecast).

Movements since the original Budget for these balance sheet items largely reflect changes due to operating and investing operations through 2024-25 (discussed in cash flow terms below), movements in the valuation of assets (particularly land and other physical assets) and the impact of the final outturn for 30 June 2024 reported in the *2023-24 Annual Report on State Finances*.

- Assets were \$34.2 billion (or 13.6%) higher than Budget, reflecting an increase in holdings of non-financial assets (up \$29 billion), and a higher stock of financial assets (up \$5.3 billion).
 - Higher than budgeted non-financial asset outcomes largely reflects an increase in the value of property, plant and equipment (up \$16.8 billion), the impact of upward valuations on land holdings (up \$7.8 billion), an increase in inventories (up a net \$3.3 billion across land and other inventories), and higher than budgeted service concession assets (up \$880 million).
 - For financial assets, holdings of liquid assets were a net \$4.2 billion higher than forecast, largely higher cash and investment holdings for the Public Bank Account. Receivables were \$1.2 billion higher than budget, mainly reflecting an increase in mining revenue receivables noted earlier in this appendix.
- Liabilities were \$6.8 billion (or 7.8%) higher than Budget, with higher gross debt liabilities (up \$1.7 billion) largely reflecting the final outcome for the Western Australian Treasury Corporation's borrowing program (which included higher than budgeted borrowings for the Public Transport Authority and Main Roads due to delays in Commonwealth funding, and for Synergy reflecting increases to the cost of supplying electricity including fuel, market and network costs as well as a reduction in sales revenue from its contestable customers). The higher liabilities also included increases for payables (up \$4.2 billion), other employee benefits (up \$852 million), and 'other' liabilities (up \$207 million), partly offset by the downward valuation of unfunded superannuation liabilities held in the general government sector (down \$156 million), noted earlier in this appendix.

¹² Net worth of the total public sector is equivalent to general government sector net worth discussed earlier in this appendix. This is because the net worth of the public corporations is recorded as an asset on the general government sector balance sheet. Accordingly, the variance from original Budget is also the same as for the general government sector. However, total public sector assets and liabilities are different to the general government sector disclosure as the assets and liabilities of the public corporations are disclosed in more detail than the net asset holding in public corporations recorded on the general government sector balance sheet.

- (b) Total public sector net debt was \$30.2 billion at 30 June 2025, \$2.5 billion (or 7.8%) lower than the \$32.7 billion estimate in the 2024-25 Budget. Gross debt liabilities were a net \$1.7 billion higher while holdings of liquid financial assets were up \$4.2 billion. This outcome is largely due to the impact on cash of the stronger than expected operating surplus for 2024-25 (noted in the previous section), and the final outcome for 30 June 2024, reported in the 2023-24 *Annual Report on State Finances*.

Table 4.6

TOTAL PUBLIC SECTOR Cash Flow Statement

		2024-25			
	Notes	Budget Year \$m	Actual \$m	Variation on Budget \$m	Variation on Budget %
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received					
Taxes received		13,013	14,164	1,151	8.8
Grants and subsidies received		20,634	21,556	922	4.5
Receipts from sales of goods and services		30,515	38,899	8,384	27.5
Interest receipts		998	876	-122	-12.3
Dividends and tax equivalents		-	-	-	-
Other		11,663	14,893	3,229	27.7
Total cash received		76,823	90,387	13,564	17.7
Cash paid					
Wages, salaries and supplements, and superannuation		-21,477	-22,363	-886	4.1
Payments for goods and services		-31,536	-39,593	-8,058	25.6
Interest paid		-1,822	-1,905	-83	4.6
Grants and subsidies paid		-7,909	-7,538	371	-4.7
Dividends and tax equivalents		-	-	-	-
Other payments		-6,115	-8,219	-2,103	34.4
Total cash paid		-68,859	-79,619	-10,759	15.6
NET CASH FLOWS FROM OPERATING ACTIVITIES	a	7,964	10,769	2,804	35.2
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash flows from investments in non-financial assets					
Purchase of non-financial assets	b	-12,079	-13,132	-1,054	8.7
Sales of non-financial assets	c	497	646	148	29.9
Total cash flows from investments in non-financial assets	d	-11,582	-12,487	-905	7.8
Cash flows from investments in financial assets					
Cash received					
For policy purposes		10	27	17	173.5
For liquidity purposes		8,146	10,369	2,223	27.3
Cash paid					
For policy purposes		-10	-25	-15	154.7
For liquidity purposes		-8,011	-9,474	-1,464	18.3
Total cash flows from investments in financial assets		136	897	761	559.8
NET CASH FLOWS FROM INVESTING ACTIVITIES		-11,446	-11,590	-144	1.3
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash received					
Advances received		119	50	-69	-57.8
Borrowings		21,594	21,762	168	0.8
Deposits received		-	-	-	-
Other financing receipts		3	502	499	15,148.8
Total cash received		21,716	22,314	598	2.8
Cash paid					
Advances paid		-25	-18	7	-29.5
Borrowings repaid		-21,801	-21,411	390	-1.8
Deposits paid		-	-	-	-
Other financing payments		-466	-1,086	-621	133.4
Total cash paid		-22,292	-22,515	-223	1.0
NET CASH FLOWS FROM FINANCING ACTIVITIES		-576	-201	375	-65.1
Net increase in cash and cash equivalents					
		-4,058	-1,023	3,035	-74.8
Cash and cash equivalents at the beginning of the period		14,756	14,813	57	0.4
Cash and cash equivalents at the end of the period		10,698	13,790	3,092	28.9
KEY FISCAL AGGREGATES					
Net cash flows from operating activities					
		7,964	10,769	2,804	35.2
Net cash flows from investing in non-financial assets					
		-11,582	-12,487	-905	7.8
Cash surplus/-deficit	e	-3,618	-1,718	1,899	-52.5

Note: Columns/rows may not add due to rounding.

Note: Columns/rows may not add due to rounding.

Total Public Sector Cash Flow Statement

- (a) Net cash flows from operating activities were in a surplus position of \$10.8 billion in 2024-25, \$2.8 billion higher than the \$8 billion cash operating surplus forecast in the 2024-25 Budget. Cash operating receipts in 2024-25 were \$90.4 billion, \$13.6 billion (or 17.7%) higher than forecast. Cash operating payments in 2024-25 were \$79.6 billion, \$10.8 billion (or 15.6%) higher than Budget. Movements for key cash aggregates including taxes, royalties, Commonwealth grants, and wages and salaries are largely driven by general government outcomes, discussed earlier in this appendix.
- (b) Purchases of non-financial assets, also known as the State's Asset Investment Program (AIP), totalled \$13.1 billion in 2024-25, \$1.1 billion (or 8.7%) higher than forecast in the 2024-25 Budget. The 2024-25 Budget included a global AIP underspend provision of \$3 billion, resulting in a budgeted AIP of \$12.1 billion. Relative to the 2024-25 Budget forecasts, the actual AIP underspend by agencies totalled \$1.9 billion. Material movements in agency programs since the original budget have been discussed in prior publications and the *Financial Results* chapter of this publication.
- (c) Sales of non-financial assets were \$646 million in 2024-25, \$148 million higher than Budget, largely reflecting higher than budgeted sales by DevelopmentWA, the Housing Authority, Western Power and the Water Corporation.
- (d) Net cash flows from investments in non-financial assets were \$12.5 billion in 2024-25, \$905 million (or 7.8%) higher than Budget, with movements in purchases and sales outlined above.
- (e) The total public sector recorded a \$1.7 billion cash deficit in 2024-25, \$1.9 billion lower than the \$3.6 billion deficit forecast in the 2024-25 Budget. This reflects the combination of the stronger than expected net cash surplus on operations (up \$2.8 billion) and the higher net cash spend on non-financial assets (up \$905 million) discussed earlier.

Special Purpose Accounts

Special Purpose Accounts (SPAs) are established under various sections of the *Financial Management Act 2006* or by specific legislation (e.g. the Royalties for Regions Fund). Accounts established by legislation are governed by the relevant provisions of the statute, while accounts that are established administratively are governed by a special purpose statement (operating accounts) or a trust statement (other accounts) that outlines the purpose of the account.

This appendix details balances at 30 June 2025 for a number of key SPAs established to deliver specific Government policy outcomes. The focus of these disclosures is on major/material SPAs and is not intended to be an exhaustive list of all SPAs, most of which are established for administrative purposes. Details on other SPAs can be found in agencies' annual reports. The SPA balances and transactions in and out of accounts listed in this appendix form part of the overall consolidated outcomes outlined elsewhere in this report.

Asset Maintenance Fund

This Fund was established as part of the 2023-24 Budget to fund high priority maintenance works, and ensure risks to service delivery, public safety, and asset condition are addressed. Receipts for the year to 30 June 2025 included the return of unspent funding by the Department of Finance (\$108,000) and Burswood Park Board (\$40,000).

Funds totalling \$103.2 million were drawn down from the Fund during 2024-25 to progress various upgrades, maintenance and repair works. The recipients of funding include the Department of Local Government, Sport and Cultural Industries (\$28 million), the Department of Education (\$21.3 million), the Department of Biodiversity, Conservation and Attractions (\$12.3 million), the Department of Fire and Emergency Services (\$9.2 million), and a range of other agencies (\$32.3 million).

ASSET MAINTENANCE FUND			Table 5.1
	2024-25 \$m	2023-24 \$m	
<i>Balance at 1 July</i>	241	-	
Receipts	- (a)	250	
Payments	103	9	
Closing Balance	138	241	

(a) Amount less than \$500,000.
Note: Columns may not add due to rounding.

Climate Action Fund

This Fund was established in 2021-22 to hold funds for future climate action and renewable energy initiatives.

A total of \$226 million was drawn from the Fund during 2024-25, reflecting funding for:

- Synergy decarbonisation works (\$173.1 million), for the Collie Battery Energy Storage System (\$150.6 million) and for further payments toward the King Rocks Wind Farm (\$22.5 million);
- \$32.4 million to the Department of Jobs, Tourism, Science and Innovation to meet the costs associated with the transition away from native forestry, the economic transition of Collie and various hydrogen and other climate-related initiatives;
- \$11.4 million for the Department of Water and Environmental Regulation to progress climate action and adaptation initiatives, including the Green Energy Approvals project, the Urban Greening Grants Program and building the climate resilience of West Kimberley Traditional Owners; and
- \$9.1 million for a number of smaller emissions reduction and climate adaptation initiatives.

CLIMATE ACTION FUND			Table 5.2
	2024-25 \$m	2023-24 \$m	
<i>Balance at 1 July</i>	679	168	
Receipts	-	869	
Payments	226	358	
Closing Balance	453	679	

Note: Columns may not add due to rounding.

Debt Reduction Account

The Debt Reduction Account was established in 2017-18 to apply funds to reduce Consolidated Account borrowings. No funds flowed through this Account during 2024-25.

Digital Capability Fund

This Fund was established in 2021-22 to support public sector entities for the upgrade of ICT systems to improve government service delivery, enhance cyber security and mitigate operational risks. Appropriation funding of \$458.2 million was paid into the Fund in 2024-25.

A total of \$298.3 million was drawn from the Fund during the year to 30 June 2025 to progress a range of projects delivered by WA Health (\$151.1 million), Western Australia Police Force (\$34.4 million), the Department of the Premier and Cabinet (\$31.8 million), the Department of Energy, Mines, Industry Regulation and Safety (\$14 million), the Department of Transport and the Department of Local Government, Sport and Cultural Industries (\$13 million respectively), and a range of small drawdowns to support project delivery by various other agencies (\$41.1 million).

DIGITAL CAPABILITY FUND			Table 5.3
	2024-25 \$m	2023-24 \$m	
<i>Balance at 1 July</i>	434	645	
Receipts	458	5	
Payments	298	217	
Closing Balance	593	434	

Note: Columns may not add due to rounding.

Ecological Thinning Account

This Account was established in 2023-24 to support ecological thinning works under the 2024-33 Forest Management Plan to reduce moisture stress and promote forest health.

Receipts of \$134.8 million in 2024-25 reflect \$129.7 million of funding appropriated to the Account and \$5.1 million of timber sales revenue generated from ecological thinning activities. Payments totalling \$27.9 million were made from the Account for contractor payments and administrative costs during 2024-25.

ECOLOGICAL THINNING ACCOUNT

Table 5.4

	2024-25 \$m	2023-24 \$m
<i>Balance at 1 July</i>	12	-
Receipts	135	21
Payments	28	9
Closing Balance	119	12

Note: Columns may not add due to rounding.

METRONET Account

This Account was established in 2017-18 to support the planning and construction of METRONET transport infrastructure projects.

Receipts for the year to 30 June 2025 reflect Commonwealth funding of \$2.1 billion, State appropriation of \$422.7 million, funding from other government agencies of \$342.4 million, and borrowings of \$172.7 million (reflecting the timing of Commonwealth funding for completed works).

Drawdowns totalling \$3 billion were made to repay short-term borrowings raised by the State pending late Commonwealth contributions (\$804.8 million), and for transport infrastructure planning and delivery, including the Victoria Park-Canning Level Crossing Removal (\$576.1 million), the Byford Rail Extension (\$596.8 million), the Thornlie-Cockburn Link (\$482.2 million), the Morley-Ellenbrook Line (\$217.9 million), various other projects (\$337.6 million), and METRONET Office operating expenses (\$3.5 million).

METRONET ACCOUNT

Table 5.5

	2024-25 \$m	2023-24 \$m
<i>Balance at 1 July</i>	197	33
Receipts	3,025	3,164
Payments	3,019	2,999
Closing Balance	203	197

Note: Columns may not add due to rounding.

METRONET and Westport Roads Account

This SPA was established in 2018 to hold funds for road works associated with METRONET, including projects under development. The purpose of the Account was expanded in September 2023 to also hold funds for the delivery of future Westport road-related transport infrastructure works and associated costs.

Receipts totalled \$339.8 million in 2024-25 and mainly reflect motor vehicle licence revenue.

Over the same period, funds totalling \$368 million were drawn for the Victoria Park-Canning Level Crossing Removal (\$176.1 million), the Thornlie-Cockburn Link (\$113.5 million) and a range of smaller projects (\$78.4 million).

METRONET AND WESTPORT ROADS ACCOUNT			Table 5.6
	2024-25 \$m	2023-24 \$m	
<i>Balance at 1 July</i>	38	84	
Receipts	340	247	
Payments	368	294	
Closing Balance	9	38	

Note: Columns may not add due to rounding.

Metropolitan Region Improvement Fund

This Fund was established under the *Metropolitan Region Improvement Tax Act 1959* to hold funds for the management of the Metropolitan Region Scheme, including receipts from the Metropolitan Region Improvement Tax (MRIT).

Receipts in 2024-25 reflect MRIT collections (\$101.5 million), interest revenue (\$21 million), rental revenue (\$9.9 million), proceeds from the sale of land and buildings (\$9 million), scheme certificate and easement fees (\$1.5 million), and reimbursement of GST on State transactions from the Australian Taxation Office (\$1.3 million).

Drawdowns were used for the acquisition of land and buildings (\$70.1 million), service delivery costs associated with the Fund (\$29.9 million), compensation to landowners for compulsory property acquisitions (\$3.9 million) and funding for a range of metropolitan region infrastructure projects (\$1.1 million).

METROPOLITAN REGION IMPROVEMENT FUND			Table 5.7
	2024-25 \$m	2023-24 \$m	
<i>Balance at 1 July</i>	452	403	
Receipts	146	144	
Payments	106	95	
Closing Balance	492	452	

Note: Columns may not add due to rounding.

Mining Rehabilitation Fund

This Fund was established in 2013 to hold levy collections under the *Mining Rehabilitation Fund Act 2012*.

Receipts for the year ending 30 June 2025 reflect levy contributions from mining operators (\$46.9 million) and interest earnings (\$15.7 million). Payments of \$27 million were drawn over for the same period, including \$21.2 million to rehabilitate abandoned mine sites and \$5.8 million to support administration costs and for legacy rehabilitation work at other abandoned sites.

MINING REHABILITATION FUND

Table 5.8

	2024-25 \$m	2023-24 \$m
<i>Balance at 1 July</i>	321	291
Receipts	63	55
Payments	27	25
Closing Balance	356	321

Note: Columns may not add due to rounding.

National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse Account

This Account was established in 2018, to meet the cost of payments associated with the State's participation in the National Redress Scheme, and for civil litigation claims by victims of historical child sexual abuse.

Receipts of \$10 million in 2024-25 reflect additional appropriation funding to meet forecast drawdowns from the Account. Payments totalling \$43.1 million were drawn during 2024-25 to meet National Redress Scheme participation costs, civil litigation claims by victims of historical child sexual abuse, and associated administration costs.

