

Part 12

Utilities

Introduction

The Utilities portfolio comprises the six State-owned electricity and water utilities, providing homes and businesses with access to safe, reliable and efficient services. The portfolio maintains the capacity and reliability of its assets, and invests in infrastructure and new and emerging technologies to support the State. It plays a central role in the economic development of the State and in improving the living standards of the community.

Summary of Recurrent and Asset Investment Expenditure

Agency	2025-26 Estimated Actual \$'000	2026-27 Budget Year \$'000
Synergy		
– Asset Investment Program	629,270	199,421
Western Power		
– Asset Investment Program	2,026,015	2,322,916
Horizon Power		
– Asset Investment Program	173,079	141,333
Water Corporation		
– Asset Investment Program	2,068,492	2,681,092
Bunbury Water Corporation		
– Asset Investment Program	18,870	36,967
Busselton Water Corporation		
– Asset Investment Program	10,998	6,565

Ministerial Responsibilities

Minister	Agency	Services
Minister for Energy and Decarbonisation; Manufacturing; Skills and TAFE; Pilbara	Synergy	n.a.
	Western Power	n.a.
	Horizon Power	n.a.
Minister for Aboriginal Affairs; Water; Climate Resilience; South West	Water Corporation	n.a.
	Bunbury Water Corporation	n.a.
	Busselton Water Corporation	n.a.

Synergy

Part 12

Utilities

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
REVENUE TO GENERAL GOVERNMENT SECTOR ^(a)							
Local Government Rates Equivalent	687	640	640	640	640	640	614
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Operating Subsidies ^{(b)(c)}	1,217,420	715,136	692,526	670,832	573,006	305,939	272,672
Other Subsidies ^(d)	6,163	7,900	6,500	6,600	6,700	6,800	6,800
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contributions	983,648	419,538	486,231	142,131	-	-	-
Major Treasurer's Special Purpose Account(s)	173,102	102,255	108,150	-	-	-	-
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	3,535,145	3,659,000	3,622,492	3,766,287	3,972,190	4,069,893	4,224,142
Revenue from Government	1,223,583	726,801	702,791	677,947	579,706	312,739	279,472
Total Expenses ^(e)	5,537,655	4,650,458	4,696,604	4,699,847	4,779,751	4,738,586	4,735,982
Total Borrowings	476,130	746,050	880,934	1,180,493	1,339,363	1,602,581	1,706,364
NET PROFIT AFTER TAX	(778,927)	(264,657)	(371,321)	(255,613)	(227,855)	(355,954)	(232,368)
CASH ASSETS ^(f)	206,256	196,890	194,000	194,000	194,000	194,000	194,000

(a) No income tax is projected to be payable over the forward estimates period as Synergy is not expected to return taxable profits.

(b) Synergy received operating subsidies in 2024-25 and 2025-26 primarily for administering the electricity bill relief for residential and small business customers.

(c) Synergy also receives operating subsidies for the System Security Transition Payment, Non-Co-Optimised Essential System Services and Cost Growth Assistance Payments.

(d) Other subsidies include amounts from Communities for the Hardship Utility Grant Scheme.

(e) Excludes current tax expense, deferred tax expense and dividend payments.

(f) As at 30 June each financial year.

Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on Synergy's Income Statement since presentation of the 2025-26 Budget to Parliament on 19 June 2025, are outlined below:

	2025-26	2026-27	2027-28	2028-29	2029-30
	Estimated	Budget	Outyear	Outyear	Outyear
	Actual	Year	\$'000	\$'000	\$'000
	\$'000	\$'000			
Key Adjustments					
Energy Ahead Program Extension	(2,161)	(4,332)	(4,417)	(4,775)	-
Financial Subsidies - Cost Growth Assistance Payment	-	(176,000)	(179,500)	-	-
Financial Subsidies, Rebates and Concessions	17,005	(9,627)	(24,442)	(36,186)	(11,805)
Lithium Industry Support Program	7,767	(10,050)	-	-	-

Significant Initiatives

Energy Transition

1. Synergy is supporting the State to become a renewable energy powerhouse and is accelerating the transition of the South West Interconnected System (SWIS) through large-scale renewable generation, storage and firming capacity.

WA Residential Battery Scheme

2. Synergy customers are continuing to play a key role in helping to deliver a clean energy future and put downwards pressure on power bills. To support households to purchase residential batteries and deliver Western Australia's clean energy transition, the Government is offering one-off rebates for Synergy customers.

Investing in Western Australia's Energy Future

3. Synergy has secured the next wave of renewable energy to keep Western Australia's energy supply affordable and reliable. Through Power Purchase Agreements Synergy is backing investment in the renewables that will power the South West of the State to transition away from State-owned coal-fired power by 2030.

Lithium Industry Support Program

4. The Government is committed to supporting the State's lithium industry by providing fee waiver support to lithium miners during the ramp-up phase of production and downstream processing for up to 36 months. Through the Lithium Industry Support Program, Government Trading Enterprises (GTEs), including Synergy, will temporarily waive government fees to support the continuation of downstream processing of lithium for up to three years, with a total value of approximately \$100 million.

Financial Sustainability

5. Synergy receives operating subsidies to fund its non-commercial Government obligations and for rebates and concessions to customers that it administers on behalf of the Government.
 - 5.1. Operating subsidies support revenue shortfalls due to limiting the impact of market cost increases on residential and small business customers in the SWIS. A new Cost Growth Assistance Payment (CGAP) subsidy commencing in 2026-27 will be provided to Synergy to partially support the cost growth pressures not recoverable through the regulated residential tariff. Additionally, a new operating subsidy will also commence in 2026-27 for the unrecoverable impact of the new Tranche 8 market rules to increase battery availability requirements from four to six hours.
 - 5.2. The Government supports Synergy customers experiencing financial hardship or receiving concessions through various subsidies and programs.

Annual Performance Statement

The following performance information is the subject of an Annual Performance Statement adopted by the GTE.

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad Government Goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between Synergy's Strategic Objectives and Desired Outcomes and the Government Goal it contributes to. The Key Performance Indicators measure the extent of the impact of outcomes on the achievement of the GTE's objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Delivering Strong Financial and Economic Management: Diversifying our economy and making more things in WA.	Sensibly managing the Budget to set the State up for the long-term future.	1. Financial performance
	Build a skilled workforce for the future.	2. Increase organisational diversity
	Living in the healthiest State in the nation.	3. Employee safety
	Deliver well planned liveable communities, and integrated transport networks.	4. Customer service
Protecting and Restoring Our Environment.	Becoming a renewable energy powerhouse.	5. Protecting our environment

Outcomes and Key Performance Indicators

	2024-25 Actual	2025-26 Budget	2025-26 Estimated Actual	2026-27 Budget Target	Note
Outcome: Financial performance:					
Earnings before interest, taxes, depreciation, and amortisation (EBITDA) (\$ million) equal or greater than	(41.7)	(17.1)	(95.4)	72.2	1,2
EBITDA margin equal or greater than.....	(1.1%)	(0.4%)	(2.2%)	1.6%	1,2
Net Profit After Tax (NPAT) margin equal or greater than	(4.9%)	(6%)	(8.6%)	(5.8%)	1,2
Outcome: Increase organisational diversity:					
Diversity index met ^(a)	3/5	5/5	4/5	5/5	
Outcome: Employee safety:					
Recordable Injury Frequency Rate equal or less than.....	4.1	2.6	2.6	2.6	
Outcome: Customer service:					
Customer Effort Score (CES) ^(b)	72	≥69.9	≥70.5	≥69.9	
Outcome: Protecting our environment:					
Reduce emissions by 80% by 2030 (from 2020 levels) (kilotonnes of CO ₂ equivalent) ^(c)	4,315	≤4,652	3,859	3,587	

(a) Scoring where each item is scored 0 if not met, or 1 if met (i.e. pass/fail) for the following metrics: greater than 20 Aboriginal and Torres Strait Islander employees, women in senior leadership representing more than 45% of the leadership group, employees with disclosed disability representing more than 5% of the workforce, an inclusivity measure of greater than 60%, and award 4.5% of new contracts equal or greater than \$50,000 to Aboriginal and Torres Strait Islander businesses.

(b) CES is the metric Synergy uses to understand customer processes and experiences. CES is the percentage of survey respondents who provided a score of 9 or 10 out of a 0 to 10 point rating for the question 'How easy was it to interact with Synergy?'

(c) The 2026-27 target is based on Synergy's estimated gigawatt-hours output for the financial year. The actual emissions result is impacted by factors outside of Synergy's control including availability of other market participants, system demand and weather.

Explanation of Significant Movements

(Notes)

1. The 2024-25 Actual excludes the impacts arising from the impairment of non-current assets, additional provision for onerous contracts and share of profit from joint ventures.
2. The 2025-26 Estimated Actual is lower than the 2024-25 Actual due to increased network costs, capacity cost, market fees and fuel prices. The 2026-27 Budget Target is higher than the 2025-26 Estimated Actual due to the approval of additional subsidies partially covering the gap between the higher costs not recovered from Synergy's regulated tariff revenue.

Asset Investment Program

Investment in Renewable Assets

1. Over the forward estimates period, Synergy forecasts investing \$132.2 million to complete the King Rocks Wind Farm.

Generation and Storage

2. Synergy's portfolio includes coal, gas, liquid fuel, renewable energy and battery storage assets. The expenditure in 2025-26 to maintain these assets is forecast to be \$70.7 million. A total of \$63.6 million is projected to be invested in 2026-27, with \$53.1 million allocated over the outyears. Major investments over 2026-27 to 2029-30 include:
 - 2.1. \$72.5 million for Cockburn Power Station and Pinjar Power Station to replace gas turbine blades and other critical components;
 - 2.2. \$14.8 million for various other generation infrastructure including upgrades of site security and systems for asset optimisation;
 - 2.3. \$13.8 million at Muja Power Station to refurbish generator rotors;
 - 2.4. \$10.6 million at Kwinana Power Station for gas turbine parts and protection system upgrades; and
 - 2.5. \$5 million for battery energy storage system maintenance.

Corporate

3. Over the forward estimates period, \$12 million will be spent on upgrading ICT infrastructure, ongoing ICT capital expenditures and investment in the Security of Critical Infrastructure remediation program.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-26 \$'000	2025-26 Estimated Expenditure \$'000	2026-27 Budget Year \$'000	2027-28 Outyear \$'000	2028-29 Outyear \$'000	2029-30 Outyear \$'000
WORKS IN PROGRESS							
Corporate							
Business Systems Replacement	89,689	83,197	4,500	1,564	1,764	3,164	-
Property, Plant and Equipment	28,405	24,525	-	-	1,940	1,940	-
Decarbonisation							
Decarbonisation - Other Minor Investment.....	896	448	448	448	-	-	-
King Rocks Wind Farm.....	503,347	371,151	300,779	132,131	21	22	22
Generation							
Cockburn Gas Turbine	153,325	101,980	23,500	9,846	8,788	13,030	19,681
Kwinana Power Station	85,784	75,191	4,716	8,414	965	829	385
Maintenance of Battery Energy Storage System	10,000	5,000	5,000	5,000	-	-	-
Muja Power Station	172,732	158,910	5,300	13,577	245	-	-
Other Generation Infrastructure Projects	94,972	80,186	4,567	11,540	1,765	1,481	-
Pinjar Gas Turbine	120,894	99,726	24,601	15,251	2,439	1,544	1,934
COMPLETED WORKS							
Decarbonisation							
Collie Battery Energy Storage System 1	1,612,573	1,612,573	247,482	-	-	-	-
Kwinana Battery Energy Storage System 2	652,808	652,808	5,366	-	-	-	-
Generation - Collie Power Station	82,255	82,255	3,011	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-26 \$'000	2025-26 Estimated Expenditure \$'000	2026-27 Budget Year \$'000	2027-28 Outyear \$'000	2028-29 Outyear \$'000	2029-30 Outyear \$'000
NEW WORKS							
Corporate - Security of Critical Infrastructure Remediation Program	1,650	-	-	1,650	-	-	-
Total Cost of Asset Investment Program	3,609,330	3,347,950	629,270	199,421	17,927	22,010	22,022
FUNDED BY							
Capital Appropriation			471,231	132,131	-	-	-
Internal Funds and Balances			64,889	67,290	17,927	22,010	22,022
Major Treasurer's Special Purpose Account(s) Climate Action Fund			93,150	-	-	-	-
Total Funding			629,270	199,421	17,927	22,010	22,022

Financial Statements

Income Statement

Revenue

- The 2025-26 Estimated Actual and the 2026-27 Budget have been updated to include more recent forecasts for demand and dispatch across the SWIS. These updates also incorporate higher forecasts for market, fuel, and network access prices, as well as the impact of market regulations, requirements and the provision of market services.
- Operating subsidies include the State and Commonwealth Government household and small business cost of living bill relief in 2025-26 (\$168.1 million), as well as subsidies to support Synergy's financial sustainability.

Expenses

- The 2024-25 Actual net loss before tax (NLBT) of \$778.9 million includes the impairment of non-current assets of \$521.8 million due to impairing the book value of coal-fired generation assets to nil. This impairment loss includes \$501.5 million associated with the expected cost of decommissioning Synergy's coal-fired generation assets. The NLBT also includes an additional provision for onerous contracts of \$72.3 million and a share of profit from joint ventures of \$2.2 million. Excluding the one-off benefits and charges, the loss before tax was \$186.6 million.

Statement of Financial Position

- Property, plant and equipment include the capital cost of the decarbonisation assets, while the associated contributions from the Government are included in equity.
- Non-current borrowings have increased to support Synergy's working capital requirements and operating cash outflows.
- Long-term other liabilities have increased reflecting Synergy's decommissioning provision recognised in 2024-25 Actuals.

Statement of Cashflows

- Synergy's cashflows are supported by a combination of borrowings, subsidies and equity contributions.

INCOME STATEMENT (a)
(Controlled)

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
REVENUE							
Revenue from operations							
Sale of goods and services.....	3,494,039	3,645,749	3,607,961	3,752,097	3,957,680	4,055,120	4,209,091
Other revenue	41,106	13,251	14,531	14,190	14,510	14,773	15,051
Revenue from Government							
Operating subsidies.....	1,217,420	715,136	692,526	670,832	573,006	305,939	272,672
Other subsidies	6,163	11,665	10,265	7,115	6,700	6,800	6,800
TOTAL REVENUE.....	4,758,728	4,385,801	4,325,283	4,444,234	4,551,896	4,382,632	4,503,614
Expenses							
Employee benefits ^(b)	170,334	179,324	179,324	187,881	193,624	193,779	181,054
Grants and subsidies.....	941,391	276,000	276,249	123,154	128,253	133,715	134,252
Supplies and services	3,673,486	3,815,961	3,817,688	3,913,351	3,968,311	3,913,251	3,919,808
Accommodation	1,433	1,312	1,312	1,331	1,352	1,351	1,296
Depreciation and amortisation	593,516	151,292	162,556	190,658	201,870	202,245	206,351
Finance and interest costs.....	87,264	96,336	113,411	137,148	163,054	178,636	187,297
Other expenses.....	70,231	130,233	146,064	146,324	123,287	115,609	105,924
TOTAL EXPENSES.....	5,537,655	4,650,458	4,696,604	4,699,847	4,779,751	4,738,586	4,735,982
NET PROFIT/(LOSS) BEFORE TAX	(778,927)	(264,657)	(371,321)	(255,613)	(227,855)	(355,954)	(232,368)

(a) Full audited financial statements are published in Synergy's Annual Report.

(b) The full-time equivalents for 2024-25 Actual, 2025-26 Estimated Actual and 2026-27 Budget Year are 1,108, 1,204 and 1,297 respectively.

STATEMENT OF FINANCIAL POSITION (a)
(Controlled)

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
CURRENT ASSETS							
Cash assets	206,256	196,890	194,000	194,000	194,000	194,000	194,000
Receivables	334,378	174,228	207,469	229,678	253,364	285,987	365,112
Assets held for sale	3,111	-	3,111	3,111	3,111	3,111	3,111
Other	385,841	244,000	266,674	357,705	370,228	385,463	328,898
Total current assets	929,586	615,118	671,254	784,494	820,703	868,561	891,121
NON-CURRENT ASSETS							
Property, plant and equipment	2,862,633	3,375,416	3,416,084	3,425,334	3,242,511	3,060,232	2,878,986
Intangibles	11,841	94	11,599	11,114	9,996	12,041	8,959
Other	47,646	59,145	56,972	59,027	61,090	63,153	65,532
Total non-current assets	2,922,120	3,434,655	3,484,655	3,495,475	3,313,597	3,135,426	2,953,477
TOTAL ASSETS	3,851,706	4,049,773	4,155,909	4,279,969	4,134,300	4,003,987	3,844,598
CURRENT LIABILITIES							
Employee provisions	47,001	30,790	46,418	46,230	45,773	45,084	43,923
Payables	395,747	213,992	225,500	237,736	243,865	257,431	241,238
Borrowings and leases	102,321	24,648	102,321	102,321	102,321	102,321	102,321
Interest payable	3,318	2,422	4,333	5,248	6,743	7,474	7,474
Other	365,670	398,040	385,571	396,985	378,948	367,733	368,894
Total current liabilities	914,057	669,892	764,143	788,520	777,650	780,043	763,850
NON-CURRENT LIABILITIES							
Employee provisions	30,227	30,650	30,107	30,107	30,107	30,107	30,107
Borrowings and leases	551,155	829,374	933,272	1,210,446	1,348,444	1,587,801	1,682,879
Other	1,469,185	697,418	1,330,987	1,266,978	1,222,036	1,205,927	1,200,021
Total non-current liabilities	2,050,567	1,557,442	2,294,366	2,507,531	2,600,587	2,823,835	2,913,007
TOTAL LIABILITIES	2,964,624	2,227,334	3,058,509	3,296,051	3,378,237	3,603,878	3,676,857
NET ASSETS	887,082	1,822,439	1,097,400	983,918	756,063	400,109	167,741
EQUITY							
Contributed equity	3,570,836	4,165,421	4,152,475	4,294,606	4,294,606	4,294,606	4,294,606
Accumulated surplus/(deficit)	(2,685,406)	(2,322,657)	(3,056,727)	(3,312,340)	(3,540,195)	(3,896,149)	(4,128,517)
Reserves	1,652	(20,325)	1,652	1,652	1,652	1,652	1,652
TOTAL EQUITY	887,082	1,822,439	1,097,400	983,918	756,063	400,109	167,741

