



Annual Report 2025

WESTERN AUSTRALIAN
TREASURY CORPORATION

Financial Solutions
for the Benefit of All
Western Australians



Acknowledgement of Country

We acknowledge the Traditional Custodians throughout Western Australia and their continuing connection to land, waters and community. We pay our respects to all Aboriginal peoples and their cultures, and to elders both past and present.

About This Report

This annual report provides information about the services and performance of Western Australian Treasury Corporation and includes audited financial statements and performance indicators for the financial year ended 30 June 2025. A full copy of this annual report, along with previous years' annual reports, is available in portable document format (PDF) and other formats on our website at watac.wa.gov.au. Hard copies are printed on a carbon-neutral, FSC® Recycled Certified (C102086) paper which is manufactured from 100 per cent post-consumer recycled fibre in a chlorine-free process under the ISO 14001 environmental management system.



Image above: Valley of the Giants, Tree Top Walk, Walpole-Nornalup National Park.
Image courtesy of Tourism Western Australia.

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Overview

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 Misery Beach, Torndirrup National Park, Albany. Image courtesy of Tourism Western Australia.

Statement of Compliance

For the year ended 30 June 2025

To the Honourable Rita Saffioti BBus MLA
Deputy Premier; Treasurer; Minister for Transport; Sport and Recreation

In accordance with Section 63 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report of Western Australian Treasury Corporation for the financial year ended 30 June 2025.

The Annual Report has been prepared in accordance with the provisions of the Financial Management Act 2006.

Yours sincerely,



M COURT BEcon (Hons)

DEPUTY CHAIRPERSON
WESTERN AUSTRALIAN
TREASURY CORPORATION
22 August 2025



K GULICH PSM

CHIEF EXECUTIVE OFFICER
WESTERN AUSTRALIAN
TREASURY CORPORATION
22 August 2025

Purpose, Objectives and Values

Purpose

To provide financial solutions for the benefit of the Western Australian government sector.



Objectives

- 1 Provide high-quality, cost-effective products and services to the Western Australian government sector.
- 2 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.
- 3 Ensure the efficient, sustainable performance of Western Australian Treasury Corporation in accordance with the risk appetite of our Board.

Values

We operate our business in accordance with our values.

Integrity

We are open, honest and accountable. We adhere to the highest professional and ethical standards. We honour our promises.

Partnership

We work collaboratively with our stakeholders and colleagues towards achieving successful outcomes.

Adaptability

We challenge ourselves to think creatively and to continuously improve.

Achievement

We are engaged and focused on delivering valued outcomes for Western Australia.

Leadership

We use our knowledge and experience to contribute to the long-term benefit of Western Australia.

View more information about our organisation on our website.



Financial Year Snapshot

At 30 June 2025



Total Debt

\$51.1^b

We source funds from domestic and international financial markets on behalf of the State of Western Australia. At the end of the financial year our total debt on issue amounted to \$51.1 billion.

More on page 81

Client Debt

\$44.7^b

We provide debt funding for government entities, local governments and public universities. At the end of the financial year our total client debt amounted to \$44.7 billion.

More on page 26



Foreign Exchange

\$1.5^b

We facilitate foreign exchange transactions to manage foreign exchange risk for our government sector clients. During the financial year we transacted in excess of \$1.5 billion in nine currencies on behalf of 15 clients.

More on page 27

Advisory Engagements

75

We provide independent expert financial advice to our government sector clients and the State. During the financial year we worked on 75 engagements, 48 of which were major due to their complexity and duration.

More on page 31

 El Questro Wilderness Park, Kimberley. Image courtesy of Tourism Western Australia.

Key Achievements

Across Our Organisation



Highest Credit Ratings

Maintaining Our High Credit Ratings

Our borrowings continue to be afforded the highest credit ratings of AAA by S&P Global Ratings and Aaa by Moody's Ratings. Western Australia remains the only Australian state or territory with a triple-A credit rating from both major international rating agencies.

More on page 20



Launching Second Green Bond

Expanding Our Sustainable Finance Program

The syndicated issue of our second green-labelled benchmark bond under our Sustainable Finance Program attracted over \$5.5 billion in bids at book close before printing \$2.0 billion. This is the largest syndicated benchmark bond issue we have undertaken.

More on page 41



Leading Investor Communications

Informing Investors on Behalf of the State

We continued to highlight Western Australia's environmental, social and governance credentials through a range of publications and engagements including a major new release titled *Decarbonising Western Australia and Our Trading Partners*.

More on page 39



Francois Peron National Park, Shark Bay. Image courtesy of Tourism Western Australia.



Supporting Government Trading Enterprises

Collaborating to Implement Meaningful Change

We collaborated with several government trading enterprises over the course of the financial year to enhance their approach to governance and support them to successfully manage business risks associated with commodities, foreign exchange and interest rates.

More on page 28



Reviewing Financial Management Regulations

Delivering Better Financial Outcomes for Western Australia

Working closely with the Department of Treasury and the Parliamentary Counsel's Office, we proposed amendments to the State's financial management regulations to ensure they remain contemporary and reflect the risk appetite of the Western Australian Government.