NATIONAL REDRESS SCHEME AND CIVIL LITIGATION FOR SURVIVORS OF INSTITUTIONAL CHILD SEXUAL ABUSE ACCOUNT

Table 5.9

	2024-25 \$m	2023-24 \$m
<i>Balance at 1 July</i>	87	143
Receipts	10	-
Payments	43	56
Closing Balance	54	87

Note: Columns may not add due to rounding.

New Women and Babies Hospital Account

This Account was established in 2021 to support the construction of a new Women and Babies Hospital. Funds of \$9.5 million were drawn in 2024-25 to support planning and design costs, and the appointment of a managing contractor for the hospital.

NEW WOMEN AND BABIES HOSPITAL ACCOUNT			Table 5.10
	2024-25 \$m	2023-24 \$m	
<i>Balance at 1 July</i>	1,764	1,778	
Receipts	-	-	
Payments	9	13	
Closing Balance	1,755	1,764	

Note: Columns may not add due to rounding.

Perth Parking Licensing Account

This Account was established in 1999 to hold funds used to support a balanced transport system, improve the amenity of the Perth city area and carry out parking licensing and planning functions. Money credited to the account reflects licence fees, penalties and funding appropriated by the Parliament.

Funds drawn from the Account are spent on transport services and infrastructure, as well as other initiatives to improve economic activity or urban amenity, as provided for by the Act. These typically include the Central Area Transit (CAT) bus system, reimbursed fares allowing free travel on bus and train services within the Free Transit Zone, improvements to public transport access, enhancements to the pedestrian environment and support for bicycle access, active traffic management and tunnel monitoring, and for the administration of the *Perth Parking Management Act 1999*. Funds drawn in 2024-25 include support for design work for the replacement of Barrack Street Jetty 1 and the construction of the Boorloo Bridge (Causeway Pedestrian and Cyclist Bridges Project).

PERTH PARKING LICENSING ACCOUNT			Table 5.11
	2024-25 \$m	2023-24 \$m	
<i>Balance at 1 July</i>	183	209	
Receipts	59	56	
Payments	79	81	
Closing Balance	163	183	

Note: Columns may not add due to rounding.

Remote Communities Fund

This Fund was established as part of the 2022-23 Budget to support investment to upgrade and regularise water and power infrastructure, provide new and refurbished housing, and improve municipal services and economic participation in remote communities.

A total of \$79.9 million was drawn from the Fund in 2024-25. This included \$45.3 million for the Water Corporation's Remote Essential Services Program (\$35 million for capital works to be prioritised across 141 remote communities based on risk, and \$10.3 million for recurrent costs supporting these operations), \$27 million for maintenance and regulatory compliance works undertaken by Horizon Power to improve the standard of power services in remote communities, and \$7.6 million to fund Department of Communities expenditure on new builds, refurbishments and municipal upgrades in various remote communities.

REMOTE COMMUNITIES FUND

Table 5.12

	2024-25 \$m	2023-24 \$m
<i>Balance at 1 July</i>	295	340
Receipts	-	-
Payments	80	45
Closing Balance	215	295

Note: Columns may not add due to rounding.

Resources Community Investment Initiative

The Resources Community Investment Initiative was established in November 2022 to facilitate contributions from the resources industry to support the delivery of State infrastructure projects and community initiatives across Western Australia.

In 2024-25, the SPA received \$12.8 million from BHP and Fortescue to support future costs for the Pilbara Safe Spaces Program.

RESOURCES COMMUNITY INVESTMENT INITIATIVE

Table 5.13

	2024-25 \$m	2023-24 \$m
<i>Balance at 1 July</i>	-	-
Receipts	13	-
Payments	-	-
Closing Balance	13	-

Note: Columns may not add due to rounding.

Road Trauma Trust Account

This Account was established to provide for road safety initiatives on Western Australian roads. Receipts in 2024-25 reflect collections from prescribed penalties (\$90.7 million), interest earned on the Account balance (\$5.7 million), and receipts for impounded vehicles (\$0.5 million).

Road Safety initiatives funded from the Account during the same period included:

- application of infrastructure treatments on roads, such as shoulder sealing, audible edge lines and installing safety barriers and electronic school zone signs (\$46.6 million);
- community engagement and education campaigns, research, innovation and technology (\$34.1 million);
- enforcement of the Impaired Driving Detection (Alcohol and Drug) Program, camera operations and administration of the mandatory Alcohol Interlocks Scheme (\$24.9 million);
- administration of demerit point and infringement processing (\$17.7 million);
- supporting the School Drug Education and Road Aware program to minimise the harm associated with road trauma (\$2.1 million);
- supporting important data linkage activities and collection of comprehensive trauma data for road safety related research and evaluation (\$2 million); and
- supporting Road Trauma Support Services to reduce ongoing psychological and social distress for people impacted by road trauma (\$1.1 million).

Table 5.14

ROAD TRAUMA TRUST ACCOUNT

	2024-25 \$m	2023-24 \$m
<i>Balance at 1 July</i>	120	95
Receipts	97	129
Payments	128	103
Closing Balance	88	120

Note: Columns may not add due to rounding.

Royalties for Regions Fund

The Royalties for Regions Fund was established in 2008 to set aside a share of the State's annual royalty income to fund investment in regional Western Australia. Under the *Royalties for Regions Act 2009*, the balance held in the Fund cannot exceed \$1 billion at any time.

Receipts during 2024-25 reflect the drawdown of moneys appropriated by the Parliament (\$1.2 billion), interest revenue earned on the account balance (\$23.1 million), and unused cash returned to the Fund by agencies (\$4 million). A total of \$1.2 billion was disbursed from the Fund to support infrastructure, business and economic development and other regional initiatives (detailed in Chapter 7 of the 2025-26 Budget Paper No. 3).

ROYALTIES FOR REGIONS FUND

Table 5.15

	2024-25 \$m	2023-24 \$m
<i>Balance at 1 July</i>	1,000	1,000
Receipts	1,179	1,105
Payments	1,179	1,105
Closing Balance	1,000	1,000

Note: Columns may not add due to rounding.

Royalties for Regions Regional Reform Fund

This SPA was established in 2015 to fund strategic reform initiatives in regional Western Australia. An additional \$12 million was paid into the Fund in 2024-25 to support project funding approved to be drawn during the year.

A total of \$17.5 million was drawn down during 2024-25, including support for the Marlamanu On-Country Youth Program (\$6.5 million), the Fitzroy Crossing Key Worker Housing Program (\$5.2 million), the improvement of essential and municipal services in remote Aboriginal communities (\$3.1 million), the Pilbara Safe Spaces program (\$1.5 million), the East Kimberley Transitional Housing Program (\$1 million) and the Jalbi Jiya Housing Program (\$0.2 million).

ROYALTIES FOR REGIONS REGIONAL REFORM FUND

Table 5.16

	2024-25 \$m	2023-24 \$m
<i>Balance at 1 July</i>	6	18
Receipts	12	-
Payments	17	12
Closing Balance	- (a)	6

(a) Amount less than \$500,000.

Note: Columns may not add due to rounding.

Social and Affordable Housing Investment Fund

The Social and Affordable Housing Investment Fund was established as part of the 2021-22 Budget with \$750 million set aside to fund future dwelling construction projects and other initiatives to increase social and affordable housing supply. Since then, an additional \$850 million has been paid into the Fund over 2023-24 and 2024-25, with further contributions budgeted to be made in 2025-26 and 2026-27.

Funds totalling \$420.7 million were drawn in 2024-25, supporting various social housing initiatives. This included social housing spot purchases and shared equity buyback programs (\$155.9 million), the acquisition of Fraser Suites for social and affordable housing (\$105 million), new social housing investments (\$101.9 million), the repurposing of affordable housing assets to social housing (\$17.9 million), refurbishments and maintenance (\$12.4 million), community housing grants for new builds (\$7.5 million), support for the Housing Diversity Pipeline, METRONET Housing Delivery Program and the development of business cases (\$7.5 million), Mandurah Common Ground (\$6.8 million), implementation of the Supportive Landlord Model (\$4.2 million), and St Patrick's Community Support Centre (\$1.5 million).

SOCIAL AND AFFORDABLE HOUSING INVESTMENT FUND

Table 5.17

	2024-25 \$m	2023-24 \$m
<i>Balance at 1 July</i>	693	499
Receipts	400	450
Payments	421	256
Closing Balance	672	693

Note: Columns may not add due to rounding.

Softwood Plantation Expansion Fund

This Fund was established as part of the 2021-22 Budget to support expansion of the State's softwood plantation estate, support the Western Australian timber and construction industries into the future, provide a funding source for initiatives to offset carbon emissions, and support associated regional development.

A total of \$33.9 million was drawn down over 2024-25 for land purchases and establishment costs for softwood plantations.

SOFTWOOD PLANTATION EXPANSION FUND

Table 5.18

	2024-25 \$m	2023-24 \$m
<i>Balance at 1 July</i>	254	319
Receipts	-	-
Payments	34	65
Closing Balance	220	254

Note: Columns may not add due to rounding.

Strategic Industries Fund

This Fund was established as part of the 2024-25 Budget to support the development of Western Australia's Strategic Industrial Areas, with an initial \$500 million appropriated to the Fund during the September 2024 quarter. Funds are to be drawn for the acquisition and development of industrial land, the provision of water and power supply, and case management of industry proponents.

In 2024-25, \$1.7 million was drawn down from the Fund for the establishment of a Program Management Office and for planning activities to prioritise and sequence future investment decisions.

STRATEGIC INDUSTRIES FUND

Table 5.19

	2024-25 \$m	2023-24 \$m
<i>Balance at 1 July</i>	-	-
Receipts	500	-
Payments	2	-
Closing Balance	498	-

Note: Columns may not add due to rounding.

Waste Avoidance and Resource Recovery Account

The Waste Avoidance and Resource Recovery Account was established under the *Waste Avoidance and Resource Recovery Act 2007* to hold revenue allocated from the waste (landfill) levy. Funds are drawn from the Account to support programs and other initiatives related to the management, reduction, reuse, recycling, monitoring or measurement of waste.

Receipts totalling \$26.3 million were paid into the Account to 30 June 2025. This included \$23.8 million in waste (landfill) levy collections allocated to the Account by Ministerial determination under the Act, together with interest and other miscellaneous receipts (\$2 million) and the return of unused funds (\$0.5 million).

Drawdowns totalling \$22.6 million were made for waste programs and payment of administration costs incurred by the Department of Water and Environmental Regulation (\$19.8 million), implementing the Waste Export Ban (\$1.7 million), delivering the Recovered Materials and Waste program (\$0.6 million) and for the Container Deposit Scheme costs (\$0.5 million).

WASTE AVOIDANCE AND RESOURCE RECOVERY ACCOUNT

Table 5.20

	2024-25 \$m	2023-24 \$m
<i>Balance at 1 July</i>	41	42
Receipts	26	22
Payments	23	23
Closing Balance	45	41

Note: Columns may not add due to rounding.

Western Australian Future Health Research and Innovation Fund

The Western Australian Future Health Research and Innovation Fund was established by the *Western Australian Future Fund Amendment (Future Health Research and Innovation Fund) Act 2020*. This Act allocates 1% of forecast annual royalties to the Fund each year and applies forecast annual investment income from the Fund to an Account that provides long-term support for medical and health research, innovation, and commercialisation activities.

Receipts totalling \$134.6 million in 2024-25 included the Consolidated Account's annual contribution equivalent to 1% of the 2024-25 Budget forecast of the year's royalty revenue (\$77.7 million) and interest receipts (\$56.9 million). Transfer of \$52.4 million to the Western Australian Future Health Research and Innovation Account reflects projected interest earnings at the time of the 2024-25 Budget.

Table 5.21

WESTERN AUSTRALIAN FUTURE HEALTH RESEARCH AND INNOVATION FUND ^(a)

	2024-25 \$m	2023-24 \$m
<i>Balance at 1 July ^(b)</i>	1,764	1,682
Receipts	135	134
Payments	52	51
Closing Balance	1,846	1,764

(a) This Fund is a Treasurer's Special Purpose Account.

(b) Restated from \$1,765 million shown in the 2023-24 *Annual Report on State Finances*.

Note: Columns may not add due to rounding.

In addition to the \$52.4 million interest revenue transfer from the Fund noted above, the Western Australian Future Health Research and Innovation Account received a further \$3.8 million in interest income on the Account balance and the return of \$0.2 million in unused funding during 2024-25. Funds totalling \$59.5 million were drawn down to support grant payments.

Table 5.22

WESTERN AUSTRALIAN FUTURE HEALTH RESEARCH AND INNOVATION ACCOUNT ^(a)

	2024-25 \$m	2023-24 \$m
<i>Balance at 1 July</i>	43	55
Receipts	56	55
Payments	60	67
Closing Balance	40	43

(a) This Account is an agency Special Purpose Account administered by the Minister for Medical Research.

Note: Columns may not add due to rounding.

Western Australian Student Assistance Payment Fund

This Fund was established as part of the 2024-25 Budget to support Western Australian families with a one-off payment in 2023-24 to meet out-of-pocket school expenses for students with an active enrolment at a Western Australian public or non-government school, or who are registered for home education. Payments for eligible claims received in late 2023-24 totalling \$2.9 million were drawn and paid in early 2024-25. Residual funds from the first payment round totalling \$19 million were then returned to the Consolidated Account during the December 2024 quarter.

Appropriation funding of \$82.1 million was paid into the Fund in late 2024-25 for a second round of assistance payments for eligible Western Australian families, providing payments of \$150 for each kindergarten and primary student, and \$250 for each secondary student. The claims period commenced 28 April 2025 and closed on 4 July 2025, with \$75.3 million paid out to 30 June 2025. Funds for remaining eligible claim payments will be drawn in early 2025-26.

Table 5.23

WESTERN AUSTRALIAN STUDENT ASSISTANCE PAYMENT FUND

	2024-25 \$m	2023-24 \$m
<i>Balance at 1 July</i>	22	-
Receipts	82	94
Payments	97	72
Closing Balance	7	22

Note: Columns may not add due to rounding.

Westport Account

This Account was established to support land acquisitions and feasibility studies for the Westport project. Receipts in 2024-25 reflected \$8.1 million in State funding and \$2.5 million of rental income from Westport properties.

Drawdowns for the year to 30 June 2025 totalled \$66.5 million, including progressing detailed project definition planning for the port, rail and road components of the project, Westport Office costs, strategic land acquisitions, and environmental offsets.

Table 5.24

WESTPORT ACCOUNT

	2024-25 \$m	2023-24 \$m
<i>Balance at 1 July</i>	322	336
Receipts	11	1
Payments	67	15
Closing Balance	266	322

Note: Columns may not add due to rounding.

Quarterly Financial Results - June 2025

This appendix completes the quarterly data series for the 2024-25 year. Consolidated financial outcomes for the general government sector and for the whole-of-government are published in *Quarterly Financial Results Reports* for the September, December and March quarters in accordance with the requirements of the *Government Financial Responsibility Act 2000*¹.

Information on the full-year outcomes for the general government and total public sectors are available in the *Financial Results* chapter and Appendix 4: *Comparison of Final Outcomes to Original Budget for the Year Ending 30 June 2025* of this report.

¹ These publications can be accessed on the Department of Treasury and Finance website at www.wa.gov.au/organisation/departments-of-treasury-and-finance. June quarterly data presented in this appendix are subject to year-end finalisation of audited accounts by agencies submitting source data. They may contain final year-end accruals that differ from estimated accruals submitted by agencies through the year, and reclassification of some aggregates in previously reported, unaudited data. Accordingly, quarterly outcomes for June 2025 may include one-off movements in items relative to previous reports, to move them into line with final audited outcomes.