(a) Full audited financial statements are published in Synergy's Annual Report.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	3,543,940	3,493,825	3,631,087	3,575,872	3,770,655	4,062,630	4,317,029
GST receipts	526,766	415,393	414,393	473,737	502,681	459,033	456,491
Other receipts	22,804	7,983	12,180	11,728	12,310	8,391	8,669
Payments							
Employee benefits.....	(170,297)	(159,564)	(179,331)	(187,469)	(193,348)	(193,772)	(181,665)
Supplies and services	(3,768,266)	(3,856,562)	(4,152,825)	(4,015,597)	(3,990,714)	(4,091,731)	(4,158,088)
Accommodation ^(b)	(746)	(410)	(410)	(410)	(433)	(433)	(433)
GST payments	(520,638)	(442,103)	(441,103)	(473,661)	(502,682)	(459,031)	(456,491)
Finance and interest costs.....	(34,692)	(31,752)	(30,155)	(57,704)	(83,814)	(104,533)	(117,434)
Other payments.....	(992,828)	(362,559)	(380,092)	(241,847)	(236,279)	(236,235)	(231,050)
Net cash from operating activities	(1,393,957)	(935,749)	(1,126,256)	(915,351)	(721,624)	(555,681)	(362,972)
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds from sale of non-current assets.....	4,021	-	-	-	-	-	-
Other receipts	-	3,281	3,281	2,295	2,306	2,379	2,379
Payments							
Purchase of non-current assets	(1,189,519)	(568,436)	(629,270)	(199,421)	(17,927)	(22,010)	(22,022)
Other payments.....	(1)	(30,000)	(30,000)	(10,000)	-	-	-
Net cash from investing activities.....	(1,185,499)	(595,155)	(655,989)	(207,126)	(15,621)	(19,631)	(19,643)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Proceeds from borrowings.....	665,000	308,795	529,803	424,559	283,870	388,218	228,783
Payments							
Repayment of borrowings and leases	(350,003)	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)
Net cash from financing activities.....	314,997	183,795	404,803	299,559	158,870	263,218	103,783
CASHFLOWS FROM GOVERNMENT ACTIVITIES							
Receipts							
Operating subsidies.....	1,152,899	778,483	774,124	674,502	571,818	305,934	272,672
Equity contributions	983,648	419,538	486,231	142,131	-	-	-
Other subsidies	6,163	11,665	10,265	7,115	6,700	6,800	6,800
Major Treasurer's Special Purpose Account(s)							
Climate Action Fund	173,102	102,255	108,150	-	-	-	-
Payments							
National Tax Equivalent Regime - Income Tax	359	-	-	-	-	-	-
Local Government Rates Equivalent.....	(767)	(842)	(842)	(830)	(143)	(640)	(640)
Receipts paid into Consolidated Account.....	-	-	(12,742)	-	-	-	-
Net cash provided to Government	(2,315,404)	(1,311,099)	(1,365,186)	(822,918)	(578,375)	(312,094)	(278,832)
NET INCREASE/(DECREASE) IN CASH HELD	50,945	(36,010)	(12,256)	-	-	-	-
Cash assets at the beginning of the reporting period	155,311	232,900	206,256	194,000	194,000	194,000	194,000
Cash assets at the end of the reporting period	206,256	196,890	194,000	194,000	194,000	194,000	194,000

(a) Full audited financial statements are published in Synergy's Annual Report.

(b) Payment of Local Government Rates Equivalent is included within accommodation expense on the Income Statement; however, within the Statement of Cashflows it is recorded as a payment to Government and not as a payment from operating activities.

Western Power

Part 12 Utilities

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax	79,724	164,251	145,631	163,789	154,524	202,826	166,923
Local Government Rates Equivalent	2,025	1,769	1,769	1,813	1,858	1,904	1,952
Dividends ^{(a)(b)(c)(d)}	71,399	362,118	203,975	405,307	249,940	316,294	279,468
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Other Subsidies	1,730	-	2,478	2,223	-	-	-
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contributions	174,329	599,001	647,041	328,445	210,584	179,136	189,782
RATIOS							
Dividend Payout Ratio (%)	75	75	75	75	75	75	75
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	2,268,116	2,479,360	2,461,288	2,667,890	2,767,802	2,992,699	2,949,473
Revenue from Government	2,754	-	2,478	2,223	-	-	-
Total Expenses ^(e)	1,779,404	1,885,340	1,930,511	2,101,436	2,215,476	2,262,251	2,358,599
Total Borrowings	7,960,930	8,388,182	8,603,152	9,873,451	10,793,172	10,814,187	10,990,346
NET PROFIT AFTER TAX	338,089	417,835	375,297	398,013	386,634	512,733	414,812
CASH ASSETS ^(f)	304,423	297,971	320,047	314,944	352,307	412,742	362,743

(a) In determining dividend payments to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.

(b) The interim dividend for 2024-25 was paid as a final dividend for 2024-25 in December 2025.

(c) The interim dividend for 2025-26 will be paid as a final dividend for 2025-26 in December 2026.

(d) Western Power will retain \$50 million in dividends annually from 2024-25 to 2029-30 (\$300 million in total) for the Housing Enabling Infrastructure Fund, with \$100 million approved at the 2026-27 Budget.

(e) Excludes current tax expense, deferred tax expense and dividend payments.

(f) As at 30 June each financial year.

Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on Western Power's Income Statement since presentation of the 2025-26 Budget to Parliament on 19 June 2025, are outlined below:

	2025-26 Estimated Actual \$'000	2026-27 Budget Year \$'000	2027-28 Outyear \$'000	2028-29 Outyear \$'000	2029-30 Outyear \$'000
Key Adjustments					
Asset Investment Program Uplift					
Growth (Customer Driven).....	-	38,685	(6,212)	20,627	19,637
Structural (Capacity Expansion)	-	(3,032)	(10,100)	-	-
Sustaining	-	(5,582)	(11,959)	(20,603)	(21,924)
Clean Energy Link - Kemerton Strategic Industrial Area	-	(20)	(315)	(872)	(1,701)
Eastern Goldfields Reliability.....	(660)	(21,544)	(25,927)	5,760	11,318
Housing Enabling Infrastructure Fund	-	(1,591)	(4,456)	(56,281)	(58,012)
Other					
2025-26 Interim Dividend Deferral.....	(171,662)	171,662	-	-	-
2026-27 Tariff, Fees and Charges.....	-	1,262	268	19	17
Asset Investment Program Update.....	(5,767)	(12,692)	(13,821)	(13,887)	(13,813)
Dividend Update	26,339	(1,095)	(1,214)	(1,231)	(1,249)
Equity Update	(158)	(93)	506	1,367	2,446
Interest Parameter Update.....	9,993	10,509	7,779	2,788	8,585
Operational Maintenance Uplift	(19,337)	(46,713)	(28,780)	(5,440)	(1,066)
Perth Office.....	-	11,897	(11,770)	(5,758)	7,888
Reversal of Assumed Transmission Network Tariff Revenue.....	(17,976)	(41,375)	-	-	-
Tariff Revenue Forecast Update.....	2,747	620	32,720	89,565	19,142
Westport - Anketell Road - Stage 1A.....	-	-	-	(889)	(1,039)

Significant Initiatives

Growth in Customer Driven Connection Demand

1. The Government has allocated \$1.4 billion to the Clean Energy Fund to support the delivery of Clean Energy Link projects, with funding to be allocated subject to future investment decisions. The Clean Energy Link program will enable integration of large-scale renewables and storage and support new industrial loads. This includes facilitating industry operations across priority Strategic Industrial Areas (SIAs) in line with Government's policy priorities.
2. Supporting the Government to increase housing supply in Western Australia is a key priority for Western Power. Investment of \$428.2 million will enable delivery of electricity infrastructure needed to connect new homes, businesses, industry and renewable projects. This investment covers connections for new land subdivisions, upgrades to existing connections and new commercial and business connections.

Housing Enabling Infrastructure Fund

3. In addition to Western Power's investment to increase housing supply, the Government, through the Housing Enabling Infrastructure Fund (HEIF), has allocated \$247.3 million to unlock land supply. This includes \$48.5 million to deliver new distribution feeders across three priority growth fronts in East Wanneroo, North Ellenbrook, and North-East Baldivis, and \$100 million for activation works at METRONET station precincts. An additional \$83.2 million will also support planning, scoping and land acquisition activities for zone substations in North Ellenbrook and East Wanneroo. These activities support the Government's priority of increasing housing supply across Western Australia. A portion of residential lots will be reserved for first home buyers, funded by the Commonwealth Government's 100,000 Homes for First Home Buyers program.
4. Western Power will retain an additional \$50 million in dividends in 2028-29 and 2029-30 (\$100 million in total) for the HEIF to fund the activation works for METRONET station precincts. This takes the total retained dividends to \$300 million across 2024-25 to 2029-30.

Clean Energy Link - Kemerton Strategic Industrial Area

- As part of the Government's Made in WA plan, \$55 million is being spent to install a replacement higher capacity transformer and improve network reliability in the Kemerton SIA. This is part of key enabling works for Clean Energy Link and the future Kemerton SIA Activation.

Eastern Goldfields Reliability

- Delivery of backup power generation to ensure longer-term electricity supply reliability in the Eastern Goldfields.

Annual Performance Statement

The following performance information is the subject of an Annual Performance Statement adopted by the Government Trading Enterprise (GTE).

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad Government Goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between Western Power's Strategic Objectives and Desired Outcomes and the Government Goal it contributes to. The Key Performance Indicators measure the extent of the impact of outcomes on the achievement of the GTE's objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Delivering Strong Financial and Economic Management: Diversifying our economy and making more things in WA.	Ensure business and financial sustainability.	1. Optimise the use of Western Power's assets to deliver our services
	Develop a strong energy industry workforce.	2. Provide a workplace that engages its employees
Protecting and Restoring Our Environment.	Connect more renewables to decarbonise our community.	3. Increase the proportion of all electricity needs met by renewable energy, through tracking of total electricity generation in the South West Interconnected System (SWIS)
Delivering Quality Infrastructure and Services Across Our State.	Ensure the safety of our people and community.	4. Minimise injuries impacting our people and their ability to deliver services to the community
	Provide reliable customer supply to enable WA.	5. Maintain availability of customer supply across the South West Interconnected Network (SWIN)

Outcomes and Key Performance Indicators ^(a)

	2024-25 Actual	2025-26 Budget	2025-26 Estimated Actual	2026-27 Budget Target	Note
Outcome: Optimise the use of Western Power's assets to deliver our services:					
Return on regulated asset base ^(b)	5.28%	≥5.67%	5.76%	≥5.9%	
Outcome: Provide a workplace that engages its employees:					
Employee engagement ^(c)	69%	≥76%	n.a.	≥72%	1
Outcome: Increase the proportion of all electricity needs met by renewable energy, through tracking of total electricity generation in the SWIS:					
Percentage of renewables in the network.....	40%	≥43%	42.5%	≥43%	
Outcome: Minimise injuries impacting our people and their ability to deliver services to the community:					
Total recordable injury frequency rate ^(d)	8.1	≤8.2	10.7	≤8.2	2
Outcome: Maintain availability of customer supply across the SWIN:					
Network availability.....	99.92%	≥99.9%	99.9%	≥99.9%	

(a) The 2025-26 Estimated Actual reflects data available as at the end of February 2026.

(b) The 2026-27 Budget Target is pending Western Power's Board approval in June 2026 and once approved will be noted in the Annual Performance Statement.

(c) Reflects the broader employee experience to engage and retain Western Power's workforce.

(d) Measurement of the number of 'recordable' injuries per one million hours worked, where 'recordable' injuries include fatalities, lost time injuries, restricted work injuries and medical treatment injuries.

Explanation of Significant Movements

(Notes)

- Employee engagement across the entire employee population is currently measured once annually in the June quarter of the financial year. As it cannot be estimated, no 2025-26 Estimated Actual has been disclosed. Actual performance will be reported in Western Power's 2026 Annual Report.
- Improvements in injury severity have been offset by a higher volume of minor recordable injuries, resulting in a movement in total recordable injury frequency rate (TRIFR). Western Power remains focused on delivering targeted programs to improve overall TRIFR outcomes.

Asset Investment Program

- Western Power's Asset Investment Program (AIP) supports the Government's priorities to deliver safe and reliable electricity services, enable housing, industry and economic growth, and progress the clean energy transition across the South West Interconnected System.
- The AIP sets out planned capital investment for the 2026-27 Budget Year and projections over the forward estimates period, guided by Western Power's Asset Management Framework. It funds both the renewal of ageing assets, critical to maintaining safety, reliability and compliance, and targeted network expansion to support increased electrification and the integration of distributed energy resources and large-scale renewable generation.
- Western Power's capital investment is subject to Western Australia's economic regulatory framework, with the Economic Regulation Authority (ERA) providing independent oversight. Through the Access Arrangement process, the ERA reviews forecast expenditure and sets service performance targets, network tariffs and charges. The current Fifth Access Arrangement (AA5) covers 2022-23 to 2027-28, which includes a one-year deferral.

4. Investment is grouped into three categories reflecting the strategic intent of expenditure:
 - 4.1. Growth capital expenditure: investment to expand the network to enable decarbonisation, electrification, housing enablement and customer connections;
 - 4.2. Structural capital expenditure: new or emerging requirements in response to changing energy market conditions, legislative obligations, and other external drivers; and
 - 4.3. Sustaining capital expenditure: ongoing renewal and essential investment to maintain safety, reliability and compliance.
5. Supporting funding categories provide additional transparency on the underlying drivers of investment.
6. In the 2026-27 Budget Year, Western Power's AIP totals \$2.3 billion, comprising \$1.1 billion for Growth capital expenditure, \$1.1 billion for Sustaining capital expenditure and \$110 million for Structural capital expenditure. Funding for 2028-29 and 2029-30 is subject to the ERA's determination on the Sixth Access Arrangement (AA6) and anticipated future allocations to the Clean Energy Link from the Clean Energy Fund.

Growth Capital Expenditure

7. Growth capital expenditure (totalling \$2.5 billion over the forward estimates period) is primarily driven by the energy transition and Government priorities.
8. Growth funding subcategories include Clean Energy Link, housing, customer-funded projects and the Commonwealth Government's Community Batteries for Household Solar Program.
9. Clean Energy Link investment supports the State's decarbonisation objectives through transmission development and associated preparatory works.
10. Housing projects include new distribution feeders and zone substations to enable residential development and expand supply capacity in support of the Government's housing objectives.
11. The Commonwealth Government's Community Batteries program supports households to store excess solar energy for use during peak times, reducing emissions and easing pressure on the network.

Structural Capital Expenditure

12. Structural capital expenditure, totalling \$248 million over the forward estimates period, covers new works not included in the AA5 forecast where requirements were not sufficiently certain or not foreseen at the time budgets were aligned to AA5.
13. Structural capital expenditure primarily consists of key enabling infrastructure, including transformer upgrades and new substations in the Goldfields and South West. This expenditure also covers housing works driven by incremental load growth of existing customers. It also includes funding to lease and fit out new office accommodation in the Perth CBD.

Sustaining Capital Expenditure

14. Sustaining capital expenditure, totalling \$4 billion over the forward estimates period, preserves the integrity and performance of the existing network and supports Western Power to meet statutory obligations. It represents essential ongoing investment to maintain safety, reliability and compliance. This investment underpins day-to-day service delivery across the network and strengthens Western Power's ability to respond to extreme weather and operational risks.
15. Expenditure covers management and replacement of key assets across the network including poles, wires and substations as well as deployment of advanced metering infrastructure, standalone power systems and the Targeted Underground Power Program.
16. Sustaining programs are delivered through recurring, discrete and volumetric work streams and, in aggregate, address only a small portion of the total asset base each year. This risk-based approach maintains current levels of safety and reliability, supports compliance obligations and sustains delivery capability.

17. Sustaining investment also supports enabling systems and operational technology essential for safe network operation (including ICT, Supervisory Control and Data Acquisition (SCADA) and communications), as well as metering programs that support accurate billing and safety monitoring. Continued investment in these systems reduces exposure to service disruption and strengthens operational resilience.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-26 \$'000	2025-26 Estimated Expenditure \$'000	2026-27 Budget Year \$'000	2027-28 Outyear \$'000	2028-29 Outyear \$'000	2029-30 Outyear \$'000
WORKS IN PROGRESS							
Growth							
Clean Energy Link.....	1,870,286	720,962	587,117	574,084	350,190	123,100	101,950
Community Batteries for Household Solar Program.....	11,901	11,850	8,991	51	-	-	-
Customer Funded.....	3,528,059	2,559,976	307,373	399,287	321,033	121,206	126,557
Housing.....	301,683	12,046	11,000	97,595	83,802	102,100	6,140
Westport.....	43,019	5,300	5,300	5,455	32,264	-	-
Sustaining							
Asset Replacement.....	1,585,291	1,149,260	119,034	115,393	118,278	99,106	103,254
Business Support, ICT and SCADA.....	2,021,549	1,325,385	156,703	265,458	158,880	133,127	138,699
Capacity Expansion.....	1,137,770	817,358	159,638	84,795	86,915	72,827	75,875
Corporate Real Estate.....	476,921	375,730	24,313	26,780	27,449	23,000	23,962
Distribution Overhead.....	4,806,739	3,651,361	315,055	305,765	313,409	262,606	273,598
Metering.....	777,277	500,505	71,352	73,246	75,077	62,908	65,541
Motor Vehicle Fleet.....	272,805	174,465	26,810	26,025	26,676	22,352	23,287
Regulatory Compliance.....	907,133	571,540	48,305	88,813	91,033	76,277	79,470
Standalone Power System.....	564,985	248,226	87,481	83,829	85,924	71,996	75,010
Undergrounding.....	440,328	189,677	74,524	66,333	67,992	56,971	59,355
COMPLETED WORKS							
Growth							
Relocation and Augmentation of Network Assets.....	93,192	93,192	22,616	-	-	-	-
State Underground Power Program.....	233,378	233,378	403	-	-	-	-
NEW WORKS							
Structural							
Capacity Expansion.....	225,184	-	-	105,424	119,760	-	-
Perth Office.....	22,551	-	-	4,583	8,967	9,001	-
Total Cost of Asset Investment Program.....	19,320,051	12,640,211	2,026,015	2,322,916	1,967,649	1,236,577	1,152,698
FUNDED BY							
Borrowings.....			1,580,592	2,063,219	1,844,952	1,276,881	1,154,984
Capital Appropriation.....			454,086	153,363	40,745	3,457	-
Internal Funds and Balances.....			-	-	7,620	-	-
Other.....			(8,663)	106,334	74,332	(43,761)	(2,286)
Total Funding.....			2,026,015	2,322,916	1,967,649	1,236,577	1,152,698

Financial Statements

Income Statement

Revenue

- Western Power receives revenue from network services primarily through network tariff services. As required under the Electricity Networks Access Code 2004, Western Power is required to submit an annual price list to the ERA for approval.
- Western Power's approach to populating network tariff revenue over the forward estimates period is based on the ERA's AA5 Final Decision published on 31 March 2023. Accordingly, network tariff revenue and associated expenses are mostly aligned with the parameters set out in the Final Decision for the period 2025-26 to 2026-27. The outyears are extrapolations pending finalisation of AA6.
- Western Power also receives revenue for unregulated services to customers, with the commercial terms and conditions negotiated between Western Power and customers.