More on page 28



Providing Exceptional Client Services

Continuing to Ensure High Levels of Client Satisfaction

We provide a range of services which are available to all Western Australian government entities, local governments and public universities. Through feedback, our clients shared how they continue to be very satisfied with our products and services and the value that we provide.

More on page 27

Deputy Chairperson and CEO's Report

Global Financial and Economic Conditions

Economic and financial market conditions remained challenging in 2024–25, with sentiment impacted by heightened uncertainty over US trade policy and escalating geopolitical risks. Notwithstanding this global picture, Western Australian Treasury Corporation (WATC) continued to successfully deliver on the State's borrowing requirements, meet our clients' evolving financial needs and achieve our key performance metrics.

Although global economic growth slowed in 2024–25, it remained solid, supported in part by the major central banks' monetary policy easing following the decline in inflation rates from their post-COVID highs. Risks to global growth increased in the first half of 2025, however, as the US President announced significant increases to tariff rates. This was a catalyst for increased volatility in financial markets in the first months of 2025.

While the US administration has since retreated from the most acute tariff measures, particularly against China, its trade policies remain subject to change, causing significant uncertainty for the global economic outlook. In any case, it will take time for the tariff measures to impact the economic data, both in the US and globally. For now, the US remains a standout among the major advanced economies, even if growth appeared to lose momentum in the first half of 2025. Chinese economic growth also slowed somewhat in the first half of 2025 after meeting the government's 5.0 per cent growth target in 2024.

Lower inflation and rising concerns over the economic outlook saw central banks in almost all developed countries reduce interest rates in 2024–25, except for the Bank of Japan. Having started its hiking cycle after many others, the Reserve Bank of Australia (RBA) embarked on its easing cycle, reducing the cash rate target by 50 basis points to

3.85 per cent over the first half of 2025. The lower RBA cash rate helped push short-term Australian bond yields down in early 2025. However, long-term Australian bond yields, which are more heavily influenced by global markets, experienced smaller declines while ongoing concerns over the outlook for public sector finances in the US and Europe helped maintain upward pressure on long-term bond yields.

Despite the US dollar falling to its lowest levels in over three years against a basket of major currencies, during 2024–25 the Australian dollar was the weakest of the G10 trading currencies.

Western Australia's Continued Strong Performance

The Western Australian economy continued to outperform the national economy in 2024–25, with growth in state final demand (SFD) rising the most of all the states over the first three quarters of the financial year. The strong economy and ongoing high demand for our key commodity exports saw Western Australia record its seventh consecutive general government operating surplus in 2024–25. The outlook remains positive, with SFD growth forecast to moderate but remain solid. General government surpluses are forecast across the forward estimates, with net debt to gross state product (GSP) to remain the lowest of all Australian states.

The State Government's strong fiscal position and low levels of debt saw Western Australia retain its triple-A credit ratings, with a stable outlook from both S&P Global Ratings and Moody's Ratings. Western Australia's strong economy and finances mean the State is the biggest net contributor to the Federation of all states and territories when considering total tax contributions, Commonwealth grants, and personal benefit payments and services.

Investor Strategy Drives Confidence and Demand

Given we formally announced plans for a second green bond in late 2024, our team was more than ready to engage with investors ahead of this year's benchmark syndication. Aside from promoting the planned issuance, our engagement strategy highlighted two new projects added to our green bond pool that build on the existing foundation and contribute to decarbonisation in Western Australia.

Our second green bond which was priced on 13 May 2025 (a \$2.0 billion, 4.75 per cent coupon, with a 24 October 2035 maturity), was well received by the market, with investor bids in excess of \$5.5 billion and an offshore allocation of 53 per cent, making it the largest Australian semi-government issue allocation to offshore investors. The market response not only signalled the confidence international and domestic investors have in the progress made by the Western Australian Government to enhance environmental, social and governance (ESG) outcomes, but also demonstrated how the additionality of our framework enables investors to contribute capital to forward-looking and transformational environmental and social projects.

We continue to take a leadership role in communicating the State's ESG credentials and achievements through a range of publications that support our commitment to transparency and ensure our investors remain informed. During the year we updated the Western Australian Government's ESG information series: *Supporting Continuous Improvement in ESG Outcomes for Western Australia* and launched a major new publication that focusses on global investors in Western Australian Government bonds and the State more broadly. Titled *Decarbonising Western Australia and Our Trading Partners*, the release provided detailed disclosures to support investors undertaking due diligence on how sovereign and semi-sovereign governments are transitioning

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their economies to net-zero. Prepared by WATC in collaboration with the Commonwealth Bank of Australia and key contributing Western Australian government entities, the publication was launched via a sequence of webinars which were well received, with over 160 online attendees across 17 countries taking part over the series.

Supporting Sound Financial Management

As part of our ongoing commitment to deliver better financial outcomes for the State, we worked closely with various government entities over the course of 2024–25, including a fruitful collaboration with the Department of Treasury and the Parliamentary Counsel's Office which led to amendments to our State's financial management

regulations to ensure they remain contemporary and reflective of the risk appetite of the Western Australian Government.