Table 6.1

GENERAL GOVERNMENT

Operating Statement

	2024-25		2023-24	
	Three Months to 30 June \$m	Actual \$m	Three Months to 30 June \$m	Actual \$m
RESULTS FROM TRANSACTIONS				
REVENUE				
Taxation	3,463	14,849	3,291	13,631
Current grants and subsidies	3,737	15,226	3,344	12,780
Capital grants	1,749	3,447	801	1,884
Sales of goods and services	1,010	3,704	919	3,460
Interest Income	76	314	93	391
Revenue from public corporations				
Dividends from other sector entities	286	518	5	210
Tax equivalent income	314	910	307	912
Royalty income	2,507	9,806	2,608	11,866
Other	309	915	229	813
Total	13,451	49,689	11,598	45,947
EXPENSES				
Salaries	4,872	18,370	4,299	16,518
Superannuation				
Concurrent costs	512	2,069	346	1,781
Superannuation interest cost	20	157	36	167
Other employee costs	126	431	129	401
Depreciation and amortisation	614	2,320	553	2,112
Services and contracts	1,068	3,562	951	3,403
Other gross operating expenses	2,112	7,985	1,873	7,330
Interest				
Interest on leases	50	190	47	175
Other interest	271	1,017	265	946
Current transfers	2,459	9,159	2,117	8,068
Capital transfers	512	776	289	560
Total	12,615	46,037	10,906	41,461
NET OPERATING BALANCE	836	3,652	692	4,486
<i>Other economic flows - included in the operating result</i>				
Net gains on assets/liabilities	64	8	-112	-121
Provision for doubtful debts	-56	-51	-19	-20
Changes in accounting policy/adjustment of prior periods	-415	4	-271	-168
Total other economic flows	-408	-39	-402	-310
OPERATING RESULT	428	3,613	289	4,176
<i>All other movements in equity</i>				
<i>Items that will not be reclassified to operating result</i>				
Revaluations	10,429	11,629	4,905	5,718
Net actuarial gains - superannuation	-41	-85	86	188
Gains recognised directly in equity	-	-	-	-
Change in net worth of the public corporations sectors	3,984	6,560	5,316	8,411
All other	-	-	-	-
Total all other movements in equity	14,371	18,104	10,307	14,318
TOTAL CHANGE IN NET WORTH	14,799	21,717	10,596	18,494
KEY FISCAL AGGREGATES				
NET OPERATING BALANCE	836	3,652	692	4,486
<i>Less Net acquisition of non-financial assets</i>				
Purchase of non-financial assets	1,205	4,211	1,249	3,997
Changes in inventories	-10	-21	-5	-9
Other movement in non-financial assets	-9	-10	18	22
<i>less:</i>				
Sales of non-financial assets	17	73	18	60
Depreciation	614	2,320	553	2,112
Total net acquisition of non-financial assets	555	1,786	691	1,838
NET LENDING/-BORROWING	281	1,866	1	2,648

Note: Columns may not add due to rounding.

Table 6.2

GENERAL GOVERNMENT **Operating Revenue**

	2024-25		2023-24	
	Three Months to 30 June \$m	Actual \$m	Three Months to 30 June \$m	Actual \$m
Taxation				
Taxes on employers' payroll and labour force				
<i>Payroll tax</i>	1,427	5,836	1,349	5,404
Property taxes				
<i>Land tax</i>	10	903	2	844
Transfer duty	788	3,101	767	2,575
Foreign Buyers Surcharge	6	29	9	33
Landholder duty	142	262	146	324
<i>Total duty on transfers</i>	937	3,392	921	2,932
Other stamp duties	– (a)	– (a)	– (a)	– (a)
Metropolitan Region Improvement Tax	– (a)	101	-1	95
Perth Parking Levy	2	59	2	56
Emergency Services Levy	43	424	27	401
Loan guarantee fees	34	134	-13	131
Building and Construction Industry Training Fund Levy	15	77	14	76
<i>Total other property taxes</i>	95	795	29	760
Taxes on provision of goods and services				
Lotteries Commission	80	229	108	248
Video lottery terminals	– (a)	– (a)	– (a)	– (a)
Casino tax	25	72	20	59
Betting Tax	34	132	33	125
<i>Total taxes on gambling</i>	139	433	161	432
Insurance duty	247	1,073	240	1,000
Other	2	18	5	20
<i>Total taxes on insurance</i>	249	1,091	245	1,020
Taxes on use of goods and performance of activities				
Vehicle licence duty	203	793	199	755
Permits - Oversize Vehicles and Loads	4	11	4	11
Motor vehicle registrations	368	1,407	347	1,293
Other Vehicle taxes	11	43	10	40
<i>Total motor vehicle taxes</i>	586	2,254	559	2,099
Mining Rehabilitation Levy	1	48	– (a)	44
Landfill Levy	19	98	25	96
Total Taxation	3,463	14,849	3,291	13,631

(a) Amount less than \$500,000.

Note: Columns may not add due to rounding.

Table 6.2 (cont.)

GENERAL GOVERNMENT

Operating Revenue

	2024-25		2023-24	
	Three Months to 30 June \$m	Actual \$m	Three Months to 30 June \$m	Actual \$m
Current Grants and Subsidies				
General Purpose Grants				
GST grants	1,870	7,362	1,741	6,565
North West Shelf grants	113	612	175	694
Commonwealth compensation for changed crude oil excise arrangements	6	30	8	34
National Agreements				
Skills and Workforce Development	-	-	-4	90
Skills	250	250	46	115
Housing and Homelessness	-	-	49	191
Social Housing and Homelessness	86	190	-	-
Mental Health and Suicide Prevention	-36	3	-	3
Schools Reform - Quality Schools	-346	649	308	1,221
Better and Fairer Schools	693	693	-	-
Health Reform	816	3,265	776	3,070
National Partnerships/Other Grants				
Health	142	267	72	230
Transport	-739	160	10	89
Disability Services	1,008	1,010	2	4
Other	-125	735	161	476
Total Current Grants and Subsidies	3,737	15,226	3,344	12,780
Capital Grants				
National Partnerships/Other Grants				
Transport	1,697	3,273	654	1,707
Other	52	174	147	177
Total Capital Grants	1,749	3,447	801	1,884
Sales of Goods and Services	1,010	3,704	919	3,460
Interest Income	76	314	93	391
Revenue from Public Corporations				
Dividends	286	518	5	210
Tax Equivalent Regime	314	910	307	912
Total Revenue from Public Corporations	600	1,428	312	1,122
Royalty Income				
Iron ore	2,162	8,481	2,459	10,365
Other	345	1,325	150	1,502
Total Royalty Income	2,507	9,806	2,608	11,866
Other				
Lease Rentals	34	197	35	180
Fines	72	237	66	239
Revenue not elsew here counted	202	480	128	394
Total Other	309	915	229	813
TOTAL REVENUE	13,451	49,689	11,598	45,947

Note: Columns may not add due to rounding.

Table 6.3

GENERAL GOVERNMENT **Cash Flow Statement**

	2024-25		2023-24	
	Three Months to 30 June \$m	Actual \$m	Three Months to 30 June \$m	Actual \$m
CASH FLOWS FROM OPERATING ACTIVITIES				
<i>Cash received</i>				
Taxes received	3,776	14,796	3,559	13,444
Grants and subsidies received	6,095	21,556	5,030	17,024
Receipts from sales and goods and services	1,089	3,868	1,144	3,704
Interest receipts	83	341	82	354
Dividends and tax equivalents	518	1,393	265	1,034
Other receipts	3,195	12,901	3,722	14,802
<i>Total cash received</i>	<i>14,756</i>	<i>54,855</i>	<i>13,804</i>	<i>50,362</i>
<i>Cash paid</i>				
Wages, salaries and supplements, and superannuation	-4,967	-20,398	-4,413	-18,259
Payments for goods and services	-3,017	-12,059	-2,839	-11,251
Interest paid	-296	-1,150	-285	-1,044
Grants and subsidies paid	-2,977	-11,486	-3,474	-10,424
Dividends and tax equivalents	-	-	-	-
Other payments	-805	-2,963	-799	-2,659
<i>Total cash paid</i>	<i>-12,061</i>	<i>-48,057</i>	<i>-11,810</i>	<i>-43,638</i>
NET CASH FLOWS FROM OPERATING ACTIVITIES	2,695	6,799	1,994	6,724
CASH FLOWS FROM INVESTING ACTIVITIES				
<i>Cash flow from investment in non-financial assets</i>				
Purchase of non-financial assets	-1,205	-4,211	-1,249	-3,997
Sales of non-financial assets	17	73	18	60
<i>Total cash flows from investments in financial assets</i>	<i>-1,188</i>	<i>-4,138</i>	<i>-1,230</i>	<i>-3,938</i>
<i>Cash flows from investments in financial assets</i>				
<i>Cash received</i>				
For policy purposes	15	27	38	71
For liquidity purposes	32	83	22	64
<i>Cash paid</i>				
For policy purposes	-980	-5,210	-1,373	-3,746
For liquidity purposes	-41	-93	-23	-97
<i>Total cash flows from investments in financial assets</i>	<i>-974</i>	<i>-5,192</i>	<i>-1,336</i>	<i>-3,708</i>
NET CASH FLOWS FROM INVESTING ACTIVITIES	-2,162	-9,330	-2,567	-7,646
CASH FLOWS FROM FINANCING ACTIVITIES				
<i>Cash received</i>				
Advances received	18	18	18	18
Borrowings	21	65	568	619
Deposit received	711	574	936	936
Other financing receipts	157	483	23	286
<i>Total cash received</i>	<i>906</i>	<i>1,140</i>	<i>1,545</i>	<i>1,858</i>
<i>Cash paid</i>				
Advances paid	-18	-18	-18	-18
Borrowings repaid	8	-292	-16	-50
Deposits paid	-	-	-1	-1
Other financing payments	-364	-988	-174	-765
<i>Total cash paid</i>	<i>-374</i>	<i>-1,298</i>	<i>-208</i>	<i>-833</i>
NET CASH FLOWS FROM FINANCING ACTIVITIES	532	-158	1,337	1,025
Net increase in cash and cash equivalents	1,065	-2,690	765	103
Cash and cash equivalents at beginning of the period	5,441	9,196	8,431	9,093
Cash and cash equivalents at end of the period	6,506	6,506	9,196	9,196
KEY FISCAL AGGREGATES				
Net cash flows from operating activities	2,695	6,799	1,994	6,724
Net cash flows from investing in non-financial assets	-1,188	-4,138	-1,230	-3,938
Cash surplus/-deficit	1,507	2,661	764	2,787

Note: Columns may not add due to rounding.

Table 6.4

TOTAL PUBLIC SECTOR Operating Statement

	2024-25		2023-24	
	Three Months to 30 June \$m	Actual \$m	Three Months to 30 June \$m	Actual \$m
RESULTS FROM TRANSACTIONS				
REVENUE				
Taxation	3,279	14,219	3,125	13,007
Current grants and subsidies	3,737	15,226	3,344	12,780
Capital grants	1,749	3,447	801	1,884
Sales of goods and services	11,712	49,590	11,651	41,789
Interest Income	218	857	224	986
Royalty income	2,507	9,806	2,608	11,866
Other	518	1,750	408	1,473
Total revenue	23,721	94,895	22,161	83,785
EXPENSES				
Salaries	5,339	20,147	4,707	18,118
Superannuation				
Concurrent costs	565	2,274	388	1,958
Superannuation interest cost	20	157	36	167
Other employee costs	276	838	274	784
Depreciation and amortisation	1,530	6,025	1,449	5,391
Services and contracts	1,436	4,659	1,307	4,406
Other gross operating expenses	11,591	48,076	10,527	39,140
Interest				
Interest on leases	64	258	65	243
Other interest	482	1,777	489	1,812
Current transfers	1,778	6,642	1,310	5,561
Capital transfers	220	422	91	278
Total expenses	23,301	91,274	20,643	77,859
NET OPERATING BALANCE	421	3,621	1,519	5,926
<i>Other economic flows - included in the operating result</i>				
Net gains on assets/liabilities	276	352	-356	-158
Provision for doubtful debts	-62	-62	-32	-34
Changes in accounting policy/adjustment of prior periods	-389	-44	-276	-125
Total other economic flows	-175	247	-664	-317
OPERATING RESULT	246	3,868	854	5,610
<i>All other movements in equity</i>				
<i>Items that will not be reclassified to operating result</i>				
Revaluations	14,680	17,981	9,704	12,727
Net actuarial gains - superannuation	-82	-126	60	162
Gains recognised directly in equity	-44	-5	-22	-5
All other	-	-	-	-
Total all other movements in equity	14,553	17,849	9,742	12,884
TOTAL CHANGE IN NET WORTH	14,799	21,717	10,596	18,494
KEY FISCAL AGGREGATES				
NET OPERATING BALANCE	421	3,621	1,519	5,926
<i>Less Net acquisition of non-financial assets</i>				
Purchase of non-financial assets	3,424	13,132	3,571	11,405
Changes in inventories	1,177	2,161	686	985
Other movement in non-financial assets	78	222	52	191
<i>less:</i>				
Sales of non-financial assets	200	646	69	477
Depreciation	1,530	6,025	1,449	5,391
Total net acquisition of non-financial assets	2,949	8,846	2,790	6,712
NET LENDING/-BORROWING	-2,528	-5,225	-1,271	-786

Note: Columns may not add due to rounding.

Table 6.5

TOTAL PUBLIC SECTOR Operating Revenue

	2024-25		2023-24	
	Three Months to 30 June \$m	Actual \$m	Three Months to 30 June \$m	Actual \$m
Taxation				
Taxes on employers' payroll and labour force				
<i>Payroll tax</i>	1,394	5,701	1,318	5,282
Property taxes				
<i>Land tax</i>	-11	819	-23	766
Transfer Duty	788	3,101	767	2,575
Foreign Buyers surcharge	6	29	9	33
Landholder Duty	142	262	146	324
<i>Total duty on transfers</i>	937	3,392	921	2,932
Other stamp duties	_(a)	_(a)	_(a)	_(a)
Metropolitan Region Improvement Tax	_(a)	101	-1	95
Perth Parking Levy	2	59	2	56
Emergency Services Levy	39	420	23	397
Loan guarantee fees	3	7	_(a)	6
Building and Construction Industry Training Fund Levy	15	77	14	76
<i>Total other property taxes</i>	59	663	39	631
Taxes on provision of goods and services				
Video lottery terminals	_(a)	_(a)	_(a)	_(a)
Casino Tax	25	72	20	59
Betting Tax	21	81	21	76
<i>Total taxes on gambling</i>	46	153	41	136
Insurance Duty	247	1,073	240	1,000
Other	2	18	5	20
<i>Total taxes on insurance</i>	249	1,091	245	1,020
Taxes on use of goods and performance of activities				
Vehicle Licence Duty	203	793	199	755
Permits - Oversize Vehicles and Loads	4	11	4	11
Motor Vehicle registrations	368	1,407	347	1,293
Other Vehicle taxes	11	43	10	40
<i>Total motor vehicle taxes</i>	586	2,254	559	2,099
Mining Rehabilitation Levy	1	48	_(a)	44
Landfill Levy	19	98	25	96
Total Taxation	3,279	14,219	3,125	13,007

(a) Amount less than \$500,000.

Note: Columns may not add due to rounding.

Table 6.5 (cont.)

TOTAL PUBLIC SECTOR
Operating Revenue

	2024-25		2023-24	
	Three Months to 30 June \$m	Actual \$m	Three Months to 30 June \$m	Actual \$m
Current Grants and Subsidies				
General Purpose Grants				
GST grants	1,870	7,362	1,741	6,565
North West Shelf grants	113	612	175	694
Commonwealth compensation for changed crude oil excise arrangements	6	30	8	34
National Agreements				
Skills and Workforce Development	-	-	-4	90
Skills	250	250	46	115
Housing and Homelessness	-	-	49	191
Social Housing and Homelessness	86	190	-	-
Mental Health and Suicide Prevention	-36	3	-	3
Schools Reform - Quality Schools	-346	649	308	1,221
Better and Fairer Schools	693	693	-	-
Health Reform	816	3,265	776	3,070
National Partnerships/Other Grants				
Health	142	267	72	230
Transport	-739	160	10	89
Disability Services	1,008	1,010	2	4
Other	-125	735	161	476
Total Current Grants and Subsidies	3,737	15,226	3,344	12,780
Capital Grants				
National Partnerships/Other Grants				
Transport	1,697	3,273	654	1,707
Other	52	174	147	177
Total Capital Grants	1,749	3,447	801	1,884
Sales of Goods and Services	11,712	49,590	11,651	41,789
Interest Income	218	857	224	986
Royalty Income				
Iron ore	2,162	8,481	2,459	10,365
Other	345	1,325	150	1,502
Total Royalty Income	2,507	9,806	2,608	11,866
Other				
Lease Rentals	34	197	35	180
Fines	69	237	62	239
Revenue not elsewhere counted	415	1,316	311	1,055
Total Other	518	1,750	408	1,473
TOTAL REVENUE	23,721	94,895	22,161	83,785

Note: Columns may not add due to rounding.