4. Non-reference services revenue is received for revenue target services and non-revenue target services. Revenue target services reflect situations where the customer accepts different conditions from the standard access contract and service standard benchmark set under reference service tariffs. Non-revenue target services reflect the fees set by Western Power in line with the charging criteria published on the Western Power website.

Expenses

5. Total expenses increase over the 2026-27 Budget Year and outyears, primarily driven by higher depreciation and amortisation associated with the expanding asset base, and increased finance and interest costs reflecting higher borrowings to fund the Asset Investment Program.
6. As a subset of total expenses, operating expenditure is mostly aligned with the parameters set out in the AA5 Final Decision over 2025-26 and 2026-27. It also includes additional expenditure to improve reliability in the Eastern Goldfields and to maintain safety and reliability across the wider network through additional investments in vegetation maintenance, primary fault emergency response, silicone treatment, and emergency response generators. The outyears are extrapolations pending finalisation of AA6.
7. Dividends to Government are paid in accordance with Western Power's dividend policy.
8. Western Power will retain \$50 million in dividends annually from 2024-25 to 2029-30 for the Housing Enabling Infrastructure Fund to unlock land supply and support future housing works. This brings the total retained to \$300 million.
9. The interim dividend for 2025-26 will be paid as a final dividend for 2025-26 in December 2026.

Statement of Financial Position

10. Total assets increase over the 2026-27 Budget Year and outyears, driven primarily by growth in property, plant and equipment as major transmission and distribution investments are capitalised in line with the Asset Investment Program.
11. Total liabilities increase over the forward estimates period, largely reflecting higher borrowings required to fund capital investment.
12. Equity increases over the period, reflecting retained earnings and equity contributions from the Government, partially offset by dividend payments.

Statement of Cashflows

13. Net cashflows from operating activities remain strong over the forward estimates period, reflecting stable operating performance and cash receipts from customers.
14. Net cashflows from investing activities are negative over the forward estimates period, reflecting the scale of capital expenditure under the Asset Investment Program.
15. Net cashflows from financing activities reflect increased borrowings to fund capital investment, partially offset by scheduled debt repayments.
16. Cashflows to Government include dividend payments, tax equivalent payments and local government rates equivalents, consistent with the Income Statement and GTE disclosures.

INCOME STATEMENT ^(a)
(Controlled)

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
REVENUE							
Revenue from operations							
Sale of goods and services.....	2,009,750	2,204,451	2,183,001	2,341,983	2,489,138	2,682,000	2,625,565
Other revenue	258,366	274,909	278,287	325,907	278,664	310,699	323,908
Revenue from Government							
Capital subsidies	1,730	-	-	-	-	-	-
Other subsidies	1,024	-	2,478	2,223	-	-	-
TOTAL REVENUE.....	2,270,870	2,479,360	2,463,766	2,670,113	2,767,802	2,992,699	2,949,473
Expenses							
Employee benefits ^(b)	249,607	245,776	247,594	253,784	260,128	266,632	273,297
Grants and subsidies.....	-	6,145	6,145	3,160	711	-	-
Supplies and services	263,464	239,844	282,403	287,827	278,200	262,504	268,566
Accommodation	5,775	3,373	3,373	3,460	3,450	3,536	3,625
Depreciation and amortisation	534,301	653,738	657,841	706,629	761,692	800,168	846,968
Finance and interest costs.....	348,002	380,126	376,302	439,290	509,411	528,804	555,745
Other expenses.....	148,255	114,338	114,853	117,286	108,884	111,607	114,398
Tariff Equalisation Contribution.....	230,000	242,000	242,000	290,000	293,000	289,000	296,000
TOTAL EXPENSES.....	1,779,404	1,885,340	1,930,511	2,101,436	2,215,476	2,262,251	2,358,599
NET PROFIT/(LOSS) BEFORE TAX	491,466	594,020	533,255	568,677	552,326	730,448	590,874
National Tax Equivalent Regime							
Current tax equivalent expense.....	79,724	164,251	145,631	163,789	154,524	202,826	166,923
Deferred tax equivalent expense.....	73,653	11,934	12,327	6,875	11,168	14,889	9,139
NET PROFIT/(LOSS) AFTER TAX	338,089	417,835	375,297	398,013	386,634	512,733	414,812
Dividends	71,399	362,118	203,975	405,307	249,940	316,294	279,468

(a) Full audited financial statements are published in Western Power's Annual Report.

(b) The full-time equivalents for 2024-25 Actual, 2025-26 Estimated Actual and 2026-27 Budget Year are 3,676, 3,795 and 3,863 respectively. The 2026-27 Budget Year is subject to Board approval in June 2026.

STATEMENT OF FINANCIAL POSITION (a)
(Controlled)

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
CURRENT ASSETS							
Cash assets	41,237	34,785	56,862	51,759	96,740	107,177	107,177
Cash assets - Retained dividends.....	263,186	263,186	263,186	263,186	255,566	305,566	255,566
Receivables	243,419	259,298	250,267	260,680	272,456	272,808	266,638
Assets held for sale	301	374	301	301	301	301	301
Other.....	280,907	208,050	280,907	280,907	286,852	291,263	296,724
Total current assets	829,050	765,693	851,523	856,833	911,915	977,115	926,406
NON-CURRENT ASSETS							
Property, plant and equipment.....	13,988,279	14,929,571	15,422,054	17,148,712	18,499,804	19,001,564	19,356,217
Intangibles	138,814	200,228	138,814	138,814	145,535	156,199	167,342
Receivables	552	506	552	552	552	552	565
Other.....	5,032	29,022	5,032	5,032	5,032	5,032	5,032
Total non-current assets	14,132,677	15,159,327	15,566,452	17,293,110	18,650,923	19,163,347	19,529,156
TOTAL ASSETS	14,961,727	15,925,020	16,417,975	18,149,943	19,562,838	20,140,462	20,455,562
CURRENT LIABILITIES							
Employee provisions	134,981	119,034	135,033	135,386	135,386	135,386	135,386
Payables	221,627	153,854	229,400	243,750	210,698	257,734	225,983
Borrowings and leases	66,784	65,529	75,184	83,584	91,984	100,612	100,843
Interest payable.....	369	63,531	369	369	369	376	376
Other.....	261,762	261,874	234,326	275,976	329,096	372,823	362,871
Total current liabilities	685,523	663,822	674,312	739,065	767,533	866,931	825,459
NON-CURRENT LIABILITIES							
Employee provisions	17,888	16,003	17,889	17,891	17,891	17,898	17,905
Borrowings and leases	7,933,814	8,348,233	8,567,636	9,904,604	10,927,751	11,011,467	11,031,429
Other.....	1,552,311	1,421,728	1,567,584	1,576,678	1,590,680	1,609,608	1,621,085
Total non-current liabilities	9,504,013	9,785,964	10,153,109	11,499,173	12,536,322	12,638,973	12,670,419
TOTAL LIABILITIES.....	10,189,536	10,449,786	10,827,421	12,238,238	13,303,855	13,505,904	13,495,878
NET ASSETS	4,772,191	5,475,234	5,590,554	5,911,705	6,258,983	6,634,558	6,959,684
EQUITY							
Contributed equity	2,236,672	2,888,590	2,883,713	3,212,158	3,422,742	3,601,878	3,791,660
Accumulated surplus/(deficit).....	2,574,805	2,594,005	2,746,127	2,738,833	2,875,527	3,071,966	3,207,310
Reserves.....	(39,286)	(7,361)	(39,286)	(39,286)	(39,286)	(39,286)	(39,286)
TOTAL EQUITY	4,772,191	5,475,234	5,590,554	5,911,705	6,258,983	6,634,558	6,959,684

(a) Full audited financial statements are published in Western Power's Annual Report.

STATEMENT OF CASHFLOWS (a)
(Controlled)

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	2,004,954	2,209,042	2,187,592	2,325,712	2,493,983	2,686,967	2,630,658
Grants and subsidies.....	992	14,421	14,421	12,811	1,405	-	-
GST receipts.....	200,135	190,926	190,926	194,407	199,558	211,030	217,346
Other receipts.....	182,903	217,982	172,705	311,885	250,091	300,105	276,183
Payments							
Employee benefits.....	(228,867)	(245,516)	(247,334)	(253,108)	(259,909)	(266,409)	(273,070)
Supplies and services.....	(266,285)	(238,007)	(280,566)	(285,930)	(279,520)	(263,855)	(269,952)
Accommodation (b).....	(3,750)	(1,604)	(1,604)	(1,647)	(1,592)	(1,632)	(1,673)
GST payments.....	(199,278)	(190,926)	(190,926)	(199,025)	(204,000)	(211,030)	(217,346)
Finance and interest costs.....	(348,719)	(376,418)	(372,594)	(436,875)	(506,126)	(525,928)	(554,162)
Tariff Equalisation Fund.....	(230,000)	(242,000)	(242,000)	(290,000)	(293,000)	(289,000)	(296,000)
Other payments.....	(188,696)	(122,304)	(122,819)	(122,315)	(111,579)	(113,640)	(116,481)
Net cash from operating activities.....	923,389	1,215,596	1,107,801	1,255,915	1,289,311	1,526,608	1,395,503
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds from sale of non-current assets.....	20,108	-	-	-	-	-	-
Payments							
Purchase of non-current assets.....	(1,309,727)	(1,707,926)	(2,026,015)	(2,322,916)	(1,967,649)	(1,236,577)	(1,152,698)
Net cash from investing activities.....	(1,289,619)	(1,707,926)	(2,026,015)	(2,322,916)	(1,967,649)	(1,236,577)	(1,152,698)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Proceeds from borrowings.....	1,190,000	1,070,406	1,309,680	1,968,702	1,627,843	782,664	877,410
Other proceeds.....	11,489	-	-	-	-	-	-
Payments							
Repayment of borrowings and leases.....	(841,783)	(667,461)	(667,461)	(668,116)	(672,425)	(690,759)	(857,868)
Other payments.....	(14,876)	(16,201)	(16,201)	(16,606)	(17,021)	(17,447)	(17,883)
Net cash from financing activities.....	344,830	386,744	626,018	1,283,980	938,397	74,458	1,659
CASHFLOWS FROM GOVERNMENT							
Receipts							
Capital subsidies.....	1,730	-	-	-	-	-	-
Equity contributions.....	174,329	599,001	647,041	328,445	210,584	179,136	189,782
Other subsidies.....	1,024	-	2,478	2,223	-	-	-
Payments							
Dividends to Government.....	(71,399)	(362,117)	(203,975)	(405,307)	(249,940)	(316,294)	(279,468)
National Tax Equivalent Regime - Income Tax..	-	(113,377)	(135,955)	(145,631)	(181,483)	(164,991)	(202,826)
Local Government Rates Equivalent.....	(2,025)	(1,769)	(1,769)	(1,813)	(1,858)	(1,904)	(1,952)
Net cash provided to Government.....	(103,659)	(121,738)	(307,820)	222,083	222,697	304,053	294,464
NET INCREASE/(DECREASE) IN CASH HELD.....	82,259	16,152	15,624	(5,104)	37,362	60,436	(50,000)
Cash assets at the beginning of the reporting period.....	222,164	281,819	304,423	320,048	314,945	352,306	412,743
Cash assets at the end of the reporting period.....	304,423	297,971	320,047	314,944	352,307	412,742	362,743

(a) Full audited financial statements are published in Western Power's Annual Report.

(b) Payment of Local Government Rates Equivalent is included within accommodation expense on the Income Statement; however, within the Statement of Cashflows it is recorded as a payment to Government and not as a payment from operating activities.

Horizon Power

Part 12 Utilities

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax	6,974	3,080	8,427	5,482	5,183	7,346	11,424
Local Government Rates Equivalent	374	789	789	1,309	1,344	1,380	1,417
Dividends ^(a)	7,556	6,019	14,406	9,857	8,372	10,942	17,304
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Operating Subsidies	45,108	18,848	21,437	23,340	22,146	22,394	22,279
Other Subsidies	-	1,200	5,013	6,641	470	200	200
Major Treasurer's Special Purpose Account(s).....	43,108	40,533	40,533	35,006	35,105	34,507	34,583
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contributions	-	-	-	20,541	14,451	14,451	14,451
Major Treasurer's Special Purpose Account(s).....	18,550	14,446	14,446	11,010	11,700	-	-
RATIOS							
Dividend Payout Ratio (%)	75	75	75	75	75	75	75
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	667,074	628,469	665,781	714,207	729,429	729,822	749,759
Revenue from Government	88,216	65,535	75,587	69,032	57,918	57,101	57,062
Total Expenses ^(b)	731,108	687,742	717,281	765,455	771,402	763,711	769,924
Total Borrowings	878,333	1,025,186	988,151	1,046,236	1,092,207	1,146,044	1,183,582
NET PROFIT AFTER TAX	15,199	3,182	15,660	12,302	10,762	15,866	25,473
CASH ASSETS ^(c)	161,879	239,639	200,995	234,267	308,363	380,357	436,043

(a) In determining dividend payments to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.

(b) Excludes current tax expense, deferred tax expense and dividend payments.

(c) As at 30 June each financial year.

Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on Horizon Power's Income Statement since presentation of the 2025-26 Budget to Parliament on 19 June 2025, are outlined below:

	2025-26	2026-27	2027-28	2028-29	2029-30
	Estimated	Budget	Outyear	Outyear	Outyear
	Actual	Year	\$'000	\$'000	\$'000
	\$'000	\$'000			
Key Adjustments					
2028 Kimberley Total Solar Eclipse	-	375	258	35	-
Bidyadanga Community-Led Solar Farm - Resourcing	-	(100)	(19)	-	-
Community Solar Banks - Commonwealth Funding	2,532	479	-	-	-
Cyber Security Strategy	-	(194)	(206)	-	-
Dampier Bunbury Pipeline Gas Transportation Agreement - Sixth Access Arrangement	-	(84)	(102)	(104)	(107)

	2025-26 Estimated Actual \$'000	2026-27 Budget Year \$'000	2027-28 Outyear \$'000	2028-29 Outyear \$'000	2029-30 Outyear \$'000
Djarindjin Community-Led Solar Farm - Resourcing	-	(55)	-	-	-
Energy Ahead Program Extension	(389)	(883)	(1,096)	(1,124)	-
Future Energy Transition Program	-	(974)	(184)	-	-
Gas Storage Costs Post-2026	-	(157)	(351)	(389)	(398)
Generation and Network Maintenance Uplift	(5,342)	(1,592)	(706)	(723)	(741)
Laverton and Menzies Power Project	(43)	(223)	(52)	(39)	(73)
Mid West Pole Replacement Program	(83)	(293)	(329)	(329)	(329)
New Customer Connection	5,969	1,022	(297)	(329)	(329)
Next Generation Grid Edge Solution	-	(277)	(52)	-	-
Remote Communities					
Advanced Metering Infrastructure	-	(645)	(672)	-	-
Critical Distribution Network Upgrades	(35)	(216)	(528)	(719)	(746)
Critical Generation Replacement Program (ReGen)	(332)	(706)	(1,682)	(1,855)	(1,855)
Operational Parameter Adjustments	(2,200)	(4,200)	(2,472)	(2,546)	(2,622)
Polyvinyl Chloride (PVC) and Twistie Project	(203)	(241)	(241)	(241)	(241)
Residential Housing Replenishment	-	(31)	(184)	-	-
Retail System Replacement	-	(2,819)	(4,773)	(802)	-
Sales of Share in Mid West Pipeline	8,116	1,535	-	-	-
Standalone Power Systems - Rounds 4 and 5	(243)	(1,020)	(1,158)	(1,158)	(1,158)
Stovehill Road Karratha Remediation Project	-	(60)	(228)	(258)	(258)
West Kimberley Power Purchase Agreement Extension	-	-	(729)	(1,754)	(2,117)
Other					
2026-27 Tariff, Fees and Charges	-	(1,216)	516	(598)	(7,035)
Demand and Energy Forecast Update	2,459	7,282	10,262	7,264	12,866
Main Business Operating Parameter Adjustment	-	(11)	25	52	53
Salaries Enterprise Agreement	(1,635)	(684)	(518)	(543)	(556)
Social Concessions	-	(274)	(212)	(244)	(371)
Tariff Equalisation Contribution Update	-	5,638	3,743	3,522	11,672

Significant Initiatives

Supporting Strong Financial and Economic Management and Local Industry Participation

- Horizon Power's investment and procurement activities are structured to maximise local content and industry participation to support the Government's Made in WA agenda and the Western Australian Industry Participation Strategy. Major capital programs and operational expenditure support Western Australian businesses, regional suppliers and local workforces, contributing to skills development, employment opportunities and broader economic activity across regional Western Australia. These outcomes are delivered alongside the Government's objectives for strong financial management, ensuring value for money while supporting local industry capability and supply chain resilience.

Supporting the State to Become a Renewable Energy Powerhouse and Reducing Emissions

- In line with the Government's goal of protecting and restoring the environment, including supporting the State to become a renewable energy powerhouse and reducing emissions, Horizon Power is enabling increased penetration of renewable energy across regional and remote power systems. This is being delivered through the Future Energy Transition Program, which prioritise behind-the-meter renewable generation and storage, complemented by selective investment in centralised renewables where required to maintain system security.

Delivering Quality Infrastructure and Services in Regional and Remote Areas

- Consistent with the Government's commitment to delivering quality infrastructure and services across Western Australia, Horizon Power is investing in the safety, reliability and resilience of energy systems critical to regional communities and economic participation. This includes targeted upgrades under the Critical Distribution Network Upgrades and Critical Generation Replacement programs, alongside investments in digital systems, to improve reliability, manage outage risks and ensure regulatory compliance as energy systems become more decentralised.
- A key focus is the staged transition of remote Aboriginal communities to fit-for-purpose, safe and reliable energy solutions. This work enables Closing the Gap commitments by improving energy security, enabling renewable integration and supporting community-led engagement and Aboriginal economic participation. Investments through the Advanced Metering Infrastructure initiative, together with critical network upgrades and generation replacement, underpin equitable access to essential services in some of the State's most remote locations.