Since the introduction of the *Government Trading Enterprises Act 2023* (the Act), we have also been working closely with the Department of Treasury to develop guidance notes that support the implementation of the Act and assist government trading enterprises as they transition to the Act's new requirements. At WATC, we continue to develop and refine our approach in helping clients identify and better understand their business and financial risks, quantify impacts and sensitivities, and explore mitigation strategies. This collaborative work across the government sector enhances consistency and transparency and ultimately delivers value to the State.

Developing Our People and Enhancing Inclusivity

During the year we launched our *Core Capability Framework*, a foundational tool to support the recruitment, development and retention of a capable and adaptable workforce. Aligned with our purpose and values as an organisation, the framework outlines the capabilities we expect of our employees and provides a common language for skills development. We also developed a new approach to performance planning and ongoing feedback processes to improve clarity of expectations among teams, strengthen links between individual and organisational goals, and improve the quality of performance conversations across our organisation. Our training program provided leaders with the tools to create open, high-trust team environments where feedback can become part of everyday conversations.

From a people perspective we welcome Joann Wilkie as our new Chairperson, as she commences her appointment as Under Treasurer for Western Australia in August 2025. Michael Barnes PSM FIPA AWA held his last meeting as WATC's Chairperson in April 2025, a role he assumed when he became Acting Under Treasurer

in the Department of Treasury in 2014. We are honoured to now have Michael serving as a Director on our Board.

During the year, Sue Murphy retired from our Board after six years of dedicated service. Over recent years, she oversaw the implementation of key changes within our organisation including structural changes, the delivery of new systems, and the release of our first green bond. It has been a pleasure to work with Sue and to leverage her considerable knowledge.

WATC's achievements and continued success are a direct result of the hard work and dedication of our team and our Board, to both of which we are very grateful. We also acknowledge and appreciate the support provided by the Hon. Rita Saffioti BBus MLA, Deputy Premier and Treasurer, who continues to champion investing in Western Australia and actively engaging with our investors. We also recognise that our success is not achieved in isolation, but in collaboration with our clients, investors and many other stakeholders. Thank you to everyone who has contributed to another successful year.



M COURT BEcon (Hons)

DEPUTY CHAIRPERSON
WESTERN AUSTRALIAN
TREASURY CORPORATION
22 August 2025



K GULICH PSM

CHIEF EXECUTIVE OFFICER
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Aerial view of the Perth skyline and Elizabeth Quay. Image courtesy of Tourism Western Australia.

Performance Against Targets

In order to monitor performance and ensure we achieve our objectives, our Board, with the agreement of the Treasurer, sets key performance indicators and targets. These targets are challenging and when attained ensure real benefits are delivered to our clients and the State.

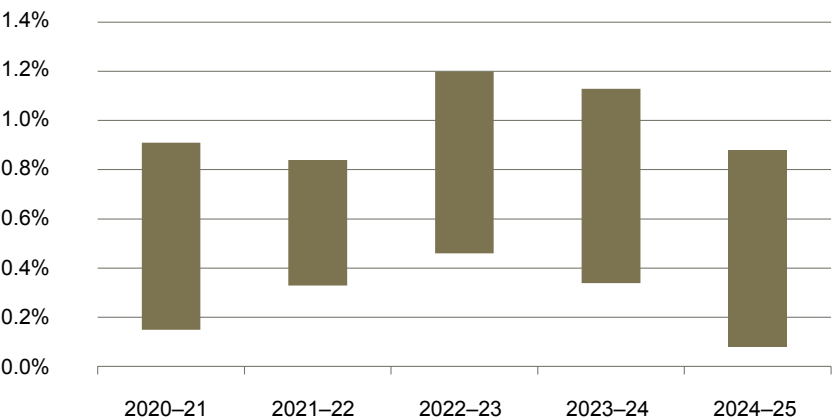
Key Performance Indicators

Performance targets form part of our *Statement of Corporate Intent*, which is submitted to the Treasurer at the start of each financial year and tabled in Parliament in accordance with Section 16I(1) of the *Western Australian Treasury Corporation Act 1986*.

Estimated Interest Rate Savings

We aim to deliver value to our government sector clients and the State.

Target: Savings > 0.00% | Result: Savings > 0.00%



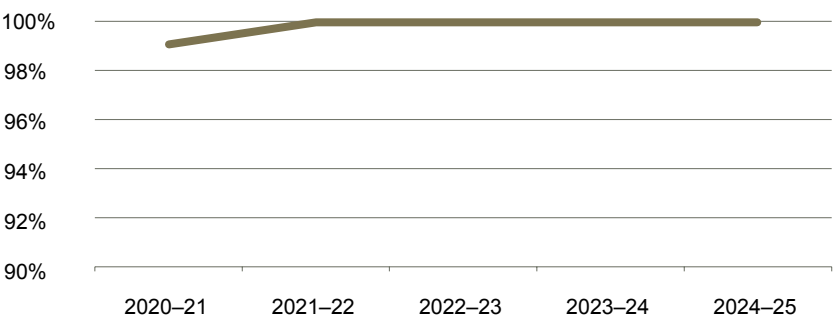
COMMENT

We continued to deliver interest rate savings to our clients and the State through the centralisation of the State’s borrowing requirements. Depending on the borrowing term and an estimate of a standalone credit rating of our clients, this saving has been calculated to be between 0.08 and 0.88 per cent. See [page 102](#) for more details.