Table 6.6

TOTAL PUBLIC SECTOR Cash Flow Statement

	2024-25		2023-24	
	Three Months to 30 June \$m	Actual \$m	Three Months to 30 June \$m	Actual \$m
CASH FLOWS FROM OPERATING ACTIVITIES				
<i>Cash received</i>				
Taxes received	3,435	14,164	3,202	12,803
Grants and subsidies received	6,095	21,556	5,030	17,024
Receipts from sales and goods and services	10,809	38,899	9,007	31,976
Interest receipts	191	876	191	909
Dividends and tax equivalents	-	-	-	-
Other receipts	3,664	14,893	4,188	16,594
<i>Total cash received</i>	<i>24,194</i>	<i>90,387</i>	<i>21,618</i>	<i>79,305</i>
<i>Cash paid</i>				
Wages, salaries and supplements, and superannuation	-5,448	-22,363	-4,884	-20,032
Payments for goods and services	-10,798	-39,593	-8,801	-32,109
Interest paid	-417	-1,905	-369	-1,908
Grants and subsidies paid	-1,714	-7,538	-2,280	-6,967
Dividends and tax equivalents	-	-	-	-
Other payments	-1,996	-8,219	-1,951	-7,411
<i>Total cash paid</i>	<i>-20,372</i>	<i>-79,619</i>	<i>-18,284</i>	<i>-68,427</i>
NET CASH FLOWS FROM OPERATING ACTIVITIES	3,821	10,769	3,334	10,879
CASH FLOWS FROM INVESTING ACTIVITIES				
<i>Cash flow from investment in non-financial assets</i>				
Purchase of non-financial assets	-3,424	-13,132	-3,571	-11,405
Sales of non-financial assets	200	646	69	477
<i>Total cash flows from investments in financial assets</i>	<i>-3,224</i>	<i>-12,487</i>	<i>-3,501</i>	<i>-10,928</i>
<i>Cash flows from investments in financial assets</i>				
<i>Cash received</i>				
For policy purposes	15	27	35	68
For liquidity purposes	1,864	10,369	1,863	10,483
<i>Cash paid</i>				
For policy purposes	-4	-25	-13	-67
For liquidity purposes	-1,693	-9,474	-1,914	-10,274
<i>Total cash flows from investments in financial assets</i>	<i>182</i>	<i>897</i>	<i>-29</i>	<i>210</i>
NET CASH FLOWS FROM INVESTING ACTIVITIES	-3,042	-11,590	-3,530	-10,718
CASH FLOWS FROM FINANCING ACTIVITIES				
<i>Cash received</i>				
Advances received	50	50	-	-
Borrowings	7,378	21,762	6,856	22,839
Deposit received	-	-	-	-
Other financing receipts	173	502	25	283
<i>Total cash received</i>	<i>7,601</i>	<i>22,314</i>	<i>6,881</i>	<i>23,122</i>
<i>Cash paid</i>				
Advances paid	-18	-18	-18	-18
Borrowings repaid	-4,607	-21,411	-5,534	-22,613
Deposits paid	-	-	-	-
Other financing payments	-396	-1,086	-205	-846
<i>Total cash paid</i>	<i>-5,021</i>	<i>-22,515</i>	<i>-5,757</i>	<i>-23,476</i>
NET CASH FLOWS FROM FINANCING ACTIVITIES	2,580	-201	1,125	-354
Net increase in cash and cash equivalents	3,359	-1,023	928	-194
Cash and cash equivalents at beginning of the period	10,431	14,813	13,885	15,007
Cash and cash equivalents at end of the period	13,790	13,790	14,813	14,813
KEY FISCAL AGGREGATES				
Net cash flows from operating activities	3,821	10,769	3,334	10,879
Net cash flows from investing in non-financial assets	-3,224	-12,487	-3,501	-10,928
Cash surplus/-deficit	597	-1,718	-168	-49

Note: Columns may not add due to rounding.

APPENDIX 7

Public Ledger

The Public Ledger, established by section 7 of the *Financial Management Act 2006* (FMA), includes those transactions and operations that are conducted through the Consolidated Account, the Treasurer's Advance Account and the Treasurer's Special Purpose Accounts (TSPAs). Together with agency Special Purpose Accounts, the total of these accounts forms the Public Bank Account.

PUBLIC LEDGER BALANCES AT 30 JUNE				Table 7.1
	2025 \$m	2024 \$m	Variance \$m	
THE PUBLIC LEDGER				
Consolidated Account ^(a)	-34,449	-27,803	-6,646	
Treasurer's Special Purpose Accounts	30,196	28,001	2,195	
Treasurer's Advance Account – Net Recoverable Advances	-24	-26	2	
TOTAL	-4,277	172	-4,449	
Agency Special Purpose Accounts	11,349	9,762	1,587	
TOTAL PUBLIC BANK ACCOUNT	7,072	9,934	-2,862	

(a) The balance of the Consolidated Account at 30 June 2025 includes non-cash appropriations of \$21.9 billion (30 June 2024: \$20.1 billion), representing the non-cash cost of agency services. These appropriations are credited to agency Holding Accounts that are included in the TSPAs balance. In cash terms, the Consolidated Account was in a \$12.6 billion deficit position at 30 June 2025 (compared with a deficit position of \$7.7 billion at 30 June 2024).

Note: Columns/rows may not add due to rounding.

Consolidated Account

The *Constitution Act 1889* requires that all revenue of the Crown that is not permanently appropriated by legislation to another entity, shall be credited to the Consolidated Account. The Act also requires that payments out of the Account must be appropriated by the Parliament.

Accordingly, Consolidated Account revenue is not available for use by agencies that collect it, and such receipts must be paid directly to the credit of the Account. Expenditure is authorised by the Parliament, with both the amount and the purpose of the associated appropriation clearly specified.

The Consolidated Account accumulated accrual deficit position increased by \$6.6 billion during 2024-25, to be \$34.4 billion at 30 June 2025 (see following table). This included \$21.9 billion associated with non-cash appropriations for depreciation and leave entitlements, matched by equivalent non-cash TSPA balances in agency Holding Accounts (see table later in this Appendix).

In cash terms, the Consolidated Account recorded an accumulated deficit of \$12.6 billion at 30 June 2025, up from the \$7.7 billion deficit balance at 30 June 2024.

Receipts totalled \$37.5 billion in 2024-25, up \$2.8 billion on 2023-24, mainly due to higher grants from the Commonwealth and higher tax collections (mainly receipts from payroll tax and transfer duty), partially offset by lower royalty collections.

Consolidated Account spending (including accrual service and other cash appropriations) totalled \$44.2 billion in 2024-25, \$5.6 billion higher than in 2023-24.

This was mainly due to higher recurrent funding (up \$3.1 billion) approved under *Appropriation Act (No. 1)* and higher capital funding (up \$2.1 billion) approved under *Appropriation Act (No. 2)*, supporting funding requirements outlined in the 2024-25 Budget.

State borrowings held by the Consolidated Account totalled \$22.9 billion at 30 June 2025 (unchanged from the balance at 30 June 2024). This remains below the \$34.5 billion cumulative limit approved by the *Loan Act 2017* and preceding Loan Acts¹.

Further detail on the broader impact of revenue and spending issues on the whole-of-government is available in the *Financial Results* chapter of this report.

¹ Proceeds of borrowings by the Consolidated Account (i.e. gross borrowings excluding debt repayments) cannot exceed the cumulative limit authorised by the Loan Acts.

CONSOLIDATED ACCOUNT TRANSACTIONS

Table 7.2

	2025 \$m	2024 \$m	Variance \$m
REVENUE			
<i>Operating Activities</i>			
Taxation	12,223	11,024	1,199
Commonwealth grants	11,583	8,300	3,283
Government enterprises	1,392	1,036	356
Royalty receipts	9,937	12,006	-2,069
Other receipts from agencies	1,847	1,713	134
Other receipts	546	550	-4
<i>Total Operating Activities</i>	<i>37,528</i>	<i>34,629</i>	<i>2,899</i>
<i>Financing Activities</i>			
Transfers from the Debt Reduction Account	-	-	-
Borrowings	-	-	-
Public Bank Account Interest Earned Account	-	100	-100
Other receipts	13	21	-9
<i>Total Financing Activities</i>	<i>13</i>	<i>121</i>	<i>-109</i>
TOTAL REVENUE	37,541	34,751	2,790
EXPENDITURE			
<i>Recurrent</i>			
Authorised by other statutes	3,147	2,782	365
Appropriation Act (No. 1)	30,042	26,909	3,133
Recurrent expenditure under the Treasurer's Advance	2,338	2,258	80
<i>Total Recurrent Expenditure</i>	<i>35,528</i>	<i>31,950</i>	<i>3,578</i>
<i>Investing Activities</i>			
Authorised by other statutes	404	438	-34
Appropriation Act (No. 2)	8,042	5,941	2,100
Investing expenditure under the Treasurer's Advance	202	230	-29
<i>Total Investing Activities</i>	<i>8,647</i>	<i>6,609</i>	<i>2,038</i>
<i>Financing Activities</i>			
Funding for loan repayments (through the Debt Reduction Account)	-	-	-
Appropriation Act (No. 2)	-	-	-
Other financing	12	18	-6
<i>Total Financing Activities</i>	<i>12</i>	<i>18</i>	<i>-6</i>
TOTAL EXPENDITURE	44,187	38,577	5,610
NET MOVEMENT (REVENUE LESS EXPENDITURE)	-6,646	-3,827	-2,820
Consolidated Account Balance			
Opening balance at 1 July	-27,803	-23,976	-3,827
Closing balance at 30 June	-34,449	-27,803	-6,646
Of which:			
Appropriations payable	-21,869	-20,111	-1,758
Cash balance at 30 June	-12,580	-7,692	-4,889
Memorandum item: Consolidated Account Borrowings at 30 June	22,887	22,887	-

Note: Columns/rows may not add due to rounding.

Treasurer's Special Purpose Accounts

The Treasurer's Special Purpose Accounts (TSPAs) consist of:

- any account established by the Treasurer as a TSPA for the purposes determined by the Treasurer;
- suspense accounts established for the purposes of section 26 of the FMA;
- any account established to hold money transferred under section 39(5) of the FMA;
- the Public Bank Account Interest Earned Account, established for the purpose of holding money credited to that Account under section 38(9) of the FMA pending its allocation and payment as required or permitted under the FMA or another written law;
- any account established under written law and determined by the Treasurer to be a TSPA; and
- any other account established to hold money and determined by the Treasurer to be a TSPA.

Aggregate TSPA balances at 30 June 2025 were \$2.2 billion higher than at the same time last year. This reflects:

- higher non-cash Holding Account balances for agency depreciation costs and accrued leave entitlements (up \$1.8 billion);
- the establishment of the Strategic Industries Fund in the 2024-25 Budget, with an initial allocation of \$500 million;
- a \$226 million decrease in the Climate Action Fund balance, reflecting drawdowns to support emissions reduction spending and other climate-related initiatives;
- a \$160 million increase in the Digital Capability Fund, mainly reflecting receipts and payments approved as part of the 2024-25 Budget;
- an increase in the balance of agency accounts that hold cash for the cost of an extra pay period which falls due every 11 years (up \$111 million);
- a \$107 million increase in the Ecological Thinning Program Account, reflecting appropriation funding set aside in the 2024-25 Budget and revenue from timber sales, partly offset by drawdowns for administration costs and contractor payments;
- a \$103 million drawdown from the Asset Maintenance Fund, with funds used to progress a range of general government agency maintenance projects;
- an increase in the balance of the Western Australian Future Health Research and Innovation Fund, reflecting appropriation of 1% of forecast annual royalty receipts (\$77.7 million) and interest earnings on the balance of the Fund over the last 12 months (\$56.9 million), partly offset by the transfer of \$52.4 million to the Western Australian Future Health Research and Innovation Account;

- an \$80 million decrease in the Remote Communities Fund, reflecting drawdowns for the maintenance and upgrade of electricity services and construction of housing in remote Aboriginal communities;
- a \$34 million decrease in the Softwood Plantation Expansion Account, with funds allocated to land purchases and plantation establishment costs as part of the Softwood Plantation Investment Program;
- a \$33 million decrease in the National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse Account, reflecting funding for Redress Scheme payments, and civil litigation costs and associated administration costs, partly offset by a \$10 million top-up approved as part of the 2024-25 Budget;
- a \$21 million decrease in the Social and Affordable Housing Investment Fund, with a \$400 million top-up as part of the 2024-25 Budget, offset by drawdowns of \$420 million to support various social housing initiatives;
- a \$12 million decrease in the Public Bank Account Interest Earned Account, reflecting movements in interest earned on Public Bank Account balances over the last twelve months;
- a \$9 million reduction in the New Women and Babies Hospital Account, reflecting drawdowns for project planning and design costs, and the appointment of a managing contractor for the hospital in 2024-25; and
- a net decrease of \$2 million in all other TSPAs.

A number of movements in these TSPAs and other agency accounts are discussed in more detail in Appendix 5: *Special Purpose Accounts* and in agency annual reports.

The following table summarises the position of TSPAs at 30 June 2025 and 2024.

Table 7.3

TREASURER'S SPECIAL PURPOSE ACCOUNTS AT 30 JUNE			
	2025	2024	Variance
	\$m	\$m	\$m
Agency Holding Accounts	21,869	20,111	1,758
Western Australian Future Health Research and Innovation Fund	1,846	1,764	82
New Women and Babies Hospital Account	1,755	1,764	-9
Royalties for Regions Fund	1,000	1,000	-
Social and Affordable Housing Investment Fund	672	693	-21
Digital Capability Fund	593	434	160
Accrued Salaries Account	527	416	111
Strategic Industries Fund	498	-	498
Climate Action Fund	453	679	-226
Remote Communities Fund	215	295	-80
Softwood Plantation Expansion Fund	220	254	-34
Public Bank Account Interest Earned Account	174	186	-12
Asset Maintenance Fund	138	241	-103
Ecological Thinning Account	119	12	107
National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse Account	54	87	-33
Other Treasurer's Special Purpose Accounts	62	64	-2
TREASURER'S SPECIAL PURPOSE ACCOUNTS AT 30 JUNE	30,196	28,001	2,195

Note: Columns/rows may not add due to rounding.

Treasurer's Advance

The Treasurer's Advance allows for repayable advances to agencies for working capital purposes (known as 'net recoverable advances'), a short-term advance for any overdrawn agency Special Purpose Accounts, and the provision of supplementary appropriation funding for unforeseen and/or extraordinary events during the year (known as 'excesses and new items').

A total limit of \$3 billion was authorised for the year ended 30 June 2025. The original \$1,080.8 million authority (established by section 29 of the FMA) was increased by \$1.9 billion with the passage of the *Treasurer's Advance Authorisation Bill 2025*, which provided for additional appropriation funding expected to emerge during 2024-25.

Of the \$3 billion authorised limit, \$2,564.5 million was drawn by 30 June 2025. This included \$2,540.1 million for excesses and new items (which are included in the Consolidated Account outcome detailed earlier in this appendix and in detailed agency information later in this section). The remaining \$24.4 million was drawn against net recoverable advances as shown in the following table.

TREASURER'S ADVANCE AT 30 JUNE			
	2025 \$m	2024 \$m	Variance \$m
AUTHORISED LIMIT	3,007.1	3,209.9	-202.8
<i>Total Drawn Against Treasurer's Advance Account</i>	<i>2,564.5</i>	<i>2,514.7</i>	<i>49.7</i>
Comprising:			
<i>Net recoverable advances</i>	<i>24.4</i>	<i>26.2</i>	<i>-1.9</i>
Sundry Debtors	0.5	2.4	-1.9
Suitors Fund	2.5	2.5	-
Petroleum and Geothermal Energy Safety	2.0	2.0	-
Biosecurity Incident and Emergency Responses	19.4	19.4	-
<i>Excesses and new items</i>	<i>2,540.1</i>	<i>2,488.5</i>	<i>51.6</i>
- recurrent	2,338.5	2,258.4	80.1
- capital	201.6	230.1	-28.5

Note: Columns/rows may not add due to rounding.

Transfers, Excesses and New Items

The following table summarises transfers of appropriations between agencies (and which have no impact on the Treasurer's Advance), and excesses and/or new items approved by the Treasurer under the authority of section 27 of the FMA.