Enabling Regional Industrial Development and the Pilbara Energy Transition

5. Horizon Power is supporting the Government's Pilbara Energy Transition through the development of private sector led common-use transmission infrastructure, providing technical and system planning advice and facilitating the development of networks in the Pilbara. These activities support industrial decarbonisation, economic diversification and new private investment while maintaining system security in the North West Interconnected System.
6. Further, Horizon Power is undertaking early substation infrastructure planning and design works to enable the activation of the Boodarie and Maitland Strategic Industrial Areas, thereby further enabling the Government's industrial land and energy strategies and supporting new load growth, reducing barriers to investment and ensuring energy infrastructure is delivered in a timely, coordinated and efficient manner.

Annual Performance Statement

The following performance information is the subject of an Annual Performance Statement adopted by the Government Trading Enterprise (GTE).

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad Government Goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between Horizon Power's Strategic Objectives and Desired Outcomes and the Government Goal it contributes to. The Key Performance Indicators measure the extent of the impact of outcomes on the achievement of the GTE's objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Delivering Strong Financial and Economic Management: Diversifying our economy and making more things in WA.	Affordable energy.	1. Optimise core business 2. Safe, reliable and engaged business
Protecting and Restoring Our Environment.	Customer-led decarbonisation.	3. Reduce emissions from regional power supply 4. Coordinate and accelerate CER uptake
Delivering Quality Infrastructure and Services Across Our State.	Regional catalyst.	5. Improve safety and reliability of power in regional areas

Outcomes and Key Performance Indicators

	2024-25 Actual	2025-26 Budget	2025-26 Estimated Actual	2026-27 Budget Target	Note
Outcome: Optimise core business:					
Cost to supply unit cost (cents/kWh).....	39.2	41.9	43.6	46.4	
Return on assets.....	3.8%	3.2%	3.9%	3.6%	1
Net Profit After Tax (\$ million)	15.2	3.2	15.7	12.3	1
Outcome: Safe, reliable and engaged business:					
Customer satisfaction ^(a)	76%	70%	87%	70%	2
System Average Interruption Duration Index (SAIDI) ^(b)	117 minutes	290 minutes	225 minutes	290 minutes	
System Average Interruption Frequency Index (SAIFI) ^(c)	1.8	6.6	2.5	6.6	3
Number of compliant systems (out of 38) ^(d)	32	33	34	33	
Major project completion within 5% of approved budget	100%	100%	100%	100%	

	2024-25 Actual	2025-26 Budget	2025-26 Estimated Actual	2026-27 Budget Target	Note
Outcome: Reduce emissions from regional power supply:					
Greenhouse gas emission (kt CO ₂ e)	609	n.a.	591	602	4
Outcome: Coordinate and accelerate CER uptake:					
Consumer Energy Resources uptake (MW) ^(e)	17	n.a.	26.7	35	4
Outcome: Improve safety and reliability of power in regional areas:					
Lost time injury frequency rate ^(f)	5.4	nil	4.6	nil	
Total number of notifiable incidents ^(g)	10	nil	6	nil	
Unassisted pole failure rate ^(h)	0.53	1	0.53	1	3

- (a) Customer satisfaction is measured by an annual survey, undertaken by an external agency, amalgamating customer perceptions of reliability, service quality and product offering.
- (b) The SAIDI measures the duration of sustained customer interruptions.
- (c) The SAIFI measures the frequency of interruptions to customers.
- (d) Achievement of SAIDI and SAIFI system reliability performance, as agreed or per the Electricity Industry (Network Quality and Reliability of Supply) Code 2005 for each system.
- (e) Total installed capacity of customer-owned renewable energy technologies connected to the electricity system, measured in megawatts.
- (f) Lost time injury frequency rate is a formula to provide the number of lost time injuries to be sustained, per one million hours worked, over a given 12-month period.
- (g) A network operator must notify the Director of Building and Energy, Local Government, Industry Regulation and Safety, of any incident or event that is caused, or significantly contributed to, by electricity that results in serious injury or serious damage.
- (h) A count of unassisted pole failures per 10,000 poles.

Explanation of Significant Movements

(Notes)

- Higher Return on Assets and Net Profit after Tax in the 2025-26 Estimated Actual are primarily driven by incremental profit from the sale of an interest in the Mid West Pipeline, which was not included in the 2025-26 Budget.
- Customer satisfaction is forecast at 87%, exceeding the 70% target and reflecting sustained strong performance.
- The reductions in the 2025-26 Estimated Actual in comparison to the 2025-26 Budget are a result of investment in maintenance leading to a reduction of outages and interruptions.
- This is a new key performance indicator that is being introduced from the 2026-27 financial year.

Asset Investment Program

- Horizon Power will invest \$141.3 million during the 2026-27 Budget Year and a further \$265.2 million over the outyears. This investment in regional Western Australia will continue to focus on providing a safe and reliable electricity supply to regional customers and supporting jobs in regional areas.

Community Batteries

- Horizon Power is delivering 10 community Battery Energy Storage Systems (BESS) across Exmouth (three), Carnarvon (three) and Esperance (four), supported by a \$6.3 million investment from the Government's Sectoral Emissions Reduction Strategy and \$4 million from Australian Renewable Energy Agency (ARENA) funding.

Exmouth Power Project

- Horizon Power is completing its delivery of the Exmouth Power Project, a major milestone in the Government's commitment to responsible decarbonisation, delivering one of regional Western Australia's most advanced high renewable energy systems. The new power system, delivered via a power purchase agreement (PPA) with Pacific Energy Limited, comprises a 9.6 MW solar farm and two BESS totalling 10 MW/49.6 MWh, supported by gas generation that operates when required for reliability.

Laverton and Menzies Power Project

- Horizon Power will deliver the Laverton and Menzies Power Project to replace end-of-life generation assets and improve the reliability of electricity supply in these towns. Delivered through a long-term PPA, the project will provide a new thermal generation system for Laverton and a hybrid solution for Menzies incorporating thermal generation, centralised solar and BESS.

Long Duration Energy Storage

- Long Duration Energy Storage (LDES) involves the design and delivery of two LDES installations within Horizon Power microgrids, including a 300 kW/600 kWh Nickel Hydrogen battery in Nullagine and a 250 kW/1450 kWh Sodium Sulphur battery in Carnarvon, to test emerging storage technologies under real-world operating conditions. These trials, delivered in partnership with the ARENA, will provide critical insights into system performance, operational flexibility, and integration requirements in isolated power systems.

Blackstone Hybrid Energy Solution

- Horizon Power is delivering the Blackstone Hybrid Energy Solution to permanently replace the town's diesel-fired power station. The new solution, which eases the town's reliance on high-cost temporary diesel generation, will use a modular combination of 78 kW solar generation, 2 MWh battery energy storage and 400 kW diesel generation.

Remote Communities - Transfer of Essential Services

- Horizon Power is uplifting remote communities' services by bringing the 117 remote communities assumed under Horizon Power's responsibility in 2023 from the Department of Communities to a standard consistent with that experienced in other similar sized communities by 2031. This is a long-term work program that supports the Government to advance its commitment to Outcome 9 (Target 9b) of the National Agreement on Closing the Gap.

Remote Communities - Critical Distribution Network Program

- Horizon Power will deliver the Remote Communities Critical Distribution Network program to remediate high-risk electricity distribution assets across remote Aboriginal communities in Western Australia. The program will address critical safety, reliability and compliance issues.

Remote Communities - Critical Generation Replacement Program

- Horizon Power will deliver the Remote Communities Critical Generation Replacement (ReGen) program to improve the safety, reliability and sustainability of electricity supply in remote Aboriginal communities across Western Australia.

Remote Communities - Advanced Metering Infrastructure

- The Remote Communities Advanced Metering Infrastructure (AMI) Program will improve electrical safety, regulatory compliance and service equity across remote Aboriginal communities. The program will deliver advanced electricity meters and related infrastructure to remote communities between 2027 and 2031.

Stovehill Road Karratha Remediation

- Horizon Power will upgrade Stovehill Road, the primary access route to its Karratha Depot and adjacent critical utility infrastructure.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-26 \$'000	2025-26 Estimated Expenditure \$'000	2026-27 Budget Year \$'000	2027-28 Outyear \$'000	2028-29 Outyear \$'000	2029-30 Outyear \$'000
WORKS IN PROGRESS							
Asset Management Plan							
Asset Replacement	198,456	151,685	14,828	9,957	9,878	13,468	13,468
Capacity	31,130	26,866	914	907	901	1,228	1,228
Knowledge and Technology Investment	87,634	69,776	3,830	3,802	3,772	5,142	5,142
Mobile Plant and Operational Fleet	44,031	39,402	992	985	978	1,333	1,333
Property Management	77,648	52,946	5,296	5,259	5,217	7,113	7,113
Regulatory Compliance	87,078	64,594	4,822	4,787	4,749	6,474	6,474
Reliability	151,127	94,514	14,419	12,052	11,957	16,302	16,302
Safety	252,965	195,741	12,271	12,182	12,086	16,478	16,478
Customer Funded Works							
New Customer Connection in Pilbara	7,971	7,751	7,751	220	-	-	-
Other Customer Driven Works	197,358	180,524	3,584	4,012	3,630	4,596	4,596
Major Projects							
Community Batteries	10,384	7,929	6,453	2,357	98	-	-
Exmouth Power Project	10,000	7,357	6,262	2,643	-	-	-
Laverton and Menzies Power Project	8,235	2,489	2,489	5,746	-	-	-
Leonora Power Project	13,501	2,179	2,179	11,322	-	-	-
Long Duration Energy Storage	6,455	3,936	2,860	2,519	-	-	-
Residential Housing Replenishment	10,059	4,459	-	1,800	3,800	-	-
Remote Communities							
Blackstone Hybrid Energy Solution	12,799	12,326	11,400	473	-	-	-
Critical Distribution Network Program	10,030	2,000	2,000	8,030	-	-	-
Critical Generation Replacement Program	31,593	9,708	9,708	21,885	-	-	-
Transfer of Essential Services	101,373	39,672	14,901	13,367	12,938	17,698	17,698
COMPLETED WORKS							
Asset Replacement - Murdoch Transformer Replacement	7,529	7,529	7,276	-	-	-	-
Major Projects							
Dampier Peninsula and Warmun Independent Power							
Producer Buy-Out	4,504	4,504	1,764	-	-	-	-
Denham Hydrogen Demonstration Plant	10,755	10,755	232	-	-	-	-
Kimberley Communities Solar Saver	10,559	10,559	7,330	-	-	-	-
Kununurra Cotton Gin Electricity Infrastructure	4,554	4,554	267	-	-	-	-
Mobile Generation Fleet for Summer Preparedness	3,480	3,480	845	-	-	-	-
Refurbishment of Denham Power Station	12,419	12,419	117	-	-	-	-
Standalone Power Systems Roll Out							
Round 4	20,457	20,457	4,970	-	-	-	-
Round 5	28,806	28,806	19,419	-	-	-	-
Remote Communities - PVC and Twistie	3,900	3,900	3,900	-	-	-	-
NEW WORKS							
Major Projects							
Retail System Replacement	6,360	-	-	2,540	3,820	-	-
Stovehill Road Karratha Remediation	3,478	-	-	3,478	-	-	-
Remote Communities - Advanced Metering Infrastructure	22,710	-	-	11,010	11,700	-	-
Total Cost of Asset Investment Program	1,489,338	1,082,817	173,079	141,333	85,524	89,832	89,832
FUNDED BY							
Borrowings			140,691	107,299	51,702	71,628	67,538
Capital Appropriation			-	20,541	14,451	14,451	14,451
Commonwealth Grants			2,321	4,045	197	-	-
Internal Funds and Balances			1,575	(6,075)	3,451	3,753	3,247
Major Treasurer's Special Purpose Account(s)							
Remote Communities Fund			14,446	11,010	11,700	-	-
Other			11,413	3,973	3,753	-	4,596
Other Grants and Subsidies			2,633	540	270	-	-
Total Funding			173,079	141,333	85,524	89,832	89,832

Financial Statements

Income Statement

Revenue

- Total revenue in the 2026-27 Budget Year is forecast to increase by \$41.8 million compared to the 2025-26 Estimated Actual, driven primarily by higher Tariff Equalisation Contribution (\$48 million) and increased energy demand (\$20.6 million), partially offset by lower other revenue from one-off transactions (\$20.2 million).

Expenses

- Total expenses in the 2026-27 Budget Year are forecast to increase by \$48.2 million compared with the 2025-26 Estimated Actual, primarily driven by procurement and services cost pressures (\$10.3 million) and increased operating project expenditure, including Retail System Replacement (\$10.2 million) and the Future Energy Transition Program (\$7 million).

Statement of Cashflows

- Equity contributions of \$20.5 million are forecast in the 2026-27 Budget Year to fund the Remote Community - Transfer of Essential Services Program (\$14.5 million) and the Retail System Replacement Project (\$6.1 million).

INCOME STATEMENT ^(a) (Controlled)

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
REVENUE							
Revenue from operations							
Sale of goods and services.....	385,171	355,644	372,653	393,285	405,036	408,906	421,157
Other revenue.....	51,903	30,825	51,128	30,922	31,393	31,916	32,602
Tariff Equalisation Contribution.....	230,000	242,000	242,000	290,000	293,000	289,000	296,000
Revenue from Government							
Operating subsidies.....	45,108	18,848	21,437	23,340	22,146	22,394	22,279
Capital subsidies.....	-	4,954	7,234	4,045	197	-	-
Other subsidies.....	-	1,200	6,383	6,641	470	200	200
Major Treasurer's Special Purpose Account(s)							
Remote Communities.....	9,486	8,572	8,572	3,045	3,144	2,546	2,622
Royalties for Regions							
Regional Community Services Fund.....	33,622	31,961	31,961	31,961	31,961	31,961	31,961
TOTAL REVENUE.....	755,290	694,004	741,368	783,239	787,347	786,923	806,821
Expenses							
Employee benefits ^(b)	106,704	92,353	95,350	101,197	103,940	106,754	109,293
Grants and subsidies.....	31,807	11,360	11,360	6,096	6,178	6,319	6,446
Supplies and services.....	375,391	353,586	378,865	421,968	427,889	422,071	426,316
Accommodation.....	6,653	4,801	4,801	5,426	5,563	5,622	5,765
Depreciation and amortisation.....	121,238	119,798	122,945	127,284	122,348	114,135	110,201
Finance and interest costs.....	56,187	66,366	62,714	67,432	71,851	74,900	77,146
Other expenses.....	33,128	39,478	41,246	36,052	33,633	33,910	34,757
TOTAL EXPENSES.....	731,108	687,742	717,281	765,455	771,402	763,711	769,924
NET PROFIT/(LOSS) BEFORE TAX.....	24,182	6,262	24,087	17,784	15,945	23,212	36,897
National Tax Equivalent Regime							
Current tax equivalent expense.....	6,974	3,080	8,427	5,482	5,183	7,346	11,424
Deferred tax equivalent expense.....	2,009	-	-	-	-	-	-
NET PROFIT/(LOSS) AFTER TAX.....	15,199	3,182	15,660	12,302	10,762	15,866	25,473
Dividends.....	7,556	6,019	14,406	9,857	8,372	10,942	17,304

(a) Full audited financial statements are published in Horizon Power's Annual Report.

(b) The full-time equivalents for 2024-25 Actual, 2025-26 Estimated Actual and 2026-27 Budget Year are 621, 638 and 642 respectively.

STATEMENT OF FINANCIAL POSITION (a)
(Controlled)

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
CURRENT ASSETS							
Cash assets	154,244	234,284	195,640	228,912	303,008	375,002	430,688
Cash assets - Retained dividends.....	7,635	5,355	5,355	5,355	5,355	5,355	5,355
Receivables	63,893	52,755	56,183	55,311	54,417	54,417	54,417
Assets held for sale	51	-	51	51	51	51	51
Other.....	27,893	45,747	27,893	27,893	27,893	27,893	27,893
Total current assets	253,716	338,141	285,122	317,522	390,724	462,718	518,404
NON-CURRENT ASSETS							
Property, plant and equipment.....	1,538,909	1,636,099	1,615,444	1,697,590	1,690,866	1,687,969	1,694,396
Intangibles	226,823	234,249	275,133	277,262	247,971	227,374	201,387
Receivables	2,554	3,187	2,554	2,554	2,554	2,554	2,554
Other investments	3,479	3,233	3,479	3,479	3,479	3,479	3,479
Other.....	95,065	113,995	95,065	95,065	95,065	95,065	95,065
Total non-current assets	1,866,830	1,990,763	1,991,675	2,075,950	2,039,935	2,016,441	1,996,881
TOTAL ASSETS	2,120,546	2,328,904	2,276,797	2,393,472	2,430,659	2,479,159	2,515,285
CURRENT LIABILITIES							
Employee provisions	22,323	17,597	22,323	22,323	22,323	22,323	22,323
Payables	96,952	86,936	96,952	96,952	96,952	96,952	96,952
Borrowings and leases	190,414	207,360	193,795	184,126	173,829	169,982	171,673
Interest payable.....	6,183	1,555	6,183	6,183	6,183	6,183	6,183
Other.....	24,525	21,356	24,525	24,525	24,525	24,525	24,525
Total current liabilities	340,397	334,804	343,778	334,109	323,812	319,965	321,656
NON-CURRENT LIABILITIES							
Employee provisions	4,083	7,003	4,083	4,083	4,083	4,083	4,083
Borrowings and leases	946,224	1,094,700	1,087,964	1,182,685	1,206,622	1,242,268	1,256,922
Other.....	143,662	198,398	139,092	136,719	131,725	129,051	126,212
Total non-current liabilities	1,093,969	1,300,101	1,231,139	1,323,487	1,342,430	1,375,402	1,387,217
TOTAL LIABILITIES.....	1,434,366	1,634,905	1,574,917	1,657,596	1,666,242	1,695,367	1,708,873
NET ASSETS	686,180	693,999	701,880	735,876	764,417	783,792	806,412
EQUITY							
Contributed equity	444,522	458,968	458,968	490,519	516,670	531,121	545,572
Accumulated surplus/(deficit).....	241,658	235,031	242,912	245,357	247,747	252,671	260,840
TOTAL EQUITY	686,180	693,999	701,880	735,876	764,417	783,792	806,412

(a) Full audited financial statements are published in Horizon Power's Annual Report.