Client Satisfaction

We strive to provide the best financial solutions for our government sector clients.

Target: 90% Client Satisfaction | Result: 100% Client Satisfaction



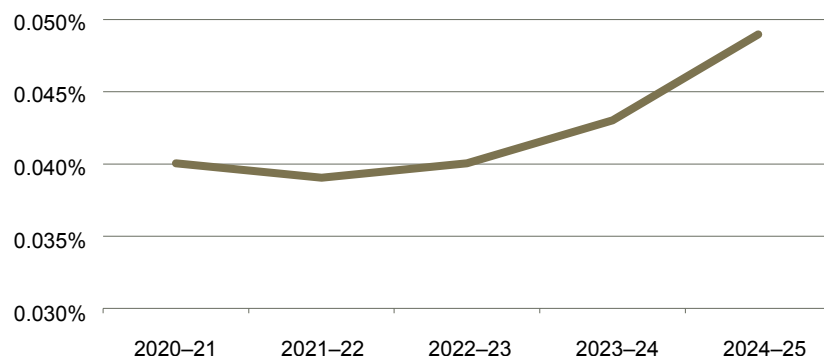
COMMENT

We continued to deliver valued financial solutions to clients. An independent survey of our government sector clients again confirmed their high levels of satisfaction with the quality of our services, the overall value we deliver, and the alignment of our products and services to their needs. See [page 27](#) for more details.

Administration Cost Ratio

We are committed to delivering high-quality products and services while still being cost effective.

Target: Ratio < 0.060% | Result: Ratio = 0.049%



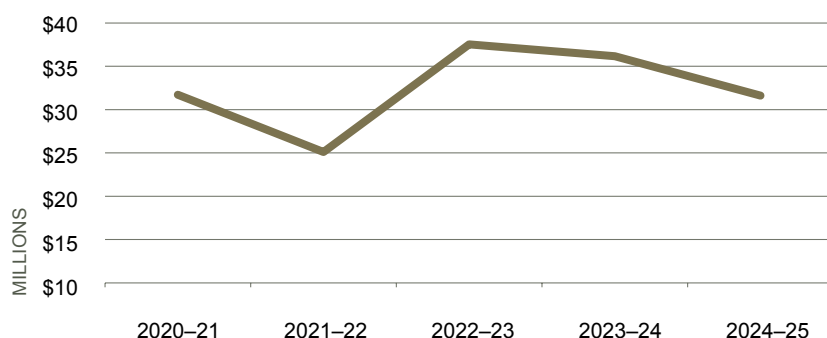
COMMENT

We continued to successfully manage and control the administration costs of our operations, ensuring our continued cost-effectiveness while delivering high-quality products and services. Our admin cost ratio was slightly up from the previous year due to client debt levels being lower. See [page 104](#) for more details.

Pre-Tax Profit

We aim to maintain an adequate profit while delivering cost-effective products and services.

Target: Profit = \$27.1 million | Result: Profit = \$31.6 million



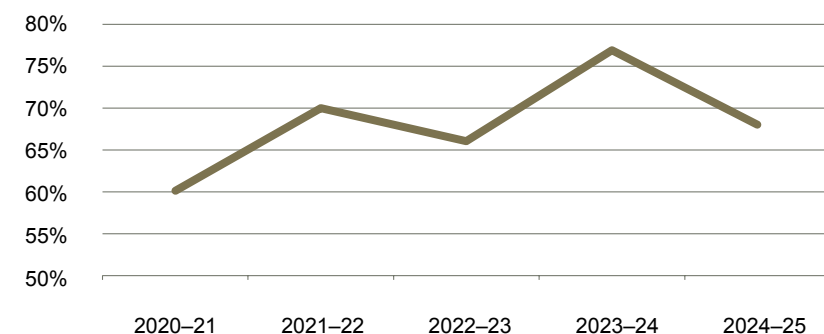
COMMENT

As the State's central financial services provider, our objective is not to maximise profits but rather to deliver cost-effective products and services. Our pre-tax profit this year was above budget, predominately due to lower than budgeted administration expenses. See [page 62](#) for more details.

Employee Engagement Rating

We strive to create a working environment where all employees are engaged and supported.

Target: Rating > 65% | Result: Rating = 68%



COMMENT

While there was a decrease of nine per cent on last year's results, the overall trend remained positive and employee advocacy was strong. As an organisation, we continue to implement a range of strategies designed to improve employee engagement which are based on feedback provided. See [page 51](#) for more details.

Five-Year Summaries

At 30 June 2025



Misery Beach, Torndirrup National Park, Albany. Image courtesy of Tourism Western Australia.

