

## Part 3

### Financial Administration

#### Introduction

The Financial Administration portfolio is responsible for assisting the development of the Government's fiscal strategy, with the principal goal of sustainable finances through responsible financial management. It provides financial and economic advice, assesses value for money in service delivery and ensures transparency in public sector finances and performance by reporting to the Government, Parliament and the public.

#### Summary of Recurrent and Asset Investment Expenditure

Agency	2025-26 Estimated Actual \$'000	2026-27 Budget Year \$'000
Treasury and Finance		
– Total Cost of Services.....	192,302	189,648
– Asset Investment Program .....	2,549	1,386
Western Australian Treasury Corporation		
– Asset Investment Program .....	100	1,689
Office of the Auditor General		
– Total Cost of Services.....	60,522	63,951
– Asset Investment Program .....	780	690
Insurance Commission of Western Australia		
– Asset Investment Program .....	4,426	2,895
Keystart		
– Asset Investment Program .....	1,150	1,150

## Ministerial Responsibilities

Minister	Agency	Services
Deputy Premier; Treasurer; Minister for Transport; Sport and Recreation  Minister for Mines and Petroleum; Finance; Electoral Affairs; Goldfields-Esperance	Treasury and Finance	1. Financial Management and Reporting 2. Economic and Revenue Forecasts and Policy Development 3. Evaluation and Planning of Government Service Delivery and Infrastructure Provision 4. Revenue Assessment and Collection, and Grants and Subsidies Administration 5. Development and Management of Common Use Contract Arrangements
	Western Australian Treasury Corporation	n.a.
	Office of the Auditor General	1. Public Sector Auditing
	Insurance Commission of Western Australia	n.a.
	Keystart	n.a.

# Division 11 Treasury and Finance

## Part 3 Financial Administration

### Appropriations, Expenses and Cash Assets <sup>(a)</sup>

	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			
<b>DELIVERY OF SERVICES</b>							
Item 14 Net amount appropriated to deliver services .....	118,572	123,076	140,297	<b>146,827</b>	145,429	145,284	146,652
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	2,953	3,129	3,181	<b>3,263</b>	3,339	3,421	3,507
Total appropriations provided to deliver services.....	121,525	126,205	143,478	<b>150,090</b>	148,768	148,705	150,159
<b>ADMINISTERED TRANSACTIONS</b>							
<i>Operating Subsidy Payments</i>							
Item 15 Bunbury Water Corporation .....	6,010	9,168	9,787	<b>9,282</b>	9,601	9,933	10,277
Item 16 Busselton Water Corporation.....	4,386	4,359	4,423	<b>2,135</b>	2,263	2,760	4,266
Item 17 Electricity Generation and Retail Corporation (Synergy) .....	1,152,899	778,483	774,124	<b>674,502</b>	571,818	305,934	272,672
Item 18 Gold Corporation .....	4,270	6,078	6,078	<b>6,800</b>	-	-	-
Item 19 Pilbara Ports Authority .....	-	-	-	<b>4,320</b>	2,160	2,160	2,160
Item 20 Public Transport Authority of Western Australia.....	1,390,573	1,412,781	1,412,478	<b>1,473,376</b>	1,501,834	1,517,457	1,546,500
Item 21 Regional Power Corporation (Horizon Power).....	44,411	25,707	28,296	<b>23,340</b>	22,146	22,394	22,279
Item 22 Water Corporation.....	596,630	756,244	668,228	<b>846,199</b>	879,841	942,415	948,119
Item 23 Western Australian Land Authority (DevelopmentWA) .....	170,865	217,073	225,941	<b>619,197</b>	460,720	151,791	71,981
Item 24 Western Australian Land Authority (DevelopmentWA) - Provision for Lease Incentives (Strategic Industrial Areas) <sup>(b)</sup> .....	-	1,700	-	<b>3,800</b>	7,000	-	-
Kimberley Ports Authority .....	2,500	-	-	-	-	-	-
Mid West Ports Authority .....	-	6,029	6,029	-	-	-	-
Southern Ports Authority .....	-	2,851	2,851	-	-	-	-
<i>Grants, Subsidies and Transfer Payments</i>							
Item 25 Department of Creative Industries, Tourism and Sport <sup>(b)</sup> .....	-	50,257	50,257	<b>31,389</b>	-	-	13,300
Item 26 Department of Energy and Economic Diversification <sup>(b)</sup> .....	-	10,139	4,001	<b>35,134</b>	44,730	1,210	-
Item 27 Department of Housing and Works <sup>(b)</sup> .....	-	86,298	60,475	<b>119,779</b>	71,975	69,475	59,475
Item 28 Department of Planning, Lands and Heritage <sup>(b)</sup> .....	-	-	-	<b>9,550</b>	-	-	-
Item 29 Department of the Premier and Cabinet <sup>(b)</sup> .....	-	19,000	19,000	<b>2,013</b>	4,027	4,027	-
Item 30 Department of Transport and Major Infrastructure <sup>(b)</sup> .....	-	4,900	-	<b>4,900</b>	-	-	-
Item 31 Gaming and Wagering Commission <sup>(c)</sup> .....	4,200	-	-	<b>1,634</b>	-	-	-
Item 32 Goods and Services Tax (GST) Administration Costs .....	67,538	76,200	79,800	<b>75,600</b>	75,800	76,000	76,300
Item 33 National Redress Scheme and Civil Litigation for Survivors of Institutional Child Sexual Abuse Account.....	10,000	82,001	82,001	<b>11,000</b>	-	-	-
Item 34 Noongar Land Fund .....	5,600	5,600	5,600	<b>5,600</b>	5,600	5,600	3,050
Item 35 Provision for Foster and Grand Carer Gold Card <sup>(d)</sup> .....	-	-	-	<b>3,244</b>	2,300	2,357	2,416
Item 36 Provision for Government Wages Policy - Outcomes yet to be Finalised <sup>(e)</sup> ...	-	149,940	3,592	<b>23,805</b>	15,592	15,592	15,592
Item 37 Provision for Government Wages Policy - Newly Expiring Industrial Agreements <sup>(f)</sup> .....	-	-	-	<b>111,957</b>	467,430	745,578	896,827

	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			
<b>Item 38 Provision for Shared Equity Home Ownership Subsidy Scheme <sup>(g)</sup>.....</b>	-	-	-	<b>2,039</b>	4,077	6,116	8,154
<b>Item 39 Provision for Thriving Kids <sup>(h)</sup>.....</b>	-	-	-	<b>35,903</b>	46,857	40,378	41,549
<b>Item 40 Provision for Voluntary Targeted Separation Scheme <sup>(i)</sup>.....</b>	-	-	-	<b>228,953</b>	-	-	-
<b>Item 41 Provision for Racing and Wagering Western Australia <sup>(l)</sup>.....</b>	-	-	-	<b>12,500</b>	-	-	-
<b>Item 42 Royalties for Regions <sup>(k)</sup>.....</b>	905,125	953,824	696,605	<b>974,521</b>	930,062	866,504	787,982
<b>Item 43 State Property - Emergency Services Levy.....</b>	23,077	23,361	23,361	<b>22,837</b>	24,515	26,355	28,323
<b>Item 44 WA Health <sup>(b)</sup>.....</b>	-	12,266	70,258	<b>225,161</b>	30,620	33,791	29,328
<b>Item 45 Western Australian Land Authority (DevelopmentWA) - Provision for Housing <sup>(b)</sup>.....</b>	-	61,631	5,680	<b>128,735</b>	82,800	-	-
<b>Item 46 All Other Grants, Subsidies and Transfer Payments <sup>(l)</sup>.....</b>	229,159	262,206	263,337	<b>310,619</b>	292,556	311,357	331,575
<i>Comprising:</i>							
Acts of Grace / Ex Gratia Payments.....	26	200	100	<b>200</b>	200	200	200
Administration Costs - National Tax Equivalent Regime Scheme.....	72	125	125	<b>125</b>	125	125	125
Building Bonus Homebuyers Grant.....	120	500	500	-	-	-	-
Energy Concession Extension Scheme....	3,291	3,514	3,514	<b>3,800</b>	3,956	4,118	4,287
Electricity Credits (State and Commonwealth).....	13,890	1,354	2,272	-	-	-	-
Fuel Excise Relief Program.....	-	-	-	<b>33,102</b>	-	-	-
Incidentals.....	4,208	200	100	<b>200</b>	200	200	200
Interest on Public Moneys Held in Participating Trust Fund Accounts.....	12,335	11,500	14,000	<b>15,000</b>	15,000	14,500	14,000
Life Support Equipment Subsidy Scheme....	1,496	1,596	1,561	<b>1,627</b>	1,696	1,767	1,840
National Partnership on Homebuilder.....	1,310	660	660	-	-	-	-
Off-the-Plan Duty Rebate Scheme.....	457	500	500	-	-	-	-
Payroll Tax Rebates Scheme.....	47	50	50	<b>50</b>	50	50	50
Pensioner Concessions - Emergency Services Levy.....	26,464	28,500	28,692	<b>31,076</b>	33,659	36,420	39,408
Pensioner Concessions - Local Government Rates.....	127,082	139,908	137,779	<b>149,229</b>	161,631	174,891	189,239
Refund of Past Years Revenue Collections - Public Corporations.....	2,204	10,000	10,000	<b>10,000</b>	10,000	10,000	10,000
Refund of Past Years Revenue Collections - Royalties.....	-	2,000	2,000	<b>2,000</b>	2,000	2,000	2,000
Refund of Past Years Revenue Collections - Taxation.....	30,483	55,500	55,500	<b>58,063</b>	60,779	63,659	66,718
Thermoregulatory Dysfunction Energy Subsidy.....	1,872	2,068	1,953	<b>2,036</b>	2,122	2,210	2,301
Western Australian Land Information Authority - Valuation Services.....	-	190	190	<b>140</b>	160	210	170
Western Australian Treasury Corporation Management Fees.....	883	922	922	<b>950</b>	978	1,007	1,037
WorkCover WA Authority.....	2,919	2,919	2,919	<b>3,021</b>	-	-	-
Ecological Thinning Program Account.....	129,691	-	-	-	-	-	-
Provision for National Disability Insurance Scheme Additional Contributions <sup>(m)</sup> .....	-	163,100	-	-	-	-	-
Western Australia Police Force <sup>(b)</sup> .....	-	-	-	-	-	-	16,843
<i>Authorised by Other Statutes</i>							
<b>Judges' Salaries and Pensions Act 1950.....</b>	23,469	21,182	24,372	<b>25,220</b>	26,352	27,606	28,599
<i>Comprising:</i>							
Benefit Payments.....	23,200	20,925	24,217	<b>25,028</b>	26,162	27,411	28,398
Administration Expenses <sup>(n)</sup> .....	268	257	155	<b>192</b>	190	195	201
<b>Parliamentary Superannuation Act 1970.....</b>	10,915	10,155	11,141	<b>11,476</b>	12,205	12,063	12,368
<i>Comprising:</i>							
Benefit Payments.....	10,600	9,853	10,959	<b>11,250</b>	11,982	11,834	12,132
Administration Expenses <sup>(n)</sup> .....	315	302	182	<b>226</b>	223	229	236
<b>State Superannuation Act 2000.....</b>	450,498	435,532	436,122	<b>414,402</b>	388,647	418,579	392,075
<i>Comprising:</i>							
Pension Scheme.....	148,109	135,655	135,870	<b>128,476</b>	120,802	113,500	106,624
<i>Comprising:</i>							
Benefit Payments.....	146,733	134,503	134,736	<b>127,337</b>	119,734	112,484	105,655
Administration Expenses <sup>(n)</sup> .....	1,376	1,152	1,134	<b>1,139</b>	1,068	1,016	969
<b>Gold State Super.....</b>	302,389	299,877	300,252	<b>285,926</b>	267,845	305,079	285,451
<i>Comprising:</i>							
Benefit Payments.....	297,110	294,443	294,818	<b>279,377</b>	262,811	300,158	280,637
Administration Expenses <sup>(n)</sup> .....	5,019	5,143	5,143	<b>6,243</b>	4,735	4,614	4,498
Government Services <sup>(o)</sup> .....	260	291	291	<b>306</b>	299	307	316

	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			
First Home Owner Grant Act 2000.....	41,774	53,182	42,780	59,631	64,902	68,591	66,795
Loan Acts - Interest.....	827,361	867,000	856,000	1,119,000	1,222,000	1,338,000	1,424,000
<b>Racing and Wagering Western Australia</b>							
Act 2003.....	39,275	38,651	41,294	41,831	42,375	42,926	43,484
Unclaimed Money Act 1990.....	2,790	3,000	3,000	3,000	3,000	3,000	3,000
<b>Western Australian Health Promotion</b>							
Foundation Act 2016.....	25,520	25,992	25,995	28,141	26,584	26,617	26,650
<b>Western Australian Future Health Research</b>							
and Innovation Fund Act 2012.....	77,700	82,500	82,500	94,400	80,900	77,800	74,400
<b>TOTAL RECURRENT ADMINISTERED .....</b>	<b>6,246,236</b>	<b>6,718,390</b>	<b>6,025,406</b>	<b>7,836,925</b>	<b>7,423,289</b>	<b>7,174,366</b>	<b>7,260,339</b>
<b>CAPITAL</b>							
Item 113 Capital Appropriation.....	537	1,081	1,811	653	675	698	701
<i>Government Equity Contributions</i>							
Item 114 Bunbury Water Corporation .....	-	5,325	5,325	7,499	2,620	6,679	-
Item 115 Busselton Water Corporation.....	-	437	437	2,715	2,774	5,778	1,494
Item 116 Department of Biodiversity, Conservation and Attractions <sup>(b)</sup> .....	-	350	350	3,616	3,038	-	-
Item 117 Department of Education <sup>(b)</sup> .....	-	-	-	56,771	46,747	2,195	-
Item 118 Department of Primary Industries and Regional Development <sup>(b)</sup> .....	-	-	-	65,106	72,945	-	-
Item 119 Department of Transport and Major Infrastructure <sup>(b)</sup> .....	-	6,150	-	12,000	2,500	-	-
Item 120 Electricity Generation and Retail Corporation (Synergy) .....	983,648	419,538	486,231	142,131	-	-	-
Item 121 Electricity Networks Corporation (Western Power).....	174,329	599,001	647,041	328,445	210,584	179,136	189,782
Item 122 Fremantle Port Authority .....	-	3,635	1,035	13,684	12,000	14,538	-
Item 123 Kimberley Ports Authority .....	12,725	7,130	5,130	3,495	3,672	3,803	3,899
Item 124 Mid West Ports Authority.....	-	212	-	1,181	5,347	10,649	10,649
Item 125 Pilbara Ports Authority .....	174,560	341,274	172,573	313,470	89,200	27,830	-
Item 126 Provision for Shared Equity Home Ownership Subsidy Scheme <sup>(p)</sup> .....	-	-	-	41,000	41,000	41,000	41,000
Item 127 Regional Power Corporation (Horizon Power).....	-	-	-	20,541	14,451	14,451	14,451
Item 128 Royalties for Regions <sup>(k)</sup> .....	246,604	320,657	282,912	230,054	101,858	50,368	27,067
Item 129 WA Health <sup>(b)</sup> .....	-	144,348	32,128	301,799	178,413	91,719	384
Item 130 Water Corporation.....	94,030	49,196	20,195	38,278	64,174	13,499	26
Item 131 Western Australian Land Authority (DevelopmentWA) .....	40,353	-	-	20,000	10,000	-	-
Commissioner of Main Roads <sup>(b)</sup> .....	-	-	-	-	-	20,112	-
Department of Creative Industries, Tourism and Sport <sup>(b)</sup> .....	-	20,000	20,000	-	-	-	-
Department of Housing and Works <sup>(b)</sup> .....	-	11,000	11,000	-	-	-	-
Metropolitan Redevelopment Authority (DevelopmentWA) .....	2,420	-	-	-	-	-	-
Provision for Aluminium Composite Panel Cladding <sup>(q)</sup> .....	-	10,352	10,352	-	-	-	-
Provision for Public Transport Authority of Western Australia <sup>(b)</sup> .....	-	50,000	-	-	50,000	32,500	-
Western Australia Police Force <sup>(b)</sup> .....	-	13,088	-	-	-	-	-
Western Australian Meat Industry Authority <sup>(r)</sup> .....	1,628	2,673	3,159	-	2,442	2,956	3,022
Department of Planning, Lands and Heritage Administered .....	4,144	-	-	-	-	-	-
<i>Other</i>							
Item 132 Building Hospitals Fund .....	-	-	54,170	1,445,830	250,000	250,000	-
Item 133 Digital Capability Fund .....	458,151	15,964	15,964	301,064	-	-	-
Item 134 Major Projects Fund.....	-	-	-	125,000	125,000	125,000	125,000
Item 135 Remote Communities Fund.....	-	-	-	126,685	-	-	-
Item 136 Social and Affordable Housing Investment Fund.....	400,000	79,500	79,500	1,170,931	-	-	-
Item 137 Strategic Industries Fund .....	500,000	455,000	455,000	25,000	20,000	-	-
<i>Authorised by Other Statutes</i>							
Loans (Co-operative Companies) Act 2004....	12,000	-	-	-	-	-	-
<b>TOTAL CAPITAL ADMINISTERED.....</b>	<b>3,104,592</b>	<b>2,554,830</b>	<b>2,302,502</b>	<b>4,796,295</b>	<b>1,308,765</b>	<b>892,213</b>	<b>416,774</b>

	2024-25	2025-26	2025-26 Estimated Actual \$'000	2026-27 Budget Year \$'000	2027-28	2028-29	2029-30
	Actual \$'000	Budget \$'000			Outyear \$'000	Outyear \$'000	Outyear \$'000
<b>GRAND TOTAL</b> .....	9,472,890	9,400,506	8,473,197	<b>12,783,963</b>	8,881,497	8,215,982	7,827,973
<b>EXPENSES</b>							
Total Cost of Services .....	153,390	177,494	192,302	<b>189,648</b>	188,485	189,219	190,400
Net Cost of Services <sup>(s)</sup> .....	144,895	168,467	184,826	<b>181,419</b>	180,256	180,990	182,171
<b>CASH ASSETS</b> <sup>(t)</sup> .....	32,427	21,647	26,972	<b>27,260</b>	27,546	27,238	26,928