TRANSFERS, EXCESSES AND NEW ITEMS

Table 7.5

For the Twelve Months to 30 June 2025

Item	Treasurer's Advance					Drawn against Treasurer's Advance to 30 June 2025
	Budget \$m	Transfers ^(a) \$m	New Items \$m	Approved Excesses \$m	Revised Appropriation \$m	
Recurrent Appropriations						
Legislative Council						
Item 1: Delivery of Services	6.0	0.2	-	0.1	6.2	0.1
Legislative Council						
Item 2: Delivery of Services	5.8	0.2	-	0.1	6.2	0.1
Parliamentary Services						
Item 3: Delivery of Services	23.7	0.4	-	0.6	24.6	0.6
Parliamentary Commissioner for Administrative Investigations						
Item 4: Delivery of Services	12.3	0.3	-	-	12.6	-
Premier and Cabinet						
Item 5: Delivery of Services	181.2	3.4	-	17.5	202.0	17.5
Item 6: Amount provided for Administered Grants,	260.2	-	-	148.0	408.3	127.0
Public Sector Commission						
Item 7: Delivery of Services	29.5	0.6	-	-	30.1	-
Western Australian Electoral Commission						
Item 9: Delivery of Services	38.7	0.4	-	11.2	50.2	11.2
Salaries and Allowances Tribunal						
Item 10: Delivery of Services	1.1	- ^(b)	-	-	1.1	-
Commissioner for Childred and Young People						
Item 11: Delivery of Services	3.0	-0.1	-	-	2.9	-
Office of the Information Commissioner						
Item 12: Delivery of Services	3.0	0.1	-	-	3.0	-
Registrar, Western Australian Industrial Relations Commission						
Item 13: Delivery of Services	9.8	0.1	-	-	10.0	-
Treasury						
Item 14: Delivery of Services	61.4	1.3	-	-	62.7	-
Item 15: Bunbury Water Corporation	6.0	-	-	- ^(b)	6.0	- ^(b)
Item 16: Busselton Water Corporation	4.3	-	-	0.1	4.4	0.1
Item 17: Electricity Generation and Retail Corporation (Synergy)	831.1	-	-	361.2	1,192.3	357.9
Item 18: Kimberley Port Authority	2.5	-	-	-	2.5	-
Item 19: Public Transport Authority	1,283.9	9.0	-	97.7	1,390.6	97.7
Item 20: Regional Power Corporation (Horizon Power)	29.3	-	-	20.0	49.3	16.0
Item 21: Water Corporation	681.4	-	-	-	681.4	-
Item 27: Department of Transport	14.0	-6.6	-	-	7.4	-
Item 28: Department of Jobs, Tourism, Science and Innovation	54.8	-33.0	-	-	21.7	-
Item 35: Provision for Inner City Projects	35.3	-17.5	-	-	17.8	-
Item 36: Provision for METRONET High Wycombe Community Hub	12.5	-3.0	-	-	9.5	-
Item 37: Provision for Government Wages Policy	585.4	-634.8	-	167.0	117.6	49.4
Item 38: Provision for Wages Policy Outcomes not yet finalised	0.8	-0.2	-	-	0.6	-
Item 41: State Property - Emergency Services Levy	21.7	-	-	1.4	23.1	1.4
Item 42: WA Health	27.8	-37.7	-	11.7	1.8	9.9
Item 43: All Other Grants, Subsidies and Transfer Payments	14.6	-	-	7.1	21.7	5.9
New Item: Gold Corporation	-	-	4.3	-	4.3	4.3

Note: Columns/rows may not add due to rounding.

Table 7.5 (cont.)

TRANSFERS, EXCESSES AND NEW ITEMS

For the Twelve Months to 30 June 2025

Item	Treasurer's Advance					Drawn against Treasurer's Advance to 30 June 2025 \$m
	Budget \$m	Transfers ^(a) \$m	New Items \$m	Approved Excesses \$m	Revised Appropriation \$m	
Recurrent Appropriations						
<i>Office of the Auditor General</i>						
Item 44: Delivery of Services	13.9	0.8	-	0.1	14.8	0.1
<i>Finance</i>						
Item 45: Delivery of Services	217.8	3.4	-	-	221.3	-
<i>Jobs, Tourism, Science and Innovation</i>						
Item 47: Delivery of Services	364.3	33.0	-	-	397.4	-
Item 48: Amount provided for Administered Grants,	14.3	-	-	59.7	74.0	37.4
<i>Primary Industries and Regional Development</i>						
Item 49: Delivery of Services	266.3	6.1	-	46.9	319.3	46.9
<i>Energy, Mines, Industry Regulation and Safety</i>						
Item 51: Delivery of Services	220.8	4.1	-	5.4	230.4	5.4
Item 52: Amount provided for Administered Grants,	126.8	0.1	-	-	126.8	-
<i>Small Business Development Corporation</i>						
Item 53: Delivery of Services	17.3	0.3	-	-	17.5	-
<i>Economic Regulation Authority</i>						
Item 55: Delivery of Services	3.0	0.1	-	-	3.0	-
<i>Infrastructure WA</i>						
Item 56: Delivery of Services	5.5	0.1	-	-	5.6	-
<i>WA Health</i>						
Item 57: Delivery of Services	7,261.6	201.8	-	512.9	7,976.3	512.9
<i>Mental Health Commission</i>						
Item 58: Delivery of Services	1,033.5	17.4	-	50.8	1,101.6	50.8
Item 59: Mental Health Advocacy Service	7.1	0.1	-	1.1	8.3	1.1
Item 60: Mental Health Tribunal	3.9	0.2	-	-	4.0	-
Item 61: Office of the Chief Psychiatrist	5.0	0.1	-	-	5.1	-
<i>Health and Disability Services Complaints Office</i>						
Item 62: Delivery of Services	3.7	0.1	-	-	3.8	-
<i>Education</i>						
Item 63: Delivery of Services	5,174.5	259.8	-	81.2	5,515.5	81.2
Item 64: Amount provided for Administered Grants,	498.0	-	-	89.5	587.5	89.5
<i>Training and Workforce Development</i>						
Item 65: Delivery of Services	536.7	26.3	-	39.9	602.9	30.9
<i>Western Australia Police Force</i>						
Item 66: Delivery of Services	1,728.4	44.7	-	112.4	1,885.5	112.3
<i>Justice</i>						
Item 68: Delivery of Services	1,581.0	27.9	-	190.0	1,798.8	190.0
<i>State Solicitors Office</i>						
Item 69: Delivery of Services	42.0	1.2	-	4.1	47.3	4.0
<i>Fire and Emergency Services</i>						
Item 70: Delivery of Services	121.0	3.5	-	45.5	169.9	45.5
<i>Office of the Director of Public Prosecutions</i>						
Item 72: Delivery of Services	58.7	1.5	-	0.1	60.3	0.1
<i>Corruption and Crime Commission</i>						
Item 73: Delivery of Services	33.2	0.6	-	-	33.8	-

Note: Columns/rows may not add due to rounding.

TRANSFERS, EXCESSES AND NEW ITEMS
For the Twelve Months to 30 June 2025

Table 7.5 (cont.)

Item	Treasurer's Advance					Drawn against Treasurer's Advance to 30 June 2025 \$m
	Budget \$m	Transfers ^(a) \$m	New Items \$m	Approved Excesses \$m	Revised Appropriation \$m	
Recurrent Appropriations						
<i>Chemistry Centre (WA)</i>						
Item 74: Delivery of Services	9.4	0.5	-	-	9.9	-
<i>Office of the Inspector of Custodial Services</i>						
Item 75: Delivery of Services	3.7	0.1	-	-	3.7	-
<i>Parliamentary Inspector of the Corruption and Crime Commission</i>						
Item 76: Delivery of Services	0.5	- ^(b)	-	-	0.5	-
<i>Communities</i>						
Item 77: Delivery of Services	1,643.9	18.6	-	304.6	1,967.1	301.2
<i>Local Government, Sport and Cultural Industries</i>						
Item 79: Delivery of Services	299.5	19.8	-	-	319.3	-
Item 80: Administered Grants, Subsidies and Other Transfer Payments	61.6	- ^(b)	-	9.8	71.4	9.8
Item 81: Art Gallery of Western Australia	10.4	0.2	-	-	10.5	-
Item 82: Arts and Culture Trust	15.6	0.6	-	4.1	20.2	4.1
Item 84: Library Board of Western Australia	29.3	0.3	-	-	29.7	-
Item 85: Western Australian Museum	41.0	0.6	-	3.2	44.9	3.2
<i>Western Australian Sports Centre Trust</i>						
Item 86: Delivery of Services	111.9	2.5	-	-	114.4	-
<i>Transport</i>						
Item 87: Delivery of Services	120.1	12.5	-	29.2	161.8	25.1
<i>Commissioner of Main Roads</i>						
Item 89: Delivery of Services	626.5	9.4	-	72.1	708.0	71.7
<i>Water and Environmental Regulation</i>						
Item 90: Delivery of Services	132.0	3.9	-	-	135.9	-
<i>Biodiversity, Conservation and Attractions</i>						
Item 91: Delivery of Services	390.6	6.5	-	7.1	404.3	7.1
<i>Planning, Lands and Heritage</i>						
Item 92: Delivery of Services	207.5	6.4	-	5.2	219.1	5.2
<i>Western Australian Land Information Authority</i>						
Item 94: Delivery of Services	48.7	1.8	-	-	50.5	-
<i>National Trust of Australia (WA)</i>						
Item 96: Delivery of Services	3.9	0.1	-	-	4.0	-
Total Recurrent		-	4.3	2,518.3		2,338.5
Capital Appropriations						
<i>Legislative Assembly</i>						
Item 98: Capital Appropriation	- ^(b)	-	-	- ^(b)	- ^(b)	- ^(b)
<i>Premier and Cabinet</i>						
Item 101: Capital Appropriation	2.3	-	-	0.8	3.1	0.8
<i>Western Australian Electoral Commission</i>						
Item 104: Capital Appropriation	0.4	-	-	- ^(b)	0.4	- ^(b)

Note: Columns/rows may not add due to rounding.

Table 7.5 (cont.)

TRANSFERS, EXCESSES AND NEW ITEMS For the Twelve Months to 30 June 2025

Item	Treasurer's Advance					Drawn against Treasurer's Advance to 30 June 2025
	Budget \$m	Transfers ^(a) \$m	New Items \$m	Approved Excesses \$m	Revised Appropriation \$m	
Capital Appropriations						
<i>Treasury</i>						
Item 107: Capital Appropriation	0.5	-	-	-	0.5	-
Item 108: Department of Biodiversity, Conservation and Attractions	12.6	-12.3	-	-	0.3	-
Item 109: Department of Communities	16.4	-16.4	-	-	-	-
Item 110: Department of Education	11.1	-3.1	-	-	8.0	-
Item 114: Electricity Networks Corporation (Western Power)	145.5	-	-	28.8	174.3	28.8
Item 118: Provision for Aluminium Composite Panel Cladding	41.7	-	-	-	41.7	-
Item 123: WA Health	67.2	-41.7	-	-	25.5	-
Item 124: Water Corporation	59.8	-	-	34.3	94.0	34.3
Item 125: Western Australian Land Authority (DevelopmentWA)	17.8	-	-	22.6	40.4	22.6
<i>Office of the Auditor General</i>						
Item 131: Capital Appropriation	0.3	-	-	0.2	0.5	0.2
<i>Finance</i>						
Item 132: Capital Appropriation	28.8	-	-	2.0	30.8	2.0
<i>Jobs, Tourism, Science and Innovation</i>						
Item 133: Capital Appropriation	2.3	-	-	19.0	21.3	19.0
<i>Primary Industries and Regional Development</i>						
Item 134: Capital Appropriation	66.7	-	-	29.7	96.3	-
<i>Energy, Mines, Industry Regulation and Safety</i>						
Item 135: Capital Appropriation	2.0	-	-	0.2	2.2	0.2
<i>WA Health</i>						
Item 138: Capital Appropriation	478.4	41.7	-	-	520.1	-
<i>Education</i>						
Item 141: Capital Appropriation	513.1	3.1	-	-	516.2	-
<i>Western Australia Police Force</i>						
Item 143: Capital Appropriation	130.7	-	-	27.4	158.1	18.1
<i>Justice</i>						
Item 144: Capital Appropriation	148.6	-	-	24.3	172.8	-
<i>Director of Public Prosecutions</i>						
Item 147: Capital Appropriation	0.8	-	-	- ^(b)	0.8	-
<i>Communities</i>						
Item 150: Capital Appropriation	248.9	16.4	-	9.9	275.2	3.7
<i>Local Government, Sport and Cultural Industries</i>						
Item 151: Capital Appropriation	138.1	-	-	70.9	209.0	70.9
<i>Biodiversity, Conservation and Attractions</i>						
Item 159: Capital Appropriation	150.1	12.3	-	-	162.4	-
<i>Planning, Lands and Heritage</i>						
Item 160: Capital Appropriation	7.3	-	-	1.0	8.3	1.0
New Item: Planning, Lands and Heritage Administered	-	-	4.1	-	4.1	4.1
Total Capital		-	4.1	271.1		201.6
TOTAL						2,540.1

(a) Authorised under section 25 of the FMA.

(b) Amount less than \$50,000.

Note: Columns/rows may not add due to rounding.

Transfers

Transfers of appropriation funds are for the provision of an approved service which is now delivered by an alternative agency. These transfers are authorised under section 25 of the FMA or by specific enabling legislation, and do not impact the Treasurer's Advance.

In 2024-25, appropriation transfers included:

- \$634.8 million from the Provision for Wages Policy Outcomes Not Yet Finalised appropriation administered by Treasury to various agencies to meet the costs of industrial agreements finalised during the year (see following table);

Table 7.6

2024-25 PROVISION FOR WAGES POLICY OUTCOMES NOT YET FINALISED

Item	Agency	Transfer from
		Appropriation Item 37
		\$m
1	Legislative Council	0.2
2	Legislative Assembly	0.2
3	Parliamentary Services	0.4
4	Parliamentary Commissioner for Administrative Investigations	0.3
5	Department of Premier and Cabinet	3.4
7	Public Sector Commission	0.6
9	Western Australian Electoral Commission	0.4
10	Salaries and Allowances Tribunal	_(a)
11	Commissioner for Children and Young People	0.1
12	Office of the Information Commissioner	0.1
13	Registrar, Western Australian Industrial Relations Commission	0.1
14	Department of Treasury	1.3
19	Public Transport Authority	9.0
44	Office of the Auditor General	0.8
45	Department of Finance	3.2
49	Department of Primary Industries and Regional Development	6.1
51	Department of Energy, Mines, Industry Regulation and Safety	4.1
52	Department of Energy, Mines, Industry Regulation and Safety (Administered)	0.1
53	Small Business Development Corporation	0.3
55	Economic Regulation Authority	0.1
56	Infrastructure WA	0.1
57	WA Health	164.1
58	Mental Health Commission	17.4
59	Mental Health Advocacy Service	0.1
60	Mental Health Tribunal	0.2
61	Office of the Chief Psychiatrist	0.1
62	Health and Disability Services Complaints Office	0.1
63	Department of Education	259.8
65	Department of Training and Workforce Development	26.3
66	Western Australia Police Force	44.7
68	Department of Justice	27.7
69	State Solicitor's Office	1.2
70	Department of Fire and Emergency Services	3.5
72	Office of the Director of Public Prosecutions	1.5
73	Corruption and Crime Commission	0.6
74	Chemistry Centre (WA)	0.5
75	Office of the Inspector of Custodial Services	0.1
76	Parliamentary Inspector of the Corruption and Crime Commission	_(a)
77	Department of Communities	18.6
79	Department of Local Government, Sport and Cultural Industries	2.3
80	Department of Local Government, Sport and Cultural Industries (Administered)	_(a)

Table 7.6 (cont.)

2024-25 PROVISION FOR WAGES POLICY OUTCOMES NOT YET FINALISED

Item	Agency	Transfer from Appropriation Item 37
		\$m
81	Art Gallery of Western Australia	0.2
82	Arts and Culture Trust	0.6
84	Library Board of Western Australia	0.3
85	Western Australian Museum	0.6
86	Western Australian Sports Centre Trust (VenuesWest)	2.5
87	Department of Transport	5.8
89	Commissioner of Main Roads	9.4
90	Department of Water and Environmental Regulation	3.9
91	Department of Biodiversity, Conservation and Attractions	6.5
92	Department of Planning, Lands and Heritage	3.4
94	Western Australian Land Information Authority (Landgate)	1.8
96	National Trust of Australia (WA)	0.1
TOTAL		634.8

(a) Amount less than \$50,000.

Note: Columns/rows may not add due to rounding.

- \$41.7 million from the capital appropriation administered by Treasury for WA Health, released to the agency to deliver various capital projects;
- \$37.7 million from the recurrent appropriation administered by Treasury for WA Health, released to the agency for the enhancement of palliative care services and for Silverchain home hospital services, contributions towards St John of God Geraldton Hospital, WA Country Health Services cost pressures, and above-budget costs incurred for Non-Emergency Planned patient transport services;
- \$33 million from the recurrent appropriation administered by Treasury for the Department of Jobs, Tourism, Science and Innovation, to support approved initiatives under the Aviation Recovery and Major Events Funds;
- \$17.5 million from the recurrent appropriation administered by Treasury for the Department of Local Government, Sport and Cultural Industries, released to the agency to meet costs associated with the Western Australian Cricket Association Ground Improvement Project;
- \$16.4 million from the capital appropriation administered by Treasury for the Department of Communities, for capital contributions for the Mandurah Common Ground and Phase 2 of the Kimberley Floods response;
- \$12.3 million from the capital appropriation administered by Treasury for the Department of Biodiversity, Conservation and Attractions, to commence the workers accommodation project on Rottnest Island;

- \$6.6 million from the recurrent appropriation administered by Treasury released to the Department of Transport, for the upgrade of airstrips (at Eucla and East Kimberley) and for new and improved maritime facilities (Mount Henry Jetty and Albany Little Grove Jetty) as part of the Outdoor and Adventure Tourism package detailed in the 2024-25 Budget;
- \$3 million from the recurrent appropriation administered by Treasury transferred to the Department of Planning, Lands and Heritage, for the construction of the High Wycombe Community Hub;
- \$3.1 million from the capital appropriation administered by Treasury for the Department of Education, for Stage 2 of the Piara Waters Senior High School project and the expansion of Bob Hawke College;
- \$207,000 associated with the transfer of the GovNext Common Use Arrangement Unit from the Department of the Premier and Cabinet to the Department of Finance; and
- \$138,000 from the Commissioner for Children and Young People to the Department of Justice for corporate service costs.