Five-Year KPI Summary

Target	2024–25	2023–24	2022–23	2021–22	2020–21
Estimated Interest Rate Savings > 0.00%	Yes	Yes	Yes	Yes	Yes
Assessment of Client Satisfaction	100%	100%	100%	100%	99%
Administration Cost Ratio	0.049%	0.043%	0.040%	0.039%	0.040%
Pre-Tax Profit	\$31.6m	\$36.2m	\$37.6m	\$25.0m	\$31.7m
Employee Engagement Rating	68%	77%	66%	70%	60%

Five-Year Financial Summary

	2024–25 \$m	2023–24 \$m	2022–23 \$m	2021–22 \$m	2020–21 \$m
Financial Performance					
Profit Before Income Tax Equivalent	31.6	36.2	37.6	25.0	31.7
Financial Position					
Total Assets	52,401.8	50,552.6	49,692.8	51,207.9	61,892.2
Percentage Change in Assets (%)	3.7	1.7	-3.0	-17.3	-4.3
Total Liabilities	52,226.1	50,380.0	49,525.8	51,054.2	61,739.3
Equity	175.7	172.6	167.0	153.7	152.9

About Our Organisation

Western Australian Treasury Corporation (WATC) is the State's central financial services provider delivering financial solutions that benefit the Western Australian government sector.

Principal Activities

Funding and Debt Management

We play a key role in financing the Western Australian government sector and delivering on the State's borrowing requirements through issuing and managing a range of debt securities in domestic and global capital markets. We provide debt products and services to support our clients in achieving their financial goals, with \$44.7 billion of client debt managed at 30 June 2025.

Asset and Investment Management

We manage a large portfolio of financial assets and liabilities, as well as investing funds on behalf of the Western Australian Government and clients. We are experienced in providing secure investment solutions designed to meet our clients' investment needs, with \$4.6 billion of client investment funds managed at 30 June 2025.

Financial Advisory Services

Our specialist knowledge and experience in corporate and financial risk management forms the basis of the advisory services we offer to our clients. We provide expert, independent and professional advice, working on 75 client engagements during 2024–25, to ensure that optimal financial solutions are delivered to our clients and the State.

Financial Risk Management

We operate in a dynamic financial market environment and manage a wide range of risks including market, credit, liquidity, funding, operational, reputational and strategic risks. We also provide a range of products and services to help our clients identify, measure and manage their exposure to financial and business risks.

Treasury Management Services and Systems

We have considerable experience and expertise in managing financial assets and liabilities. Our scale of operations and volume of activity in the financial markets enable us to deliver efficiencies and pricing benefits to our clients and the State. We also provide tailored treasury management services to suit client needs.

View more information about our organisation on our website.



Enabling Legislation

Our organisation was established on 1 July 1986 under the *Western Australian Treasury Corporation Act 1986* (the Act) as the State's central borrowing authority. Amendments to the Act in 1998 expanded our role to include providing financial management services to the Western Australian government sector.

Responsible Minister

The Honourable Rita Saffioti BBus MLA: Deputy Premier; Treasurer; Minister for Transport; Sport and Recreation.

Organisational Structure

As part of our *Strategic Development Plan 2024–25*, a comprehensive review of our organisational structure was conducted. This resulted in business division refinement, business unit realignment, or in some cases amalgamation, and the creation of several new roles. These changes have increased our strategic capacity, better aligned our operational functions and improved development opportunities for employees.



Functional Areas

Advisory Services

Providing financial risk and corporate finance advisory services to the Western Australian government sector. This involves assisting clients to make informed financial decisions that help them to achieve their objectives, while also realising the overarching goals of the State.

Corporate Treasury Services

Working in partnership with government sector clients to achieve sound financial outcomes by providing a comprehensive suite of high-quality, cost-effective financial products and services in debt finance, investments, foreign exchange, treasury management and financial risk management.

ESG and Investor Relations

Undertaking detailed research, analysis and reporting to understand and respond to the evolving requirements of investors to ensure WATC's access to the broadest possible investor base through our regular and environmental, social and governance (ESG) labelled debt issuance programs.

Finance, Administration and Treasury Operations

Providing accounting, administration, treasury operations, settlements, payroll and business support to the Board, Executive and business units, as well as key external stakeholders.

Human Resources

Providing a strategic and operational human resources service to the Board, Executive, business units and employees that aligns with and supports our organisation's objectives and values, covering all stages of the employee life cycle.

Marketing and Communications

Providing strategic and operational support to the Executive and business units regarding internal communications. Coordinating the development, implementation, ongoing management and review of our organisation's external marketing and communications activities.

Markets

Undertaking debt-funding activities in domestic and global capital markets, together with asset and liability management, management of WATC's liquidity portfolio, client investment management and foreign exchange management transactions.

Risk Management

Measuring and monitoring market, credit, operational and liquidity risk to prevent adverse outcomes, providing guidance on all risk matters, and contributing to developing a good risk culture within the organisation. Ensuring sound legal and governance practices and overseeing the origination and documentation of our organisation's borrowings and other agreements.

Technology and Change

Providing effective, efficient and secure information management, information systems and technology, and strategic delivery of key initiatives to support our business operations to deliver on business goals and objectives.