- (a) The 2024-25 Actual has been recast for comparability purposes to account for Public Sector Reform (PSR) changes which took effect from 1 July 2025.
- (b) Reflects funding provisioned for the agency, to be transferred to its own appropriation item pending a further decision by Government.
- (c) Reflects funding provided to support the regulation of the community gaming sector.
- (d) A provision to support the implementation of the Government's Foster and Grand Carer Gold Card program, which will provide future supports and benefits such as Electricity Assistance Payments to eligible foster carers, family carers, special guardianship carers, and grand carers.
- (e) A provision for industrial agreements and outcomes not yet finalised but where negotiations have been progressed. This provision will be allocated to relevant agency budgets once the remaining industrial agreements are finalised.
- (f) A provision to accommodate bargaining for newly expiring industrial agreements. Final outcomes for public sector industrial agreements to be settled over the forward estimates period are not yet known. The provision provides a maximum funding envelope for industrial negotiations consistent with the Government's Wages Policy.
- (g) A provision to support implementation of the Government Regional Officer Housing (GROH) Shared Equity Home Ownership Subsidy Scheme, with this allocation being the loan repayment subsidies to be provided under the pilot.
- (h) A provision to provide for the establishment of Foundational Supports - Thriving Kids services in Western Australia, in line with the National Agreement on Foundational Supports.
- (i) A provision to provide for appropriation-funded implementation costs for a Voluntary Targeted Separation Scheme for up to 1,500 FTE during 2026-27.
- (j) Reflects funding provisioned for the agency for distributions to the racing industry, pending a further decision by Government.
- (k) Appropriations to the Royalties for Regions Fund Special Purpose Account are split between payments for recurrent and capital purposes (based on project information). Further detail on the Royalties for Regions program is available in Budget Paper No. 3: *Economic and Fiscal Outlook*.
- (l) Includes all administered grants, subsidies and transfers not covered elsewhere by individual Acts.
- (m) Reflects a funding provision that was budgeted to provide for disputed National Disability Insurance Scheme contributions, which was finalised prior to 30 June 2025.
- (n) Superannuation scheme administration expense reflects the costs of administering an unfunded defined benefit superannuation/pension scheme by an appropriation from the Consolidated Account.
- (o) Reflects the costs for regulatory support of State superannuation schemes where the Government Employees Superannuation Board incurs these costs on behalf of the Government.
- (p) A provision to support implementation of the GROH Shared Equity Home Ownership Subsidy Scheme, with this allocation representing Government's take-up of the shared equity and the cost of replacing GROH properties sold under the pilot.
- (q) Reflects funding allocated to meet the cost of remediating remaining instances of non-compliant aluminium composite panel cladding that have been identified across WA Health's building portfolio.
- (r) Funding to support the viability of the Western Australian Meat Industry Authority.
- (s) Represents Total Cost of Services (expenses) less retained revenues applied to the Department's services. Reconciliation to the total appropriations provided to deliver services includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (t) As at 30 June each financial year.

## Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Department'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
<b>New Initiatives</b>					
Augmenting Commercial Advisory Capacity .....	2,300	1,716	1,033	1,059	1,085
Digital Capability Fund Initiatives .....	-	200	203	208	213
Employment of People with Disability Procurement Policy .....	-	687	699	715	733
Independent Review of Racing and Wagering Western Australia .....	227	227	-	-	-
Independent Review of the Employment Arrangements of Electorate Officers (Morton Review) .....	-	1,732	-	-	-
Justice Reform Initiatives .....	-	225	228	-	-
Police Services Expenditure .....	-	225	228	-	-
RevenueWA Compliance and Debt Management Strategy .....	-	1,270	1,302	-	-
Support for Development of a Funding Model for the WA Electoral Commission <sup>(a)</sup> .....	-	101	203	-	-
Western Australia's Closing the Gap - 2026-28 Implementation Plan .....	-	1,928	1,942	1,960	-
<b>Ongoing Initiative</b>					
Aboriginal Business Capability Building .....	-	513	525	538	552
<b>Other</b>					
2026-27 Tariffs, Fees and Charges .....	-	753	753	753	753
RiskCover Fund Insurance Premiums .....	617	662	-	-	-

(a) See the WA Electoral Commission Budget Paper No.2 statement for further information.

## Significant Initiatives

### Augmenting Commercial Advisory Capacity

1. The Department has been allocated additional resources to augment its capacity to provide advice on an increasing number of complex contracts and support the delivery of Government priorities.

### Whole-of-Government Initiatives

2. The Government has committed resources for the Department to support the delivery of specific whole-of-government initiatives that will assist in strengthening the capacity of Western Australian Aboriginal Community Controlled Organisations to deliver community services; provide leadership and advice into ICT across Government through the Digital Capability Fund; and support Justice in developing, coordinating, and implementing evidence-based policy reforms to address demand pressures across the justice system.

### Specific Initiatives

3. Departmental resources will be applied towards supporting the independent review into the financial sustainability and governance of Racing and Wagering Western Australia in conjunction with Local Government, Industry Regulation and Safety; in support for the drafting and passage of the Members of Parliament Resources and Transparency Bill and associated Framework arising from the recommendations of the Independent Review of the Employment Arrangements of Electorate Officers (Morton Review); and to develop a budget model for the Western Australia Police Force to inform sustainable funding and resource allocation into the future.

### Employment of People with Disability Procurement Policy

4. The development and administration of the Employment of People with Disability Procurement Policy seeks to ensure the Government meets its obligations under the Royal Commission for the Violence, Abuse, Neglect and Exploitation of People with Disability Implementation Roadmap. The Department is the lead agency to develop, implement and administer a procurement policy to provide employment opportunities to people with a disability through government procurement.

### RevenueWA Compliance and Debt Management Strategy

- Temporary funding has been provided to RevenueWA in 2026-27 and 2027-28 to undertake additional compliance and debt management activities to support the administration of State taxes and assist taxpayers in meeting their tax obligations.

### Aboriginal Business Capability Building

- The Aboriginal Business Capability Building Program is an existing program that provides critical support for the Aboriginal Procurement Policy in increasing and diversifying the participation of Aboriginal suppliers within the government supply chain. The continuation of funding will ensure the ongoing delivery of these tendering and business development services to Aboriginal businesses across regional Western Australia, supporting the Government’s priority of a diversified Western Australian economy and the ability to deliver quality infrastructure and services across the State.

### Resource Agreement

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Ministers, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

### Outcomes, Services and Key Performance Information

Where practical, key performance information for the 2024-25 Actual has been recast for comparability purposes to account for Public Sector Reform changes which took effect from 1 July 2025.

### Relationship to Government Goals

Broad Government Goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the Department’s Services, the Desired Outcomes and the relevant Government Goal. The Key Effectiveness Indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The Key Efficiency Indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcomes	Services
Delivering Strong Financial and Economic Management: Diversifying our economy and making more things in WA.	Sustainable and transparent public sector finances.	1. Financial Management and Reporting
	A strong and competitive State economy.	2. Economic and Revenue Forecasts and Policy Development
	Value for money outcomes in service delivery and infrastructure provision.	3. Evaluation and Planning of Government Service Delivery and Infrastructure Provision
	Due and payable revenue is collected and eligible grants, subsidies and rebates paid.	4. Revenue Assessment and Collection, and Grants and Subsidies Administration
	Value for money from public sector procurement.	5. Development and Management of Common Use Contract Arrangements

## Service Summary

Expense	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Financial Management and Reporting .....	11,755	11,506	11,590	10,174	10,585	10,561	10,736
2. Economic and Revenue Forecasts and Policy Development.....	15,547	18,774	18,000	17,495	17,216	17,747	18,060
3. Evaluation and Planning of Government Service Delivery and Infrastructure Provision.....	38,132	42,371	44,011	41,318	40,802	41,334	42,024
4. Revenue Assessment and Collection, and Grants and Subsidies Administration .....	72,281	84,544	94,000	93,036	92,050	90,937	92,122
5. Development and Management of Common Use Contract Arrangements .....	15,675	20,299	24,701	27,625	27,832	28,640	27,458
<b>Total Cost of Services .....</b>	<b>153,390</b>	<b>177,494</b>	<b>192,302</b>	<b>189,648</b>	<b>188,485</b>	<b>189,219</b>	<b>190,400</b>

## Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2024-25 Actual	2025-26 Budget	2025-26 Estimated Actual	2026-27 Budget Target	Note
<b>Outcome: Sustainable and transparent public sector finances:</b>					
Status of the State's credit rating.....	AAA/Aaa	AAA/Aaa	AAA/Aaa	AAA/Aaa	
Unqualified audit opinion on the Annual Report on State Finances .....	Yes	Yes	Yes	Yes	
Percentage of financial reports released as per agreed timeframes <sup>(b)</sup> .....	100%	100%	100%	100%	
<b>Outcome: A strong and competitive State economy:</b>					
Accuracy of key general government revenue forecasts:					
Tax revenue.....	9.4%	±5%	12.6%	±5%	1
Royalty revenue .....	26.2%	±5%	31.2%	±5%	2
Accuracy of key economic forecasts (percentage point difference):					
Employment growth <sup>(c)</sup> .....	1.4	±0.5	-0.3	±0.5	
Real State Final Demand (SFD) growth <sup>(c)</sup> .....	-0.2	±2	1.0	±2	
<b>Outcome: Value for money outcomes in service delivery and infrastructure provision:</b>					
Percentage of Ministerially endorsed Strategic Asset Plans (SAPs) for the upcoming year received and reviewed by the Department before the commencement of the Budget bilateral process.....	62%	100%	79%	100%	3
Percentage of advice provided to the Expenditure Review Committee at least 5 days prior to their consideration.....	67%	100%	51%	100%	4
<b>Outcome: Due and payable revenue is collected and eligible grants, subsidies and rebates paid:</b>					
Taxpayer debt as a percentage of taxation revenue raised.....	0.9%	0.87%	0.81%	0.89%	5
Extent to which correct grants, subsidies and rebates are paid.....	100%	100%	100%	100%	
<b>Outcome: Value for money from public sector procurement:</b>					
Extent to which client agencies agree that their procurement under common use arrangements achieved value for money <sup>(d)</sup> .....	n.a.	n.a.	85%	85%	6

(a) Further detail in support of the key effectiveness indicators is provided in the 2024-25 Annual Reports of the Departments of Treasury and Finance.

(b) Includes whole-of-government financial reports prepared by the Department to meet the requirements and reporting deadlines laid out in the *Government Financial Responsibility Act 2000*.

(c) Actuals for employment and SFD growth are subject to revisions by the Australian Bureau of Statistics and can differ from previous publications.

(d) The Department is reporting against a new Outcome Based Management structure in the 2026-27 Budget.

## Explanation of Significant Movements

(Notes)

1. The 2025-26 Estimated Actual for tax revenue is expected to be higher than forecast in the 2025-26 Budget. This primarily reflects stronger than anticipated demand in the property and vehicle markets in Western Australia, which has flowed through to higher than forecast revenue from transfer duty and motor vehicle taxes.
2. Royalty revenue is estimated to be higher in the 2025-26 Estimated Actual than forecast in the 2025-26 Budget largely due to higher than assumed iron ore prices. The average year-to-date iron ore price is well above the prudent price assumptions used in the 2025-26 Budget.
3. Minister-endorsed Strategic Asset Plans were received from 11 of the 14 applicable agencies that represent the top 90% of the Asset Investment Program value as at the 2025-26 Mid-year Financial Projections Statement, recording a 2025-26 Estimated Actual result of 79%.
4. The 2025-26 Estimated Actual was lower than anticipated, as some Expenditure Review Committee (ERC) papers required additional analysis prior to delivery to the ERC.
5. The reduction from the 2025-26 Budget to the 2025-26 Estimated Actual is primarily due to stronger revenue from transfer duty. The increase in the 2026-27 Budget Target reflects stronger revenue from land tax, payroll tax and associated debt, partially offset by reduced transfer duty revenue and associated debt.
6. A new effectiveness indicator has been introduced this year, in line with the Outcome Based Management review that was completed and approved in 2025-26.

## Services and Key Efficiency Indicators

### 1. Financial Management and Reporting

This service involves the provision of advice on the Government's fiscal strategy, advice on the legislative framework underpinning financial management and accountability in the Western Australian public sector, the preparation and publication of regular reports on the State's finances, and maintenance of the Public Ledger.

	2024-25 Actual	2025-26 Budget	2025-26 Estimated Actual	2026-27 Budget Target	Note
Total Cost of Service.....	\$'000 11,755	\$'000 11,506	\$'000 11,590	\$'000 10,174	1
Less Income .....	16	9	10	10	
Net Cost of Service .....	11,739	11,497	11,580	10,164	
<b>Employees (Full-Time Equivalents) .....</b>	45	50	52	49	

## Explanation of Significant Movements

(Notes)

1. The 2026-27 Budget Target is lower than the 2025-26 Estimated Actual due to the cost of external valuation services being met from corporate allocations.

## 2. Economic and Revenue Forecasts and Policy Development

This service involves analysis and advice on economic and revenue policy issues, including Commonwealth-State financial relations, public sector wages policy, the development of forecasts for each of the State's major revenue sources, and the provision of advice on economic response, diversification and reform initiatives.

	2024-25 Actual	2025-26 Budget	2025-26 Estimated Actual	2026-27 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	15,547	18,774	18,000	17,495	
Less Income.....	28	10	19	19	
Net Cost of Service.....	15,519	18,764	17,981	17,476	
<b>Employees (Full-Time Equivalents) .....</b>	<b>62</b>	<b>73</b>	<b>76</b>	<b>80</b>	

## 3. Evaluation and Planning of Government Service Delivery and Infrastructure Provision

This service involves investigating agencies' operations in respect of efficiency and effectiveness and advising Government on the allocation of taxpayer resources. It includes the analysis, evaluation and planning of services to ensure value-for-money outcomes in key areas like health, education, justice and infrastructure delivery. It also includes the Department's commercial advisory role.

	2024-25 Actual	2025-26 Budget	2025-26 Estimated Actual	2026-27 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	38,132	42,371	44,011	41,318	
Less Income.....	61	41	27	27	
Net Cost of Service.....	38,071	42,330	43,984	41,291	
<b>Employees (Full-Time Equivalents) .....</b>	<b>157</b>	<b>173</b>	<b>182</b>	<b>180</b>	

## 4. Revenue Assessment and Collection, and Grants and Subsidies Administration <sup>(a)</sup>

RevenueWA undertakes the assessment and collection of a range of statutory-based revenue, including duties, land tax, payroll tax, mining royalties and betting tax and those that are collected on behalf of other agencies or other jurisdictions (for example, collection of a range of taxes for the Commonwealth Government in the Indian Ocean Territories). RevenueWA is also involved in the assessment and payment of a range of grants and subsidies under both statutory and administrative schemes. The major payments relate to the First Home Owner Grant, as well as concessions on water rates, local government rates and the emergency services levy for pensioners and seniors.

	2024-25 Actual	2025-26 Budget	2025-26 Estimated Actual	2026-27 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service <sup>(b)</sup> .....	72,281	84,544	94,000	93,036	1
Less Income.....	5,043	6,920	5,372	6,125	2
Net Cost of Service.....	67,238	77,624	88,628	86,911	
<b>Employees (Full-Time Equivalents) <sup>(b)</sup>.....</b>	<b>298</b>	<b>298</b>	<b>346</b>	<b>322</b>	<b>3</b>
<b>Efficiency Indicators <sup>(b)</sup></b>					
Average cost per revenue determination.....	\$36.52	\$37.59	\$41.17	\$40.78	
Average cost per grant or subsidy determination.....	\$15.89	\$15.99	\$17.06	\$16.59	

(a) The full-time equivalents and prior year amounts do not reconcile back to the prior year Budget Papers as adjustments have been made to reflect the Corporate Services support to the Department provided by Housing and Works, as outlined in the Service Level Agreement between the two agencies.

(b) The methodology used in calculating the 2024-25 Actual and the 2025-26 Budget differs from the remaining years as a result of the PSR which impacts comparability between years.

## Explanation of Significant Movements

(Notes)

1. The 2025-26 Estimated Actual is higher than the 2025-26 Budget due to the difference in methodology used by the Department, the inclusion of leased accommodation costs and the reflow of expenditure for systems enhancements to continue supporting Government priorities.
2. The 2025-26 Estimated Actual is lower than the 2025-26 Budget, reflecting the correction of income allocated to the Department as part of the PSR.
3. The 2025-26 Estimated Actual is higher than the 2025-26 Budget, primarily due to differences in the Department's methodology, which reflect corporate services support, and the repurposing of non-salary funding to support ongoing operations.

### 5. Development and Management of Common Use Contract Arrangements <sup>(a)</sup>

The Department provides a whole-of-government approach to procurement policy that efficiently meets the business needs of government agencies, manages risk and delivers value for money.

	2024-25 Actual	2025-26 Budget	2025-26 Estimated Actual	2026-27 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service <sup>(b)(c)</sup> .....	15,675	20,299	24,701	27,625	1
Less Income .....	3,347	2,047	2,048	2,048	
Net Cost of Service .....	12,328	18,252	22,653	25,577	
<b>Employees (Full-Time Equivalents) <sup>(c)</sup></b> .....	108	108	121	117	
<b>Efficiency Indicators</b>					
Cost of developing and managing whole-of-government common use contract arrangements as a percentage of the total annual value of purchases through the arrangements .....	0.7%	1%	1%	1.1%	

- (a) The full-time equivalents and prior year amounts do not reconcile back to the prior year Budget papers as adjustments have been made to reflect the Corporate Services support to the Department provided by Housing and Works, as outlined in the Service Level Agreement between the two agencies.
- (b) The Total Cost of Service represents a range of whole-of-government procurement policy and strategy services including the development and management of Common Use Arrangements.
- (c) The methodology used in the calculating 2024-25 Actual and 2025-26 Budget differs from the remaining years as a result of the PSR which impacts comparability between years.