Excess and New Items

Funds drawn against the Treasurer's Advance for excesses and new items were for the purposes outlined below. Unless otherwise stated, the approved funding was drawn in full by 30 June 2025. Additional detail on these funding increases are available in each agencies' annual reports.

Legislative Council

Item 1: **Delivery of Services** (\$72,000), reflecting the Legislative Council assuming responsibility for Fringe Benefits Tax of Members of the House, previously managed by the Department of the Premier and Cabinet.

Legislative Assembly

Item 2: **Delivery of Services** (\$122,000), reflecting the Legislative Assembly assuming responsibility for Fringe Benefits Tax of Members of the House (\$108,000), and revised motor vehicle lease costs (\$14,000).

Item 98: **Capital Appropriation** (\$12,000), for revised motor vehicle lease costs.

Parliamentary Services

Item 3: **Delivery of Services** (\$569,000), to meet higher office accommodation costs at 2 Parliament Place (\$578,000), partially offset by reduced motor vehicle costs (\$9,000).

Premier and Cabinet

Item 5: **Delivery of Services** (\$17.5 million), largely for:

- an increase in the Telethon donation (\$7 million);

- additional costs associated with the 2025 State Election (\$3.5 million);
- an additional payment to Celebrate WA to enable the delivery of the rescheduled 2024 WA Day Festival event following cancellation of the June 2024 event (\$2.8 million);
- additional advertising and ICT costs associated with the Perth Zoo Free Vouchers initiative (\$1.4 million); and
- funding for further examination of early childhood education options in Western Australia (\$1.3 million).

Item 6: **Administered Grants, Subsidies and Other Transfer Payments** (\$148 million), mainly for financial support to Griffin Coal, ensuring short-term continuity of coal supply (\$118 million), later than expected timing of legal costs for the Stolen Wages Class Action Settlement (\$15.4 million), and additional funding to meet the State's various obligations in relation to Aboriginal Engagement and Native Title matters (\$14.6 million). Of the approved excess, only \$127 million was drawn down due to timing changes associated with Aboriginal Engagement and Native Title matters and the actual financial support paid to Griffin Coal.

Item 101: **Capital Appropriation** (\$815,000), due to timing changes of security upgrades required at Dumas House to comply with applicable Commonwealth security requirements (\$800,000) and revised vehicle lease costs (\$15,000).

Western Australian Electoral Commission

Item 9: **Delivery of Services** (\$11.2 million), to implement and administer improvements to the security and integrity of the 2025 State Election, including ballot paper scanning (\$2.8 million), the employment of temporary workers (\$2.8 million), the leasing of larger early polling places to secure election material (\$2.4 million), the implementation of legislated electoral reforms introduced as part of the Government's Electoral Reform program (\$1.6 million), unavoidable increases in costs incurred for security services (\$742,000), and increases in accommodation and venues (\$800,000);.

Item 104: **Capital Appropriation** (\$6,000), to reflect revised vehicle lease costs.

Treasury

Item 15: **Bunbury Water Corporation** (\$29,000), supporting higher than expected annual pensioner and senior concessions claim numbers.

Item 16: **Busselton Water Corporation** (\$133,000), supporting higher than expected annual pensioner and senior concessions claim numbers.

Item 17: **Electricity Generation and Retail Corporation (Synergy)** (\$361.2 million), mainly to facilitate payment of the Commonwealth Government's electricity rebates to households and eligible small business customers as announced in the Commonwealth Government's 2024-25 Budget (the Commonwealth funded rebates are paid to the States and delivered through electricity retailers). The operating subsidy increase also included reimbursements for fee waivers provided to downstream lithium processors as part of the Lithium Industry Support Program (LISP). Reflecting actual volume of eligible electricity rebate recipients and fees waived under the LISP, a total of \$357.9 million was drawn by 30 June 2025.

Item 19: **Public Transport Authority of Western Australia** (\$97.7 million), to meet higher interest payment and RiskCover premium costs, and for the provision of free travel as part of the Summer of Free Public Transport cost of living initiative and for regular Armadale Line passengers for the duration of the rail line's temporary closure.

Item 20: **Regional Power Corporation (Horizon Power)** (\$20 million), to facilitate payment of the Commonwealth Government's 2024-25 household and small business electricity rebates (\$13.8 million), and funding from the Industrial Land Development Fund to progress the Pilbara Green Link transmission project (\$8 million). Of the approved increase, a total of \$16 million was drawn by 30 June 2025.

Item 37: **Provision for Government Wages Policy** (\$167 million), to meet the costs of industrial agreements that reached settlement in 2024-25 and to update the provision for the impact of 2024-25 Budget outcomes, partly offset by the carryover of unallocated funds for agreements yet to settle from 2024-25 into 2025-26. A total of \$49.4 million of the approved funding was drawn by 30 June 2025 with the lower outcome mainly reflecting carryover of costs for unsettled agreements beyond 30 June 2025.

Item 41: **State Property - Emergency Services Levy** (\$1.4 million), for higher than budgeted Emergency Services Levy payments on State-owned properties.

Item 42: **WA Health** (\$11.7 million), reflecting the carryover into 2024-25 of funding provisioned for contract cost pressures that was not drawn down in 2023-24. Of the approved increase, \$9.9 million was drawn by 30 June 2025 reflecting actual contract costs.

Item 43: **All Other Grants, Subsidies and Transfer Payments** (\$7.1 million), including \$4.2 million to provide supplementary funding for the 27th Pay Accrued Salaries Treasurer's Special Purpose Account as a result of prior year funds being incorrectly returned to the Consolidated Account by agencies, and \$2.9 million to temporarily replace revenue previously budgeted to be received by the WorkCover WA Authority from the RiskCover Fund as a result of legislative changes. A total of \$5.9 million of the approved funding drawn by 30 June 2025, with the above increases partly offset by lower than expected interest payments for public monies held in participating trusts and lower than forecast payments for Incidentals and Acts of Grace.

New Item: **Gold Corporation** (\$4.3 million), for the State Battery Safety Program, which will assess and mitigate immediate safety risks associated with battery sites vested with the Corporation.

Item 114: **Electricity Networks Corporation (Western Power)** (\$28.8 million), reflecting funding for transmission network upgrades and expansion to facilitate the connection of renewable energy sources (\$18.7 million), upgrades to the electricity network in West Mundijong (\$14.5 million) and to support residential developments in Byford/Mundijong, Yanchep/Two Rocks and Wanneroo (\$14.3 million), partially offset by a deferral of payments for the targeted underground power program (\$15.3 million), the provision of street lights (\$500,000), and the timing of customer-driven works (\$2.9 million).

Item 124: **Water Corporation** (\$34.3 million), to deliver water and wastewater infrastructure works supporting residential land development.

Item 125: **Western Australian Land Authority (DevelopmentWA)** (\$22.6 million), with \$20.6 million to reimburse DevelopmentWA for costs incurred in June 2024 to acquire industrial land in the Australian Marine Complex, and \$2 million for the Ocean Reef Marina development (originally expected to be drawn in 2023-24).

Office of the Auditor General

Item 44: **Delivery of Services** (\$91,000), for additional accommodation lease costs at Albert Facey House.

Item 131: **Capital Appropriation** (\$244,000), for fit-out works at Albert Facey House.

Finance

Item 132: **Capital Appropriation** (\$2 million), primarily for cost pressures related to the Kununurra Fit-out project (\$1.9 million), delivery of government office accommodation work (\$400,000) and ICT system updates supporting the extension of the Off-the-Plan Duty Concessions scheme (\$260,000), partially offset by administration savings associated with delivering the household electricity credit scheme (\$475,000) and timing changes that carry funding into 2025-26 (\$62,000).

Jobs, Tourism, Science and Innovation

Item 48: **Administered Grants, Subsidies and Other Transfer Payments** (\$59.7 million), largely for loans and grants as part of the Lithium Industry Support Program (\$50 million) and to support eligible builders through the Builders Support Facility (\$5 million). Of the approved excess, only \$37.4 million was drawn down, largely due to timing changes associated with payments of the LISP.

Item 133: **Capital Appropriation** (\$19 million), for investments to support locally-based start-ups as part of the Government's Western Australian Venture Capital initiative.

Primary Industries and Regional Development

Item 49: **Delivery of Services** (\$46.9 million), mainly in support of:

- higher than expected operating costs, including for ICT systems, repairs and maintenance, vehicles and vessels, and diagnostic and laboratory supplies (\$23.2 million),

- biosecurity incident and emergency management response activities, and national biosecurity cost sharing commitments (\$22.9 million);
- costs associated with the management and decommissioning of the agency's South Perth site (\$6.1 million);
- support for lower ticket prices at the 2024 Perth Royal Show (\$5.5 million);
- the management of, and response to, the Polyphagous Shot Hole Borer, including a community awareness campaign and the establishment of a research grant program (\$3 million);
- grant funding to the Royal Society for the Prevention of Cruelty to Animals WA (RSPCA WA) for animal care and service delivery activities (\$1.8 million)
- lease and fit-out costs associated with the State Biosecurity Response Centre (\$1.4 million); and
- grants supporting farmers' market operators in the regional and metropolitan areas (\$1 million).

These increases were partially offset by the revised timing of spending across several initiatives, including the Busselton Jetty Marine Discovery Centre (\$7.1 million), Kalbarri Foreshore project (\$3.8 million), Carbon Farming and Land Restoration program (\$3.4 million), and Pilbara Safe Spaces program (\$3 million).

Item 134: **Capital Appropriation** (\$29.7 million), largely due to an equity injection to reinstate the agency's cash reserves (\$24.9 million), funding for a joint venture with the Australian Export Grains Innovation Centre Limited (\$3 million), and revised vehicle lease expenses (\$1.1 million). This increase was not drawn down due largely to the retiming of spending on the New Metropolitan Facility, the Houtman Abrolhos Islands Sustainable Development Activation Plan, the Capital Equipment Replacement program and the Laboratory Information Management System.

Energy, Mines, Industry Regulation and Safety

Item 51: **Delivery of Services** (\$5.4 million), mainly reflecting the extension of the Energy Transformation Strategy (\$1.6 million), resourcing for PoweringWA (\$1.4 million), extension of the application period for the Short-Term Rental Accommodation (STRA) Incentive Scheme, including grant payments to eligible property owners that convert STRA properties to a long-term rental property for a minimum of 12 months (\$1.3 million), administrative costs associated with the State's participation in the Perth Piping Industry Response (\$667,000), the Social Housing Energy Performance Initiative, which will provide energy efficiency upgrades across social housing properties in regional and remote Western Australia (\$522,000), and revised vehicle lease and Government Regional Officers Housing (GROH) costs (\$232,000).

Item 135: **Capital Appropriation** (\$154,000), for revised vehicle lease and GROH costs.

WA Health

Item 57: **Delivery of Services** (\$512.9 million), primarily to support higher levels of activity in public hospitals and continued funding for additional workforce resourcing and other cost pressures (\$449.9 million), the cost of increased ambulance and patient transport activity in Western Australia (\$23 million), additional costs of blood and blood products under the National Blood Agreement (\$15.8 million), continuation of the Respiratory Syncytial Virus infant immunisation program in 2025 (\$7.6 million), costs to maintain health system warehousing capacity (\$7.3 million), and spending on the security of critical ICT servers (\$5.8 million).

Mental Health Commission

Item 58: **Delivery of Services** (\$50.8 million), supporting additional funding for the operation of the Cockburn Clinic, the relocation of patients during the upgrade of Ward 5A at Perth Children's Hospital, and for a suicide prevention package to support vulnerable members of the community (\$58.2 million). This increase was partially offset by recashflows resulting from revised project delivery timelines (\$7.4 million).

Item 59: **Mental Health Advocacy Service** (\$1.1 million), for the expansion of services required to support the *Criminal Law (Mental Impairment) Act 2023*.

Education

Item 63: **Delivery of Services** (\$81.2 million), mainly driven by:

- an increase in leave expenses for school staff (\$65.4 million);
- higher than expected in student enrolments from 2025, including the impact of revised Commonwealth funding forecasts (\$66 million);
- additional GROH expenditure (\$11 million);
- additional cost of living assistance through the clothing allowance under the Secondary Assistance Scheme (\$9.5 million);
- administration costs for the 2025 WA Student Assistance Payment (\$4.8 million);
- a payment to the City of Perth as part of the East Perth Primary School project (\$4.2 million);
- additional payments for historic casual long service leave entitlements (\$2.6 million); and
- a contract update under the Western Australian Schools Public Private Partnership Project (\$1.5 million).

These higher funding requirements were partly offset by a reduction in leave liability estimates (\$56.8 million) and the offsetting reduction in recognition of additional Commonwealth revenue following final reconciliation of the National Partnership on COVID-19 Response (\$31.9 million, provided in arrears following an acquittal process).

Item 64: **Administered Grants, Subsidies and Other Transfer Payments** (\$89.5 million), reflecting the budgeted value of payments under the Government's 2025 WA Student Assistant Payment initiative (\$82.1 million), an increase in grants to non-government schools due to higher than forecast enrolments (\$1.4 million), a one-off grant to establish a perpetual fund for the General Sir John Monash Foundation Scholarship (\$5 million) and payment of two one-off cost of living donations to Dandelions WA and Give Write (\$1 million).

Training and Workforce Development

Item 65: **Delivery of Services** (\$39.9 million, of which \$30.9 million was drawn) to primarily reflect:

- the delivery of additional subsidised training, including low and fee-free courses (\$37.2 million);
- extension of the Construction Visa Subsidy Program attracting skilled workers to the State (\$4.4 million);
- commencement of works to establish a Defence Centre of Excellence at South Metropolitan TAFE (\$2.1 million);
- additional regional housing at North Regional TAFE (\$1 million); and
- commencement of the Government's election commitment for the Adult Apprentice Incentive (\$300,000).

These increases were partly offset by revised timing of payments for the Group Training Organisation Wage Subsidy (\$5.8 million), Employer Incentive Scheme (\$4.1 million), the Mature-age and Ex-offenders Training and Employment Programs (\$2.2 million) and the Career Taster Program for Year 9 Students (\$1.9 million).

Western Australia Police Force

Item 66: **Delivery of Services** (\$112.4 million, of which \$112.3 million was drawn), mainly to address:

- operational service priorities and to continue Operation Heat Shield for a further year (\$90.8 million);
- higher GROH expenditure (\$4.4 million);
- spending on the police officer recruitment campaign (\$3.3 million);
- implementation of knife crime legislative reforms (\$2.2 million);
- development of an offender reporting portal in support of the *Community Protection (Offender Reporting) Act 2024* (\$2.1 million);
- an uplift in capability and frontline police optimisation for electronic monitoring in relation to the *Family Violence Legislation Reform Act 2024* (\$2.1 million);

- further investment in firearms reform resourcing (\$2 million); and
- a range of other smaller movements.

These funding increases were partly offset by \$2.2 million of the recognition of additional Commonwealth revenue following final reconciliation of the National Partnership on COVID-19 Response (provided in arrears following an acquittal process).

Item 143: **Capital Appropriation** (\$27.4 million), primarily for a cost increase for the Fremantle District Police Complex. Reflecting timing changes for other projects, \$18.1 million of the approved excess was drawn.

Justice

Item 68: **Delivery of Services** (\$190 million), mainly for general cost and demand pressures, including growth in the prison population (\$123.4 million), cost increases for contracted court, custodial and rehabilitation services (\$22.1 million), unavoidable costs incurred by the Legal Aid Commission of Western Australia associated with criminal and family law matters (\$17.3 million), additional funding to offset lower than expected revenue from court fees and fines (\$10 million), additional salaries expenditure (\$6.9 million), and costs associated with the implementation of the *Family Violence Legislation Reform Act 2024* (\$3.6 million).