State Guarantee

Under Section 13(1) of the WATC Act, the financial liabilities incurred or assumed by our organisation (otherwise than under section 12 of the WATC Act) are guaranteed by the Treasurer on behalf of the State. The financial liability of the Treasurer is charged to and paid out of the Consolidated Account of the State.

Changes in Written Law

There were no changes to the WATC Act during the 2024–25 financial year.

Ministerial Directives

No ministerial directives were received during the 2024–25 financial year.

Credit Ratings

In line with the State’s credit ratings at 30 June 2025, our debt was rated as follows:

Rating Agency	Long-Term	Outlook	Short-Term
Moody’s Ratings	Aaa	Stable	Prime-1
S&P Global Ratings	AAA	Stable	A-1+



Credit Ratings

Leading the Nation



2023–24

Moody's Ratings

Aaa

Long-Term Rating

Outlook: Stable

Short-Term: Prime 1

S&P Global Ratings

AAA

Long-Term Rating

Outlook: Stable

Short-Term: A-1+



2024–25

Moody's Ratings

Aaa

Long-Term Rating

Outlook: Stable

Short-Term: Prime 1

S&P Global Ratings

AAA

Long-Term Rating

Outlook: Stable

Short-Term: A-1+



This page and previous: Millstream Chichester National Park, Pilbara. Image courtesy of Tourism Western Australia.

Board of Directors

The Board, with the agreement of the Treasurer, sets our strategic direction and establishes the policies and principles under which we operate.



Michael Court

Deputy Chairperson

Mr Court was appointed to the Board as Deputy Chairperson in July 2017 and has been Deputy Under Treasurer at the Department of Treasury since September 2016. Mr Court has 30 years of public sector experience with a focus on economic policy and financial management issues. This includes extensive experience in providing advice to government on the budget, fiscal strategy and infrastructure policy and planning issues, as well as working across Commonwealth–State financial relations, energy market reform, competition and trade policy. Mr Court previously held positions in the Department of Foreign Affairs and Trade, Commonwealth Treasury and London Underground Ltd. He is a former Board Director of GESB and Horizon Power and is currently a member of the Bankwest Curtin Economics Centre Advisory Board.



Michael Barnes PSM FIPAAWA

Director

Mr Barnes was appointed as a Director in May 2025 following 11 years as Chairperson of WATC. Mr Barnes is the Principal of Barnes Advisory, a management consulting business, and in May 2025, was appointed as the lead for Western Australia's response to the Productivity Commission's review of the 2018 GST distribution reforms. Mr Barnes served as Under Treasurer for Western Australia from 2014 to 2025. Prior to joining the Department of Treasury in 1997, Mr Barnes worked at the Commonwealth Treasury, where he commenced his career as a graduate in 1992. He is currently Chair of the Keystart Board and Deputy Chair of the Western Power Board. Mr Barnes holds a Bachelor of Business degree with Honours in Economics and a Certificate of Management Excellence from Harvard Business School. He was awarded a Public Service Medal in the June 2020 Queen's Birthday Honours for outstanding public service to State Government finances in Western Australia.



Philippa Hobson

Director

Ms Hobson was appointed as a Director in February 2020 and is the Chairperson of WATC's Audit Committee and a member of the People and Remuneration Committee. Ms Hobson is a Risk Consulting Partner at RSM in Perth. Ms Hobson has over 25 years of internal and external audit and risk consulting experience. Ms Hobson works with clients in the public and private sectors, focussing on internal audit, enterprise risk management and governance services. Environmental, social and governance, process redesign and cultural reviews are also key services provided. Ms Hobson's industry experience covers government, utilities, resources, not-for-profit and financial services. Ms Hobson is passionate about understanding how an organisation's culture impacts its performance and conformance, and strives to support organisations optimising their potential.



Wayne Zekulich

Director

Mr Zekulich was appointed to the Board as a Director in January 2023. He holds a Bachelor of Business and is a Fellow of the Institute of Chartered Accountants. Mr Zekulich is a consultant and non-executive director with substantial experience in advising, structuring and financing transactions in both the infrastructure and resource sectors. Mr Zekulich was previously Chief Financial Officer of Gindalbie Metals Ltd and, prior to that, Chief Development Officer of Oakajee Port and Rail. Currently, he is Chair of Pantoro Ltd and Jindalee Lithium Ltd, and non-executive Director of Andro Pharmaceuticals Ltd in the UK.



Kaylene Gulich PSM

Chief Executive Officer

Ms Gulich commenced as CEO of WATC in February 2019. Ms Gulich has extensive experience in public policy, a broad knowledge of financial markets and considerable expertise in the Western Australian economy. She has previously held senior roles within the Department of Treasury, as the Executive Director of both the Economic, and Infrastructure and Finance business units. As well as being a member of CPA Australia and the Australian Institute of Company Directors, Ms Gulich is currently on the Board of Directors of the Australian Financial Markets Association and the Western Australian Institute of Sport. Ms Gulich was awarded a Public Service Medal for outstanding public service to Western Australia through a range of roles.