## Explanation of Significant Movements

(Notes)

1. The 2026-27 Budget Target is higher than the 2025-26 Estimated Actual largely due to the State's commitment to Closing the Gap by increasing the proportion of services delivered by Aboriginal Community Controlled Organisations across Western Australia, the development and administration of the Employment of People with Disability Procurement Policy, and the continuation of the Aboriginal Business Capability Building Program by providing critical support for the Aboriginal Procurement Policy.

## Asset Investment Program

1. The Department's Asset Investment Program largely facilitates a rolling ICT program to replace and/or upgrade critical corporate ICT 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
<b>COMPLETED WORKS</b>							
Household Electricity Credits - 2025-26 Program .....	250	250	250	-	-	-	-
ICT Replacement - 2025-26 Program .....	40	40	40	-	-	-	-
Procurement Systems Replacement - 2025-26 Program .....	431	431	431	-	-	-	-
RevenueWA Systems Housing Package Program .....	672	672	672	-	-	-	-
Royalties Management System - 2025-26 Program .....	262	262	262	-	-	-	-
Treasury and Finance Business Systems - ICT Replacement/Upgrade - 2025-26 Program .....	894	894	894	-	-	-	-
<b>NEW WORKS</b>							
ICT Replacement							
2026-27 Program .....	40	-	-	40	-	-	-
2027-28 Program .....	40	-	-	-	40	-	-
2028-29 Program .....	40	-	-	-	-	40	-
2029-30 Program .....	40	-	-	-	-	-	40
Procurement Systems Replacement							
2026-27 Program .....	431	-	-	431	-	-	-
2027-28 Program .....	431	-	-	-	431	-	-
2028-29 Program .....	431	-	-	-	-	431	-
2029-30 Program .....	431	-	-	-	-	-	431
Treasury and Finance Business Systems - ICT Replacement/Upgrade							
2026-27 Program .....	915	-	-	915	-	-	-
2027-28 Program .....	936	-	-	-	936	-	-
2028-29 Program .....	960	-	-	-	-	960	-
2029-30 Program .....	960	-	-	-	-	-	960
<b>Total Cost of Asset Investment Program .....</b>	<b>8,204</b>	<b>2,549</b>	<b>2,549</b>	<b>1,386</b>	<b>1,407</b>	<b>1,431</b>	<b>1,431</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			1,678	515	536	560	560
Holding Account .....			871	871	871	871	871
<b>Total Funding .....</b>			<b>2,549</b>	<b>1,386</b>	<b>1,407</b>	<b>1,431</b>	<b>1,431</b>

## Financial Statements

The 2024-25 Actual data has been recast for comparability purposes to account for Public Sector Reform changes which took effect from 1 July 2025.

### Income Statement

#### Expenses

1. Supplies and services expense increase in the 2025-26 Estimated Actual in comparison to the 2025-26 Budget is largely due to transitional adjustments including carryovers, realignments and accounting refinements associated with PSR. A reduction in the 2026-27 Budget Year follows the implementation of a new Service Level Agreement (SLA) with Housing and Works.
2. Accommodation expense increases in the 2026-27 Budget Year, primarily reflect lease and associated outgoings for the QBE Building office.
3. Other expenses increase in the 2025-26 Estimated Actual and 2026-27 Budget Year, primarily reflect higher RiskCover Fund insurance premiums arising from additional FTEs transferred under PSR.

*Income*

4. Sale of goods and services decreases in the 2025-26 Estimated Actual due to a reassessment of expected revenue arising from PSR. The increase in the 2026-27 Budget Year is driven by the annual tariffs, fees and charges review, which incorporated revised costing methodologies.
5. Service appropriations increase in the 2025-26 Estimated Actual in comparison to the 2025-26 Budget, largely due to transitional adjustments including carryovers, realignments and accounting refinements associated with PSR. A further increase is projected in the 2026-27 Budget Year, primarily driven by the implementation of Government initiatives such as Western Australia's Closing the Gap 2026-28 Implementation Plan, Independent Review of the Employment Arrangements of Electorate Officers (Morton Review), RevenueWA Compliance and Debt Management Strategy, Augmenting Commercial Advisory Capacity and Employment of People with Disability Procurement Policy.
6. Resources received free of charge decrease in the 2026-27 Budget Year, primarily reflecting a new SLA with Housing and Works following the implementation of PSR.

**Statement of Financial Position**

7. The increases across balance sheet items in the 2025-26 Estimated Actual, in comparison to the 2025-26 Budget, primarily reflect the transfer of functions from Housing and Works under PSR.

**INCOME STATEMENT <sup>(a)</sup>  
(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			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	97,733	108,916	116,451	120,626	122,205	123,740	126,419
Grants and subsidies <sup>(c)</sup> .....	129	167	172	172	172	172	172
Supplies and services .....	38,345	52,785	59,002	46,807	44,992	45,294	43,659
Accommodation .....	5,839	6,015	6,015	10,733	11,017	11,152	11,291
Depreciation and amortisation .....	7,487	6,597	6,907	7,128	6,580	5,315	5,315
Finance and interest costs.....	13	12	27	22	24	27	26
Other expenses.....	3,844	3,002	3,728	4,160	3,495	3,519	3,518
<b>TOTAL COST OF SERVICES .....</b>	<b>153,390</b>	<b>177,494</b>	<b>192,302</b>	<b>189,648</b>	<b>188,485</b>	<b>189,219</b>	<b>190,400</b>
<b>Income</b>							
Sale of goods and services.....	8,256	8,605	7,246	7,999	7,999	7,999	7,999
Grants and subsidies.....	89	-	80	80	80	80	80
Other revenue.....	150	422	150	150	150	150	150
<b>Total Income.....</b>	<b>8,495</b>	<b>9,027</b>	<b>7,476</b>	<b>8,229</b>	<b>8,229</b>	<b>8,229</b>	<b>8,229</b>
<b>NET COST OF SERVICES .....</b>	<b>144,895</b>	<b>168,467</b>	<b>184,826</b>	<b>181,419</b>	<b>180,256</b>	<b>180,990</b>	<b>182,171</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations.....	121,525	126,205	143,478	150,090	148,768	148,705	150,159
Resources received free of charge .....	32,824	41,486	40,652	31,176	31,334	31,578	31,305
Major Treasurer's Special Purpose Account(s)							
Royalties for Regions Fund							
Regional and State-wide Initiatives.....	110	134	124	134	134	134	134
Strategic Alliance Fund.....	280	417	417	38	39	-	-
Other revenues .....	1,219	644	564	400	400	400	400
<b>TOTAL INCOME FROM GOVERNMENT .....</b>	<b>155,958</b>	<b>168,886</b>	<b>185,235</b>	<b>181,838</b>	<b>180,675</b>	<b>180,817</b>	<b>181,998</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD.....</b>	<b>11,063</b>	<b>419</b>	<b>409</b>	<b>419</b>	<b>419</b>	<b>(173)</b>	<b>(173)</b>

(a) Full audited financial statements are published in the 2024-25 Annual Reports of the Departments of Treasury and Finance.

(b) The full-time equivalents for 2024-25 Actual, 2025-26 Estimated Actual and 2026-27 Budget Year are 670, 777 and 748 respectively.

(c) Refer to the Details of Controlled Grants and Subsidies table below for further information.

## DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
Contributions to the Australian Accounting Standards Board .....	52	50	50	50	50	50	50
Contributions to the Board of Treasurers Secretariat.....	77	117	122	122	122	122	122
<b>TOTAL .....</b>	<b>129</b>	<b>167</b>	<b>172</b>	<b>172</b>	<b>172</b>	<b>172</b>	<b>172</b>

STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>  
(Controlled)

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	32,417	21,367	26,962	27,250	27,536	27,228	26,918
Restricted cash .....	10	24	10	10	10	10	10
Holding Account receivables .....	871	400	871	871	871	871	871
Receivables .....	786	1,266	786	786	786	786	786
Other.....	218	109	175	175	175	175	175
Total current assets .....	34,302	23,166	28,804	29,092	29,378	29,070	28,760
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	14,113	18,901	20,620	27,348	33,528	38,443	43,358
Property, plant and equipment.....	400	437	511	566	652	788	755
Receivables .....	1,314	1,061	3,094	3,225	3,358	3,493	3,630
Intangibles .....	37,286	32,408	32,671	26,976	21,850	17,539	15,290
Restricted cash .....	-	256	-	-	-	-	-
Total non-current assets .....	53,113	53,063	56,896	58,115	59,388	60,263	63,033
<b>TOTAL ASSETS .....</b>	<b>87,415</b>	<b>76,229</b>	<b>85,700</b>	<b>87,207</b>	<b>88,766</b>	<b>89,333</b>	<b>91,793</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	22,198	19,102	17,234	17,234	17,234	17,234	17,234
Payables .....	966	550	729	729	729	729	729
Borrowings and leases .....	77	72	142	123	122	151	144
Total current liabilities .....	23,241	19,724	18,105	18,086	18,085	18,114	18,107
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	5,567	4,485	8,676	8,676	8,676	8,676	8,676
Borrowings and leases .....	149	69	144	127	122	200	182
Total non-current liabilities .....	5,716	4,554	8,820	8,803	8,798	8,876	8,858
<b>TOTAL LIABILITIES.....</b>	<b>28,957</b>	<b>24,278</b>	<b>26,925</b>	<b>26,889</b>	<b>26,883</b>	<b>26,990</b>	<b>26,965</b>
<b>EQUITY</b>							
Contributed equity .....	33,285	31,185	33,193	34,317	35,463	36,096	38,754
Accumulated surplus/(deficit).....	25,173	20,766	25,582	26,001	26,420	26,247	26,074
<b>Total equity .....</b>	<b>58,458</b>	<b>51,951</b>	<b>58,775</b>	<b>60,318</b>	<b>61,883</b>	<b>62,343</b>	<b>64,828</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>87,415</b>	<b>76,229</b>	<b>85,700</b>	<b>87,207</b>	<b>88,766</b>	<b>89,333</b>	<b>91,793</b>

(a) Full audited financial statements are published in the 2024-25 Annual Reports of the Departments of Treasury and Finance.

**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			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	115,149	121,017	136,100	142,491	141,717	142,919	144,373
Capital appropriation .....	537	1,081	1,811	653	675	698	701
Holding Account drawdowns .....	400	871	871	871	871	871	871
Major Treasurer's Special Purpose Account(s)							
Royalties for Regions Fund							
Regional and State-wide Initiatives.....	110	134	124	134	134	134	134
Strategic Alliance Fund .....	303	417	417	38	39	-	-
Receipts paid into Consolidated Account.....	-	-	(5,735)	-	-	-	-
Other.....	1,010	644	564	400	400	400	400
<b>Net cash provided by Government .....</b>	<b>117,509</b>	<b>124,164</b>	<b>134,152</b>	<b>144,587</b>	<b>143,836</b>	<b>145,022</b>	<b>146,479</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(94,659)	(108,916)	(116,451)	(120,626)	(122,206)	(123,741)	(126,420)
Grants and subsidies.....	(129)	(167)	(172)	(172)	(172)	(172)	(172)
Supplies and services .....	(5,949)	(11,431)	(17,961)	(15,242)	(13,267)	(13,326)	(11,964)
Accommodation .....	(5,795)	(6,015)	(6,015)	(10,733)	(11,017)	(11,152)	(11,291)
GST payments .....	(1,335)	(2,541)	(2,541)	(2,483)	(2,485)	(2,487)	(2,487)
Finance and interest costs.....	(13)	(12)	(27)	(22)	(24)	(27)	(26)
Other payments.....	(3,861)	(3,002)	(3,728)	(4,160)	(3,495)	(3,519)	(3,518)
<b>Receipts (b)</b>							
Grants and subsidies.....	89	-	80	80	80	80	80
Sale of goods and services.....	7,643	7,246	7,246	7,999	7,999	7,999	7,999
GST receipts .....	1,409	2,541	2,541	2,483	2,484	2,487	2,487
Other receipts .....	760	504	232	232	232	232	232
<b>Net cash from operating activities .....</b>	<b>(101,840)</b>	<b>(121,793)</b>	<b>(136,796)</b>	<b>(142,644)</b>	<b>(141,871)</b>	<b>(143,626)</b>	<b>(145,080)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(4,330)	(1,877)	(2,549)	(1,386)	(1,407)	(1,431)	(1,431)
<b>Net cash from investing activities.....</b>	<b>(4,330)</b>	<b>(1,877)</b>	<b>(2,549)</b>	<b>(1,386)</b>	<b>(1,407)</b>	<b>(1,431)</b>	<b>(1,431)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases.....	(77)	(75)	(133)	(138)	(139)	(138)	(141)
Other payments.....	(253)	-	(129)	(131)	(133)	(135)	(137)
<b>Net cash from financing activities.....</b>	<b>(330)</b>	<b>(75)</b>	<b>(262)</b>	<b>(269)</b>	<b>(272)</b>	<b>(273)</b>	<b>(278)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>11,009</b>	<b>419</b>	<b>(5,455)</b>	<b>288</b>	<b>286</b>	<b>(308)</b>	<b>(310)</b>
Cash assets at the beginning of the reporting period .....	21,418	21,228	32,427	26,972	27,260	27,546	27,238
<b>Cash assets at the end of the reporting period .....</b>	<b>32,427</b>	<b>21,647</b>	<b>26,972</b>	<b>27,260</b>	<b>27,546</b>	<b>27,238</b>	<b>26,928</b>

(a) Full audited financial statements are published in the 2024-25 Annual Reports of the Departments of Treasury and Finance.

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Department. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

## NET APPROPRIATION DETERMINATION (a)

	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			
<b>Grants and Subsidies</b>							
Indian Ocean Territories Commonwealth Grant .....	89	-	80	80	80	80	80
<b>Sale of Goods and Services</b>							
Electronic Lodgement Network Fee .....	116	225	225	307	307	307	307
Land Tax Liability Enquiry Fee .....	4,417	4,474	4,474	5,145	5,145	5,145	5,145
Merchant Fees .....	423	500	500	500	500	500	500
Whole of Sector Credit Card Incentive .....	2,687	2,047	2,047	2,047	2,047	2,047	2,047
<b>GST Receipts</b>							
GST Input Credits .....	1,387	2,281	2,281	2,281	2,281	2,281	2,281
GST Receipts on Sales .....	22	260	260	202	203	206	206
<b>Other Receipts</b>							
Other Receipts .....	1,639	874	522	522	522	522	522
Receipts from the Department of Communities for the Target 120 Program .....	28	-	-	-	-	-	-
Receipts from the Department of Justice for the Justice Pipeline Model .....	18	50	50	50	50	50	50
Receipts from the Department of Training and Workforce Development for the Development of a Cost and Demand Model .....	-	164	164	-	-	-	-
Senior Officer Vehicle Scheme Receipts .....	58	60	60	60	60	60	60
Sustainable Health Review - Funding and Commissioning .....	27	-	-	-	-	-	-
<b>TOTAL</b> .....	10,911	10,935	10,663	11,194	11,195	11,198	11,198

(a) The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.

## DETAILS OF ADMINISTERED TRANSACTIONS

	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			
<b>INCOME</b>							
<b>Taxation</b>							
Betting Tax .....	132,109	128,838	137,648	139,438	141,250	143,087	144,947
Commonwealth Mirror Taxes .....	70,332	77,314	78,327	83,071	87,244	91,590	96,249
Foreign Buyers Surcharge Duty .....	28,709	14,192	27,250	30,036	45,104	48,579	52,037
Insurance Duty .....	1,073,242	1,128,258	1,105,839	1,163,879	1,224,983	1,289,294	1,356,982
Land Tax .....	906,912	988,580	991,144	1,299,797	1,363,475	1,453,431	1,549,343
Landholder Duty .....	263,285	195,000	550,539	284,394	223,267	223,267	223,267
Metropolitan Region Improvement Tax .....	101,483	110,992	111,027	159,175	166,975	177,994	189,743
Payroll Tax .....	5,823,770	6,132,979	6,219,713	6,537,127	6,865,256	7,199,369	7,559,338
Transfer Duty .....	3,106,353	3,000,199	4,309,243	3,643,511	3,697,439	3,960,897	4,227,260
Vehicle Licence Duty .....	793,423	678,349	804,684	770,974	724,561	721,961	721,252
<b>Total Taxation</b> .....	12,299,618	12,454,701	14,335,414	14,111,402	14,539,554	15,309,469	16,120,418
<b>Royalties</b>							
Alumina .....	135,521	111,055	100,793	96,278	101,058	105,296	104,609
Copper .....	42,821	47,341	59,589	54,218	49,852	46,249	40,418
Gold .....	724,600	918,106	1,142,761	1,309,461	1,268,620	1,117,833	946,129
Iron Ore .....	8,480,861	6,617,693	8,819,166	7,147,750	5,902,131	5,746,728	5,608,902
Lithium .....	207,800	286,153	460,211	540,427	473,389	476,838	463,298
Mineral Sands .....	53,930	65,035	53,794	54,095	44,252	42,782	41,546
Petroleum - State Component .....	17,940	36,644	18,904	58,422	48,772	47,797	39,959
Other .....	142,747	163,269	166,534	181,938	198,567	201,129	193,498
<b>Total Royalties</b> .....	9,806,220	8,245,296	10,821,752	9,442,589	8,086,641	7,784,652	7,438,359
<b>Commonwealth Grants</b>							
Compensation for Crude Oil Excise Condensate .....	30,478	20,085	22,103	26,449	16,703	12,898	9,460
GST Grants .....	7,362,029	7,840,220	8,094,422	9,341,527	9,888,924	10,409,845	11,214,109
North West Shelf Grants .....	611,732	365,180	401,875	480,882	303,699	234,507	171,997
Other .....	3,684,919	2,611,321	1,001,991	1,444,832	685,783	269,139	135,876
<b>Total Commonwealth Grants</b> .....	11,689,158	10,836,806	9,520,391	11,293,690	10,895,109	10,926,389	11,531,442