STATEMENT OF CASHFLOWS (a)
(Controlled)

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	400,808	353,642	370,651	391,233	402,933	406,740	418,936
Grants and subsidies.....	-	4,954	4,954	4,045	197	-	-
GST receipts.....	14,995	38,601	38,601	39,566	44,755	46,395	47,232
Other receipts.....	54,796	24,844	33,448	24,962	25,435	25,064	25,750
Tariff Equalisation Contribution.....	230,000	242,000	242,000	290,000	293,000	289,000	296,000
Payments							
Employee benefits.....	(105,006)	(92,353)	(95,350)	(101,197)	(103,940)	(106,754)	(109,292)
Supplies and services.....	(386,116)	(352,949)	(378,228)	(421,315)	(427,220)	(421,402)	(425,630)
Accommodation (b).....	(6,279)	(4,775)	(4,775)	(4,894)	(4,888)	(4,911)	(5,034)
GST payments.....	(16,938)	(38,601)	(38,601)	(39,566)	(44,755)	(46,395)	(47,232)
Finance and interest costs.....	(51,559)	(62,558)	(58,906)	(63,762)	(68,327)	(71,531)	(73,942)
Other payments.....	(76,163)	(51,045)	(52,813)	(39,972)	(40,183)	(38,063)	(38,983)
Net cash from operating activities.....	58,538	61,760	60,981	79,100	77,007	78,143	87,805
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds from sale of non-current assets.....	1,065	-	11,699	-	-	-	-
Payments							
Purchase of non-current assets.....	(137,103)	(112,231)	(173,079)	(141,333)	(85,524)	(89,832)	(89,832)
Other payments.....	(7,330)	-	-	-	-	-	-
Net cash from investing activities.....	(143,368)	(112,231)	(161,380)	(141,333)	(85,524)	(89,832)	(89,832)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Proceeds from borrowings.....	231,000	186,776	239,606	182,476	165,759	156,763	140,464
Payments							
Repayment of borrowings and leases.....	(254,538)	(168,407)	(168,407)	(166,861)	(152,119)	(124,964)	(124,119)
Net cash from financing activities.....	(23,538)	18,369	71,199	15,615	13,640	31,799	16,345
CASHFLOWS FROM GOVERNMENT							
Receipts							
Capital subsidies.....	-	-	2,280	-	-	-	-
Operating subsidies.....	44,411	25,707	28,296	23,340	22,146	22,394	22,279
Equity contributions.....	-	-	-	20,541	14,451	14,451	14,451
Other subsidies.....	-	1,200	6,383	6,641	470	200	200
Major Treasurer's Special Purpose Account(s)							
Remote Communities.....	26,982	23,018	23,018	14,055	14,844	2,546	2,622
Royalties for Regions							
Regional Community Services Fund.....	31,182	31,961	31,961	31,961	31,961	31,961	31,961
Regional Infrastructure and Headworks Fund.....	1,054	-	-	-	-	-	-
Payments							
Dividends to Government.....	(7,556)	(6,019)	(14,406)	(9,857)	(8,372)	(10,942)	(17,304)
National Tax Equivalent Regime - Income Tax....	(2,880)	(3,080)	(8,427)	(5,482)	(5,183)	(7,346)	(11,424)
Local Government Rates Equivalent.....	(550)	(789)	(789)	(1,309)	(1,344)	(1,380)	(1,417)
Net cash provided to Government.....	(92,643)	(71,998)	(68,316)	(79,890)	(68,973)	(51,884)	(41,368)
NET INCREASE/(DECREASE) IN CASH HELD.....	(15,725)	39,896	39,116	33,272	74,096	71,994	55,686
Cash assets at the beginning of the reporting period.....	177,604	199,743	161,879	200,995	234,267	308,363	380,357
Cash assets at the end of the reporting period.....	161,879	239,639	200,995	234,267	308,363	380,357	436,043

(a) Full audited financial statements are published in Horizon Power's Annual Report.

(b) Payment of Local Government Rates Equivalent is included within accommodation expense on the Income Statement; however, within the Statement of Cashflows it is recorded as a payment to Government and not as a payment from operating activities.

Water Corporation

Part 12 Utilities

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax	499,597	507,371	490,996	520,676	466,943	495,430	512,886
Local Government Rates Equivalent	8,074	8,790	8,790	9,009	9,234	9,465	9,702
Dividends ^{(a)(b)}	-	1,614,146	818,070	1,645,871	825,716	900,972	941,399
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Operating Subsidies	596,630	756,244	668,228	846,199	879,841	942,415	948,119
Other Subsidies	44,853	12,699	11,603	14,757	11,269	-	-
Major Treasurer's Special Purpose Account(s).....	33,672	73,725	50,572	66,740	59,163	23,929	23,928
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contributions	94,030	49,196	20,195	38,278	64,174	13,499	26
Major Treasurer's Special Purpose Account(s).....	5,900	48,977	33,923	27,983	-	-	-
RATIOS							
Dividend Payout Ratio (%)	85	85	85	85	85	85	85
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	3,102,024	3,035,567	3,135,358	3,285,014	3,404,787	3,533,981	3,667,591
Revenue from Government	675,155	842,668	730,403	927,696	950,273	966,344	972,047
Total Expenses ^(c)	2,166,434	2,251,817	2,293,932	2,488,636	2,721,799	2,836,442	2,901,866
Total Borrowings	4,304,471	5,384,600	5,228,663	7,156,189	8,132,985	8,410,141	8,461,068
NET PROFIT AFTER TAX	1,125,956	1,139,005	1,100,791	1,207,382	1,143,808	1,165,249	1,216,964
CASH ASSETS ^(d)	1,434,300	92,957	1,087,951	371,179	506,904	646,484	429,499

(a) In determining dividend payments to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.

(b) The Corporation deferred its 2024-25 interim dividend payment to be paid in 2025-26 and its 2025-26 interim dividend payment to be paid in 2026-27.

(c) Excludes current tax expense, deferred tax expense and dividend payments.

(d) As at 30 June each financial year.

Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Corporation's Income Statement since presentation of the 2025-26 Budget to Parliament on 19 June 2025, are outlined below:

	2025-26	2026-27	2027-28	2028-29	2029-30
	Estimated	Budget	Outyear	Outyear	Outyear
	Actual	Year	\$'000	\$'000	\$'000
	\$'000	\$'000			
Key Adjustments					
2028 Kimberley Total Solar Eclipse	-	4,592	3,568	47	-
330 Megawatt Power Purchase Agreement	-	-	-	-	9,944
Asset Maintenance	-	(59,713)	(91,413)	-	-
Cyber Security and Data Privacy	(5,475)	(5,947)	(6,178)	(6,554)	(6,828)

	2025-26 Estimated Actual \$'000	2026-27 Budget Year \$'000	2027-28 Outyear \$'000	2028-29 Outyear \$'000	2029-30 Outyear \$'000
Managing Regulatory Impacts.....	(5,017)	(7,655)	(8,166)	(5,178)	(5,297)
Ord M1 Channel Upgrade - Operating Expenditure	-	(1,500)	(1,500)	(1,500)	(1,500)
Perth Seawater Desalination Plant - Enhanced Backwash Project.....	-	(61)	(559)	(1,668)	(2,470)
Planning Capacity Upgrades at Wastewater Resource Recovery Facilities	-	(3,356)	(3,401)	(45)	-
Planning to Secure Future Water Sources.....	(22,783)	(84,565)	(27,823)	(930)	-
Regional Road Bridges Over Drainage Assets	-	(78)	(276)	(649)	(891)
Residential and Non-Residential Land Supply	(374)	(1,250)	(3,281)	(4,122)	(4,337)
West Pilbara Water Supply Scheme.....	(9,874)	(22,767)	(72,005)	(74,658)	(76,258)
Other					
Deferral of 2025-26 Interim Dividend.....	(788,562)	788,562	-	-	-
Southern Seawater Desalination Plant - Additional 20 Gigalitre Production	-	(15,967)	(179)	-	-

Significant Initiatives

1. A secure, reliable and climate-resilient water supply is fundamental to supporting Western Australia's future growth. Increasing demand, together with the increasing impacts of climate change on traditional water sources and existing water infrastructure, is increasing the need to plan for climate resilient water solutions, including greater use of water recycling. The Corporation is working in partnership with communities, Traditional Owners, industry, local government and regulators to deliver the Government's priorities. It achieves this by securing Western Australia's water future and supporting economic diversification, enabling housing, delivering high-quality infrastructure and services, protecting public health through safe drinking water, and protecting the environment.

Diversifying Our Economy - Securing Our Water Future

2. Securing Western Australia's long-term water future requires sustained planning, investment and delivery of new climate resilient water sources. Climate change, population growth and regulatory requirements are increasing the need for early planning and timely decision-making essential to maintain supply and support growth across the State.
 - 2.1. \$140.8 million will enable the timely development of future climate resilient water sources, so that Western Australia can maintain reliable water supply and support population and economic growth as climate impacts intensify. This includes:
 - 2.1.1. \$64.1 million to protect and secure current and future water sources for Perth's Integrated Water Supply Scheme;
 - 2.1.2. \$52.9 million to establish a Regional Water Source Fund to fast-track planning for future regional water sources; and
 - 2.1.3. \$23.8 million for planning for the Boodarie Strategic Industrial Area.

Delivering Quality Infrastructure and Services Across Our State

3. Increasing supply and demand pressures requires a response that balances investment and resources in essential growth infrastructure alongside network maintenance and renewals. The advent of artificial intelligence and the advancement of technology, cloud and data privacy risks are increasing exponentially in number and complexity.
4. The following will assist to manage these impacts:
 - 4.1. \$659.3 million to ensure water supply reliability for the West Pilbara Water Supply Scheme, through construction of the Dampier Seawater Desalination Plant and associated conveyancing infrastructure, improvements to Harding Dam water production, and water loss reductions through investment in the leaks and bursts program;
 - 4.2. \$166.7 million to increase maintenance to strengthen critical water infrastructure and boost network maintenance and renewals across the State;

- 4.3. \$34.1 million to strengthen Water Corporation’s cyber security program, so that the systems that support essential water services are resilient to emerging cyber security threats; and
- 4.4. \$7.6 million to support planning and investigations for future water resource recovery facilities in Perth so that wastewater infrastructure keeps pace with population growth and increases opportunities to recycle water.

Protecting Public Health Through Safe Drinking Water

- 5. \$31.3 million to protect public health and worker safety and meet regulatory requirements to allow the Corporation to deliver system-wide monitoring and mitigation measures to meet updated per- and polyfluoroalkyl substances drinking water quality guidelines and continue to manage water quality risks. This strengthens monitoring, response and assurance processes, providing greater confidence for customers and communities that drinking water remains safe and reliable.

Deferral of 2025-26 Interim Dividend

- 6. The 2025-26 interim dividend will be deferred and form part of the 2025-26 final dividend.

Annual Performance Statement

The following performance information is the subject of an Annual Performance Statement adopted by the Government Trading Enterprise (GTE).

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad Government Goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the Corporation’s Strategic Objectives and Desired Outcomes and the Government Goal it contributes to. The Key Performance Indicators measure the extent of the impact of outcomes on the achievement of the GTE’s objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Delivering Strong Financial and Economic Management: Diversifying our economy and making more things in WA.	Sustainably finance our vision. Empowering our people to deliver our best performance.	1. Reducing total recurring expenditure to fund our key priorities and provide socially equitable outcomes for communities 2. Engaging and enabling our employees to perform at our best
Ensuring All Western Australians Can Access the Healthcare We Need, When We Need It.	Safety for customers, communities, and employees.	3. Providing safe and secure water to meet or exceed UN Sustainable Development Goal #6
Ensuring Every Western Australian Has a Home.	Supporting State development.	4. Deliver reliable water services to support housing growth, with integrated water and land planning to deliver efficient, liveable waterwise communities
Building Safe and Inclusive Communities.	Safety for customers, communities, and employees.	5. Improving employee and public safety outcomes
Protecting and Restoring Our Environment.	Accelerating environmental sustainability of the water cycle as our climate changes.	6. Accelerating to net zero for scope 1 and 2 greenhouse gas emissions 7. Educating the community on climate change impacts, driving waterwise outcomes and ramping up wastewater recycling
Delivering Quality Infrastructure and Services Across Our State.	Local solutions in partnership with communities.	8. Building trust among the communities we serve

Outcomes and Key Performance Indicators

	2024-25 Actual	2025-26 Budget	2025-26 Estimated Actual	2026-27 Budget Target	Note
Outcome: Reducing total recurring expenditure to fund our key priorities and provide socially equitable outcomes for communities:					
Total cost per property ^(a)	\$2,465	≤\$2,688	\$2,710	≤\$2,871	
Outcome: Engaging and enabling our employees to perform at our best:					
Employee experience survey - Engagement ^(b)	68%	≥68%	67%	≥69%	
Outcome: Providing safe and secure water to meet or exceed UN Sustainable Development Goal (SDG) 6 ^(c):					
Customers and communities we serve with access to safe water in line with UN SDG 6:					
Existing localities	99.6%	≥99%	99.6%	≥99%	
Aboriginal Communities Water Services program (ACWS) ^(d)	76.14%	≥80%	76.14%	≥80%	
Outcome: Deliver reliable water services to support housing growth, with integrated water and land planning to deliver efficient, liveable waterwise communities:					
Lot Clearances completed within 7 calendar days of all Western Australian Planning Commission conditions of subdivision validated as being met ^(e)	n.a.	n.a.	n.a.	≥90%	
Outcome: Improving employee and public safety outcomes:					
Total recordable injury frequency rate (per million hours worked) ^(f)	4.7	<4 ^(g)	4.2	<4	
Outcome: Accelerating to net zero for scope 1 and 2 greenhouse gas emissions:					
Reported greenhouse gas emissions (CO ₂ equivalent kilotonnes) ^(h)	578	549	580	508	
Outcome: Educating the community on climate change impacts, driving waterwise outcomes and ramping up wastewater recycling:					
Wastewater recycled	21%	21%	18%	21%	
Outcome: Building trust among the communities we serve:					
Individual measurement of community trust, across regions and segments (% of customers who rate the Corporation strongly (7-10))	67%	≥68%	64%	≥68%	

- (a) Total cost per property targets and estimated actual have been amended to reflect a more accurate estimate of the full cost of providing services, including adjusted assumptions for Return on Asset calculations.
- (b) The 2025-26 Budget Target has been amended in line with the final 2025-29 Statement of Expectations and current operating environment.
- (c) Measure split into 'existing localities and ACWS' in line with the final 2025-29 Statement of Expectations to better measure closing the gap between State-wide water services and those in ACWS communities (transferred to the Corporation on 1 July 2023).
- (d) Non-compliances were responded to in accordance with response protocols. Ongoing upgrades to water treatment systems are expected to improve overall water quality as the ACWS program progresses.
- (e) New key performance indicator introduced for 2026-27 to better reflect commitment to Government housing goal.
- (f) The Corporation's total recordable injury frequency rate performance and amended target are within the lowest quartile when compared to other water utilities as per 2023-24 Water Services Association of Australia Benchmarking data.
- (g) 2025-26 Budget previously stated as '4'. Updated to '<4' as a commitment to achieve the lowest possible result.
- (h) Long-term target of net zero greenhouse gas emissions by 2035. Current measure is consistent with National Greenhouse Energy Reporting Scheme methodology (scope 1 and scope 2, does not include offsets).

Asset Investment Program

1. \$6.4 billion has been committed over the forward estimates period to asset investment projects across Western Australia. This includes a total of \$3.5 billion in water, wastewater and drainage projects across the metropolitan area, \$2.1 billion in regional areas and \$774.9 million for services across the State. This investment program supports the Government's priorities by securing Western Australia's water future and supporting economic diversification, enabling housing, delivering high-quality infrastructure and services, protecting public health through safe drinking water, and protecting the environment.

Diversifying Our Economy - Securing Our Water Future

2. To manage the impact of the drying climate and population growth, Water Corporation has committed:

Metropolitan

- 2.1. \$1.3 billion for the Alkimos Seawater Desalination Plant, a major new climate resilient source delivering 50 gegalitres (GL)/year, with capacity for future expansion to 100 GL/year. This project supports Western Australia's long-term economic growth by securing water supply for households, industry and future strategic employment areas, while reducing reliance on rainfall-dependent surface and groundwater sources;
- 2.2. \$1 billion for other metropolitan water supply and network projects, delivering a coordinated program of upgrades and network expansions across Perth's water supply system to meet the needs of a rapidly growing population. It includes new source development, major trunk main upgrades and targeted network reinforcements to improve capacity, maintain pressure and flow performance, and ensure reliable delivery of drinking water as climate change continues to reduce traditional surface and groundwater yields, addressing growth, climate and asset condition risks across Perth; and
- 2.3. \$52.6 million for Kwinana Water Reclamation Plant Expansion for expansion of the plant to 26.7 megalitres (ML)/day to meet rising demand for high quality industrial process water. This project supports major industrial customers and underpins economic development in one of Western Australia's most important industrial precincts, addressing growth and climate risks by reducing reliance on scheme water; and

Regional

- 2.1. \$659.3 million for Dampier Seawater Desalination Plant, delivered via joint venture with Rio Tinto, providing 4 GL/year of new supply to meet West Pilbara demand and support industrial expansion. The cost includes investment in conveyancing infrastructure to connect the plant to the West Pilbara Water Supply Scheme;
- 2.2. \$507.4 million for Goldfields and Agricultural Water Supply Network Upgrade for upgrades to meet peak demand and support major industry and agriculture;
- 2.3. \$43.9 million for Burrup Seawater and Brine Disposal Scheme Capacity Upgrade to increase the capacity of the brine disposal system to meet expanding industrial seawater demand in the Burrup Strategic Industrial Area. This supports major industry growth while maintaining environmental safeguards, enabling climate resilient water supply as industrial demand increases; and
- 2.4. \$28 million for Ord Irrigation Scheme Upgrade to support expansion of the Ord agricultural precinct, including water supply for the Knox development, strengthening regional industry and export capacity, addressing asset condition and growth risks by upgrading infrastructure.

Ensuring Every Western Australian Has a Home

3. A total of \$321.5 million has been allocated over the forward estimates period to deliver the water, wastewater and drainage infrastructure needed to unlock housing supply across the State, including \$41 million to the regions. \$242.1 million approved this Budget is allocated to:
 - 3.1. \$140.6 million for North Ellenbrook and East Wanneroo;
 - 3.2. \$75 million for priority locations such as Mundijong, Karnup, West Ellenbrook, Albany, Eaton, Australind and Boyanup; and

- 3.3. \$26.6 million for METRONET station precincts.