Looking Forward

Welcoming Joann Wilkie

Joann Wilkie has been appointed as the new Under Treasurer for the Department of Treasury and Finance, and Chair of WATC, effective from 4 August 2025. Ms Wilkie joins us from New South Wales Treasury, where she has served as Deputy Secretary of the Economic Strategy and Productivity Group since February 2019, as well as a Director with New South Wales Treasury Corporation. Ms Wilkie brings a wealth of experience, with over 20 years in the Australian public service, including senior roles in agricultural, energy and gender policy, and regulatory reform across several government departments. Ms Wilkie holds a Bachelor of Economics (Honours) from the University of Sydney, a Master of Cultural Policy from the Graduate Institute for Policy Studies, Tokyo, and a Master of Public Policy from the Australian National University.



Agency Performance

In This Section

- **Providing Value to Clients**
- **Delivering on Our Funding Requirements**
- **Optimising Our Performance**

 Aerial view of turquoise lagoons at Shark Bay.

Providing Value to Clients

Using our expertise in debt funding, investment, foreign exchange, financial advice and risk management, we continue to support our clients' individual financial management requirements, delivered through our comprehensive range of high-quality, cost-effective financial products and services.

Corporate Treasury Services

Debt Products and Services

A major benefit of our role as the central financial services provider for the Western Australian Government is the consolidation of the State's borrowing requirements and the associated economies of scale this brings. As a result, we deliver significant interest rate savings to our clients and the State, providing debt funding at lower interest rates than clients could achieve by themselves.

Debt funding for clients in the 2024–25 financial year supported the delivery of a range of State and local government initiatives providing social and economic infrastructure across Western Australia, including:

- supporting continuous improvement in our State's environmental, social and governance outcomes;
- maintaining, developing and building important economic and community assets, and infrastructure;
- purchasing essential plant and equipment; and
- providing funding for various housing projects.

Our range of debt products offer clients a variety of structures, maturities and repayment options. We also provide a complementary range of debt management services to support the effective management of clients' debt portfolios. These include:

- debt portfolio management services to manage interest rate risk in a manner appropriate to clients' business needs; and
- interest cost projection services to assist clients with budgeting and project evaluation.

We work collaboratively with our clients to ensure the most appropriate debt products and structures are recommended, and that solutions support client needs and are aligned with the overarching requirements of the State's borrowing strategy.

View more information about our
Loan Products on our website.



View more information about our
Loan Services on our website.



KEY PERFORMANCE INDICATOR – ESTIMATED INTEREST RATE SAVINGS

→ **\$69.6 million +**

During 2024–25 we continued to deliver interest rate savings to our clients and the State through the centralisation of the State's borrowing requirements. Depending on the term of the borrowing and an estimated standalone credit rating of our clients, this saving has been calculated to be between 0.08 and 0.88 per cent. To monetise this, a conservative valuation of the minimum interest rate savings we delivered for the year was \$69.6 million. See [page 102](#) for more details.

Client Debt

In line with the State's borrowing program announced in the *Western Australia State Budget 2024–25*, we originally anticipated an \$844 million decrease in client borrowings, however, the actual decrease was \$644 million. Our total client debt outstanding at 30 June 2025 was \$44.7 billion, down from \$45.4 billion at the end of 2023–24.

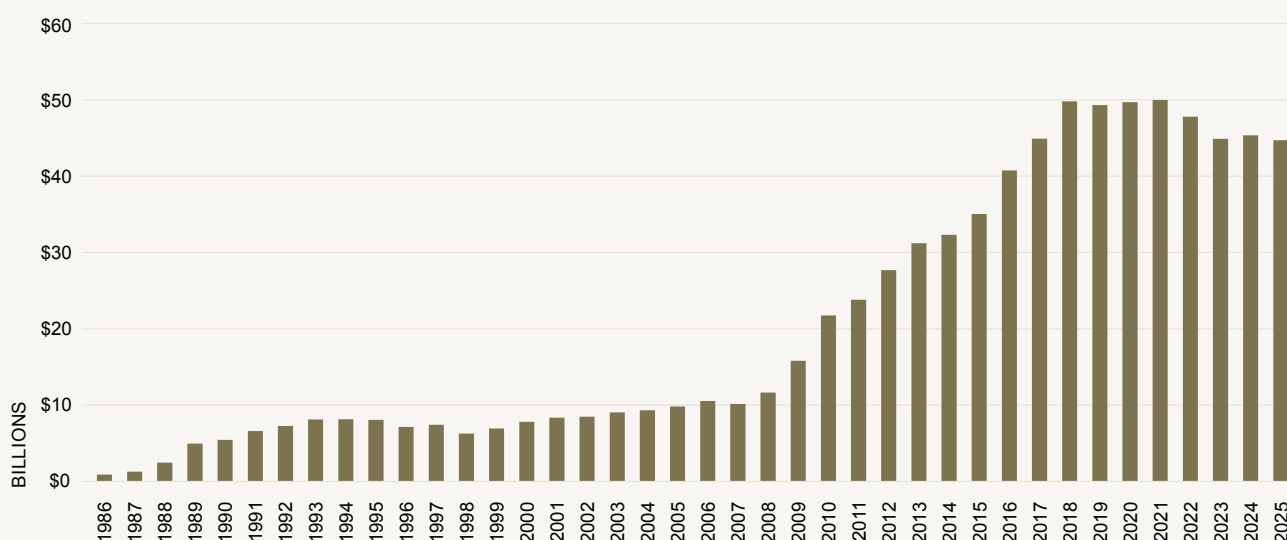
We are also the primary provider of long-term debt funding for local governments across Western Australia. During 2024–25 we approved 44 loans totalling \$68 million for 30 local governments, with total local government client debt of \$615 million at 30 June 2025. Through our responsible lending to local governments, we support local communities to deliver key infrastructure projects including housing, community facilities, and vital plant and equipment. See [page 111](#) for more detailed information on client debt outstanding at 30 June 2025.