	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			
<b>GOVERNMENT ENTERPRISES</b>							
<b>Dividends</b>							
Bunbury Water Corporation .....	2,922	6,559	3,086	13,666	2,546	9,942	1,566
Busselton Water Corporation .....	3,595	5,717	5,232	4,472	1,921	9,193	4,413
Electricity Networks Corporation (Western Power) .....	71,399	362,118	203,975	405,307	249,940	316,294	279,468
Forest Products Commission .....	-	-	1,283	2,114	3,209	2,213	5,039
Fremantle Port Authority .....	35,805	23,333	30,157	37,508	39,366	42,411	45,338
Gold Corporation .....	-	-	410	43,459	4,008	7,288	7,936
Insurance Commission of Western Australia .....	63,587	60,670	69,913	70,849	73,763	76,232	78,277
Keystart .....	-	-	1,778	4,142	10,635	17,912	27,222
Kimberley Ports Authority .....	2,310	4,424	3,697	643	1,817	2,412	2,689
Mid West Ports Authority .....	21,354	21,395	22,675	30,437	51,333	87,024	87,024
Pilbara Ports Authority .....	251,275	615,586	236,718	652,391	248,369	226,686	224,236
Regional Power Corporation (Horizon Power) .....	7,556	6,019	14,406	9,857	8,372	10,942	17,304
Southern Ports Authority .....	11,293	6,794	5,682	10,236	7,241	10,659	13,781
Water Corporation of Western Australia .....	-	1,614,146	818,070	1,645,871	825,716	900,972	941,399
Western Australian Land Authority (DevelopmentWA) .....	28,018	45,041	59,819	137,713	139,648	441,791	51,722
Western Australian Treasury Corporation .....	18,965	16,038	16,604	13,228	17,983	19,316	19,955
<b>Total Dividends .....</b>	<b>518,079</b>	<b>2,787,840</b>	<b>1,493,505</b>	<b>3,081,893</b>	<b>1,685,867</b>	<b>2,181,287</b>	<b>1,807,369</b>
<b>Income Tax Equivalent Regime</b>							
Bunbury Water Corporation .....	2,141	3,814	6,484	1,550	4,521	875	1,067
Busselton Water Corporation .....	2,359	1,754	1,754	753	3,605	1,730	551
Electricity Networks Corporation (Western Power) .....	79,724	164,251	145,631	163,789	154,524	202,826	166,923
Forest Products Commission .....	-	1,950	1,950	2,896	2,075	3,699	4,471
Fremantle Port Authority .....	19,697	13,336	18,626	24,565	24,090	26,701	28,190
Gold Corporation .....	(3,002)	-	20,610	5,205	4,164	4,535	4,160
Insurance Commission of Western Australia .....	95,608	30,699	56,215	72,107	71,454	71,351	70,466
Keystart .....	-	-	1,014	2,366	6,077	10,234	15,556
Kimberley Ports Authority .....	1,155	2,347	2,347	266	988	1,098	1,227
Mid West Ports Authority .....	11,728	12,873	13,052	18,840	32,831	49,232	49,232
Pilbara Ports Authority .....	122,181	86,567	92,780	113,904	103,957	94,882	96,509
Regional Power Corporation (Horizon Power) .....	6,974	3,080	8,427	5,482	5,183	7,346	11,424
Southern Ports Authority .....	14,645	3,148	2,301	7,034	3,172	7,062	8,145
Water Corporation of Western Australia .....	499,597	507,371	490,996	520,676	466,943	495,430	512,886
Western Australian Land Authority (DevelopmentWA) .....	19,644	19,898	27,500	23,432	20,011	29,556	16,297
Western Australian Treasury Corporation .....	9,570	6,987	7,559	10,276	11,037	11,402	11,706
<b>Total Income Tax Equivalent Regime .....</b>	<b>882,021</b>	<b>858,075</b>	<b>897,246</b>	<b>973,141</b>	<b>914,632</b>	<b>1,017,959</b>	<b>998,810</b>
<b>Local Government Rates Equivalent Regime</b>							
Bunbury Water Corporation .....	101	78	81	83	86	88	91
Busselton Water Corporation .....	74	77	77	79	81	83	85
Electricity Generation and Retail Corporation (Synergy) .....	687	640	640	640	640	640	614
Electricity Networks Corporation (Western Power) .....	2,025	1,769	1,769	1,813	1,858	1,904	1,952
Forest Products Commission .....	35	783	183	264	348	412	447
Fremantle Port Authority .....	1,165	1,137	1,137	1,200	1,230	1,261	1,292
Gold Corporation .....	148	66	149	151	152	154	156
Kimberley Ports Authority .....	173	155	155	165	170	176	181
Mid West Ports Authority .....	1,146	1,224	1,289	1,251	1,292	1,297	1,297
Pilbara Ports Authority .....	6,589	4,062	6,753	6,939	7,113	7,290	7,473
Regional Power Corporation (Horizon Power) .....	374	789	789	1,309	1,344	1,380	1,417
Southern Ports Authority .....	1,067	1,015	1,015	1,291	1,336	1,383	1,431
Water Corporation of Western Australia .....	8,074	8,790	8,790	9,009	9,234	9,465	9,702
Western Australian Land Authority (DevelopmentWA) .....	7,545	19,051	15,655	16,698	15,136	18,736	18,631
<b>Total Local Government Rates Equivalent Regime .....</b>	<b>29,203</b>	<b>39,636</b>	<b>38,482</b>	<b>40,892</b>	<b>40,020</b>	<b>44,269</b>	<b>44,769</b>
<b>TOTAL GOVERNMENT ENTERPRISES .....</b>	<b>1,429,303</b>	<b>3,685,551</b>	<b>2,429,233</b>	<b>4,095,926</b>	<b>2,640,519</b>	<b>3,243,515</b>	<b>2,850,948</b>

	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			
<b>Other</b>							
Consolidated Account Revenue Received from Agencies.....	2,078,344	2,180,656	2,222,964	2,417,309	2,632,922	2,720,649	2,829,448
Gold State Superannuation Reimbursement.....	50,263	48,882	48,882	43,716	38,841	34,412	32,316
Interest.....	281,686	243,625	221,450	307,900	302,000	313,400	310,800
Loan Guarantee Fees.....	136,134	158,383	151,384	169,615	186,446	196,679	204,773
Pension Recoups.....	11,590	8,931	9,110	9,170	9,330	9,504	9,664
Other Revenue.....	116,535	133,640	126,426	125,297	154,067	155,933	157,633
<b>Total Other.....</b>	<b>2,674,552</b>	<b>2,774,117</b>	<b>2,780,216</b>	<b>3,073,007</b>	<b>3,323,606</b>	<b>3,430,577</b>	<b>3,544,634</b>
<b>TOTAL ADMINISTERED INCOME.....</b>	<b>37,898,851</b>	<b>37,996,471</b>	<b>39,887,006</b>	<b>42,016,614</b>	<b>39,485,429</b>	<b>40,694,602</b>	<b>41,485,801</b>
<b>EXPENSES</b>							
<b>Interest.....</b>	<b>1,060,075</b>	<b>1,094,250</b>	<b>1,151,000</b>	<b>1,390,000</b>	<b>1,475,000</b>	<b>1,591,500</b>	<b>1,667,000</b>
<b>Superannuation.....</b>	<b>364,942</b>	<b>358,390</b>	<b>384,877</b>	<b>373,682</b>	<b>347,332</b>	<b>334,247</b>	<b>322,541</b>
<b>Appropriations for:</b>							
Operating Subsidies.....	3,391,063	3,150,267	3,043,428	3,657,121	3,458,571	2,954,849	2,878,254
Services.....	24,838,918	25,615,492	26,298,206	28,096,355	26,820,447	26,593,118	26,397,398
Salaries and Allowances.....	138,932	144,864	145,039	147,185	150,583	153,403	158,122
Other Appropriations.....	4,445,517	4,842,557	4,786,713	5,872,304	5,464,894	5,866,007	6,122,526
<b>Total Appropriations.....</b>	<b>32,814,430</b>	<b>33,753,180</b>	<b>34,273,386</b>	<b>37,772,965</b>	<b>35,894,495</b>	<b>35,567,377</b>	<b>35,556,300</b>
<b>Grants and Subsidies</b>							
Building Bonus Homebuyers Grant.....	120	500	500	-	-	-	-
Electricity Credits (State and Commonwealth).....	13,890	1,354	2,272	-	-	-	-
Energy Concession Extension Scheme.....	3,291	3,514	3,514	3,800	3,956	4,118	4,287
First Home Owner Grant.....	41,774	53,182	42,780	59,631	64,902	68,591	66,795
Fuel Excise Relief Program.....	-	-	-	33,102	-	-	-
Life Support Equipment Subsidy Scheme.....	1,496	1,596	1,561	1,627	1,696	1,767	1,840
National Partnership on Homebuilder.....	1,310	660	660	-	-	-	-
Off-the-Plan Duty Rebate Scheme.....	457	500	500	-	-	-	-
Payroll Tax Rebate Scheme.....	47	50	50	50	50	50	50
Pensioner Concessions - Emergency Services Levy.....	26,464	28,500	28,692	31,076	33,659	36,420	39,408
Pensioner Concessions - Local Government Rates.....	127,082	139,908	137,779	149,229	161,631	174,891	189,239
Thermoregulatory Dysfunction Energy Subsidy.....	1,872	2,068	1,953	2,036	2,122	2,210	2,301
<b>Total Grants and Subsidies.....</b>	<b>217,803</b>	<b>231,832</b>	<b>220,261</b>	<b>280,551</b>	<b>268,016</b>	<b>288,047</b>	<b>303,920</b>
<b>All Other Expenses</b>							
Royalties for Regions.....	914,619	894,896	678,321	956,162	924,778	865,712	788,972
Refund of Past Years Tax Revenue.....	30,483	55,500	55,500	58,063	60,779	63,659	66,718
Refunds of Past Years Royalties Revenues ...	-	2,000	2,000	2,000	2,000	2,000	2,000
Other Expenses.....	493,419	400,232	353,243	341,814	283,482	222,373	222,103
<b>Total All Other Expenses.....</b>	<b>1,438,521</b>	<b>1,352,628</b>	<b>1,089,064</b>	<b>1,358,039</b>	<b>1,271,039</b>	<b>1,153,744</b>	<b>1,079,793</b>
<b>TOTAL ADMINISTERED EXPENSES.....</b>	<b>35,895,771</b>	<b>36,790,280</b>	<b>37,118,588</b>	<b>41,175,237</b>	<b>39,255,882</b>	<b>38,934,915</b>	<b>38,929,554</b>

# Western Australian Treasury Corporation

## Part 3 Financial Administration

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

	2024-25 Actual \$'000	2025-26 Budget \$'000	2025-26 Estimated Actual \$'000	2026-27 Budget Year \$'000	2027-28 Outyear \$'000	2028-29 Outyear \$'000	2029-30 Outyear \$'000
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b>							
National Tax Equivalent Regime - Income Tax ....	9,570	6,987	7,559	<b>10,276</b>	11,037	11,402	11,706
Dividends <sup>(a)</sup> .....	18,965	16,038	16,604	<b>13,228</b>	17,983	19,316	19,955
<b>RATIOS</b>							
Dividend Payout Ratio (%) .....	75	75	75	<b>75</b>	75	75	75
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations .....	1,698,926	2,092,854	2,130,577	<b>2,557,335</b>	2,824,057	3,059,365	3,254,449
Total Expenses <sup>(b)</sup> .....	1,667,293	2,069,583	2,105,400	<b>2,523,081</b>	2,787,266	3,021,354	3,215,438
<b>NET PROFIT AFTER TAX</b> .....	22,138	16,284	17,618	<b>23,978</b>	25,754	26,609	27,305
<b>CASH ASSETS</b> <sup>(c)</sup> .....	2,802,345	685,805	689,493	<b>699,835</b>	705,875	713,377	721,169

(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 Estimated Actual \$'000	2026-27 Budget Year \$'000	2027-28 Outyear \$'000	2028-29 Outyear \$'000	2029-30 Outyear \$'000
Flow-On Impact of Updated Borrowing Requirements and Market Conditions .....	1,138	<b>4,449</b>	9,345	9,351	10,339

## Significant Initiatives

1. The Corporation is the State's central financial services provider, working with its government clients to support sound financial outcomes. The Corporation's principal activities involve funding and debt management, asset and investment management, financial advisory services, financial risk management, and treasury management services and systems.
2. Recent geopolitical events have impacted global government bonds. Following a rise in bond yields in early 2026, yields are expected to decline over time, but remain above levels seen over the previous decade, due to global factors including supply-chain reorientation, energy transformation, and higher debt levels in major advanced economies.
3. Since 2023, the Corporation has been a participant in the Australian Sustainable Bond market, having issued green bonds in May 2023, June 2025 and April 2026. These bonds currently total \$6.65 billion, over 10% of the Corporation's term debt outstanding as at 15 April 2026. The primary issuance of these green bonds attracted 32 new investors, achieving a key objective of the Sustainable Bond Program to expand the Corporation's investor base.
4. Changes to the Corporation's Income Statement since the 2025-26 Budget were driven by updates to interest expense, interest revenue and administration margin earned by the Corporation on its borrowings. These items are impacted by refinements in the timing and quantum of client loans, the composition of debt raised and the flow-on impact of changes in the global interest market impacting interest rates paid on debt and earned on client loans and investments.

## Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer's concurrence).

## Objectives, Outcomes and Key Performance Information

### Relationship to Government Goals

Broad Government Goals are supported at Government Trading Enterprise (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 desired outcomes on the achievement of the GTE's objectives.

Government Goal	Strategic Objectives	Desired Outcomes
Delivering Strong Financial and Economic Management: Diversifying our economy and making more things in WA.	Provide high quality, cost-effective products and services to the Western Australian Government sector.	1. Deliver valued financial solutions to clients
	Maintain access to domestic and international capital markets to ensure funds are raised to finance client borrowing needs in a timely and cost-effective manner.	2. Achieve interest rate savings for clients
	Ensure the efficient, sustainable performance of the Corporation in accordance with the risk appetite of the Corporation's Board.	3. Deliver scale benefits to the State by keeping administrative expenses in proportion to revenue 4. Maintain an adequate profit 5. Continual improvement of employee engagement

## Outcomes and Key Performance Indicators

	2024-25 Actual	2025-26 Budget	2025-26 Estimated Actual	2026-27 Budget Target	Note
<b>Outcome: Deliver valued financial solutions to clients:</b>					
Assessment of client satisfaction.....	100%	90%	100%	90%	
<b>Outcome: Achieve interest rate savings for clients:</b>					
Estimated interest rate savings .....	>0.00%	>0.00%	>0.00%	>0.00%	
<b>Outcome: Deliver scale benefits to the State by keeping administrative expenses in proportion to revenue:</b>					
Administration cost ratio.....	0.05%	<0.06%	0.05%	<0.06%	
<b>Outcome: Maintain an adequate profit:</b>					
Pre-tax profit.....	\$31.6 million	\$23.3 million	\$25 million	\$34.3 million	1
<b>Outcome: Continual improvement of employee engagement:</b>					
Staff engagement.....	68%	>65%	68%	>65%	

## Explanation of Significant Movements

(Notes)

- The 2024-25 Actual is elevated due to lower than budgeted administration expenses during the period. Lower investment holdings and smaller average interest margins are expected in 2025-26, moderating the pre-tax profit expectations. The 2025-26 Estimated Actual profit before tax is slightly above the expected 2025-26 Budget, due to an increased forecast in administration margin earnings, and lower administration expenses during the period. The increase in forecasted margin earnings and lower administration expenses is expected to continue into the 2026-27 Budget year, resulting in an uplift in the profit before tax.

## Asset Investment Program

- The Corporation has a scheduled ICT Asset Investment Program, focusing on computer hardware and software. Over the forward estimates period, \$6.8 million will be allocated to ongoing upgrades to ensure systems continue to meet the security and operational standards expected of financial institutions and capital markets.

	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
<b>COMPLETED WORKS</b>							
Computer Hardware and Software - 2025-26 Program .....	100	100	100	-	-	-	-
<b>NEW WORKS</b>							
Computer Hardware and Software							
2026-27 Program .....	1,689	-	-	1,689	-	-	-
2027-28 Program .....	3,061	-	-	-	3,061	-	-
2028-29 Program .....	1,041	-	-	-	-	1,041	-
2029-30 Program .....	961	-	-	-	-	-	961
<b>Total Cost of Asset Investment Program.....</b>	<b>6,852</b>	<b>100</b>	<b>100</b>	<b>1,689</b>	<b>3,061</b>	<b>1,041</b>	<b>961</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			100	1,689	3,061	1,041	961
<b>Total Funding.....</b>			<b>100</b>	<b>1,689</b>	<b>3,061</b>	<b>1,041</b>	<b>961</b>

## Financial Statements

1. The Corporation's aggregate borrowings, loans to authorities and interest costs have been updated to reflect the whole-of-government consolidated position as at the 7 April 2026 Budget cut-off date. Consequential changes may be required to the interest expense, interest revenue from clients and administration margin at the 2026-27 Mid-year Review to reflect the allocation of debt against individual portfolios.
2. The Corporation presents its valuations on a mark-to-market basis under AASB 9: *Financial Instruments*. Other agencies prepare forecasts on a face value basis. As most agency borrowings are raised by the Corporation, these differences are removed on consolidation for the State's whole-of-government financial forecasts.

## Income Statement

### Revenue

3. Revenue includes interest from client authorities and interest earned on investments, with movements reflecting changes to the levels of client debt, updated assumptions on investment returns over the forward estimates period and expected increases to average interest rates since the last published update. Since the 2025-26 Mid-year Review, interest rates of the Corporation's client portfolios have increased on average by 44 basis points, reflecting recent increases by the RBA, and market expectations of further rate increases to respond to global uncertainties.