Item 144: **Capital Appropriation** (\$24.3 million), mainly for infrastructure upgrades at Banksia Hill Detention Centre, for planning and enabling works for the New Youth Detention Facility and to expand bed capacity across the adult custodial estate. The approved excess was not drawn due to movement in timing of payments for Casuarina Prison Expansion - Stage 2, Banksia Hill Detention Centre, building upgrades and replacement, Departmental corporate information management systems, the Immediate Custodial Estate Internal Expansion and a range of other small projects.

State Solicitors Office

Item 69: **Delivery of Services** (\$4.1 million), reflecting expected payments and legal costs incurred on behalf of the State, comprising mesothelioma settlement and ex gratia payments (\$2.7 million), indemnities for Ministers and Officers involved in legal proceedings (\$1.2 million) and external legal costs (\$186,000). A total of \$4 million of the approved excess was drawn by 30 June 2025 reflecting final confirmed costs.

Fire and Emergency Services

Item 70: **Delivery of Services** (\$45.5 million), for a range of unavoidable cost pressures, including:

- unforeseen expenditure relating to bushfire suppression activities (\$17.2 million);
- salary and overtime (\$8.6 million);
- property, fleet and equipment maintenance (\$6.5 million);

- cost increases associated with emergency response and natural hazard incidents (\$5.3 million);
- cost increases associated for two additional leased helicopters to bolster Western Australia's aerial firefighting capability during the high threat bushfire season (\$5.1 million);
- an increase in employer contributions to the Western Australia Fire Emergency Services Superannuation Fund (\$887,000);
- an increase in the Premier's Relief Payment Scheme to provide finance assistance to residents impacted by severe natural disasters (\$792,000);
- RiskCover Insurance premiums (\$763,000);
- GROH expenditure (\$379,000); and
- ICT services (\$244,000).

These increases were partially offset by employee salary costs that are now met under the *Salaries and Allowances Act 1975* (\$237,000) and lower than expected spending across a number of the Department's activities (\$72,000).

Office of the Director of Public Prosecutions

Item 72: **Delivery of Services** (\$55,000), to reflect additional ICT costs (\$40,000) and revised vehicle lease expenses (\$15,000).

Item 147: **Capital Appropriation** (\$80,000), for forecast lease expenses. This amount was not required to be drawn down in 2024-25.

Communities

Item 77: **Delivery of Services** (\$304.6 million, of which \$301.2 million was drawn), largely to address unavoidable key service demand and cost pressures, particularly in the child protection system (\$239.6 million), funding to reinstate the agency's cash reserves (\$32.8 million), support for a range of community services initiatives, including responding to homelessness/rough sleeping and cost of living pressures (\$23.8 million), and to store and convert Temporary Accommodation Units to new homes in the Fitzroy Valley as part of the Kimberley Floods recovery (\$4.1 million). These funding increases were partially offset by reflows across other services (\$11.3 million).

Item 150: **Capital Appropriation** (\$9.9 million), mainly to deliver additional affordable and social housing dwellings funded by the Commonwealth's Housing Support Program – Priority Works Stream and Housing Australia Future Fund (\$8.7 million), and revised vehicle lease and GROH costs (\$3.1 million), partly offset by the retiming of project cashflows to align with updated delivery schedules. Of the approved excess, a total of \$3.7 million was drawn down, with \$6.3 million now expected to be spent in 2025-26.

Local Government, Sport and Cultural Industries

Item 80: **Administered Grants, Subsidies and Other Transfer Payments** (\$9.8 million), reflecting an increase in GST gambling rebates provided to the Lotteries Commission.

Item 82: **Art and Culture Trust** (\$4.1 million), to fund increased operating costs associated with the management of His Majesty's Theatre, Perth Concert Hall, State Theatre Centre, the Perth Cultural Precinct and the Trust's other major metropolitan and regional venues and spaces.

Item 85: **Western Australian Museum** (\$3.2 million), primarily to meet a shortfall in admission fee revenue in 2024-25 for Western Australian Museum Boola Bardip, due to lower than expected visitor numbers (\$1.9 million), funding to support the Terracotta Warriors exhibition between June 2025 and February 2026 (\$1.5 million), and for the cost of providing free entry at Western Australian museums between 15 December 2024 and 31 March 2025 (\$1.1 million). This additional funding was partially offset by the recashflow of expected revenue and expenses from 2024-25 to future years following the adoption of a multimedia and audiovisual equipment lease arrangement (\$1.2 million).

Item 151: **Capital Appropriation** (\$70.9 million), mainly reflecting:

- funding brought forward from 2025-26 and 2026-27 into 2024-25 for construction of the Perth Film Studios which is progressing ahead of schedule (\$78.9 million);
- costs associated with completion of Pitches 3 and 4 at the Sam Kerr Football Centre (\$2.9 million);
- the establishment of a new Special Purpose Account for the Problem Gambling Support Fund as a result of the Department assuming responsibility for the Fund from the Gaming and Wagering Commission (\$2.8 million);
- replacement of the automated fly control system at the Heath Ledger Theatre (\$2.5 million);
- the installation of air conditioning at the Old Perth Boys School building leased by the Perth Institute of Contemporary Art (\$1.5 million);
- funding to support the financial sustainability of the Arts and Culture Trust (\$1.3 million); and
- support for the Le Pley Spinifex Art Collection for the Western Australian Museum Boola Bardip (\$814,000).

These additional funding changes were partially offset by the recashflowing of funding from 2024-25 to 2025-26 and beyond for the Perth Concert Hall, Aboriginal Cultural Centre and Perth Cultural Centre, in line with revised timing for capital payments (\$19.8 million).

Transport

Item 87: **Delivery of Services** (\$29.2 million), mainly for additional forecast Zero Emission Vehicle Rebate and Taxi User Subsidy Scheme payments, and to meet other contractual payments. Only \$25.1 million of the approved excess was drawn reflecting lower non-cash depreciation and leave appropriations.

Commissioner of Main Roads

Item 89: **Delivery of Services** (\$72.1 million), largely due increased maintenance program costs (\$20 million), interest payments on borrowings from the Western Australian Treasury Corporation (\$19.1 million), increases in ICT services and contract costs (\$12.1 million), updates to vehicle lease expenditure (\$6.8 million), cost increases for road projects (\$3.8 million), road design analysis as part of the initiative to develop Strategic Industrial Areas in the Pilbara (\$3 million) and traffic management for significant local and State events (\$2.1 million).

A total \$71.7 million was drawn, reflecting a reduction in anticipated depreciation costs (\$349,000).

Biodiversity, Conservation and Attractions

Item 91: **Delivery of Services** (\$7.1 million), mainly to meet unforeseen expenditure relating to bushfire suppression activities (\$35.4 million), mostly offset by funding deferred from 2024-25 to 2025-26 (and beyond) for projects related to the Murujuga National Park (\$18.5 million) and for various payments under the Plan for Our Parks program (\$10.9 million).

Planning, Lands and Heritage

Item 92: **Delivery of Services** (\$5.2 million), mainly for the delivery of the Housing Diversity Pipeline Round 2 (\$2.2 million), funding for temporary staffing costs (\$1.7 million), project definition planning for Perth Convention and Exhibition Centre redevelopment (\$510,000), additional investigations as part of the Northampton Lead Tailings Project (\$507,000), and establishment of a State Lead Negotiator position to provide expertise for complex commercial negotiations and develop and grow the State's negotiating capability (\$245,000).

Item 160: **Capital Appropriation** (\$1 million), mainly for remediation works at the Mandurah seawall (\$968,000).

New Item: **Planning, Lands and Heritage Administered** (\$4.1 million), to return a previously overpaid transfer to the Consolidated Account.

General Government Sector Salaries

Salaries represent the single largest component of general government sector expenses (39.9% in 2024-25, or 44.4% if concurrent superannuation costs are also included).

At \$18.4 billion, general government salaries spending increased by \$1.9 billion or 11% in 2024-25. This increase was primarily driven by higher staff numbers and the impact of wage increases in industrial agreements in the health and education sectors.

The following table summarises 2024-25 salaries outcomes for general government agencies.

Table 8.1

SALARIES COSTS

General Government Sector

	2023-24	2024-25					Variation on EA \$m (2) - (1)	Annual Growth %
	Actual \$m	Budget Year \$m	MYR Revision \$m	PFPS Revision \$m	Estimated Actual (EA) \$m (1)	Actual \$m (2)		
WA Health	6,638	6,424	6,809	6,851	7,080	7,419	340	11.8
Education	4,397	4,689	4,932	4,952	5,033	4,826	-207	9.8
Western Australia Police Force	1,114	1,192	1,203	1,236	1,242	1,226	-16	10.0
Justice	848	837	916	926	946	959	13	13.1
Communities	646	644	715	715	687	695	8	7.6
Fire and Emergency Services	235	240	244	244	253	256	3	9.0
Biodiversity, Conservation and Attractions	226	255	263	263	263	245	-18	8.6
Primary Industries and Regional Development	225	221	230	230	236	245	9	8.9
Energy, Mines, Industry Regulation and Safety	199	228	237	237	238	235	-3	17.8
Transport	159	196	209	209	207	194	-13	22.0
North Metropolitan TAFE	139	138	156	156	155	164	9	17.7
Commissioner of Main Roads	119	132	132	140	158	155	-2	30.3
South Metropolitan TAFE	136	134	140	142	144	155	10	13.7
Finance	133	133	148	148	148	150	2	12.7
Local Government, Sport and Cultural Industries	125	134	145	145	148	142	-6	13.3
Water and Environmental Regulation	117	127	135	135	135	138	3	18.3
Planning, Lands and Heritage	124	116	122	122	122	131	9	4.9
Premier and Cabinet	108	117	120	120	120	122	2	12.8
WA Sports Centre Trust (VenuesWest)	70	61	68	68	67	80	13	14.4
Jobs, Tourism, Science and Innovation	63	70	74	74	74	67	-7	7.1
Training and Workforce Development	54	62	66	67	66	62	-4	14.1
Legal Aid Commission of WA	49	57	61	61	61	58	-3	17.6
Land Information Authority (Landgate)	51	57	56	56	57	56	-1	10.4
South Regional TAFE	53	44	52	52	56	54	-1	2.9
Office of the Director of Public Prosecutions	45	54	56	56	56	51	-4	13.8
Central Regional TAFE	43	47	48	49	49	51	2	17.8
Mental Health Commission	55	57	48	48	47	49	2	-9.7
State Solicitor's Office	37	45	47	47	47	46	-2	21.7
Treasury	38	45	48	48	44	42	-2	13.0
North Regional TAFE	39	42	44	44	41	41	1	6.7
Office of the Auditor General	25	28	28	28	28	29	1	15.4
Legislative Assembly	24	26	27	27	27	25	-2	4.5
Public Sector Commission	19	20	21	21	21	20	- (a)	8.4
Corruption and Crime Commission	18	20	21	21	21	19	-2	5.6
Chemistry Centre (WA)	16	17	18	18	18	18	- (a)	12.1
WorkCover WA Authority	16	17	18	18	18	17	-1	5.3
Legislative Council	16	18	19	19	18	16	-2	-0.7
Parliamentary Services Department	12	12	13	13	13	13	- (a)	2.2
All other agencies (with salaries costs below \$10 million)	85	99	86	86	86	98	12	14.4
Provisions	-	387	285	172	1	-	-1	-
Total salaries	16,518	17,242	18,059	18,063	18,230	18,370	141	11.2

(a) Amount is less than \$0.5 million.

Note: Columns/rows may not add due to rounding.

Expense Limit Outcomes

General government expenses totalled \$46 billion in 2024-25. The recurrent spending outcome of 2024-25 was \$180 million higher than the estimated outturn contained in the 2025-26 Budget.

The Government's spending management is supported by decision-making processes through Expenditure Review Committee review and Cabinet approval of spending changes, and cost control through Wages Policy settings and approved expense limits that are included in annual Resource Agreements for appropriation-funded agencies (see discussion of Financial Targets in *Financial Results* chapter of this report). The following table summarises expense limit outcomes for all agencies with Resource Agreements for the 2024-25 year.

Table 9.1

TOTAL COST OF SERVICES Agency Resource Agreements

	2024-25					
	Budget	MYR	PFPS	Estimated	Actual	Variation on EA
	Year	Revision	Revision	Actual (EA)		
	\$m	\$m	\$m	\$m		
				(1)	(2)	(2) - (1)
WA Health	12,801	13,549	13,597	13,909	14,109	200
Education	6,833	7,128	7,183	7,337	7,232	-106
Communities	2,797	3,142	3,143	3,076	3,090	14
Public Transport Authority	2,235	2,349	2,349	2,441	2,435	-7
Justice	2,040	2,191	2,202	2,277	2,351	75
Commissioner of Main Roads	2,089	2,288	2,299	2,376	2,346	-31
Western Australia Police Force	1,984	2,094	2,133	2,163	2,182	19
Finance	1,884	1,887	1,887	1,898	1,992	94
Mental Health Commission	1,453	1,510	1,514	1,516	1,506	-10
Training and Workforce Development	919	1,031	1,035	1,009	1,007	-2
Transport	840	915	919	827	730	-96
Fire and Emergency Services	596	637	638	660	662	3
Primary Industries and Regional Development	665	772	767	697	641	-56
Biodiversity, Conservation and Attractions	626	642	644	645	597	-49
Local Government, Sport and Cultural Industries	635	666	677	728	578	-151
Energy, Mines, Industry Regulation and Safety	443	473	474	475	478	3
Jobs, Tourism, Science and Innovation	614	546	547	505	460	-45
WA Sports Centre Trust (VenuesWest)	314	327	327	326	342	16
Planning, Lands and Heritage	320	384	384	339	289	-49
Water and Environmental Regulation	287	304	322	306	268	-38
Premier and Cabinet	228	262	263	263	234	-28
Office of the Director of Public Prosecutions	79	83	83	80	78	-3
State Solicitor's Office	64	68	68	67	71	4
Treasury	71	73	73	69	65	-4
WA Planning Commission	65	67	67	67	65	-2
Western Australian Electoral Commission	52	56	56	58	63	6
Public Sector Commission	34	34	34	34	33	-1
Corruption and Crime Commission	34	35	36	36	32	-4
Economic Regulation Authority	20	22	22	22	20	-3
Small Business Development Corporation	20	21	21	20	18	-2
Parliamentary Commissioner for Administrative Investigations	17	17	17	17	15	-1
Registrar, WA Industrial Relations Commission	13	13	13	13	12	-1
Heritage Council of Western Australia	2	7	7	7	8	1
Governor's Establishment	9	9	9	9	8	-1
National Trust of Australia (W.A.)	9	10	10	10	8	-2
Infrastructure WA	6	7	7	7	7	— (a)
Office of the Inspector of Custodial Services	4	4	4	4	4	— (a)
Health and Disability Services Complaints Office	4	5	5	5	4	-1
Commissioner for Children and Young People	4	4	4	4	4	— (a)
Office of the Information Commissioner	3	3	3	3	4	— (a)
Salaries and Allowances Tribunal	1	1	1	1	1	— (a)
Parliamentary Inspector, Corruption and Crime Commission	1	1	1	1	1	— (a)
Rural Business Development Corporation	— (a)	— (a)	1	1	1	— (a)

(a) Amounts are less than \$0.5 million.

Note: Columns/rows may not add due to rounding.

Key Terms Used in the Financial Report

Accrual accounting

An accounting method that records revenue and expenses when they are incurred, regardless of when cash is exchanged. The term 'accrual' refers to any individual entry recording revenue or expense regardless of a cash transaction.

Advances Paid

Loans acquired for policy rather than liquidity management purposes. These include long and short-term loans, non-marketable debentures and long and short-term promissory agreements (bonds and bills) issued by public sector entities to achieve government policy objectives.

Advances Received

Loans/borrowings received from other levels of government or from government entities.

Asset Investment Program

Total public sector purchases of non-financial physical assets (i.e. Western Australia's public sector infrastructure program).

Australian Bureau of Statistics - Government Finance Statistics Manual

The Australian Bureau of Statistics' publication *Australian System of Government Finance Statistics: Concepts, Sources and Methods 2015* contains a comprehensive and definitive guide to the classification of financial aggregates for National Accounts and Government Finance Statistics purposes. Except where a conflict with a current accounting standard arises, the same classifications are applied to the whole-of-government financial data prepared under AASB 1049: *Whole of Government and General Government Sector Financial Reporting*.

Balance sheet

A financial statement that presents the financial position of a sector by detailing the stock of assets, liabilities and equity at the end of a reporting period.

Biological Assets

Biological assets may include commercial forests and any living animal, plant or agricultural produce that is the harvested product of biological assets.