Delivering Quality Infrastructure and Services Across Western Australia

4. The following will maintain infrastructure asset quality and service standards:

Metropolitan

- 4.1. \$80 million for critical water reticulation renewals across the metropolitan area addressing asset condition risks;
- 4.2. \$62.7 million for Perth Seawater Desalination Plant and Southern Seawater Desalination Plant asset replacement to address asset condition and climate risks, and maintain the long-term performance of Western Australia's two major desalination facilities, ensuring a secure drinking water supply as traditional sources decline;
- 4.3. \$46.2 million for Beenyup Water Resource Recovery Facility Upgrade to increase treatment capacity to 180 ML/day, ensuring the plant continues to operate effectively under growing demand;
- 4.4. \$38.5 million for Perth Seawater Desalination Plant Pre-treatment System Upgrade to reduce operating risks and enhance water quality during Westport construction and operation. This project will strengthen the plant's ability to consistently produce high quality drinking water for a growing population, addressing asset condition and climate risks; and
- 4.5. \$29.9 million at Clementine Boulevard Sewer Pumpstation to upgrade pumping capacity and deliver a new pressure main and gravity sewer to connect the system to Bibra Lake Main Sewer, addressing asset condition and growth risks; and

Regional

- 4.6. \$16.1 million will be invested in West Pilbara Water Supply Scheme Upgrades to improve reliability while protecting the culturally and environmentally significant Millstream aquifer.

Protecting Public Health Through Safe Drinking Water

5. To ensure drinking water quality meets regulatory requirements:

Metropolitan

- 5.1. \$3.7 million will be invested in metropolitan dam remediation works to meet Australian Drinking Water Guidelines; and

Regional

- 5.2. \$178.5 million will be spent on the Aboriginal Communities Water Services Program to deliver improved, reliable water services to remote Aboriginal and town-based communities, so that customers experience safer drinking water, more reliable services and improved health and liveability outcomes; and
- 5.3. \$3.8 million will construct a pipeline from Sovereign Hill to Guilderton to address rising nitrates from the Guilderton source.

Protecting and Restoring Our Environment

- 6. \$108.4 million will be invested in the Woodman Point Water Resource Recovery Facility to upgrade the solids treatment processes to increase the plant's overall treatment capacity. This project supports Perth's long-term growth and strengthens environmental protection by improving the quality and reliability of treated wastewater.

Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-26 \$'000	2025-26 Estimated Expenditure \$'000	2026-27 Budget Year \$'000	2027-28 Outyear \$'000	2028-29 Outyear \$'000	2029-30 Outyear \$'000
WORKS IN PROGRESS							
Albert St Drain	14,574	12,226	2,037	1,198	1,150	-	-
COVID-19 Response - Remote Aboriginal Communities							
Accelerated Works	77,558	29,480	5,700	12,100	24,300	11,678	-
Essential and Municipal Services Upgrade Program.....	64,773	29,809	3,500	7,000	14,400	13,564	-
Metropolitan							
Drainage							
Capacity	95,029	58,477	976	3,163	14,199	11,120	8,070
Renewals	56,080	28,572	3,237	5,921	6,845	6,871	7,871
Wastewater							
Network Capacity	1,050,640	481,377	91,636	168,756	124,140	130,779	145,588
Network Renewals.....	337,754	186,675	28,923	28,345	20,896	27,659	74,179
Treatment Capacity	1,056,076	743,350	188,343	161,935	48,714	49,543	52,534
Treatment Renewals.....	193,187	114,429	15,715	19,761	17,486	16,798	24,713
Water							
Network Capacity	670,033	339,611	42,750	67,926	68,927	91,299	102,270
Network Renewals.....	524,175	272,808	23,784	39,728	63,697	82,572	65,370
Supply Capacity.....	3,468,146	1,837,979	909,368	796,631	430,471	130,084	272,981
Supply Renewals.....	342,442	221,011	44,444	28,555	30,075	40,366	22,435
Regional							
Drainage							
Capacity	36,509	36,508	905	-	-	-	1
Renewals	48,445	28,510	3,031	2,829	6,559	7,252	3,295
Irrigation.....	137,600	103,315	25,003	29,462	2,464	1,751	608
Wastewater							
Network Capacity	182,051	81,048	19,166	27,843	43,846	21,143	8,171
Network Renewals.....	210,954	114,296	26,845	24,716	29,748	24,182	18,012
Treatment Capacity	327,614	196,277	7,170	2,923	31,722	57,057	39,635
Treatment Renewals.....	91,903	49,064	9,863	18,422	14,815	5,446	4,156
Water							
Network Capacity	947,517	303,776	109,955	417,966	177,675	23,640	24,460
Network Renewals.....	366,582	254,810	16,753	36,317	23,971	15,339	36,145
Supply Capacity.....	1,483,442	696,957	301,032	546,598	113,402	81,553	44,932
Supply Renewals.....	160,964	86,636	31,392	29,639	17,927	13,096	13,666
Service							
Business Support Costs	510,148	394,033	36,929	28,077	28,598	29,594	29,846
Capital Support Costs	346,103	225,446	29,391	28,944	30,267	30,570	30,876
Corporate Real Estate	254,957	164,077	26,177	22,720	22,720	22,720	22,720
Energy Infrastructure.....	322,198	23,037	-	94,375	204,786	-	-
Operational Information and Control.....	327,622	206,125	29,139	28,992	31,994	31,011	29,500
COMPLETED WORKS							
Relocation and Augmentation of Network Assets	261,859	261,859	35,328	-	-	-	-
NEW WORKS							
Election Commitment - Falcon Infill Sewerage.....	9,650	-	-	250	4,700	4,700	-
Total Cost of Asset Investment Program.....	13,976,585	7,581,578	2,068,492	2,681,092	1,650,494	981,387	1,082,034
FUNDED BY							
Borrowings.....			45,193	63,389	34,025	20,196	(79,707)
Borrowings WATC			924,192	1,927,525	976,796	277,155	50,926
Capital Appropriation			-	22,792	14,419	11,505	-
Commonwealth Grants			17,079	11,418	3,576	-	-
Internal Funds and Balances.....			1,041,043	606,025	613,944	672,531	1,110,815
Major Treasurer's Special Purpose Account(s)							
Remote Communities Fund.....			7,062	21,960	7,734	-	-
Royalties for Regions Fund			33,923	27,983	-	-	-
Total Funding.....			2,068,492	2,681,092	1,650,494	981,387	1,082,034

Financial Statements

Income Statement

Revenue

1. Total revenue in the 2026-27 Budget Year is \$346.9 million higher than the 2025-26 Estimated Actual largely due to an increase in the sale of goods and services, increase in the value of assets handed over from developers, and higher operating subsidies and capital subsidies from Government.

Expenses

2. Total expenses in the 2026-27 Budget Year are \$194.7 million higher than the 2025-26 Estimated Actual largely due to increased operations and maintenance costs to sustain the asset base, investment in planning and investigations to bring forward the next climate-resilient water sources and increased energy costs.

Statement of Financial Position

3. In the 2026-27 Budget Year, net assets are expected to decrease compared to the 2025-26 Estimated Actual. This is largely due to payment of the 2025-26 interim dividend in 2026-27. Additional borrowings are also forecast in 2026-27 to fund the Dampier Seawater Desalination Plant to supply 4GL/year to West Pilbara, the upgrade of the Goldfields and Agricultural Water Supply Scheme project, deliver Industrial Land Headworks projects and to fund further investment in the Alkimos Seawater Desalination Plant as the retained dividend for this purpose was used to repay debt in previous years.

Statement of Cashflows

4. Cash assets at the end of the reporting period in the 2026-27 Budget Year are lower than the 2025-26 Estimated Actual. This is largely due to the 2025-26 interim dividend being deferred for payment in 2026-27 and increased borrowings required to fund large Asset Investment Program projects.

INCOME STATEMENT (a)
(Controlled)

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
REVENUE							
Revenue from operations							
Sale of goods and services.....	2,714,192	2,689,390	2,758,805	2,896,396	2,986,392	3,101,169	3,219,603
Other revenue	387,832	346,177	376,553	388,618	418,395	432,812	447,988
Revenue from Government							
Operating subsidies.....	596,630	756,244	668,228	846,199	879,841	942,415	948,119
Capital subsidies	44,253	7,901	3,501	12,200	10,991	-	-
Other subsidies	600	4,798	8,102	2,557	278	-	-
Major Treasurer's Special Purpose Account(s)							
Remote Communities	10,327	49,796	26,379	33,384	20,126	-	-
Royalties for Regions							
Regional Community Services Fund.....	23,345	23,929	23,929	23,929	23,929	23,929	23,928
Strategic Industries Fund	-	-	264	9,427	15,108	-	-
TOTAL REVENUE.....	3,777,179	3,878,235	3,865,761	4,212,710	4,355,060	4,500,325	4,639,638
Expenses							
Employee benefits (b).....	527,698	469,922	552,387	568,536	586,363	604,440	623,800
Supplies and services	672,540	838,298	822,842	969,522	1,022,650	931,702	923,574
Accommodation	8,074	8,790	8,790	9,009	9,234	9,465	9,702
Depreciation and amortisation	590,879	583,571	586,652	607,993	675,187	749,972	776,137
Finance and interest costs.....	209,968	196,100	186,752	239,449	339,578	422,314	436,314
Other expenses.....	157,275	155,136	136,509	94,127	88,787	118,549	132,339
TOTAL EXPENSES.....	2,166,434	2,251,817	2,293,932	2,488,636	2,721,799	2,836,442	2,901,866
NET PROFIT/(LOSS) BEFORE TAX	1,610,745	1,626,418	1,571,829	1,724,074	1,633,261	1,663,883	1,737,772
National Tax Equivalent Regime							
Current tax equivalent expense.....	499,597	507,371	490,996	520,676	466,943	495,430	512,886
Deferred tax equivalent expense.....	(14,808)	(19,958)	(19,958)	(3,984)	22,510	3,204	7,922
NET PROFIT/(LOSS) AFTER TAX	1,125,956	1,139,005	1,100,791	1,207,382	1,143,808	1,165,249	1,216,964
Dividends	-	1,614,146	818,070	1,645,871	825,716	900,972	941,399

(a) Full audited financial statements are published in the Corporation's Annual Report.

(b) The full-time equivalents for 2024-25 Actual, 2025-26 Estimated Actual and 2026-27 Budget Year are 4,155, 4,531 and 4,531 respectively.

STATEMENT OF FINANCIAL POSITION (a)
(Controlled)

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
CURRENT ASSETS							
Cash assets	1,075,626	52,556	1,034,064	302,380	417,467	529,436	413,065
Cash assets - Retained dividends.....	358,674	40,401	53,887	68,799	84,073	111,841	11,384
Restricted cash	-	-	-	-	5,364	5,207	5,050
Receivables	334,588	334,472	341,750	354,550	365,202	377,443	390,074
Other.....	103,388	119,234	103,388	103,388	103,388	103,388	103,388
Total current assets	1,872,276	546,663	1,533,089	829,117	975,494	1,127,315	922,961
NON-CURRENT ASSETS							
Property, plant and equipment.....	19,521,387	21,394,953	21,169,336	23,434,282	24,607,477	25,021,627	25,532,218
Intangibles	76,486	112,635	76,486	76,486	76,486	76,486	76,486
Receivables	31,351	29,439	31,351	31,351	31,351	31,351	31,351
Total non-current assets	19,629,224	21,537,027	21,277,173	23,542,119	24,715,314	25,129,464	25,640,055
TOTAL ASSETS	21,501,500	22,083,690	22,810,262	24,371,236	25,690,808	26,256,779	26,563,016
CURRENT LIABILITIES							
Employee provisions	149,971	171,148	162,592	175,766	189,510	204,030	218,550
Payables	552,528	387,597	563,943	497,015	406,546	399,290	455,439
Borrowings and leases	20,473	20,359	21,414	21,724	22,073	22,908	23,714
Interest payable.....	35,163	41,896	36,459	36,459	36,459	36,459	36,459
Other.....	35,777	29,898	35,777	35,777	35,777	35,777	35,777
Total current liabilities	793,912	650,898	820,185	766,741	690,365	698,464	769,939
NON-CURRENT LIABILITIES							
Employee provisions	33,500	33,402	33,500	33,500	33,500	33,500	33,500
Borrowings and leases	4,495,527	5,640,649	5,459,132	7,447,764	8,450,680	8,740,092	8,703,861
Other.....	202,141	172,880	184,185	182,200	192,966	183,650	179,052
Total non-current liabilities	4,731,168	5,846,931	5,676,817	7,663,464	8,677,146	8,957,242	8,916,413
TOTAL LIABILITIES	5,525,080	6,497,829	6,497,002	8,430,205	9,367,511	9,655,706	9,686,352
NET ASSETS	15,976,420	15,585,861	16,313,260	15,941,031	16,323,297	16,601,073	16,876,664
EQUITY							
Contributed equity	497,230	616,947	551,348	617,609	681,783	695,282	695,308
Accumulated surplus/(deficit).....	8,154,744	7,642,195	8,437,465	7,998,976	8,317,068	8,581,345	8,856,910
Reserves.....	7,326,718	7,326,719	7,326,719	7,326,718	7,326,718	7,326,718	7,326,718
TOTAL EQUITY	15,978,692	15,585,861	16,315,532	15,943,303	16,325,569	16,603,345	16,878,936

(a) Full audited financial statements are published in the Corporation's Annual Report.

STATEMENT OF CASHFLOWS (a)
(Controlled)

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	2,724,837	2,681,599	2,723,093	2,911,430	2,988,923	3,083,938	3,202,879
Grants and subsidies.....	3,658	16,277	20,065	25,828	15,871	1,550	-
GST receipts.....	179,291	117,589	117,589	117,589	117,590	117,590	117,590
Other receipts.....	262,317	208,589	228,271	240,307	272,848	285,024	296,489
Payments							
Employee benefits.....	(522,347)	(454,233)	(536,326)	(551,819)	(562,833)	(586,162)	(605,408)
Supplies and services.....	(698,862)	(838,298)	(822,842)	(969,522)	(1,022,650)	(931,702)	(923,574)
GST payments.....	(193,662)	(118,127)	(118,127)	(118,127)	(118,127)	(118,127)	(118,127)
Finance and interest costs.....	(239,587)	(223,615)	(214,077)	(281,376)	(386,154)	(445,320)	(475,545)
Other payments.....	(143,870)	(162,527)	(81,992)	(140,454)	(123,934)	(143,917)	(135,081)
Net cash from operating activities.....	1,371,775	1,227,254	1,315,654	1,233,856	1,181,534	1,262,874	1,359,223
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds from sale of non-current assets.....	27,204	1,600	1,600	1,600	1,600	1,600	1,600
Payments							
Purchase of non-current assets.....	(1,271,462)	(2,221,715)	(2,068,492)	(2,681,092)	(1,650,494)	(981,387)	(1,082,034)
Net cash from investing activities.....	(1,244,258)	(2,220,115)	(2,066,892)	(2,679,492)	(1,648,894)	(979,787)	(1,080,434)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Proceeds from borrowings.....	-	1,735,401	1,550,487	2,702,888	1,986,757	1,407,805	1,193,405
Payments							
Repayment of borrowings and leases.....	(103,277)	(599,510)	(596,217)	(727,838)	(992,264)	(1,127,459)	(1,240,121)
Other payments.....	(7,579)	(7,724)	(7,724)	(7,746)	(7,579)	(7,205)	(7,195)
Net cash from financing activities.....	(110,856)	1,128,167	946,546	1,967,304	986,914	273,141	(53,911)
CASHFLOWS FROM GOVERNMENT							
Receipts							
Capital subsidies.....	6,900	3,450	10,350	5,200	3,970	-	-
Operating subsidies.....	596,630	756,244	668,228	846,199	879,841	942,415	948,119
Equity contributions.....	94,030	49,196	20,195	38,278	64,174	13,499	26
Other subsidies.....	6,706	3,548	5,207	700	-	-	-
Major Treasurer's Special Purpose Account(s)							
Remote Communities.....	45,309	49,796	49,796	-	-	-	-
Royalties for Regions							
Regional Community Services Fund.....	23,345	23,929	23,929	23,929	23,929	23,929	23,928
Regional Infrastructure and Headworks Fund.....	5,900	48,977	33,923	27,983	-	-	-
Strategic Industries Fund.....	-	-	264	9,427	15,108	-	-
Payments							
Dividends to Government.....	-	(1,614,143)	(818,070)	(1,645,872)	(825,716)	(900,971)	(941,400)
National Tax Equivalent Regime - Income Tax....	(480,471)	(525,554)	(526,689)	(535,275)	(535,901)	(486,055)	(462,834)
Local Government Rates Equivalent.....	(8,074)	(8,790)	(8,790)	(9,009)	(9,234)	(9,465)	(9,702)
Net cash provided to Government.....	(290,275)	1,213,347	541,657	1,238,440	383,829	416,648	441,863
NET INCREASE/(DECREASE) IN CASH HELD.....	306,936	(1,078,041)	(346,349)	(716,772)	135,725	139,580	(216,985)
Cash assets at the beginning of the reporting period.....	1,127,364	1,170,998	1,434,300	1,087,951	371,179	506,904	646,484
Cash assets at the end of the reporting period.....	1,434,300	92,957	1,087,951	371,179	506,904	646,484	429,499

(a) Full audited financial statements are published in the Corporation's Annual Report.

Bunbury Water Corporation

Part 12 Utilities

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax	2,141	3,814	6,484	1,550	4,521	875	1,067
Local Government Rates Equivalent	101	78	81	83	86	88	91
Dividends ^(a)	2,922	6,559	3,086	13,666	2,546	9,942	1,566
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Operating Subsidies	7,175	9,168	9,218	9,282	9,601	9,933	10,277
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contributions	-	5,325	5,325	7,499	2,620	6,679	-
RATIOS							
Dividend Payout Ratio (%)	85	85	85	85	85	85	85
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	21,021	34,831	35,966	20,505	31,761	22,178	22,939
Revenue from Government	7,175	9,168	9,218	9,282	9,601	9,933	10,277
Total Expenses ^(b)	22,139	20,873	22,521	25,140	25,039	29,286	29,729
Total Borrowings	3,522	2,761	2,761	18,447	16,353	14,182	12,336
NET PROFIT AFTER TAX	4,528	19,757	16,997	3,485	12,241	2,117	2,615
CASH ASSETS ^(c)	21,931	23,310	26,081	6,821	15,838	17,051	21,183

(a) In determining dividend payments to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.

(b) Excludes current tax expense, deferred tax expense and dividend payments.

(c) As at 30 June each financial year.

Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on Aqwest's Income Statement since presentation of the 2025-26 Budget to Parliament on 19 June 2025, are outlined below:

	2025-26	2026-27	2027-28	2028-29	2029-30
	Estimated	Budget	Outyear	Outyear	Outyear
	Actual	Year	\$'000	\$'000	\$'000
	\$'000	\$'000			
Key Adjustment					
Bunbury Water Resource Recovery Scheme Funding	2,113	(4,678)	(194)	7,008	301
Other					
Workforce Plan Implementation	(144)	(673)	(1,095)	(1,098)	(1,127)

Significant Initiatives

Bunbury Water Resource Recovery Scheme Commonwealth Funding

1. Aqwest received approval for funding from the Commonwealth National Water Grid (NWG) Fund to partially support the Bunbury Water Resource Recovery Scheme project. The timing of the milestone payments from the NWG has been updated, along with the respective impacts on current income tax and dividend payments.
2. The project will provide recycled water infrastructure for the irrigation of public open space and for future Managed Aquifer Recharge.
3. These are key initiatives for climate change adaptation and water security in the region and are strongly supported by all local governments and other key stakeholders.

Workforce Plan Implementation

4. Increased variability in labour market outcomes continues to present challenges for workforce resourcing and increases turnover costs. Aqwest maintains a Strategic Workforce Plan that develops strategies to address workforce risks, including attraction and retention, turnover and changes in business demands.
5. The Aqwest 2025 Enterprise Agreement contains improved pay and conditions for Aqwest employees to help address attraction and retention challenges.

Annual Performance Statement

The following performance information is the subject of an Annual Performance Statement adopted by the Government Trading Enterprise (GTE).

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad Government Goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between Aqwest’s Strategic Objectives and Desired Outcomes and the Government Goal it contributes to. The Key Performance Indicators measure the extent of the impact of outcomes on the achievement of the GTE’s objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Delivering Strong Financial and Economic Management: Diversifying our economy and making more things in WA.	Leverage our assets to drive sustainable, responsible financial performance and reinvest in our future.	1. Financial strength and resilience
	Deliver safe, reliable, and affordable water services that empower our community and support local growth.	2. Customers who trust and value our service
	Strengthen the Greater Bunbury economy.	3. Local partnerships and procurement
	Promote innovation and circular economy opportunities.	4. A skilled, agile, and diverse workforce
Building Safe and Inclusive Communities.	Support and promote accessibility and inclusion for our people, customers, and the Greater Bunbury community.	5. A connected, safe and inclusive community
Protecting and Restoring Our Environment.	Provide climate resilient, sustainable, fit for purpose water to the community.	6. Safe, reliable, fit for purpose water
	Embed environmental sustainability in every aspect of our operations.	7. Protect and enhance our environment
Delivering Quality Infrastructure and Services Across Our State.	Invest in enhancing the efficiency and performance of our water infrastructure and services.	8. Optimised and sustainable water operations
	Enable sustainable land development by ensuring water infrastructure meets future housing needs.	9. Water infrastructure ready to support community growth

Outcomes and Key Performance Indicators

	2024-25 Actual	2025-26 Budget	2025-26 Estimated Actual	2026-27 Budget Target	Note
Outcome: Financial strength and resilience:					
Economic real rate of return ^{(a)(b)}	3.3%	n.a.	n.a.	n.a.	
Return on assets ^(c)	n.a.	5%	13.4%	5%	
Return on equity ^(c)	n.a.	5%	13.6%	5%	
Outcome: Customers who trust and value our service:					
Overall customer satisfaction rating (Customer satisfaction survey) ^(d)	87%	85%	n.a.	85%	
Outcome: Local partnerships and procurement:					
Percentage of local suppliers (Buy Local Policy target)	50%	70%	70%	70%	

	2024-25 Actual	2025-26 Budget	2025-26 Estimated Actual	2026-27 Budget Target	Note
Outcome: A skilled, agile, and diverse workforce:					
Increase direct employment by >2% per annum ^(e)	6%	>2%	5%	n.a.	
Training expenditure per annum against salaries and wages	3.3%	>3%	>3%	>3%	
Safety index ^(f)	1	1	1	1	
Outcome: A connected, safe and inclusive community:					
Customer awareness of Aqwest services (customer satisfaction survey) ^(g)	94%	85%	n.a.	85%	
Employee diversity and wellbeing index ^(f)	1	1	1	1	
Strong communities index ^(f)	1	1	1	1	
Outcome: Safe, reliable, fit for purpose water:					
Customers agree water is safe to drink (customer satisfaction survey) ^{(a)(d)}	83%	85%	n.a.	n.a.	
Microbiological compliance	100%	100%	100%	100%	
Average frequency of an unplanned interruption (per 1,000 properties)	182	<250	<250	<250	
Outcome: Protect and enhance our environment:					
Environmental sustainability index ^(f)	0.5	1	1	1	
Outcome: Optimised and sustainable water operations:					
Number of water main breaks per 100 km of water mains ^(c)	n.a.	n.a.	n.a.	<6	
Number of unplanned interruptions per 1,000 properties ^(c)	n.a.	n.a.	n.a.	<150	
Increase in digital metering per annum ^(c)	n.a.	n.a.	n.a.	>10%	
Outcome: Water infrastructure ready to support community growth:					
Source Development Plan ^(c)	n.a.	n.a.	n.a.	Approval	
Strategic Asset Plan ^(c)	n.a.	n.a.	n.a.	Approval	

(a) Indicator removed from 2026-27.

(b) Forecast for 2025-26 inflated due to Commonwealth Government funding from the National Water Grid Fund. Results excluding this are closer to 6%.

(c) New indicator from 2026-27.

(d) Forecast not determinable as annual survey to be completed in June 2026.

(e) Focus for 2026-27 shifted from workforce expansion to driving efficiency and productivity from the current workforce. Identifying and investing in the current workforce to ensure that skills align to future organisational goals.

(f) Index definition available in Aqwest's Annual Report.

(g) The customer satisfaction survey is being conducted in April 2026 with results available at 30 June.

Asset Investment Program

1. Aqwest's Asset Investment Program totals \$69.8 million over the forward estimates period and is a continuance of Aqwest's long-term plan to deliver quality community services by developing and maintaining infrastructure to meet the water supply needs of the City of Bunbury.
2. Key projects over the forward estimates period include:
 - 2.1. \$35.3 million for the Bunbury Water Resource Recovery Scheme, which will provide recycled water for the irrigation of public open spaces, reducing the impact on groundwater sources;
 - 2.2. \$7.5 million to refurbish and maintain existing water storage and treatment infrastructure;
 - 2.3. \$5 million to replace ageing water mains; and
 - 2.4. \$495,000 to continue planning the Robertson Water Treatment Plant production upgrade.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-26 \$'000	2025-26 Estimated Expenditure \$'000	2026-27 Budget Year \$'000	2027-28 Outyear \$'000	2028-29 Outyear \$'000	2029-30 Outyear \$'000
WORKS IN PROGRESS							
Robertson Water Treatment Plant Upgrade.....	1,850	1,355	1,355	495	-	-	-
Bunbury Water Resource Recovery Scheme.....	57,664	22,320	12,118	32,231	3,113	-	-
COMPLETED WORKS							
Fleet, ICT and Other - 2025-26 Program	1,025	1,025	1,025	-	-	-	-
Mains - 2025-26 Program.....	1,729	1,729	1,729	-	-	-	-
Reservoirs - 2025-26 Program	800	800	800	-	-	-	-
Services - 2025-26 Program	66	66	66	-	-	-	-
Treatment Plants - 2025-26 Program	1,777	1,777	1,777	-	-	-	-
NEW WORKS							
Fleet, ICT and Other							
2026-27 Program	1,046	-	-	1,046	-	-	-
2027-28 Program	444	-	-	-	444	-	-
2028-29 Program	551	-	-	-	-	551	-
2029-30 Program	556	-	-	-	-	-	556
Mains							
2026-27 Program	1,051	-	-	1,051	-	-	-
2027-28 Program	1,071	-	-	-	1,071	-	-
2028-29 Program	1,435	-	-	-	-	1,435	-
2029-30 Program	1,471	-	-	-	-	-	1,471
Reservoirs							
2026-27 Program	567	-	-	567	-	-	-
2027-28 Program	424	-	-	-	424	-	-
2028-29 Program	100	-	-	-	-	100	-
Services							
2026-27 Program	69	-	-	69	-	-	-
2027-28 Program	71	-	-	-	71	-	-
2028-29 Program	238	-	-	-	-	238	-
2029-30 Program	244	-	-	-	-	-	244
Treatment Plants							
2026-27 Program	1,508	-	-	1,508	-	-	-
2027-28 Program	1,073	-	-	-	1,073	-	-
2028-29 Program	1,854	-	-	-	-	1,854	-
2029-30 Program	1,360	-	-	-	-	-	1,360
Total Cost of Asset Investment Program.....	80,044	29,072	18,870	36,967	6,196	4,178	3,631
FUNDED BY							
Commonwealth Grants			14,450	-	10,478	-	-
Internal Funds and Balances.....			4,420	36,967	(4,282)	4,178	3,631
Total Funding.....			18,870	36,967	6,196	4,178	3,631

Financial Statements

Income Statement

Revenue

1. Operating subsidies are projected to rise because of the gap between Aqwest's required tariffs under its efficient cost recovery pricing model and the approved tariff increases.
2. Other revenue increased for 2025-26 and 2027-28 due to the Commonwealth Government's contribution to the Bunbury Water Resource Recovery Scheme.

Expenses

3. Operating expenditure forecasts are driven by cyclical operational requirements and market and compliance cost pressures.
4. Current income tax equivalent and dividends are forecast to increase from 2025-26 to 2027-28 due to amounts payable on the Commonwealth Government's funding receipts for the Bunbury Water Resource Recovery Scheme. These will be reimbursed to Aqwest via equity contributions.

Statement of Financial Position

5. Aqwest's financial position remains stable over the forward estimates period.

Statement of Cashflows

6. Aqwest's cash position is forecast to remain positive over the forward estimates period. New borrowings are forecast to be required in 2026-27 to fund the ongoing Asset Investment Program.

INCOME STATEMENT ^(a) (Controlled)

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
REVENUE							
Revenue from operations							
Sale of goods and services.....	18,179	17,717	19,346	18,578	19,270	19,991	20,699
Other revenue.....	2,842	17,114	16,620	1,927	12,491	2,187	2,240
Revenue from Government							
Operating subsidies.....	7,175	9,168	9,218	9,282	9,601	9,933	10,277
TOTAL REVENUE.....	28,196	43,999	45,184	29,787	41,362	32,111	33,216
Expenses							
Employee benefits ^(b)	7,237	7,376	7,885	8,413	8,778	9,028	9,271
Supplies and services.....	6,171	4,830	5,262	6,731	5,472	5,877	5,982
Accommodation.....	1,594	1,571	1,600	1,694	1,694	1,748	1,803
Depreciation and amortisation.....	4,839	4,563	4,990	5,344	5,437	8,956	8,930
Finance and interest costs.....	107	80	80	53	816	779	710
Other expenses.....	2,191	2,453	2,704	2,905	2,842	2,898	3,033
TOTAL EXPENSES.....	22,139	20,873	22,521	25,140	25,039	29,286	29,729
NET PROFIT/(LOSS) BEFORE TAX.....	6,057	23,126	22,663	4,647	16,323	2,825	3,487
National Tax Equivalent Regime							
Current tax equivalent expense.....	2,141	3,814	6,484	1,550	4,521	875	1,067
Deferred tax equivalent expense.....	(612)	(445)	(818)	(388)	(439)	(167)	(195)
NET PROFIT/(LOSS) AFTER TAX.....	4,528	19,757	16,997	3,485	12,241	2,117	2,615
Dividends.....	2,922	6,559	3,086	13,666	2,546	9,942	1,566

(a) Full audited financial statements are published in Aqwest's Annual Report.

(b) The full-time equivalents for 2024-25 Actual, 2025-26 Estimated Actual and 2026-27 Budget Year are 57, 62 and 63 respectively.

STATEMENT OF FINANCIAL POSITION (a)
(Controlled)

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
CURRENT ASSETS							
Cash assets	21,931	22,724	26,081	6,821	15,838	17,051	21,183
Cash assets - Retained dividends.....	-	586	-	-	-	-	-
Receivables	4,475	4,437	3,979	4,081	4,186	4,295	4,407
Other.....	1,318	1,230	1,357	1,398	1,440	1,484	1,529
Total current assets	27,724	28,977	31,417	12,300	21,464	22,830	27,119
NON-CURRENT ASSETS							
Property, plant and equipment.....	151,829	177,666	173,558	205,098	207,342	202,471	197,083
Intangibles	39	-	15	-	-	-	-
Other.....	7,927	-	-	-	-	-	-
Total non-current assets	159,795	177,666	173,573	205,098	207,342	202,471	197,083
TOTAL ASSETS	187,519	206,643	204,990	217,398	228,806	225,301	224,202
CURRENT LIABILITIES							
Employee provisions	1,234	1,150	1,290	1,350	1,412	1,477	1,545
Payables	2,739	3,081	2,821	2,905	2,992	3,082	3,175
Borrowings and leases	1,094	1,135	1,135	2,220	2,171	2,125	1,820
Interest payable.....	6	-	6	6	6	6	6
Total current liabilities	5,073	5,366	5,252	6,481	6,581	6,690	6,546
NON-CURRENT LIABILITIES							
Employee provisions	180	175	189	199	210	221	233
Borrowings and leases	3,249	2,114	2,114	16,353	15,774	13,462	11,641
Other.....	14,327	13,142	13,509	13,121	12,682	12,515	12,320
Total non-current liabilities	17,756	15,431	15,812	29,673	28,666	26,198	24,194
TOTAL LIABILITIES.....	22,829	20,797	21,064	36,154	35,247	32,888	30,740
NET ASSETS	164,690	185,846	183,926	181,244	193,559	192,413	193,462
EQUITY							
Contributed equity	33,120	38,445	38,445	45,944	48,564	55,243	55,243
Accumulated surplus/(deficit).....	55,417	73,651	69,328	59,147	68,842	61,017	62,066
Reserves.....	76,153	73,750	76,153	76,153	76,153	76,153	76,153
TOTAL EQUITY	164,690	185,846	183,926	181,244	193,559	192,413	193,462

(a) Full audited financial statements are published in Aqwest's Annual Report.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	17,115	18,587	20,268	19,873	20,638	21,518	22,266
Grants and subsidies.....	-	15,650	14,450	-	10,478	-	-
GST receipts.....	1,710	1,211	3,327	4,765	2,809	2,598	1,663
Other receipts.....	2,989	449	1,109	487	494	501	508
Payments							
Employee benefits.....	(7,059)	(7,317)	(7,826)	(8,352)	(8,715)	(8,963)	(9,204)
Supplies and services.....	(1,962)	(2,338)	(2,539)	(3,407)	(2,462)	(2,465)	(2,528)
Accommodation ^(b)	(1,390)	(1,493)	(1,519)	(1,611)	(1,608)	(1,660)	(1,712)
GST payments.....	(1,679)	(1,211)	(3,302)	(4,740)	(2,784)	(2,573)	(1,636)
Finance and interest costs.....	(106)	(51)	(51)	(39)	(815)	(736)	(655)
Other payments.....	(4,476)	(4,843)	(5,213)	(6,037)	(5,645)	(6,123)	(6,287)
Net cash from operating activities.....	5,142	18,644	18,704	939	12,390	2,097	2,415
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds from sale of non-current assets.....	175	-	-	-	-	-	-
Payments							
Purchase of non-current assets.....	(6,953)	(23,266)	(18,870)	(36,967)	(6,196)	(4,178)	(3,631)
Net cash from investing activities.....	(6,778)	(23,266)	(18,870)	(36,967)	(6,196)	(4,178)	(3,631)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Proceeds from borrowings.....	-	-	-	16,459	-	-	-
Payments							
Repayment of borrowings and leases.....	(1,054)	(790)	(1,122)	(1,149)	(2,221)	(2,388)	(2,180)
Net cash from financing activities.....	(1,054)	(790)	(1,122)	15,310	(2,221)	(2,388)	(2,180)
CASHFLOWS FROM GOVERNMENT							
Receipts							
Operating subsidies.....	6,010	9,168	9,787	9,282	9,601	9,933	10,277
Equity contributions.....	-	5,325	5,325	7,499	2,620	6,679	-
Payments							
Dividends to Government.....	(2,922)	(6,559)	(3,086)	(13,666)	(2,546)	(9,942)	(1,566)
National Tax Equivalent Regime - Income Tax....	(2,887)	(3,814)	(6,484)	(1,550)	(4,521)	(875)	(1,067)
Local Government Rates Equivalent.....	(101)	(78)	(104)	(107)	(110)	(113)	(116)
Net cash provided to Government.....	(100)	(4,042)	(5,438)	(1,458)	(5,044)	(5,682)	(7,528)
NET INCREASE/(DECREASE) IN CASH HELD.....	(2,590)	(1,370)	4,150	(19,260)	9,017	1,213	4,132
Cash assets at the beginning of the reporting period.....	24,521	24,680	21,931	26,081	6,821	15,838	17,051
Cash assets at the end of the reporting period.....	21,931	23,310	26,081	6,821	15,838	17,051	21,183

(a) Full audited financial statements are published in Aqwest's Annual Report.

(b) Payment of Local Government Rates Equivalent is included within accommodation expense on the Income Statement; however, within the Statement of Cashflows it is recorded as a payment to Government and not as a payment from operating activities.

Busselton Water Corporation

Part 12 Utilities

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax	2,359	1,754	1,754	753	3,605	1,730	551
Local Government Rates Equivalent	74	77	77	79	81	83	85
Dividends ^(a)	3,595	5,717	5,232	4,472	1,921	9,193	4,413
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Operating Subsidies	4,386	4,359	4,423	2,135	2,263	2,760	4,266
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contributions	-	437	437	2,715	2,774	5,778	1,494
RATIOS							
Dividend Payout Ratio (%)	85	85	85	85	85	85	85
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	20,373	18,151	18,151	19,235	31,630	18,119	26,843
Revenue from Government	4,386	4,359	4,423	2,135	2,263	2,760	4,266
Total Expenses ^(b)	13,718	15,407	15,415	18,125	19,306	21,637	22,526
Total Borrowings	-	1,325	1,325	1,702	16,109	35,523	39,477
NET PROFIT AFTER TAX	8,682	5,349	5,405	2,492	10,982	(2,488)	8,032
CASH ASSETS ^(c)	15,645	6,422	10,506	10,323	12,291	6,848	5,332

(a) In determining dividend payments to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.

(b) Excludes current tax expense, deferred tax expense and dividend payments.