### Expenses

4. Finance and interest costs over the forward estimates period are aligned with the increase in the State's net debt forecast. Additionally, weighted average interest rates over the period continue to track upwards, as low interest debt raised over the previous decade is refinanced into the higher interest rate environment.
5. Small changes to the timing and level of borrowings, as well as small variances to the interest rate margin between borrowings and investments can have a material year-on-year impact on the Corporation's pre-tax profit. The Corporation is forecasting to deliver a modest net profit before tax over the forward estimates period, reflecting the low administration margin charged on client loans and maintenance of low levels of administration expenses.

### INCOME STATEMENT <sup>(a)</sup> (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			
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Other revenue .....	1,698,926	2,092,854	2,130,577	2,557,335	2,824,057	3,059,365	3,254,449
<b>TOTAL REVENUE</b> .....	<b>1,698,926</b>	<b>2,092,854</b>	<b>2,130,577</b>	<b>2,557,335</b>	<b>2,824,057</b>	<b>3,059,365</b>	<b>3,254,449</b>
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	15,591	17,561	17,561	18,815	19,955	20,736	21,347
Supplies and services .....	4,005	6,412	6,412	5,902	6,032	6,183	6,325
Accommodation .....	906	1,073	1,073	1,080	1,107	1,134	1,163
Depreciation and amortisation .....	735	523	523	1,419	1,500	1,626	1,627
Finance and interest costs .....	1,642,548	2,039,887	2,075,704	2,491,542	2,754,232	2,987,083	3,180,243
Other expenses .....	3,508	4,127	4,127	4,323	4,440	4,592	4,733
<b>TOTAL EXPENSES</b> .....	<b>1,667,293</b>	<b>2,069,583</b>	<b>2,105,400</b>	<b>2,523,081</b>	<b>2,787,266</b>	<b>3,021,354</b>	<b>3,215,438</b>
<b>NET PROFIT/(LOSS) BEFORE TAX</b> .....	<b>31,633</b>	<b>23,271</b>	<b>25,177</b>	<b>34,254</b>	<b>36,791</b>	<b>38,011</b>	<b>39,011</b>
National Tax Equivalent Regime							
Current tax equivalent expense .....	9,570	6,987	7,559	10,276	11,037	11,402	11,706
Deferred tax equivalent expense .....	(75)	-	-	-	-	-	-
<b>NET PROFIT/(LOSS) AFTER TAX</b> .....	<b>22,138</b>	<b>16,284</b>	<b>17,618</b>	<b>23,978</b>	<b>25,754</b>	<b>26,609</b>	<b>27,305</b>
<b>Dividends</b> .....	<b>18,965</b>	<b>16,038</b>	<b>16,604</b>	<b>13,228</b>	<b>17,983</b>	<b>19,316</b>	<b>19,955</b>

(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 91, 99 and 110 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			
<b>CURRENT ASSETS</b>							
Cash assets .....	2,802,345	685,805	689,493	699,835	705,875	713,377	721,169
Receivables .....	313,298	399,963	295,362	295,362	295,362	295,362	295,362
Assets held for sale .....	11,779	-	-	-	-	-	-
Other investments .....	1,644,949	2,491,253	2,491,253	1,991,253	1,991,253	1,991,253	1,991,253
Government securities .....	2,059,319	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000
Loans to Authorities .....	7,352,841	6,969,005	9,874,502	10,846,777	11,463,840	11,842,390	12,029,534
Other .....	1,667	-	-	-	-	-	-
<b>Total current assets .....</b>	<b>14,186,198</b>	<b>12,296,026</b>	<b>15,100,610</b>	<b>15,583,227</b>	<b>16,206,330</b>	<b>16,592,382</b>	<b>16,787,318</b>
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment .....	426	268	410	319	383	914	889
Intangibles .....	1,173	297	155	685	2,337	1,581	1,196
Loans to Authorities .....	38,212,890	44,041,029	40,755,881	45,578,107	49,234,360	51,356,560	52,719,137
Other .....	1,132	1,049	1,049	1,049	1,049	1,049	1,049
<b>Total non-current assets .....</b>	<b>38,215,621</b>	<b>44,042,643</b>	<b>40,757,495</b>	<b>45,580,160</b>	<b>49,238,129</b>	<b>51,360,104</b>	<b>52,722,271</b>
<b>TOTAL ASSETS .....</b>	<b>52,401,819</b>	<b>56,338,669</b>	<b>55,858,105</b>	<b>61,163,387</b>	<b>65,444,459</b>	<b>67,952,486</b>	<b>69,509,589</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	3,867	3,192	3,192	3,192	3,192	3,192	3,192
Payables .....	35,759	12,714	12,714	12,714	12,714	12,714	12,704
Borrowings and leases .....	16	10	10	16	16	10	27
Interest payable .....	457,413	462,255	462,255	462,255	462,255	462,255	462,255
Borrowings .....	9,895,525	9,658,477	8,035,877	8,690,083	9,152,881	9,436,793	9,577,151
Other .....	1,983,723	2,842,616	373,288	373,288	373,288	373,288	373,288
<b>Total current liabilities .....</b>	<b>12,376,303</b>	<b>12,979,264</b>	<b>8,887,336</b>	<b>9,541,548</b>	<b>10,004,346</b>	<b>10,288,252</b>	<b>10,428,617</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	291	340	340	340	340	340	340
Borrowings and leases .....	11	-	-	25	10	-	25
Borrowings .....	39,849,484	43,183,910	46,794,506	51,434,801	55,245,319	57,462,157	58,871,520
Other .....	4	4	4	4	4	4	4
<b>Total non-current liabilities .....</b>	<b>39,849,790</b>	<b>43,184,254</b>	<b>46,794,850</b>	<b>51,435,170</b>	<b>55,245,673</b>	<b>57,462,501</b>	<b>58,871,889</b>
<b>TOTAL LIABILITIES .....</b>	<b>52,226,093</b>	<b>56,163,518</b>	<b>55,682,186</b>	<b>60,976,718</b>	<b>65,250,019</b>	<b>67,750,753</b>	<b>69,300,506</b>
<b>NET ASSETS .....</b>	<b>175,726</b>	<b>175,151</b>	<b>175,919</b>	<b>186,669</b>	<b>194,440</b>	<b>201,733</b>	<b>209,083</b>
<b>EQUITY</b>							
Accumulated surplus/(deficit) .....	175,726	175,151	175,919	186,669	194,440	201,733	209,083
<b>TOTAL EQUITY .....</b>	<b>175,726</b>	<b>175,151</b>	<b>175,919</b>	<b>186,669</b>	<b>194,440</b>	<b>201,733</b>	<b>209,083</b>

(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			
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
GST receipts .....	872	-	-	-	-	-	-
Other receipts .....	1,797,929	2,092,854	2,130,577	2,557,337	2,824,057	3,059,365	3,254,449
<b>Payments</b>							
Employee benefits .....	(15,205)	(17,560)	(17,560)	(18,833)	(19,972)	(20,753)	(21,367)
Supplies and services .....	(4,005)	(6,412)	(6,412)	(9,080)	(9,334)	(9,918)	(9,865)
Accommodation .....	(906)	(1,073)	(1,073)	(1,120)	(1,147)	(1,176)	(1,205)
GST payments .....	(1,428)	-	-	-	-	-	-
Finance and interest costs .....	(1,592,897)	(2,039,887)	(2,075,704)	(2,491,542)	(2,754,232)	(2,987,083)	(3,180,243)
Other payments .....	(3,574)	(4,127)	(4,127)	(4,317)	(4,422)	(4,551)	(4,679)
<b>Net cash from operating activities .....</b>	<b>180,786</b>	<b>23,795</b>	<b>25,701</b>	<b>32,445</b>	<b>34,950</b>	<b>35,884</b>	<b>37,090</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
Other receipts .....	3,390,877	4,750,000	4,750,000	4,250,000	4,250,000	4,250,000	4,250,000
<b>Payments</b>							
Purchase of non-current assets .....	(358)	(100)	(100)	(1,689)	(3,061)	(1,041)	(961)
Other payments .....	(2,358,561)	(4,750,000)	(4,750,000)	(4,250,000)	(4,250,000)	(4,250,000)	(4,250,000)
<b>Net cash from investing activities .....</b>	<b>1,031,958</b>	<b>(100)</b>	<b>(100)</b>	<b>(1,689)</b>	<b>(3,061)</b>	<b>(1,041)</b>	<b>(961)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from borrowings .....	12,258,745	20,126,918	18,850,796	22,034,869	20,020,547	17,522,980	18,693,153
Other proceeds .....	13,900,433	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
<b>Payments</b>							
Repayment of borrowings and leases .....	(25,198,934)	(30,132,111)	(30,965,086)	(32,031,779)	(30,017,375)	(27,519,603)	(28,689,829)
<b>Net cash from financing activities .....</b>	<b>960,244</b>	<b>(5,193)</b>	<b>(2,114,290)</b>	<b>3,090</b>	<b>3,172</b>	<b>3,377</b>	<b>3,324</b>
<b>CASHFLOWS FROM GOVERNMENT</b>							
<b>Payments</b>							
Dividends to Government .....	(18,965)	(16,038)	(16,604)	(13,228)	(17,983)	(19,316)	(19,955)
National Tax Equivalent Regime - Income Tax .....	(10,885)	(6,987)	(7,559)	(10,276)	(11,038)	(11,402)	(11,706)
<b>Net cash provided to Government .....</b>	<b>29,850</b>	<b>23,025</b>	<b>24,163</b>	<b>23,504</b>	<b>29,021</b>	<b>30,718</b>	<b>31,661</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>2,143,138</b>	<b>(4,523)</b>	<b>(2,112,852)</b>	<b>10,342</b>	<b>6,040</b>	<b>7,502</b>	<b>7,792</b>
Cash assets at the beginning of the reporting period .....	659,207	690,328	2,802,345	689,493	699,835	705,875	713,377
<b>Cash assets at the end of the reporting period .....</b>	<b>2,802,345</b>	<b>685,805</b>	<b>689,493</b>	<b>699,835</b>	<b>705,875</b>	<b>713,377</b>	<b>721,169</b>

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

# Division 12 Office of the Auditor General

## Part 3 Financial Administration

### Appropriations, Expenses and Cash Assets

	2024-25 Actual \$'000	2025-26 Budget \$'000	2025-26 Estimated Actual \$'000	2026-27 Budget Year \$'000	2027-28 Outyear \$'000	2028-29 Outyear \$'000	2029-30 Outyear \$'000
<b>DELIVERY OF SERVICES</b>							
Item 47 Net amount appropriated to deliver services .....	14,754	16,016	16,024	16,272	16,189	16,505	16,833
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 .....	878	904	904	927	950	974	998
Total appropriations provided to deliver services.....	15,632	16,920	16,928	17,199	17,139	17,479	17,831
<b>CAPITAL</b>							
Item 138 Capital Appropriation.....	544	300	300	300	300	300	300
<b>TOTAL APPROPRIATIONS</b> .....	16,176	17,220	17,228	17,499	17,439	17,779	18,131
<b>EXPENSES</b>							
Total Cost of Services .....	57,510	60,131	60,522	63,951	64,543	65,829	67,978
Net Cost of Services <sup>(a)</sup> .....	44,163	46,076	46,467	48,799	49,185	50,175	51,738
<b>CASH ASSETS</b> <sup>(b)</sup> .....	4,120	1,979	4,214	4,734	5,247	5,725	6,201

(a) Represents Total Cost of Services (expenses) less retained revenues applied to the Office's services. Reconciliation to the total appropriations provided to deliver services includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

### Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Office'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
2026-27 Streamlined Budget Process Incentive Funding.....	-	372	-	-	-
Corporate ICT .....	391	379	388	399	408
RiskCover Fund Insurance Premiums .....	8	43	-	-	-
State Fleet Updates .....	(8)	(9)	(8)	(5)	(7)

## Outcomes, Services and Key Performance Information

The Office is a public sector entity established to support the Auditor General. The Auditor General is an independent officer of the Parliament and as such reports directly to Parliament and ultimately the people of Western Australia, providing assurance about the efficient and effective delivery of services and the responsible management of the State's finances.

Desired Outcome	Service
An informed Parliament on public sector accountability and performance.	1. Public Sector Auditing

### Service Summary

Expense	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Public Sector Auditing .....	57,510	60,131	60,522	63,951	64,543	65,829	67,978
<b>Total Cost of Services .....</b>	<b>57,510</b>	<b>60,131</b>	<b>60,522</b>	<b>63,951</b>	<b>64,543</b>	<b>65,829</b>	<b>67,978</b>

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2024-25	2025-26	2025-26	2026-27	Note
	Actual	Budget	Estimated Actual	Budget Target	
<b>Outcome: An informed Parliament on public sector accountability and performance:</b>					
The extent that the Office is effective in informing the Parliament about the public sector accountability and performance is measured by the number of tabled reports compared to targets for each of the following categories of audit matter:					1
Service delivery - Reports tabled .....	2	8	3	6	
Economic development - Reports tabled .....	2	4	nil	3	
Social and environment - Reports tabled .....	3	5	2	4	
Governance - Reports tabled .....	17	12	17	12	

(a) Further detail in support of the key effectiveness indicators is provided in the Office's Annual Report.

### Explanation of Significant Movements

(Notes)

- The Office aims to provide Parliament with advice and assurance across all four categories of public sector activity. An element of the Office's key effectiveness indicator is the establishment of a three-year total reporting target, broken down into aspirational targets for each category of report. These category targets are one factor in the selection of audit topics. Other factors include the significance of issues identified in audit work and matters referred to the Office by Parliament and the community. For this reason, category targets may not always be met in any one year.

## Services and Key Efficiency Indicators

### 1. Public Sector Auditing

The Office is responsible for undertaking the external audit of the Western Australian public sector, including local government entities. This is done through audits (where relevant) of controls, financial statements, key performance indicators, efficiency and effectiveness, and the tabling of reports thereon to Parliament.

	2024-25 Actual	2025-26 Budget	2025-26 Estimated Actual	2026-27 Budget Target	Note
Total Cost of Service.....	\$'000 57,510	\$'000 60,131	\$'000 60,522	\$'000 63,951	
Less Income .....	13,347	14,055	14,055	15,152	
Net Cost of Service .....	44,163	46,076	46,467	48,799	
<b>Employees (Full-Time Equivalents) .....</b>	224	255	223	255	1
<b>Efficiency Indicators</b>					
Total audit cost (attest and non-attest) per \$ million of total public sector expenditure .....	\$576	\$641	\$619	\$644	
Total attest audit cost per \$ million of total public sector expenditure .....	\$467	\$482	\$470	\$489	
State attest audit cost per \$ million of total public sector expenditure .....	\$350	\$364	\$354	\$369	
Local government attest audit cost per \$ million of total public sector expenditure .....	\$117	\$118	\$116	\$120	
Total non-attest audit cost per \$ million of total public sector expenditure .....	\$109	\$159	\$149	\$155	
Average number of days taken after balance date to issue financial audit opinions for Government entities .....	68	68	72	68	2
Average number of days taken after legislated submission date to issue financial audit opinions for local government entities .....	70	68	67	68	

### Explanation of Significant Movements

(Notes)

- The 2025-26 Estimated Actual is lower than the 2026-27 Budget Target mainly due to delays in filling vacant positions.
- The 2025-26 Estimated Actual average number of days is four days higher than the 2025-26 Budget for Government entities. This is primarily due to complex auditing and reporting issues.

### 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
<b>COMPLETED WORKS</b>							
Computer Hardware and Software - 2025-26 Program .....	780	780	780	-	-	-	-
<b>NEW WORKS</b>							
Computer Hardware and Software							
2026-27 Program .....	690	-	-	690	-	-	-
2027-28 Program .....	690	-	-	-	690	-	-
2028-29 Program .....	690	-	-	-	-	690	-
2029-30 Program .....	690	-	-	-	-	-	690
<b>Total Cost of Asset Investment Program.....</b>	<b>3,540</b>	<b>780</b>	<b>780</b>	<b>690</b>	<b>690</b>	<b>690</b>	<b>690</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			300	300	300	300	300
Holding Account.....			390	390	390	390	390
Internal Funds and Balances.....			90	-	-	-	-
<b>Total Funding.....</b>			<b>780</b>	<b>690</b>	<b>690</b>	<b>690</b>	<b>690</b>

## Financial Statements

**INCOME STATEMENT <sup>(a)</sup>**  
**(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			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	33,022	34,692	34,692	34,927	35,778	36,641	37,530
Supplies and services <sup>(c)</sup> .....	19,422	19,705	20,096	23,133	22,805	23,168	24,376
Accommodation .....	1,955	2,327	2,327	2,386	2,391	2,395	2,395
Depreciation and amortisation .....	1,225	1,535	1,530	1,545	1,564	1,565	1,565
Finance and interest costs.....	10	10	7	8	7	12	10
Other expenses.....	1,876	1,862	1,870	1,952	1,998	2,048	2,102
<b>TOTAL COST OF SERVICES .....</b>	<b>57,510</b>	<b>60,131</b>	<b>60,522</b>	<b>63,951</b>	<b>64,543</b>	<b>65,829</b>	<b>67,978</b>
<b>Income</b>							
Other revenue.....	13,347	14,055	14,055	15,152	15,358	15,654	16,240
<b>Total Income.....</b>	<b>13,347</b>	<b>14,055</b>	<b>14,055</b>	<b>15,152</b>	<b>15,358</b>	<b>15,654</b>	<b>16,240</b>
<b>NET COST OF SERVICES .....</b>	<b>44,163</b>	<b>46,076</b>	<b>46,467</b>	<b>48,799</b>	<b>49,185</b>	<b>50,175</b>	<b>51,738</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations.....	15,632	16,920	16,928	17,199	17,139	17,479	17,831
Resources received free of charge .....	33	467	467	467	467	467	467
Other revenues .....	27,058	28,787	28,787	31,183	31,634	32,276	33,488
<b>TOTAL INCOME FROM GOVERNMENT .....</b>	<b>42,723</b>	<b>46,174</b>	<b>46,182</b>	<b>48,849</b>	<b>49,240</b>	<b>50,222</b>	<b>51,786</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD.....</b>	<b>(1,440)</b>	<b>98</b>	<b>(285)</b>	<b>50</b>	<b>55</b>	<b>47</b>	<b>48</b>

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

(b) The full-time equivalents for 2024-25 Actual, 2025-26 Estimated Actual and 2026-27 Budget Year are 224, 223 and 255 respectively.