Borrowings

Borrowings refer to interest bearing liabilities mainly raised from public borrowings raised through the Western Australian Treasury Corporation, leases and other interest-bearing arrangements. Borrowings exclude liabilities raised from other government entities (which are recorded as Advances Received).

Capital grants (transfers)

Transactions in which the ownership of an asset (other than cash and inventories) is transferred from one entity to another, to enable the recipient to acquire another asset or in which cash is transferred to enable the recipient to acquire an asset other than inventories, for which no economic benefits of equal value are receivable in return.

Cash flow statement

A financial statement that presents a summary of all cash receipts and payments for a sector in a reporting period.

Cash flow from operating activities

Receipts and payments of cash relating to a reporting entity's operating activities.

Cash flow from investing activities

Relates to the purchase or sale of assets, such as land, buildings and equipment.

Cash flow from financing activities

Shows the cash receipts and payments related to transactions with the providers of finance.

Cash surplus/deficit

Reported in the cash flow statement, the cash surplus/deficit measures the net impact of cash flows (excluding financing activities) during the period. It equals net cash flows from operating activities (things that agencies do on a daily basis as part of their operations) plus net cash flows from the acquisition and disposal of non-financial assets (i.e. infrastructure activities), less distributions paid (i.e. dividends). The Commonwealth Government refers to this aggregate as the 'underlying cash balance' in its publications and is the headline Budget measure for that tier of government. A cash surplus is generally consistent with declining levels of net debt while a cash deficit indicates a need for more borrowing and/or to draw on cash reserves.

Change in net worth

Change in net worth (also known as the 'comprehensive result') is revenue from transactions, less expenses from transactions, plus other economic flows, and measures the variation in the public sector's accumulated assets and liabilities.

Classification of the Functions of Government

The Classification of the Functions of Government classifies expenses and acquisitions of non-financial assets of the public sector and general government sector in terms of the purposes for which the transactions are made. AASB 1049 requires that total assets of the State and the general government sector are also to be allocated to this functional classification where possible to do so (see Notes to the Financial Statements in Appendix 1 of this report). The major groups reflect the broad objectives of government and the groups and sub-groups details the means by which these broad objectives are met.

Consolidated Account

The *Constitution Act 1889* creates the Consolidated Account. Under section 64 of the *Constitution Act 1889*, all moneys due to the State from taxes, charges, imposts, and other sources, and that are not hypothecated by separate legislation, must be credited to the Consolidated Account and can only be expended if authorised by an Appropriation Act or other statute authorising appropriation. The legislation does not impose any restrictions on the purposes for which the Consolidated Account may be appropriated. See also Public Bank Account below.

Consolidated financial statements

The aggregate financial statements for the whole-of-government (and its sub-sectors), including the financial outcomes of public sector agencies. Transactions, assets and obligations between agencies are eliminated on consolidation.

Consumer Price Index

The Consumer Price Index (CPI) measures changes in the price of a 'basket' of goods and services purchased by households. Growth in the CPI is often used as a benchmark estimate of inflation.

Contingent asset

A possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised on the balance sheet. For example, the State may expect to receive a cash benefit as a result of a legal claim that is yet to be settled.

Contingent liability

A potential financial obligation arising out of a condition, situation, guarantee or indemnity, the ultimate effect of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events. Contingent liabilities are not recorded on the balance sheet. Examples include the potential outcomes of pending legal proceedings against the State (or a State agency) and items covered by government guarantees, sureties and indemnities.

Convergence difference

The difference between the amounts recognised in the financial statements (prepared under Australian Accounting Standards) compared with the amounts determined for Government Finance Statistics purposes as a result of differences in definition, recognition, measurement, classification and consolidation principles and rules.

Current grants (transfers)

The provision of something of value for no specific return or consideration (e.g. grants, subsidies and donations).

Defined contribution superannuation plans

Post-employment superannuation benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

Defined benefit superannuation plans

Post-employment superannuation benefit plans other than defined contribution plans.

Derivatives

Financial instruments that are held for trading and valued at fair value at the balance sheet date, in accordance with AASB 9: *Financial Instruments*.

Employee expenses

These expenses include all costs related to employment including wages and salaries, Fringe Benefits Tax, leave entitlements, separation payments, defined benefit superannuation plans and defined contribution superannuation plans.

Expenses

Expenses are defined as transactions that reduce net worth. They represent the cost of day-to-day operations. Purchases of services (other than those that are capitalised as infrastructure) are expenses because the services are consumed when provided and net worth is reduced by the cost of the services. For example, the purchase of labour services (commonly known as 'salaries') is an expense.

Fair value

The price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value through other comprehensive income

Financial assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Fair value through profit and loss

Financial assets are classified and measured at fair value through profit unless they are measured at amortised cost or at fair value through other comprehensive income.

Financial asset

Any asset that is:

- cash;
- an equity instrument of another entity;
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- a contract that will or may be settled in the entity's own equity instruments.

Some highly liquid assets (such as cash or very short-term investments that convert to cash very easily) are treated as an offset to borrowings and other financial instruments, to derive net debt.

Financial liability

Financial obligations to a third party. Includes deposits held on behalf of third parties, advances (loans) received from the Commonwealth, borrowings (including leases), employee entitlements (such as unfunded superannuation liabilities), accounts payable, etc.

Financial Management Act 2006

The Act that sets out the framework for most public sector financial management in Western Australia.

Fiscal aggregates

Analytical balances that are useful for macroeconomic analysis purposes, including assessing the impact of a government and its sectors on the economy. Key fiscal aggregates defined under ABS Government Finance Statistics manual are required to be disclosed under AASB 1049: *Whole of Government and General Government Sector Financial Reporting*. They are net operating balance, net lending-borrowings, net worth, change in net worth due to revaluations, change in net worth due to other changes in the volume of assets, total change in net worth, and the cash surplus/-deficit.

Forward estimates

Estimates of financial aggregates for future years. These assume that there will be no significant change in government policy and are designed to provide a longer-term perspective to the budget process.

Full-time equivalents

One full-time equivalent staff member is the same as one person working full time for one financial year.

General government sector

Defined in Government Finance Statistics as an entity or group of entities which are mainly engaged in the production of goods and/or services outside the normal market mechanism. Government departments are usually recognised as general government sector agencies.

Government Financial Responsibility Act 2000

Western Australian legislation that establishes a framework for government financial planning with a view to improving government financial outcomes and facilitates public scrutiny of government financial policy and performance.

Government Finance Statistics

Refers to financial statistics that measure the financial transactions of governments and reflect the impact of those transactions on other sectors of the economy. Government Finance Statistics in Australia are developed by the ABS, are maintained in conjunction with all governments, and are based on international statistical standards developed by the International Monetary Fund in consultation with member countries.

Grants and subsidies

Transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be of a current or capital nature (see current grants and capital grants).

While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive benefits directly of approximately equal value. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers.

Grants can be paid as general purpose grants which refers to grants which are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Gross borrowing

Loans and debt obligations liabilities, other than advances, created through direct agreements with lenders, the sale of securities and acquisition of leases. Gross borrowing is the largest component of gross debt, used to calculate the State's net debt.

Gross debt

A component of net debt. Gross debt includes borrowings, deposits held on behalf of third parties, and advances (loans) from the Commonwealth. Net debt is derived from gross debt less liquid financial assets.

Gross State Product

Gross State Product (GSP) measures the value of all final goods and services produced within a State. GSP is a common measure of economic activity.

Key fiscal aggregates

Financial aggregates that are important for analysis purposes, including assessing the impact of a government and its sectors on the economy. For example, the net operating balance and net debt which are a focus of the discussion in Western Australia's Budget, Mid-year Review and in this *Annual Report on State Finances*.

Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For example, public sector agencies often lease buildings and vehicles, and record such leased assets on the balance sheets. All related costs and the total remaining lease liability is also recorded in the financial statements.

National partnership payment

A Commonwealth government grant to a State and/or Territory to support the delivery of specified outputs or projects, to facilitate reforms or to reward the delivery of nationally significant reforms. Each national partnership payment is supported by a National Partnership Agreement which defines mutually agreed objectives, outputs and performance benchmarks.

Net acquisition (disposal) of non-financial assets from transactions

Includes purchases (or acquisitions) of non-financial assets less sales (or disposals) of non-financial assets less depreciation plus changes in inventories and other movements in non-financial assets. Purchases and sales (or net acquisitions) of non-financial assets generally include accrued expenses and payables for capital items. Purchases exclude non-produced assets and valuables which are included in other movements in non-financial assets.

Net cash flows from investments in financial assets (liquidity management purposes)

Includes cash receipts from liquidation or repayment of investments in financial assets for liquidity management purposes less cash payments for such investments. Investment for liquidity management purposes means making funds available to others with no policy intent and with the aim of earning a commercial rate of return.

Net cash flows from investments in financial assets (policy purposes)

Includes cash receipts from the repayment and liquidation of investments in financial assets for policy purposes less cash payments for acquiring financial assets for policy purposes. Acquisition of financial assets for policy purposes is distinguished from investments in financial assets (liquidity management purposes) by the underlying motivation for acquiring the assets. Acquisition of financial assets for policy purposes is motivated by Government policies such as encouraging the development of certain industries or assisting citizens affected by natural disaster.

Net debt

Net debt measures the public sector's net stock of selected gross financial liabilities less liquid financial assets. Net debt is derived from the balance sheet as the sum of deposits held, advances received, government securities, loans and borrowings (including lease liabilities), less the sum of cash and deposits, advances paid and investments, loans and placements.

Net financial liabilities

Equals total liabilities less financial assets (other than equity in public corporations and other entities). This measure is broader than net debt as it includes significant liabilities, other than borrowings (for example, accrued employee liabilities such as superannuation and long service leave entitlements).

Net financial worth

Measures the public sector's net holdings of financial assets. It is calculated from the Uniform Presentation Framework balance sheet as financial assets less liabilities. Net financial worth is a broader measure than net debt, as it incorporates provisions (such as superannuation, but excludes depreciation and doubtful debts) as well as holdings of equity. Net financial worth includes all classes of financial assets and liabilities.

Net gains on equity investments in other sector entities

Net gains on equity investments in other sector entities measured at proportional share of the carrying amount of net assets/liabilities represents the net gains relating to the equity held by the general government sector in other sector entities. It arises from a change in the carrying amount of net assets of the subsidiaries. Net gains are measured based on the proportional share of the subsidiary's carrying amount of net assets/liabilities before elimination of inter-sector balances.

Net lending/borrowing

An operating statement measure which includes the net operating balance and spending on capital items. The net lending/borrowing measure more accurately reflects the cash requirements of the public sector in any given year. A net lending (or fiscal surplus) balance indicates that the public sector is saving more than enough to finance all its investment spending. A net borrowing (or fiscal deficit) position indicates that the public sector's level of investment is greater than its level of savings.

Net operating balance

This key financial aggregate is calculated as income from transactions (or revenue) less expenses from transactions. It is a summary measure of the ongoing sustainability of operations and excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to revenue and expense transactions.

Net worth

Net worth is an economic measure of wealth and provides a relatively comprehensive picture of the public sector's overall financial position. It is calculated as total assets less total liabilities less shares and other contributed capital. For the general government sector, net worth is assets less liabilities, since no shares or ownership contribution of capital from a third party exist for the central government.

Operating statement

A financial statement that presents the operating performance of a reporting entity by detailing all items of revenue and expense recognised as they accrue during a reporting period. Also known as the income statement. Cash flows for these accruing operating activities may occur in the same or subsequent reporting period.

Operating result

A measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner movements in equity'.

Other economic flows

The change in the volume or value of assets and liabilities that does not result from operating transactions.

Other revenue

Revenue not elsewhere classified or disclosed.

Public Bank Account

The Public Bank Account (PBA) is administered by the Department of Treasury and Finance and forms the central bank account of the Government of Western Australia. The PBA is created by the *Financial Management Act 2006*, and is divided into component parts and includes the Consolidated Account, Treasurer's Advance and Treasurer's Special Purpose Accounts (collectively referred to as the Public Ledger and detailed in Appendix 7 of this report), and agency Special Purpose Accounts.

Public corporations

Those agencies that are primarily operating in a market and seek to recover a substantial portion of their costs through user charges. They comprise public financial corporations and public non-financial corporations (see below).

Public financial corporations sector

The sector comprises government controlled entities mainly engaged in financial activities, such as providing banking and insurance services. They are able to incur financial liabilities on their own account (e.g. taking deposits, issuing securities or providing insurance services).

Public non-financial corporations sector

The public non-financial corporations sector comprises those non-financial public sector agencies engaged mainly in the production of non-financial goods and services for sale in the market, with an objective to recover at least a significant proportion of operating costs through charges for goods and services.

Public-private partnerships

A term used to describe a method of procuring government infrastructure and associated services through private sector involvement. Public-private partnership (PPPs) create opportunities with the private sector for increasing investment in social and economic infrastructure. The accounting rules for PPPs are complex and are based on case-by-case circumstances. However, PPPs often result in recognition of a lease or other form of borrowing for the public sector balance sheet (which contribute to the calculation of gross and net debt).

Revenue

Revenue is defined as operating transactions that increase net worth or are associated with the acquisition of an economic benefit. Examples include tax collections, Commonwealth grants, royalty income, and fees for goods and services.

Right-of-use asset

Represents a lessee's right to use an asset over the life of a lease. The asset is calculated as the initial amount of the lease liability, plus any lease payments made to the lessor before the lease commencement date, plus any initial direct costs incurred, less any lease incentives received.

Royalty income

A type of rent revenue relating to the use of non-produced sub-soil assets such as mineral deposits.

Sales of goods and services

Refers to revenue from the direct provision of goods and services, and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services and work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets such as buildings and entertainment, but excludes rent income from the use of non-produced assets such as land.

Securities other than shares

Negotiable financial instruments serving as evidence of the obligations to settle by means of providing cash, a financial instrument, or some other item of economic value. The security normally specifies a schedule for interest payments and principal repayments. Examples include bills, bonds and debentures, commercial paper, and securitised mortgage loans.

Service concession arrangement

A service concession arrangement arises where a government or other public sector body contracts with a private operator to develop (or upgrade), operate and maintain infrastructure assets such as prisons or hospitals.

Superannuation concurrent cost

The annual current service cost of accruing employee superannuation entitlements.

Superannuation interest cost

Represents the carrying cost of unfunded superannuation liabilities. Unfunded superannuation is essentially a debt owing to employees which attracts a carrying (or interest) cost. The State of Western Australia has concurrently funded the superannuation costs of almost all of its employees since 1998-99. As a result, superannuation interest costs are anticipated to decline over the next decade as the majority of unfunded entitlements are gradually paid out.

Taxation revenue

Taxation revenue represents revenue received from the State's taxpayers and includes payroll tax, land tax, duties levied principally on conveyances and land transfers, gambling taxes levied mainly on private lotteries and racing, insurance duty relating to compulsory third party policies, motor vehicle taxes, including registration fees and duty on registrations and transfers, levies on statutory corporations in other sectors of government and other taxes, including landfill levies, licence and concession fees.

Tax equivalents regime

The mechanism to ensure that public corporations incur similar tax liabilities as privately owned organisations that are exposed to the tax system. Under these arrangements, greater parity exists between the cost structures of public sector trading entities and the private sector, aiding in the achievement of competitive neutrality.

Total change in net worth

The net result of all items of income and expense recognised for the period. This is sometimes also referred to as the 'Comprehensive Result'. It is the aggregate of operating result and other movements in equity, other than transactions with owners as owners. It is equivalent to the change in the total value of assets less the total value of liabilities on the balance sheet.

Total non-financial assets

Assets that are not 'financial assets', predominantly land and other fixed assets.

Total non-financial public sector

The total non-financial public sector represents the consolidated transactions and assets and liabilities of the general government and public non-financial corporations sectors. In compiling statistics for the total non-financial public sector, transactions and debtor/creditor relationships between sub-sectors are eliminated.

Transactions

Transactions are those economic flows that are considered to arise from an interaction between two entities by mutual agreement. They also include flows within an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset.

Taxation is regarded as mutually agreed interactions between the public sector and tax payers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is in cash.

Uniform Presentation Framework

The Uniform Presentation Framework (UPF) was first agreed by the Australian Loan Council in 1993. The current UPF incorporates the use of accounting standard AASB 1049: *Whole of Government and General Government Sector Financial Reporting* and specifies that Commonwealth, State and Territory governments will present a minimum set of budget and financial outcome information on AASB 1049 and Government Finance Statistics bases according to an agreed format specified by Australian Loan Council reporting arrangements.

Whole-of-government financial report

A financial report prepared by a government that is prepared in accordance with Australian Accounting Standards and thereby separately recognises assets, liabilities, income, expenses and cash flows of all entities under the control of the government on a line-by-line basis.