(c) As at 30 June each financial year.

Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Corporation's Income Statement since presentation of the 2025-26 Budget to Parliament on 19 June 2025, are outlined below:

	2025-26	2026-27	2027-28	2028-29	2029-30
	Estimated	Budget	Outyear	Outyear	Outyear
	Actual	Year	\$'000	\$'000	\$'000
	\$'000	\$'000			
Key Adjustments					
Operating Expenditure and Revenue Update	-	1,515	(1,041)	611	1,350
Water Tariff Operating Subsidy Update	-	31	32	33	34

Significant Initiatives

Securing Our Water Future in a Drying Climate

1. The Corporation is implementing mitigation strategies and adapting operations to secure sustainable long-term water supply for the Greater Busselton area.
2. Detailed design and initial construction activities are underway for the State and Commonwealth-funded Busselton Water Supply Improvement project. The project aims to increase peak supply capacity and to shift toward an inland borefield, thereby mitigating the risk of saltwater intrusion.
3. Ongoing investigation of alternative water source options, such as water recycling and small-scale desalination.
4. 'Behind the meter' renewable energy and variable speed pumps are being implemented to increase energy efficiency and contribute towards the 2030 interim and 2050 net zero targets under the Western Australian Climate Policy.
5. Ongoing system infrastructure upgrades to replace ageing infrastructure and meet increases in water demand due to growth.
6. Initiatives to improve water literacy and water efficiency through customer connection, community participation and reconciliation are ongoing.
7. Transitioning to smart customer meter technology to reduce household and water network losses and improve visibility of customer water use.
8. Continuation of the Corporation's ongoing Community Partnership Program.

Digital Transformation and Cyber Security

9. The Corporation is boosting investment in cyber security and new technologies and operating systems to enhance efficiency and meet customer expectations.
10. This investment includes the implementation of a cloud-based, AI-enabled Enterprise Resource Planning system that consolidates finance, procurement, asset management and supporting corporate functions into a single, integrated platform. This solution will address key risks to service continuity, cyber security, data integrity and compliance.

Annual Performance Statement

The following performance information is the subject of an Annual Performance Statement adopted by the Government Trading Enterprise (GTE).

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad Government Goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the Corporation's Strategic Objectives and Desired Outcomes and the Government Goal it contributes to. The Key Performance Indicators measure the extent of the impact of outcomes on the achievement of the GTE's objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Delivering Strong Financial and Economic Management: Diversifying our economy and making more things in WA.	Sustainable use of our water resources.	1. Secure water for tomorrow
	We are financially stable in the long term.	2. Return value to our shareholder and stakeholders/no increase in State debt 3. Deliver efficient and effective, lowest whole-of-life cost
	People are the core of our organisation, driving everything we do.	4. Provide a safe and supportive workplace 5. Build a diverse and inclusive workforce 6. Create WA and regional job opportunities
Building Safe and Inclusive Communities.	We are easy to deal with and connect to.	7. Building value in the community while caring for Country 8. Improve connection with our customers and stakeholders
Protecting and Restoring Our Environment.	Minimal impact on the environment.	9. Addressing climate change 10. Reduce our footprint

Outcomes and Key Performance Indicators

	2024-25 Actual	2025-26 Budget	2025-26 Estimated Actual	2026-27 Budget Target	Note
Outcome: Secure water for tomorrow:					
Drinking water quality compliance with health standards	100%	100%	100%	100%	
Water network losses ^(a)	15%	n.a.	14%	13%	
Available water source allocation ^(b)	15%	10%	12%	10%	
New residential water connections ^(a)	400	n.a.	400	400	
Outcome: Return value to our shareholder and stakeholders/no increase in State debt:					
Economic real rate of return	8.4%	3.5%	7.5%	3.5%	
Outcome: Deliver efficient and effective, lowest whole-of-life cost:					
Return on fixed assets	5.9%	3.5%	3.64%	4.18%	
Outcome: Provide a safe and supportive workplace:					
Lost time injury frequency rate (per million hours) ^(a)	1.81	n.a.	4	4	
Outcome: Build a diverse and inclusive workforce:					
Aggregated diversity score ^(c)	0.6	0.6	0.6	0.6	
Outcome: Create WA and regional job opportunities:					
Percentage of procurement jobs through WA-owned businesses ^(a)	83%	n.a.	85%	70%	

	2024-25 Actual	2025-26 Budget	2025-26 Estimated Actual	2026-27 Budget Target	Note
Outcome: Building value in the community while caring for Country:					
Service response index ^(d)	99%	95%	97%	97%	
Identified 'Innovate' Reconciliation Action Plan actions completed for given year ^(a)	80%	n.a.	80%	80%	
Outcome: Improve connection with our customers and stakeholders:					
Positive sentiment customer survey ^(a)	70%	n.a.	70%	70%	
Number of complaints per 1,000 customers (rolling average)	1.04	<5	<5	<5	
Outcome: Addressing climate change:					
Percentage of 2020 greenhouse gases emissions.....	60%	57%	57%	50%	
Outcome: Reduce our footprint:					
Energy use per 1,000 litres of water produced (kWh/kL).....	0.43	≤0.42	≤0.6	0.42	

- (a) New key performance indicators. The 2024-25 Actual and 2025-26 Estimated Actual have been calculated for comparative purposes.
- (b) This indicator is a measure of 'headroom' in water source, reflecting the remaining percentage of water available within the Corporation's current licence allocation.
- (c) The diversity index ratio includes measures for age, gender, nationality and first nations employment against make up of local population.
- (d) This is an index ratio which includes measures for response times to water leaks and water quality complaints against the Corporation's customer commitments.

Asset Investment Program

1. The Corporation's Asset Investment Program (AIP) totals \$74.9 million and will enable the Corporation to continue to support a strong regional economy.
2. Key projects over the forward estimates period include:
 - 2.1. \$8.2 million to upgrade reticulation mains and services within the network;
 - 2.2. \$7.7 million for the replacement and maintenance of tanks and delivery pumps used to store treated water, and to ensure greater efficiency of energy consumption;
 - 2.3. \$2.4 million for the installation of new connections, new meters and ongoing meter replacement;
 - 2.4. \$1.9 million for the ongoing upgrade and renewal of mobile plant and vehicles;
 - 2.5. \$1.2 million for new mains and services;
 - 2.6. \$521,000 for preliminary works including design for developing a new inland borefield and water treatment plant (Plant 8) adjacent to the Busselton Regional Airport. Construction works will commence in 2027-28 with \$52.2 million to be invested over 2027-28, 2028-29 and 2029-30;
 - 2.7. \$400,000 for ICT, including upgrades; and
 - 2.8. \$300,000 for upgrades to buildings and associated infrastructure.
3. This AIP ensures that existing infrastructure is maintained, and new infrastructure is provided to maintain water supplies and sustain growth into the future.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-26 \$'000	2025-26 Estimated Expenditure \$'000	2026-27 Budget Year \$'000	2027-28 Outyear \$'000	2028-29 Outyear \$'000	2029-30 Outyear \$'000
WORKS IN PROGRESS							
Treatment Plants - Inland Borefield Transition - New Water Treatment Plant (Plant 8)	62,273	9,602	6,086	521	26,917	17,233	8,000
COMPLETED WORKS							
Building, Land and Land Improvements - 2025-26 Program	169	169	169	-	-	-	-
ICT - 2025-26 Program	302	302	302	-	-	-	-
New Connections and Meters - 2025-26 Program	812	812	812	-	-	-	-
New Mains and Services - 2025-26 Program.....	1,519	1,519	1,519	-	-	-	-
Plant, Mobile and Other Purchases - 2025-26 Program....	1,186	1,186	1,186	-	-	-	-
Treatment Plants - 2025-26 Program	924	924	924	-	-	-	-
NEW WORKS							
Building, Land and Land Improvements 2026-27 Program	134	-	-	134	-	-	-
2029-30 Program - Buildings and Land Improvements...	109	-	-	-	-	-	109
2029-30 Program - Land	57	-	-	-	-	-	57
ICT 2026-27 Program	100	-	-	100	-	-	-
2027-28 Program	100	-	-	-	100	-	-
2028-29 Program	100	-	-	-	-	100	-
2029-30 Program	100	-	-	-	-	-	100
New Connections and Meters 2026-27 Program	532	-	-	532	-	-	-
2027-28 Program	411	-	-	-	411	-	-
2028-29 Program	411	-	-	-	-	411	-
2029-30 Program	1,062	-	-	-	-	-	1,062
New Mains and Services 2026-27 Program	267	-	-	267	-	-	-
2027-28 Program	175	-	-	-	175	-	-
2028-29 Program	175	-	-	-	-	175	-
2029-30 Program	626	-	-	-	-	-	626
Mains Replacement/Upgrade Program	8,212	-	-	100	300	3,858	3,954
Plant, Mobile and Other Purchases 2026-27 Program	300	-	-	300	-	-	-
2027-28 Program	528	-	-	-	528	-	-
2028-29 Program	528	-	-	-	-	528	-
2029-30 Program	581	-	-	-	-	-	581
Treatment Plants 2026-27 Program	4,611	-	-	4,611	-	-	-
2027-28 Program	1,408	-	-	-	1,408	-	-
2028-29 Program	984	-	-	-	-	984	-
2029-30 Program	709	-	-	-	-	-	709
Total Cost of Asset Investment Program.....	89,405	14,514	10,998	6,565	29,839	23,289	15,198
FUNDED BY							
Asset Sales.....			264	150	232	99	233
Borrowings.....			1,325	377	14,407	18,139	3,954
Commonwealth Grants			1,750	2,065	14,000	-	8,000
Internal Funds and Balances.....			7,659	3,973	1,200	5,051	3,011
Total Funding.....			10,998	6,565	29,839	23,289	15,198

Financial Statements

Income Statement

Revenue

1. The increase in total revenue over the forward estimates period is largely due to population growth in the region, resulting in additional service connections and higher water demand.

Operating Subsidy

2. The Corporation receives an operating subsidy to address the gap between the revenue needed to cover the costs of supplying water and to achieve the regulatory rate of return on assets.
3. Residential water prices make up approximately 78% of the Corporation's revenue and have been increased by 2.8% in 2026-27 to align with the Government-approved water tariffs.
4. Commercial performance in 2026-27 is maintained through an operating subsidy that bridges the gap between Busselton Water's costs and the revenue received. This is estimated to be \$2.1 million in 2026-27, which has fallen from \$4.4 million in 2025-26, following the reduction in the weighted average cost of capital used to estimate the subsidy from 7.1% to 5.5%.

Expenses

5. Growth in expenditure over the forward estimates period is reflective of the additional cost of producing and distributing higher volumes of water including higher costs for materials and labour, and delays in sourcing materials and contractors.
6. Employment costs will increase due to an increase in FTEs to ensure adequate resources and expertise to manage the increasing complexity the Corporation's work program.

Statement of Financial Position

7. The Statement of Financial Position shows a stable equity position over the forward estimates period.
8. Cash assets are expected to decrease over the forward estimates period, indicative of the extensive asset investment program being undertaken. This trend is reflected in the increased balances of property, plant, and equipment recorded over the same timeframe.

Statement of Cashflows

9. Net cash from operating activities remains positive due partly in response to anticipated growth in water sales from sustained population and consequently demand growth in the region. Expenditure increases are limited to the cost of producing and distributing higher volumes of water.

INCOME STATEMENT ^(a)
(Controlled)

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
REVENUE							
Revenue from operations							
Sale of goods and services.....	14,430	13,808	13,808	14,256	14,680	15,088	15,707
Other revenue	5,943	4,343	4,343	4,979	16,950	3,031	11,136
Revenue from Government							
Operating subsidies.....	4,386	4,359	4,423	2,135	2,263	2,760	4,266
TOTAL REVENUE.....	24,759	22,510	22,574	21,370	33,893	20,879	31,109
Expenses							
Employee benefits ^(b)	5,212	5,997	5,997	6,837	7,065	7,344	7,552
Supplies and services	3,761	4,060	4,060	5,161	4,881	5,045	6,033
Accommodation	791	1,127	1,127	1,131	864	886	908
Depreciation and amortisation	2,537	2,644	2,588	3,869	3,967	4,065	4,164
Finance and interest costs.....	6	18	18	14	744	2,399	2,001
Other expenses.....	1,411	1,561	1,625	1,113	1,785	1,898	1,868
TOTAL EXPENSES.....	13,718	15,407	15,415	18,125	19,306	21,637	22,526
NET PROFIT/(LOSS) BEFORE TAX	11,041	7,103	7,159	3,245	14,587	(758)	8,583
National Tax Equivalent Regime - Current tax equivalent expense	2,359	1,754	1,754	753	3,605	1,730	551
NET PROFIT/(LOSS) AFTER TAX	8,682	5,349	5,405	2,492	10,982	(2,488)	8,032
Dividends	3,595	5,717	5,232	4,472	1,921	9,193	4,413

(a) Full audited financial statements are published in the Corporation's Annual Report.

(b) The full-time equivalents for 2024-25 Actual, 2025-26 Estimated Actual and 2026-27 Budget Year are 42, 42 and 42 respectively.

**STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)**

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
CURRENT ASSETS							
Cash assets	10,585	2,467	5,446	5,263	7,231	1,788	272
Cash assets - Retained dividends.....	3,955	3,955	3,955	3,955	3,955	3,955	3,955
Restricted cash	1,105	-	1,105	1,105	1,105	1,105	1,105
Receivables	4,667	4,949	3,667	2,567	1,267	1,267	1,268
Other.....	1,982	1,707	1,982	1,982	1,982	1,982	1,982
Total current assets	22,294	13,078	16,155	14,872	15,540	10,097	8,582
NON-CURRENT ASSETS							
Property, plant and equipment.....	118,291	131,400	126,783	129,365	154,992	174,104	184,894
Intangibles	99	136	64	28	41	53	64
Other.....	7,948	2,012	7,948	7,948	7,948	7,948	7,948
Total non-current assets	126,338	133,548	134,795	137,341	162,981	182,105	192,906
TOTAL ASSETS	148,632	146,626	150,950	152,213	178,521	192,202	201,488
CURRENT LIABILITIES							
Employee provisions	859	1,113	994	1,195	1,314	1,542	1,828
Payables.....	3,553	2,405	3,553	3,553	3,553	3,553	3,554
Borrowings and leases	91	28	145	149	154	134	63
Total current liabilities	4,503	3,546	4,692	4,897	5,021	5,229	5,445
NON-CURRENT LIABILITIES							
Employee provisions	60	159	88	120	153	186	189
Borrowings and leases	330	1,338	1,890	2,181	16,497	35,840	39,794
Other.....	19,239	19,239	19,239	19,239	19,239	19,239	19,239
Total non-current liabilities	19,629	20,736	21,217	21,540	35,889	55,265	59,222
TOTAL LIABILITIES.....	24,132	24,282	25,909	26,437	40,910	60,494	64,667
NET ASSETS	124,500	122,344	125,041	125,776	137,611	131,708	136,821
EQUITY							
Contributed equity	-	437	437	3,152	5,926	11,704	13,198
Accumulated surplus/(deficit).....	62,708	60,115	62,812	60,832	69,893	58,212	61,831
Reserves.....	61,792	61,792	61,792	61,792	61,792	61,792	61,792
TOTAL EQUITY	124,500	122,344	125,041	125,776	137,611	131,708	136,821

(a) Full audited financial statements are published in the Corporation's Annual Report.

STATEMENT OF CASHFLOWS (a)
(Controlled)

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	\$'000	Year	\$'000	\$'000	\$'000
				\$'000			
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	14,911	13,808	14,808	15,356	15,980	15,088	15,707
Grants and subsidies.....	1,750	1,750	1,750	2,065	14,000	-	8,000
GST receipts.....	1,432	482	482	527	-	554	569
Other receipts.....	3,057	2,593	2,593	2,914	2,950	3,031	3,136
Payments							
Employee benefits.....	(5,268)	(5,834)	(5,834)	(6,604)	(6,913)	(7,083)	(7,263)
Supplies and services.....	(2,114)	(2,314)	(2,314)	(3,151)	(3,126)	(3,258)	(3,164)
Accommodation ^(b)	(755)	(1,050)	(1,050)	(1,052)	(783)	(803)	(823)
GST payments.....	(1,647)	(482)	(482)	(527)	-	(554)	(569)
Finance and interest costs.....	(6)	(18)	(18)	(14)	(744)	(2,399)	(2,001)
Other payments.....	(2,198)	(3,307)	(3,371)	(3,123)	(3,540)	(3,685)	(4,737)
Net cash from operating activities.....	9,162	5,628	6,564	6,391	17,824	891	8,855
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds from sale of non-current assets.....	70	264	264	150	232	99	233
Payments							
Purchase of non-current assets.....	(11,992)	(10,044)	(10,998)	(6,565)	(29,839)	(23,289)	(15,198)
Net cash from investing activities.....	(11,922)	(9,780)	(10,734)	(6,415)	(29,607)	(23,190)	(14,965)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Proceeds from borrowings.....	-	1,325	1,325	377	14,407	19,414	3,954
Payments							
Repayment of borrowings and leases.....	(47)	(170)	(91)	(82)	(86)	(90)	(71)
Net cash from financing activities.....	(47)	1,155	1,234	295	14,321	19,324	3,883
CASHFLOWS FROM GOVERNMENT							
Receipts							
Operating subsidies.....	4,386	4,359	4,423	2,135	2,263	2,760	4,266
Equity contributions.....	-	437	437	2,715	2,774	5,778	1,494
Payments							
Dividends to Government.....	(3,595)	(5,717)	(5,232)	(4,472)	(1,921)	(9,193)	(4,413)
National Tax Equivalent Regime - Income Tax....	(2,100)	(1,754)	(1,754)	(753)	(3,605)	(1,730)	(551)
Local Government Rates Equivalent.....	(74)	(77)	(77)	(79)	(81)	(83)	(85)
Net cash provided to Government.....	1,383	2,752	2,203	454	570	2,468	(711)
NET INCREASE/(DECREASE) IN CASH HELD.....	(4,190)	(5,749)	(5,139)	(183)	1,968	(5,443)	(1,516)
Cash assets at the beginning of the reporting period.....	19,835	12,171	15,645	10,506	10,323	12,291	6,848
Cash assets at the end of the reporting period.....	15,645	6,422	10,506	10,323	12,291	6,848	5,332

(a) Full audited financial statements are published in the Corporation's Annual Report.

(b) Payment of Local Government Rates Equivalent is included within accommodation expense on the Income Statement; however, within the Statement of Cashflows it is recorded as a payment to Government and not as a payment from operating activities.