(c) The movement in supplies and services between the 2025-26 and 2026-27 Budget Years broadly relates to decisions taken as part of the 2025-26 Budget process. The increase largely reflects higher costs and complexity of audit service delivery.

**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			
<b>CURRENT ASSETS</b>							
Cash assets .....	4,120	1,428	3,663	3,632	3,594	3,521	3,997
Restricted cash .....	-	551	551	1,102	1,653	2,204	2,204
Receivables .....	11,537	15,651	11,621	11,702	11,793	11,915	11,913
Holding Account receivables .....	390	-	390	390	390	390	390
Other.....	1,330	905	1,330	1,330	1,330	1,330	1,330
<b>Total current assets .....</b>	<b>17,377</b>	<b>18,535</b>	<b>17,555</b>	<b>18,156</b>	<b>18,760</b>	<b>19,360</b>	<b>19,834</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	6,047	7,035	6,645	7,243	7,841	8,439	9,037
Property, plant and equipment.....	465	1,037	590	658	951	1,204	1,297
Receivables .....	981	789	981	981	981	981	981
Intangibles .....	6,307	5,401	5,395	4,483	3,371	2,259	1,357
<b>Total non-current assets .....</b>	<b>13,800</b>	<b>14,262</b>	<b>13,611</b>	<b>13,365</b>	<b>13,144</b>	<b>12,883</b>	<b>12,672</b>
<b>TOTAL ASSETS .....</b>	<b>31,177</b>	<b>32,797</b>	<b>31,166</b>	<b>31,521</b>	<b>31,904</b>	<b>32,243</b>	<b>32,506</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	7,120	5,728	7,120	7,120	7,120	7,120	7,120
Payables .....	1,679	2,629	1,679	1,679	1,679	1,679	1,569
Borrowings and leases .....	39	39	40	47	43	44	49
Other.....	918	2,457	918	918	918	918	918
<b>Total current liabilities .....</b>	<b>9,756</b>	<b>10,853</b>	<b>9,757</b>	<b>9,764</b>	<b>9,760</b>	<b>9,761</b>	<b>9,656</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	1,149	995	1,149	1,149	1,149	1,149	1,149
Borrowings and leases .....	83	93	56	54	86	77	97
<b>Total non-current liabilities .....</b>	<b>1,232</b>	<b>1,088</b>	<b>1,205</b>	<b>1,203</b>	<b>1,235</b>	<b>1,226</b>	<b>1,246</b>
<b>TOTAL LIABILITIES.....</b>	<b>10,988</b>	<b>11,941</b>	<b>10,962</b>	<b>10,967</b>	<b>10,995</b>	<b>10,987</b>	<b>10,902</b>
<b>EQUITY</b>							
Contributed equity .....	16,913	17,213	17,213	17,513	17,813	18,113	18,413
Accumulated surplus/(deficit).....	3,276	3,643	2,991	3,041	3,096	3,143	3,191
<b>Total equity .....</b>	<b>20,189</b>	<b>20,856</b>	<b>20,204</b>	<b>20,554</b>	<b>20,909</b>	<b>21,256</b>	<b>21,604</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>31,177</b>	<b>32,797</b>	<b>31,166</b>	<b>31,521</b>	<b>31,904</b>	<b>32,243</b>	<b>32,506</b>

(a) Full audited financial statements are published in the Office'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			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	14,880	15,932	15,940	16,211	16,150	16,490	16,842
Capital appropriation .....	544	300	300	300	300	300	300
Holding Account drawdowns .....	390	390	390	390	390	390	390
Major Treasurer's Special Purpose Account(s)							
Digital Capability Fund.....	1,047	-	-	-	-	-	-
Other.....	31,978	28,787	28,787	31,141	31,591	32,233	33,444
<b>Net cash provided by Government .....</b>	<b>48,839</b>	<b>45,409</b>	<b>45,417</b>	<b>48,042</b>	<b>48,431</b>	<b>49,413</b>	<b>50,976</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(31,475)	(34,692)	(34,692)	(34,927)	(35,777)	(36,640)	(37,529)
Supplies and services .....	(21,912)	(19,731)	(20,122)	(23,176)	(22,876)	(23,270)	(24,478)
Accommodation .....	(1,922)	(1,876)	(1,876)	(1,935)	(1,940)	(1,944)	(1,944)
GST payments .....	(5,347)	(1,800)	(1,800)	(1,800)	(1,800)	(1,800)	(1,800)
Finance and interest costs.....	(10)	(10)	(7)	(8)	(7)	(12)	(10)
Other payments.....	(2,303)	(1,810)	(1,818)	(1,898)	(1,944)	(1,994)	(2,048)
<b>Receipts (b)</b>							
GST receipts.....	5,112	1,800	1,800	1,800	1,800	1,800	1,800
Other receipts .....	12,644	14,014	14,014	15,152	15,358	15,654	16,240
<b>Net cash from operating activities .....</b>	<b>(45,213)</b>	<b>(44,105)</b>	<b>(44,501)</b>	<b>(46,792)</b>	<b>(47,186)</b>	<b>(48,206)</b>	<b>(49,769)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(1,186)	(690)	(780)	(690)	(690)	(690)	(690)
<b>Net cash from investing activities.....</b>	<b>(1,186)</b>	<b>(690)</b>	<b>(780)</b>	<b>(690)</b>	<b>(690)</b>	<b>(690)</b>	<b>(690)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases.....	(44)	(45)	(42)	(40)	(42)	(39)	(41)
Other payments.....	(191)	-	-	-	-	-	-
<b>Net cash from financing activities.....</b>	<b>(235)</b>	<b>(45)</b>	<b>(42)</b>	<b>(40)</b>	<b>(42)</b>	<b>(39)</b>	<b>(41)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>2,205</b>	<b>569</b>	<b>94</b>	<b>520</b>	<b>513</b>	<b>478</b>	<b>476</b>
Cash assets at the beginning of the reporting period .....	1,915	1,410	4,120	4,214	4,734	5,247	5,725
<b>Cash assets at the end of the reporting period .....</b>	<b>4,120</b>	<b>1,979</b>	<b>4,214</b>	<b>4,734</b>	<b>5,247</b>	<b>5,725</b>	<b>6,201</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Office. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION (a)**

	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			
<b>GST Receipts</b>							
GST Input Credits .....	601	170	170	170	170	170	170
GST Receipts on Sales .....	4,511	1,630	1,630	1,630	1,630	1,630	1,630
<b>Other Receipts</b>							
Audit Fees.....	44,622	42,801	42,801	46,293	46,949	47,887	49,684
<b>TOTAL .....</b>	<b>49,734</b>	<b>44,601</b>	<b>44,601</b>	<b>48,093</b>	<b>48,749</b>	<b>49,687</b>	<b>51,484</b>

(a) The moneys received and retained are to be applied to the Office's services as specified in the Budget Statements.

# Insurance Commission of Western Australia

## Part 3 Financial Administration

### 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			
<b>INSURANCE COMMISSION OF WESTERN AUSTRALIA</b>							
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b>							
National Tax Equivalent Regime - Income Tax ....	95,608	30,699	56,215	<b>72,107</b>	71,454	71,351	70,466
Dividends <sup>(a)(b)</sup> .....	63,587	60,670	69,913	<b>70,849</b>	73,763	76,232	78,277
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations .....	1,964,199	1,804,448	1,799,205	<b>2,027,560</b>	2,128,302	2,251,331	2,377,748
Total Expenses <sup>(c)</sup> .....	1,210,069	1,532,783	1,442,492	<b>1,567,021</b>	1,650,327	1,752,118	1,859,115
<b>NET PROFIT AFTER TAX</b> .....	<b>543,154</b>	<b>190,166</b>	<b>249,698</b>	<b>322,377</b>	<b>334,583</b>	<b>349,448</b>	<b>363,041</b>
<b>CASH ASSETS</b> <sup>(d)</sup> .....	<b>324,901</b>	<b>552,979</b>	<b>367,194</b>	<b>420,846</b>	<b>473,863</b>	<b>527,896</b>	<b>583,418</b>
<b>RISCOVER FUND</b>							
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations .....	830,077	809,843	821,502	<b>922,878</b>	967,498	1,032,747	1,097,689
Total Expenses .....	812,194	746,802	757,918	<b>853,073</b>	906,443	964,645	1,025,659
<b>NET PROFIT</b> .....	<b>17,883</b>	<b>63,041</b>	<b>63,584</b>	<b>69,805</b>	<b>61,055</b>	<b>68,102</b>	<b>72,030</b>
<b>CASH ASSETS</b> .....	<b>40,381</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>1</b>	<b>5</b>	<b>6</b>

(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 dividend ratio is adjusted based on the need to maintain appropriate capital adequacy and other factors or circumstances taken into account by the Board of the Commission.

(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 Commission'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			
Claims and Other Underwriting Activities <sup>(a)</sup> .....	15,232	24,695	25,975	28,284	29,924
Motor Injury Insurance Premiums .....	-	163	(1,373)	(3,355)	(5,624)
Revision of Financial Forecasts .....	19,527	37,029	42,913	49,843	56,554

(a) Based on revised vehicle growth rates by Treasury and Finance and valuations provided by the independent actuary (dated September 2025).

## Significant Initiatives

1. The Commission's claims expenses are budgeted to increase in 2026-27 and over the forward estimates period based on forecast increases in the number of claims, and higher average claim values. These increases have been partially offset by the impact of changes to accounting standard AASB 17: *Insurance Contracts*, effective from 1 July 2026.
2. In 2026-27, motor injury insurance (MII) premiums will increase by 3.12%, below Treasury and Finance's Consumer Price Index (CPI) forecast of 3.75% for the same period. This results in a MII premium of approximately \$473.19 for a family vehicle (inclusive of GST, and \$520.51 including insurance duty), which compares favourably to motor vehicle insurance premiums in other Australian jurisdictions.
3. The Commission's investments portfolio has continued to perform strongly and is forecast to deliver returns in line with long-term targets. Strong investment performance supports operating profits, which in turn increases dividend revenue and National Tax Equivalent Regime (NTER) tax expense to Government, and contributes positively to the net operating balance.

## Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer's concurrence).

## Objectives, Outcomes and Key Performance Information

### Relationship to Government Goals

Broad Government Goals are supported at Government Trading Enterprise (GTE) level by objectives and outcomes. The following table illustrates the relationship between the Commission'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.	Best injury recovery outcomes. Partner in navigating risk and minimising loss.	1. Sustainable financial resources to meet our objectives 2. Fully funded Third Party Insurance Fund (TPIF), Catastrophic Injuries Fund (CIF) and RiskCover Fund
Delivering Quality Infrastructure and Services Across Our State.	Customer confidence in service delivery.	3. Provide efficient, timely and affordable insurance services that deliver care and compensation to claimants and agencies

**Outcomes and Key Performance Indicators <sup>(a)</sup>**

	2024-25 Actual	2025-26 Budget	2025-26 Estimated Actual	2026-27 Budget Target	Note
<b>Outcome: Sustainable financial resources to meet our objectives:</b>					
Solvency level.....	143.5%	137.8%	147.7%	146.2%	
Main Investment Fund:					
Investment rolling 7-year return .....	6%	5.75%	5.75%	7.4%	
Annual investment rate of return .....	9.6%	6.4%	6.4%	6.9%	1
Investment management expense ratio .....	0.57%	0.58%	0.58%	0.59%	
CIF:					
Investment rolling 7-year return .....	6.3%	6%	6%	7.7%	
Annual investment rate of return .....	9.8%	6.6%	6.6%	7.2%	1
Investment management expense ratio .....	0.64%	0.66%	0.66%	0.69%	
<b>Outcome: Fully funded TPIF, CIF and RiskCover Fund:</b>					
TPIF:					
Solvency level.....	146.8%	139.8%	145.3%	147.5%	
Net loss ratio .....	95%	108%	103.4%	104.5%	
Net expense ratio.....	9.6%	8.5%	8.5%	10.6%	
Net combined ratio .....	104.6%	116.5%	111.9%	115.1%	2
CIF:					
Solvency level.....	174.9%	158.7%	172.3%	186.8%	3
Net loss ratio.....	34.2%	95.5%	78.4%	70.8%	
Net expense ratio.....	6%	6.4%	6.6%	8%	
Net combined ratio .....	40.2%	101.9%	85%	78.8%	4
RiskCover Fund:					
Solvency level.....	107.9%	112.7%	111.5%	114.7%	
Net loss ratio.....	107.4%	98.4%	98.5%	98.6%	
Net expense ratio.....	8.2%	9.1%	8.7%	8.9%	
Net combined ratio .....	115.6%	107.5%	107.3%	107.5%	5
<b>Outcome: Provide efficient, timely and affordable insurance services that deliver care and compensation to claimants and agencies:</b>					
Motor Injury Insurance (MII):					
Affordability Index <sup>(b)</sup> .....	22.8%	25%	25%	25%	
Proportion of claims payments made for the direct benefit of clients.....	94.4%	95%	95%	95%	
Timeliness of liability determination .....	90%	80%	80%	85%	
Claim administration costs as a ratio of gross claims paid .....	8.7%	8.1%	8.2%	11.1%	
Client satisfaction .....	68%	65%	65%	70%	
Median claim duration .....	19.2 months	17.5 months	17.5 months	17.5 months	6
RiskCover Fund:					
Affordability Index <sup>(c)</sup> .....	1.79%	2.25%	2.25%	2.48%	7
Proportion of claims payments made for the direct benefit of clients.....	92.9%	90%	90%	90%	
Timeliness of liability determination .....	86.3%	90%	90%	90%	
Claim administration costs as a ratio of gross claims paid .....	10.1%	10%	9.8%	11%	
Client satisfaction .....	83%	80%	80%	80%	
Median claim duration .....	5.1 months	5.2 months	5.2 months	5.2 months	

(a) Further details in support of the key performance indicators are provided in the Commission's Annual Report.

(b) The MII Affordability Index calculates the MII premium for the average family vehicle as a percentage of one week's worth of Western Australia's average weekly earnings.

(c) The RiskCover Fund's Affordability Index is calculated as workers compensation agency premium as a percentage of total agency wages.

## Explanation of Significant Movements

(Notes)

1. The Commission's investment portfolio performed strongly and delivered positive investment returns of 9.6% and 9.8% for the Main Investment Fund and CIF respectively in the 2024-25 Actual. The Commission's investment portfolio is forecast to deliver positive returns of 6.9% and 7.2% for the Main Investment Fund and CIF respectively in the 2026-27 Budget Target.
2. The forecast increases in TPIF's net combined ratio between 2024-25 and 2026-27 mainly reflect an upward revision to the actuary's assessment of the Fund's future claims liabilities. This revision is driven by the expected increase in claim numbers and higher average claim sizes arising from future inflation and reduced discount rates (based on Government Bond rates).
3. The 2024 25 Actual solvency level of 174.9% for the CIF reflects strong underwriting performance and solid investment returns. The CIF's 2026 27 Budget Target solvency level is forecast to increase to 186.8%, driven by favourable impacts from the implementation of AASB 17: *Insurance Contracts*, which has reduced the Commission's outstanding claims liability.
4. The CIF's net combined ratio is projected to decrease from 85% in the 2025-26 Estimated Actual to 78.8% in the 2026-27 Budget Target. This result was mainly arising from lower claims liabilities, driven by the favourable impacts from the implementation of AASB 17, partly offset by an increase in operating expenses.
5. The lower 2025-26 Estimated Actual for the RiskCover Fund's net combined ratio (107.3%) relative to the 2024-25 Actual (115.6%) primarily reflects the Fund's underwriting loss in 2024-25. This loss was mainly driven by continued growth in claims costs, due to an increase in both the number and cost of new claims in the workers' compensation and liability insurance classes.
6. The lower MII median claim duration in 2026-27, compared to the 2024-25 Actual, is primarily due to a higher-than-usual proportion of more complex, longer duration claims being finalised in the 2024-25 financial year.
7. The RiskCover Fund's affordability index is expected to increase from 1.79% in the 2024-25 Actual to 2.48% in the 2026-27 Budget Target. The increase reflects the growth in new claim volumes per full-time equivalents insured, coupled with an increase in average claim costs driven by a growing proportion of severe lost time injury claims, which typically have longer durations.

## Asset Investment Program

1. The Commission's Asset Investment Program totals \$9.9 million over forward estimates period. The major components include:
  - 1.1. \$4.3 million for ICT hardware, incorporating scheduled replacement of laptops and network and server infrastructure, and enhanced disaster recovery capability;
  - 1.2. \$3 million for motor vehicle fleet replacements under the Commission's Remuneration Benefit Vehicle Scheme; and
  - 1.3. \$1.8 million for software, incorporating systems used by the Commission's stakeholders, enhancement to core technology capability and continued investment in cyber security to enable and support the Commission's strategic plan.

	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
<b>COMPLETED WORKS</b>							
ICT Hardware - 2025-26 Program .....	152	152	152	-	-	-	-
ICT Software - 2025-26 Program.....	3,550	3,550	3,550	-	-	-	-
Motor Vehicles - 2025-26 Program.....	719	719	719	-	-	-	-
Plant and Equipment - 2025-26 Program.....	5	5	5	-	-	-	-
<b>NEW WORKS</b>							
<b>ICT Hardware</b>							
2026-27 Program .....	686	-	-	686	-	-	-
2027-28 Program .....	538	-	-	-	538	-	-
2028-29 Program .....	1,454	-	-	-	-	1,454	-
2029-30 Program .....	1,578	-	-	-	-	-	1,578
<b>ICT Software</b>							
2026-27 Program .....	1,300	-	-	1,300	-	-	-
2027-28 Program .....	100	-	-	-	100	-	-
2028-29 Program .....	200	-	-	-	-	200	-
2029-30 Program .....	200	-	-	-	-	-	200
<b>Motor Vehicles</b>							
2026-27 Program .....	589	-	-	589	-	-	-
2027-28 Program .....	800	-	-	-	800	-	-
2028-29 Program .....	800	-	-	-	-	800	-
2029-30 Program .....	800	-	-	-	-	-	800
<b>Other Fixed Assets</b>							
2026-27 Program .....	50	-	-	50	-	-	-
2027-28 Program .....	120	-	-	-	120	-	-
2028-29 Program .....	120	-	-	-	-	120	-
2029-30 Program .....	120	-	-	-	-	-	120
<b>Plant and Equipment</b>							
2026-27 Program .....	270	-	-	270	-	-	-
2027-28 Program .....	60	-	-	-	60	-	-
2028-29 Program .....	60	-	-	-	-	60	-
2029-30 Program .....	60	-	-	-	-	-	60
<b>Total Cost of Asset Investment Program.....</b>	<b>14,331</b>	<b>4,426</b>	<b>4,426</b>	<b>2,895</b>	<b>1,618</b>	<b>2,634</b>	<b>2,758</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			4,426	2,895	1,618	2,634	2,758
<b>Total Funding.....</b>			<b>4,426</b>	<b>2,895</b>	<b>1,618</b>	<b>2,634</b>	<b>2,758</b>

## Financial Statements

### Insurance Commission of Western Australia

#### Income Statement

##### Revenue

1. Total revenue is forecast to increase by \$228.4 million from the 2025-26 Estimated Actual to the 2026-27 Budget Year, due to forecast increases in premium revenue and investment income.

##### Expenses

2. Total expenses are estimated to increase by \$232.4 million from the 2024-25 Actual to the 2025-26 Estimated Actual, and by a further \$124.5 million in the 2026-27 Budget Year. These movements mainly reflect increased claims expenses which are forecast to increase by \$212.5 million from the 2024-25 Actual to the 2025-26 Estimated Actual, and by a further \$73.4 million in the 2026-27 Budget Year.
  - 2.1. Other expenses are forecast to increase by \$26.2 million from the 2025-26 Estimated Actual to the 2026-27 Budget Year. Administration costs will rise due to increased operational expenditure relating to ICT, cyber security, procurement, document management and risk management. Investment portfolio management fees have also increased, reflecting portfolio rebalancing and increased valuations.
  - 2.2. Employee benefits are forecast to increase by \$8.8 million from the 2025-26 Estimated Actual to the 2026-27 Budget Year, reflecting the management of increased claims volumes, and the insourcing of some claims processing functions previously undertaken by an external service provider.
3. National Tax Equivalent Regime tax equivalent expense is forecast to increase by \$31.1 million from the 2025-26 Estimated Actual to the 2026-27 Budget Year, due to the Commission's higher operating profit forecast in 2026-27, driven by investment income.

#### Statement of Financial Position

4. The decrease in non-current receivables of \$239.7 million from the 2024-25 Actual to the 2025-26 Estimated Actual reflects the separation of non-reinsurance contracts from receivables at 30 June 2026 under the new accounting standard (AASB 17: *Insurance Contracts*) effective 1 July 2026.
5. The increase in current payables of \$219.1 million from the 2024-25 Actual to the 2025-26 Estimated Actual is offset by a decrease in other non-current liabilities of \$232 million. These movements relate to the timing of the expected release of deferred tax payments in 2025-26.
6. Total equity is forecast to increase by \$341.2 million from the 2024-25 Actual to the 2025-26 Estimated Actual, and further increase by \$251.5 million in the 2026-27 Budget Year. These movements are largely due to changes in forecast growth in investment assets, along with the adjustment from the implementation of the new AASB 17 from 1 July 2026.

#### Statement of Cashflows

7. The Commission's cash assets at the end of the reporting period increases by \$53.7 million from the 2025-26 Estimated Actual to the 2026-27 Budget Year, where it is forecast to reach \$420.8 million. This movement primarily reflects higher premium receipts, partially offset by claims payments and lower forecast National Tax Equivalent Regime tax equivalent payments to Government.

**INCOME STATEMENT <sup>(a)</sup>**  
**(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			
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Sale of goods and services.....	1,089,284	1,131,349	1,122,323	1,196,750	1,253,723	1,306,659	1,362,122
Other revenue .....	874,915	673,099	676,882	830,810	874,579	944,672	1,015,626
<b>TOTAL REVENUE.....</b>	<b>1,964,199</b>	<b>1,804,448</b>	<b>1,799,205</b>	<b>2,027,560</b>	<b>2,128,302</b>	<b>2,251,331</b>	<b>2,377,748</b>
<b>Expenses</b>							
Claim expenses.....	896,870	1,208,713	1,109,384	1,182,821	1,266,686	1,343,204	1,426,268
Employee benefits <sup>(b)</sup> .....	60,000	69,210	68,795	77,600	79,639	81,631	83,672
Accommodation .....	257	300	300	300	307	315	323
Depreciation and amortisation .....	11,193	6,965	7,368	8,509	5,971	5,806	5,717
Finance and interest costs.....	123,145	112,478	112,485	127,405	118,537	131,174	144,279
Other expenses.....	118,604	135,117	144,160	170,386	179,187	189,988	198,856
<b>TOTAL EXPENSES.....</b>	<b>1,210,069</b>	<b>1,532,783</b>	<b>1,442,492</b>	<b>1,567,021</b>	<b>1,650,327</b>	<b>1,752,118</b>	<b>1,859,115</b>
<b>NET PROFIT/(LOSS) BEFORE TAX .....</b>	<b>754,130</b>	<b>271,665</b>	<b>356,713</b>	<b>460,539</b>	<b>477,975</b>	<b>499,213</b>	<b>518,633</b>
National Tax Equivalent Regime							
Current tax equivalent expense.....	95,608	30,699	56,215	72,107	71,454	71,351	70,466
Deferred tax equivalent expense.....	115,368	50,800	50,800	66,055	71,938	78,414	85,126
<b>NET PROFIT/(LOSS) AFTER TAX .....</b>	<b>543,154</b>	<b>190,166</b>	<b>249,698</b>	<b>322,377</b>	<b>334,583</b>	<b>349,448</b>	<b>363,041</b>
<b>Dividends .....</b>	<b>63,587</b>	<b>60,670</b>	<b>69,913</b>	<b>70,849</b>	<b>73,763</b>	<b>76,232</b>	<b>78,277</b>

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

(b) The full-time equivalents for 2024-25 Actual, 2025-26 Estimated Actual and 2026-27 Budget Year are 498, 526 and 585 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			
<b>CURRENT ASSETS</b>							
Cash assets .....	324,901	552,979	367,194	420,846	473,863	527,896	583,418
Receivables .....	59,612	60,242	52,811	52,811	52,811	52,811	52,811
Other investments .....	6,290,859	6,306,316	6,815,844	7,481,823	8,139,889	8,810,662	9,499,808
Government securities .....	428,816	375,402	460,087	499,756	538,953	578,907	619,956
Other .....	7,445	15,468	14,276	14,276	14,276	14,276	13,980
<b>Total current assets .....</b>	<b>7,111,633</b>	<b>7,310,407</b>	<b>7,710,212</b>	<b>8,469,512</b>	<b>9,219,792</b>	<b>9,984,552</b>	<b>10,769,973</b>
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment .....	38,704	31,711	34,827	30,660	27,517	25,104	22,937
Intangibles .....	20,582	16,999	21,201	19,364	17,858	16,803	16,011
Receivables .....	281,230	315,149	41,535	64,675	85,291	102,512	116,116
Other investments .....	1,550,849	1,776,227	1,698,805	1,886,498	2,071,960	2,261,004	2,455,226
<b>Total non-current assets .....</b>	<b>1,891,365</b>	<b>2,140,086</b>	<b>1,796,368</b>	<b>2,001,197</b>	<b>2,202,626</b>	<b>2,405,423</b>	<b>2,610,290</b>
<b>TOTAL ASSETS .....</b>	<b>9,002,998</b>	<b>9,450,493</b>	<b>9,506,580</b>	<b>10,470,709</b>	<b>11,422,418</b>	<b>12,389,975</b>	<b>13,380,263</b>
<b>CURRENT LIABILITIES</b>							
Outstanding claims .....	726,348	669,573	726,348	726,348	726,348	726,348	726,348
Employee provisions .....	10,890	9,462	10,823	10,834	10,845	10,856	10,867
Payables .....	120,909	259,418	340,023	390,930	456,439	527,726	604,607
Borrowings and leases .....	2,232	2,415	2,416	2,605	2,894	3,203	3,534
Other .....	1,599,595	1,737,180	1,789,691	2,024,667	2,237,953	2,459,167	2,689,112
<b>Total current liabilities .....</b>	<b>2,459,974</b>	<b>2,678,048</b>	<b>2,869,301</b>	<b>3,155,384</b>	<b>3,434,479</b>	<b>3,727,300</b>	<b>4,034,468</b>
<b>NON-CURRENT LIABILITIES</b>							
Outstanding claims .....	3,483,130	4,085,550	3,470,971	3,884,775	4,293,513	4,691,692	5,086,798
Employee provisions .....	7,791	6,929	7,854	7,919	7,985	8,053	8,123
Borrowings and leases .....	40,462	37,685	37,684	35,079	32,185	28,983	25,450
Other .....	282,822	50,800	50,800	66,054	71,938	78,413	85,126
<b>Total non-current liabilities .....</b>	<b>3,814,205</b>	<b>4,180,964</b>	<b>3,567,309</b>	<b>3,993,827</b>	<b>4,405,621</b>	<b>4,807,141</b>	<b>5,205,497</b>
<b>TOTAL LIABILITIES .....</b>	<b>6,274,179</b>	<b>6,859,012</b>	<b>6,436,610</b>	<b>7,149,211</b>	<b>7,840,100</b>	<b>8,534,441</b>	<b>9,239,965</b>
<b>NET ASSETS .....</b>	<b>2,728,819</b>	<b>2,591,481</b>	<b>3,069,970</b>	<b>3,321,498</b>	<b>3,582,318</b>	<b>3,855,534</b>	<b>4,140,298</b>
<b>EQUITY</b>							
Contributed equity .....	(55,233)	(55,233)	(55,233)	(55,233)	(55,233)	(55,233)	(55,233)
Accumulated surplus/(deficit) .....	2,754,971	2,619,737	2,934,756	3,186,284	3,447,104	3,720,320	4,005,084
Reserves .....	29,081	26,977	190,447	190,447	190,447	190,447	190,447
<b>TOTAL EQUITY .....</b>	<b>2,728,819</b>	<b>2,591,481</b>	<b>3,069,970</b>	<b>3,321,498</b>	<b>3,582,318</b>	<b>3,855,534</b>	<b>4,140,298</b>

(a) Full audited financial statements are published in the Commission'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			
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Sale of goods and services.....	1,228,543	1,277,790	1,280,149	1,356,840	1,418,304	1,478,257	1,540,762
GST receipts .....	159,173	158,528	159,594	171,102	181,557	191,950	202,257
Other receipts .....	333,585	412,085	419,828	512,958	541,482	586,515	631,524
<b>Payments</b>							
Claim payments .....	(638,456)	(718,388)	(703,386)	(769,017)	(857,948)	(945,025)	(1,031,162)
Employee benefits.....	(57,544)	(69,121)	(68,721)	(77,525)	(79,562)	(81,552)	(83,591)
Accommodation .....	(264)	(300)	(300)	(300)	(307)	(315)	(323)
GST payments .....	(158,133)	(158,528)	(159,594)	(171,102)	(181,557)	(191,950)	(202,257)
Finance and interest costs.....	(123,145)	(112,478)	(112,485)	(127,405)	(118,537)	(131,174)	(144,279)
Other payments.....	(225,651)	(261,745)	(271,021)	(304,849)	(319,740)	(336,482)	(351,544)
<b>Net cash from operating activities .....</b>	<b>518,108</b>	<b>527,843</b>	<b>544,064</b>	<b>590,702</b>	<b>583,692</b>	<b>570,224</b>	<b>561,387</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from sale of non-current assets.....	375	412	412	391	296	296	296
Other receipts .....	6,212,864	3,915,605	4,576,015	4,932,740	5,245,650	5,608,979	5,998,468
<b>Payments</b>							
Purchase of non-current assets .....	(12,045)	(4,426)	(4,426)	(2,895)	(1,618)	(2,634)	(2,758)
Other payments.....	(6,670,460)	(4,266,257)	(4,881,286)	(5,322,021)	(5,626,635)	(5,971,707)	(6,348,391)
<b>Net cash from investing activities .....</b>	<b>(469,266)</b>	<b>(354,666)</b>	<b>(309,285)</b>	<b>(391,785)</b>	<b>(382,307)</b>	<b>(365,066)</b>	<b>(352,385)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Payments</b>							
Repayment of borrowings and leases .....	(1,791)	(164)	(2,573)	(2,416)	(2,605)	(2,893)	(3,202)
<b>Net cash from financing activities.....</b>	<b>(1,791)</b>	<b>(164)</b>	<b>(2,573)</b>	<b>(2,416)</b>	<b>(2,605)</b>	<b>(2,893)</b>	<b>(3,202)</b>
<b>CASHFLOWS FROM GOVERNMENT</b>							
<b>Payments</b>							
Dividends to Government .....	(63,587)	(60,670)	(69,913)	(70,849)	(73,763)	(76,232)	(78,277)
National Tax Equivalent Regime - Income Tax ....	(135,345)	(70,000)	(120,000)	(72,000)	(72,000)	(72,000)	(72,001)
<b>Net cash provided to Government .....</b>	<b>198,932</b>	<b>130,670</b>	<b>189,913</b>	<b>142,849</b>	<b>145,763</b>	<b>148,232</b>	<b>150,278</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(151,881)</b>	<b>42,343</b>	<b>42,293</b>	<b>53,652</b>	<b>53,017</b>	<b>54,033</b>	<b>55,522</b>
Cash assets at the beginning of the reporting period .....	476,782	510,636	324,901	367,194	420,846	473,863	527,896
<b>Cash assets at the end of the reporting period .....</b>	<b>324,901</b>	<b>552,979</b>	<b>367,194</b>	<b>420,846</b>	<b>473,863</b>	<b>527,896</b>	<b>583,418</b>

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

**RiskCover Fund****Income Statement***Revenue*

1. Total revenue is forecast to increase by \$101.4 million from the 2025-26 Estimated Actual to the 2026-27 Budget Year. This reflects higher premium revenue and investment income forecasts. The higher premium revenue received from agencies is reflective of the rise in the number and cost of new claims in workers compensation and liability classes.

*Expenses*

2. Total expenses are estimated to decrease by \$54.3 million from the 2024-25 Actual to the 2025-26 Estimated Actual, largely due to a higher-than-expected claims costs in the 2024-25 Actual driven by the increased number and cost of new claims in the workers compensation and liability insurance classes. Total expenses are forecast to increase by \$95.2 million from the 2025-26 Estimated Actual to the 2026-27 Budget Year, largely reflecting higher claims expenses.

**Statement of Financial Position**

3. The increase in total current assets of \$136 million from the 2024-25 Actual to the 2025-26 Estimated Actual and a further \$200.9 million in the 2026-27 Budget Year largely reflects the projected increase in investment assets flowing from positive investment returns.
4. Outstanding claims liabilities (non-current) is forecast to increase by \$72.4 million from the 2024-25 Actual to the 2025-26 Estimated Actual and a further \$131.1 million in the 2026-27 Budget Year due to expected higher future claims costs as forecast by the Commission's actuary.
5. Total equity is forecast to increase by \$63.6 million from the 2024-25 Actual to the 2025-26 Estimated Actual, and a further \$69.8 million in the 2026-27 Budget Year. These movements reflect a projected increase in investment assets arising from the flow-on impact of positive investment returns forecast by the Commission, partially offset by an increase in future outstanding claims liabilities.

**INCOME STATEMENT <sup>(a)</sup>**  
**(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			
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Sale of goods and services.....	706,579	686,604	701,878	792,693	838,011	887,747	938,629
Other revenue.....	123,498	123,239	119,624	130,185	129,487	145,000	159,060
<b>TOTAL REVENUE.....</b>	<b>830,077</b>	<b>809,843</b>	<b>821,502</b>	<b>922,878</b>	<b>967,498</b>	<b>1,032,747</b>	<b>1,097,689</b>
<b>Expenses</b>							
Claim expenses.....	706,568	628,049	640,118	725,747	768,906	816,095	867,764
Other expenses.....	105,626	118,753	117,800	127,326	137,537	148,550	157,895
<b>TOTAL EXPENSES.....</b>	<b>812,194</b>	<b>746,802</b>	<b>757,918</b>	<b>853,073</b>	<b>906,443</b>	<b>964,645</b>	<b>1,025,659</b>
<b>NET PROFIT/(LOSS) BEFORE TAX .....</b>	<b>17,883</b>	<b>63,041</b>	<b>63,584</b>	<b>69,805</b>	<b>61,055</b>	<b>68,102</b>	<b>72,030</b>

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

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(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			
<b>CURRENT ASSETS</b>							
Cash assets .....	40,381	4	4	4	1	5	6
Receivables .....	29,015	87,936	26,802	18,380	18,623	20,534	22,179
Other investments .....	1,186,609	1,305,140	1,350,324	1,559,671	1,748,929	1,945,040	2,149,033
Other .....	47,963	22,422	62,856	62,856	62,856	62,856	62,856
<b>Total current assets .....</b>	<b>1,303,968</b>	<b>1,415,502</b>	<b>1,439,986</b>	<b>1,640,911</b>	<b>1,830,409</b>	<b>2,028,435</b>	<b>2,234,074</b>
<b>NON-CURRENT ASSETS</b>							
Receivables .....	346,364	278,064	346,364	346,364	346,364	346,364	346,364
<b>Total non-current assets .....</b>	<b>346,364</b>	<b>278,064</b>	<b>346,364</b>	<b>346,364</b>	<b>346,364</b>	<b>346,364</b>	<b>346,364</b>
<b>TOTAL ASSETS .....</b>	<b>1,650,332</b>	<b>1,693,566</b>	<b>1,786,350</b>	<b>1,987,275</b>	<b>2,176,773</b>	<b>2,374,799</b>	<b>2,580,438</b>
<b>CURRENT LIABILITIES</b>							
Outstanding claims .....	547,073	467,512	547,073	547,073	547,073	547,073	547,073
Payables .....	51,307	50,079	51,307	51,307	51,307	51,307	51,307
<b>Total current liabilities .....</b>	<b>598,380</b>	<b>517,591</b>	<b>598,380</b>	<b>598,380</b>	<b>598,380</b>	<b>598,380</b>	<b>598,380</b>
<b>NON-CURRENT LIABILITIES</b>							
Outstanding claims .....	930,636	984,477	1,003,070	1,134,190	1,262,633	1,392,557	1,526,166
<b>Total non-current liabilities .....</b>	<b>930,636</b>	<b>984,477</b>	<b>1,003,070</b>	<b>1,134,190</b>	<b>1,262,633</b>	<b>1,392,557</b>	<b>1,526,166</b>
<b>TOTAL LIABILITIES .....</b>	<b>1,529,016</b>	<b>1,502,068</b>	<b>1,601,450</b>	<b>1,732,570</b>	<b>1,861,013</b>	<b>1,990,937</b>	<b>2,124,546</b>
<b>NET ASSETS .....</b>	<b>121,316</b>	<b>191,498</b>	<b>184,900</b>	<b>254,705</b>	<b>315,760</b>	<b>383,862</b>	<b>455,892</b>
<b>EQUITY</b>							
Contributed equity .....	(323,788)	(323,788)	(323,788)	(323,788)	(323,788)	(323,788)	(323,788)
Accumulated surplus/(deficit) .....	445,104	515,286	508,688	578,493	639,548	707,650	779,680
<b>TOTAL EQUITY .....</b>	<b>121,316</b>	<b>191,498</b>	<b>184,900</b>	<b>254,705</b>	<b>315,760</b>	<b>383,862</b>	<b>455,892</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2024-25	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Sale of goods and services.....	637,689	686,604	686,984	792,693	838,011	887,747	938,629
GST receipts .....	77,862	90,709	90,708	102,130	108,610	115,775	122,940
Other receipts .....	134,390	119,676	120,191	136,884	127,282	140,868	154,982
<b>Payments</b>							
Claim payments .....	(535,871)	(570,101)	(567,684)	(594,627)	(640,463)	(686,171)	(734,155)
GST payments .....	(78,527)	(90,709)	(90,707)	(102,130)	(108,611)	(115,776)	(122,940)
Other payments.....	(105,626)	(116,987)	(116,154)	(125,602)	(135,574)	(146,328)	(155,462)
<b>Net cash from operating activities .....</b>	<b>129,917</b>	<b>119,192</b>	<b>123,338</b>	<b>209,348</b>	<b>189,255</b>	<b>196,115</b>	<b>203,994</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Payments</b>							
Other payments.....	(102,693)	(119,195)	(163,715)	(209,348)	(189,258)	(196,111)	(203,993)
<b>Net cash from investing activities .....</b>	<b>(102,693)</b>	<b>(119,195)</b>	<b>(163,715)</b>	<b>(209,348)</b>	<b>(189,258)</b>	<b>(196,111)</b>	<b>(203,993)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>27,224</b>	<b>(3)</b>	<b>(40,377)</b>	<b>-</b>	<b>(3)</b>	<b>4</b>	<b>1</b>
Cash assets at the beginning of the reporting period .....	13,157	7	40,381	4	4	1	5
<b>Cash assets at the end of the reporting period .....</b>	<b>40,381</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>1</b>	<b>5</b>	<b>6</b>

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

# Keystart

## Part 3 Financial Administration

### Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information <sup>(a)</sup>

	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			
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b>							
National Tax Equivalent Regime - Income Tax ....	-	-	1,014	<b>2,366</b>	6,077	10,234	15,556
Dividends <sup>(b)</sup> .....	13,456	-	1,778	<b>4,142</b>	10,635	17,912	27,222
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations .....	166,164	117,676	139,752	<b>181,753</b>	210,839	247,233	302,706
Total Expenses <sup>(c)</sup> .....	151,637	130,206	136,368	<b>174,165</b>	190,581	213,117	250,853
Total Borrowings .....	1,885,000	1,424,504	2,274,263	<b>2,976,897</b>	3,551,419	4,328,876	5,443,908
<b>NET PROFIT AFTER TAX</b> .....	14,527	(12,530)	2,370	<b>5,222</b>	14,181	23,882	36,297
<b>CASH ASSETS</b> <sup>(d)</sup> .....	621,958	381,063	225,208	<b>469,412</b>	471,818	473,205	472,713

(a) The 2024-25 Actual has been recast for comparability purposes to account for Keystart becoming a Government Trading Enterprise from 1 July 2025.

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

(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 Keystart'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			
Revision of Financial Forecasts .....	(347)	3,549	8,376	8,767	9,496

## Significant Initiatives

1. Keystart's objective is to assist more Western Australians to achieve home ownership by providing transitional finance through its low-deposit home loan products and the provision of financial support to commercial development projects.
  - 1.1. Recent increases to Keystart's metropolitan and regional property price limits, announced in August 2025 and April 2026, are providing more customers with the opportunity to access Keystart's products.
  - 1.2. Positive equity for Keystart homeowners has facilitated more Keystart customers transitioning to commercial lenders, consistent with Keystart's operating model.

2. Since the release of the 2025-26 Budget:
  - 2.1. Keystart has rolled out a low-deposit Modular Home Loan product to make it easier for customers to access finance for new modular homes. This will provide more housing choice, particularly for those in rural and regional locations. It will also support the modular construction industry to grow in scale;
  - 2.2. Keystart has implemented a graduate and apprentice loan, Skilled Start, a low-deposit, reduced-interest-rate home loan product targeted at graduates and apprentices;
  - 2.3. the Government has expanded its shared equity program to provide 1,000 shared equity loans for newly constructed apartments and townhouses, with the Government to make an equity contribution of up to 35% of the property value or \$250,000; and
  - 2.4. Keystart has established a \$75 million Build to Rent Kickstart Fund that will provide up to 30% low-cost finance, or up to \$250,000 per apartment, for affordable build to rent developments. This will include no-interest loans during construction, and low-interest loans thereafter, with loans expected to be issued in 2026-27.
3. Reflecting the Government's continued focus on expanding pathways to home ownership, 2026-27 will see the introduction of several new initiatives:
  - 3.1. a new \$250 million Pre-Sale Guarantee (PSG) scheme to enable residential developments to secure construction finance earlier; and
  - 3.2. a \$250 million fund for a first home buyer commercial lending facility to support private sector-led development of dwellings for first home buyers.

## 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

Where practical, key performance information for the 2024-25 Actual has been recast for comparability purposes to account for Keystart becoming a GTE from 1 July 2025.

## Relationship to Government Goals

Broad Government Goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between Keystart'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 Goal	Strategic Objectives	Desired Outcomes
Ensuring Every Western Australian Has a Home.	Growing home ownership.	1. Low deposit and shared equity lending enables home ownership
	Enabling housing supply.	2. Housing finance enables targeted housing supply
	Responsibly managing Keystart's financial position.	3. Sustainable financial resources to meet our objectives

## Outcomes and Key Performance Indicators <sup>(a)</sup>

	2024-25 Actual	2025-26 Budget	2025-26 Estimated Actual	2026-27 Budget Target	Note
<b>Outcome: Low deposit and shared equity lending enables home ownership:</b>					
Western Australians supported into homes .....	n.a.	n.a.	n.a.	2,000	
Average customer relationship Net Promoter Score for the financial year .....	n.a.	n.a.	n.a.	>45	
Complaints escalated to the Australian Financial Complaints Authority .....	n.a.	n.a.	n.a.	<4%	
<b>Outcome: Housing finance enables targeted housing supply:</b>					
Build to rent - Construction of dwellings started (not completed) under the Kickstart Fund .....	n.a.	n.a.	n.a.	350	
<b>Outcome: Sustainable financial resources to meet our objectives:</b>					
Return on equity .....	n.a.	n.a.	n.a.	1%	

(a) Keystart's Annual Performance Statement is being produced for the first time as part of the 2026-27 Budget process. Subsequent outcomes from 2026-27 onwards will be included in future Budget Papers.

## 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
<b>WORKS IN PROGRESS</b>							
ICT Rolling Project .....	20,549	15,949	1,150	1,150	1,150	1,150	1,150
<b>Total Cost of Asset Investment Program .....</b>	<b>20,549</b>	<b>15,949</b>	<b>1,150</b>	<b>1,150</b>	<b>1,150</b>	<b>1,150</b>	<b>1,150</b>
<b>FUNDED BY</b>							
Internal Funds and Balances .....			1,150	1,150	1,150	1,150	1,150
<b>Total Funding .....</b>			<b>1,150</b>	<b>1,150</b>	<b>1,150</b>	<b>1,150</b>	<b>1,150</b>

## Financial Statements

The 2024-25 Actual data has been recast for comparability purposes to account for Keystart becoming a GTE from 1 July 2025.

### Income Statement

#### Revenue

1. Movements in revenue primarily reflect the actual and forecast movements in Keystart's customer loan book and updated assumptions of interest rates over the forward estimates period. This also includes interest earned on short-term investments.

#### Expenses

2. Finance and interest costs include interest paid on borrowings obtained from the Western Australian Treasury Corporation (WATC) to fund its customer lending.

### Statement of Financial Position

3. The 2024-25 Actual and the 2025-26 Estimated Actual are higher than the 2025-26 Budget for 'loans and advances' and 'borrowings and leases', due to increased demand for Keystart products. The demand has resulted in additional loans provided to new customers, which have been funded by an increase in WATC borrowings. The introduction of the pre-sale guarantee and first home buyer initiatives are expected to further impact lending volumes from 2026-27.

### Statement of Cashflow

4. The 'repayment of borrowing and leases' for the 2025-26 Estimated Actual is lower than the 2025-26 Budget reflecting higher customer refinancing activity in 2024-25 which saw additional repayment of WATC borrowings in 2024-25 instead of 2025-26.

#### INCOME STATEMENT <sup>(a)</sup> (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			
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Other revenue .....	166,164	117,676	139,752	181,753	210,839	247,233	302,706
<b>TOTAL REVENUE.....</b>	<b>166,164</b>	<b>117,676</b>	<b>139,752</b>	<b>181,753</b>	<b>210,839</b>	<b>247,233</b>	<b>302,706</b>
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	22,445	23,470	25,819	27,479	28,337	29,199	30,103
Supplies and services .....	6,635	8,833	8,833	11,279	9,527	9,804	10,102
Accommodation .....	40	39	39	40	41	42	43
Depreciation and amortisation .....	2,071	2,362	2,362	2,462	2,462	2,562	2,638
Finance and interest costs.....	110,532	78,253	80,310	114,630	133,625	156,724	192,570
Other expenses.....	9,914	17,249	19,005	18,275	16,589	14,786	15,397
<b>TOTAL EXPENSES.....</b>	<b>151,637</b>	<b>130,206</b>	<b>136,368</b>	<b>174,165</b>	<b>190,581</b>	<b>213,117</b>	<b>250,853</b>
<b>NET PROFIT/(LOSS) BEFORE TAX .....</b>	<b>14,527</b>	<b>(12,530)</b>	<b>3,384</b>	<b>7,588</b>	<b>20,258</b>	<b>34,116</b>	<b>51,853</b>
National Tax Equivalent Regime - Current tax equivalent expense .....	-	-	1,014	2,366	6,077	10,234	15,556
<b>NET PROFIT/(LOSS) AFTER TAX .....</b>	<b>14,527</b>	<b>(12,530)</b>	<b>2,370</b>	<b>5,222</b>	<b>14,181</b>	<b>23,882</b>	<b>36,297</b>
<b>Dividends .....</b>	<b>13,456</b>	<b>-</b>	<b>1,778</b>	<b>4,142</b>	<b>10,635</b>	<b>17,912</b>	<b>27,222</b>

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

(b) The full-time equivalents for 2024-25 Actual, 2025-26 Estimated Actual and 2026-27 Budget Year are 153, 173 and 172 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			
<b>CURRENT ASSETS</b>							
Cash assets .....	621,958	381,063	225,208	469,412	471,818	473,205	472,713
Receivables .....	1,777	1,614	1,777	1,777	1,777	1,773	1,773
Loans and advances .....	553,498	470,875	837,839	989,945	1,187,589	1,457,324	1,854,290
Total current assets .....	1,177,233	853,552	1,064,824	1,461,134	1,661,184	1,932,302	2,328,776
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment.....	4,581	3,412	3,836	3,293	2,443	2,198	2,447
Intangibles .....	1,325	1,501	1,156	900	1,181	648	155
Loans and advances .....	1,043,621	882,538	1,552,922	1,915,491	2,404,317	3,027,991	3,720,637
Total non-current assets .....	1,049,527	887,451	1,557,914	1,919,684	2,407,941	3,030,837	3,723,239
<b>TOTAL ASSETS</b> .....	2,226,760	1,741,003	2,622,738	3,380,818	4,069,125	4,963,139	6,052,015
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	2,205	2,956	2,668	2,937	2,972	2,398	2,517
Payables .....	18,017	2,036	18,485	22,200	32,404	43,839	58,471
Borrowings and leases .....	566,083	324,081	671,313	808,831	1,005,079	1,291,747	1,803,364
Interest payable.....	10,125	16,320	16,320	16,320	16,320	16,320	16,320
Other.....	2,753	243	2,712	2,712	2,712	2,712	2,712
Total current liabilities .....	599,183	345,636	711,498	853,000	1,059,487	1,357,016	1,883,384
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	370	617	503	765	765	491	509
Borrowings and leases .....	1,323,241	1,104,383	1,607,096	2,222,328	2,700,602	3,291,391	3,844,806
Other.....	449	449	449	453	453	453	453
Total non-current liabilities .....	1,324,060	1,105,449	1,608,048	2,223,546	2,701,820	3,292,335	3,845,768
<b>TOTAL LIABILITIES</b> .....	1,923,243	1,451,085	2,319,546	3,076,546	3,761,307	4,649,351	5,729,152
<b>NET ASSETS</b> .....	303,517	289,918	303,192	304,272	307,818	313,788	322,863
<b>EQUITY</b>							
Contributed equity .....	302,446	302,448	302,600	302,600	302,600	302,600	302,600
Accumulated surplus/(deficit).....	1,071	(12,530)	592	1,672	5,218	11,188	20,263
<b>TOTAL EQUITY</b> .....	303,517	289,918	303,192	304,272	307,818	313,788	322,863

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(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			
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Other receipts .....	163,579	117,675	137,451	181,639	210,890	247,267	302,722
<b>Payments</b>							
Employee benefits.....	(22,287)	(22,888)	(25,223)	(26,948)	(28,302)	(30,046)	(29,966)
Supplies and services .....	(13,270)	(3,984)	(3,984)	(6,044)	(4,025)	(4,083)	(10,102)
Accommodation .....	(40)	(39)	(39)	(40)	(41)	(42)	(43)
Finance and interest costs.....	(116,726)	(80,286)	(76,148)	(113,146)	(133,106)	(157,214)	(194,551)
Other payments.....	(9,250)	(25,935)	(27,691)	(24,697)	(22,197)	(19,686)	(16,005)
<b>Net cash from operating activities .....</b>	<b>2,006</b>	<b>(15,457)</b>	<b>4,366</b>	<b>10,764</b>	<b>23,219</b>	<b>36,196</b>	<b>52,055</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
Other receipts .....	784,670	802,701	890,867	678,296	603,100	583,291	589,746
<b>Payments</b>							
Purchase of non-current assets.....	(708)	(1,150)	(1,150)	(1,150)	(1,150)	(1,150)	(1,150)
Other payments.....	(285,467)	(668,019)	(1,664,799)	(1,193,030)	(1,290,250)	(1,477,170)	(1,677,504)
<b>Net cash from investing activities.....</b>	<b>498,495</b>	<b>133,532</b>	<b>(775,082)</b>	<b>(515,884)</b>	<b>(688,300)</b>	<b>(895,029)</b>	<b>(1,088,908)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from borrowings.....	290,000	576,828	721,992	1,328,226	1,066,999	1,143,100	1,391,411
<b>Payments</b>							
Repayment of borrowings and leases.....	(910,911)	(1,038,246)	(333,653)	(576,110)	(393,004)	(266,168)	(326,904)
<b>Net cash from financing activities.....</b>	<b>(620,911)</b>	<b>(461,418)</b>	<b>388,339</b>	<b>752,116</b>	<b>673,995</b>	<b>876,932</b>	<b>1,064,507</b>
<b>CASHFLOWS FROM GOVERNMENT</b>							
<b>Payments</b>							
Dividends to Government.....	(35,232)	(5,391)	(14,373)	(1,778)	(4,142)	(10,635)	(17,912)
National Tax Equivalent Regime - Income Tax....	-	-	-	(1,014)	(2,366)	(6,077)	(10,234)
<b>Net cash provided to Government .....</b>	<b>35,232</b>	<b>5,391</b>	<b>14,373</b>	<b>2,792</b>	<b>6,508</b>	<b>16,712</b>	<b>28,146</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(155,642)</b>	<b>(348,734)</b>	<b>(396,750)</b>	<b>244,204</b>	<b>2,406</b>	<b>1,387</b>	<b>(492)</b>
Cash assets at the beginning of the reporting period .....	777,600	729,797	621,958	225,208	469,412	471,818	473,205
<b>Cash assets at the end of the reporting period .....</b>	<b>621,958</b>	<b>381,063</b>	<b>225,208</b>	<b>469,412</b>	<b>471,818</b>	<b>473,205</b>	<b>472,713</b>

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