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During 2024–25 we approved 44 loans totalling \$68 million for 30 local governments, with total local government client debt of \$615 million at 30 June 2025. Through our responsible lending to local governments, we support local communities to deliver key infrastructure projects including housing, community facilities, and vital plant and equipment.

WATC Client Debt

Growth in WATC client debt from 1986 to 2025.



KEY PERFORMANCE INDICATOR – CLIENT SATISFACTION

→ 100% Client Satisfaction

To ensure we continue to provide high-quality, cost-effective products and services to the Western Australian government sector, we regularly seek feedback from our clients. During 2024–25 we engaged Crisil Coalition Greenwich, a global insights-driven analytics company, to independently conduct a client survey to assess their satisfaction with our services. The results confirmed that our clients continue to experience high levels of satisfaction with the quality of our services, our understanding of their financial needs, the overall value we deliver, and the alignment of our products and services to their requirements.

Foreign Exchange Services

Throughout the Western Australian government sector, our clients are exposed to financial risks which, if left unmanaged, can result in negative financial outcomes. Foreign exchange risk is one of the business risks our clients face that is required to be effectively managed in consultation with our organisation as part of the *Treasurer's Instructions*. Our foreign exchange services provide clients with access to a range of tools and products to help them successfully navigate the complexities of foreign currency exposures, minimise risk and develop effective risk management strategies.

Clients benefit from our expertise and experience in managing foreign exchange exposures as well as our direct access to wholesale foreign exchange markets, multi-currency funds settlement systems, capital markets information and treasury management systems. Combining these systems and data with our experience and expertise ensures our clients are fully supported and aware of their foreign exchange risks so they can make informed decisions in terms of materiality and management.

During the 2024–25 financial year we executed in excess of A\$1.5 billion in foreign exchange transactions in nine currencies and on behalf of 15 clients, which is lower than the \$1.8 billion transacted on behalf of clients in the previous financial year.

Asset and Investment Management Services

We assist in managing State and government sector client finances by providing investment products and treasury management services. These products and services are tailored to suit each client's specific business requirements and aid the process of managing financial risks, including interest rate, liquidity and credit risks. We also research and analyse investment opportunities to support clients in managing their short, medium and long-term investment needs. Clients benefit from the considerable experience and expertise, systems, pricing and oversight that come with our scale of operations in the financial markets.

Managed Investments

Our total client funds managed at 30 June 2025 was \$4.6 billion (down from \$8.4 billion the previous year) across five investment portfolios. We continued to manage each of these portfolios in accordance with client-approved policy frameworks that include defined risk parameters and performance benchmarks. We also provided back-office trade capture and reporting on treasury management services for two clients.

View more information about
Foreign Exchange on our website.



Financial Management Regulations Review

As part of our ongoing commitment to partner with government entities to deliver better financial outcomes for the State, over the course of 2024–25 we worked closely with the Department of Treasury and the Parliamentary Counsel's Office. The purpose of this intragovernmental collaboration was to review and propose amendments to the *Financial Management Regulations 2024* to ensure it remains contemporary and reflective of the risk appetite of the State. The regulations form part of the *Financial Administration Bookcase* – a compendium of financial legislation and related instructions used across the Western Australian government sector to support responsible financial management. Our joint efforts strengthened the regulatory framework by introducing more effective investment risk controls and a new requirement for entities to maintain approved investment and credit policies. These amendments came into effect on 1 January 2025.

Government Trading Enterprise Reform

About These Reforms

The *Government Trading Enterprises Act 2023* (the Act) was introduced on 1 July 2023 with an overarching purpose to standardise governance, strategic planning and accountability across government trading enterprises (GTEs) in Western Australia and strengthen their connection with the State Government. A requirement of the Act is that GTEs must now consult with our organisation when determining the appropriateness of business and financial risk management strategies prior to undertaking any hedging transactions. The Act also enables us to assist clients in evaluating and managing a wider range of business risks than previously permitted by our legislation.

Implementing Meaningful Change

Since the Act was introduced, we continue to work with the Department of Treasury to support the implementation of the Act and assist GTEs to meet their obligations. We are also continuing to develop and refine our approach as we help clients to identify and better understand their business and financial risks, quantify financial impacts and sensitivities, and explore the mitigation strategies available. Over 2024–25 we worked with several

GTEs to help them successfully manage business risks relating to commodities, foreign exchange and interest rates. We also collaborated with the Department of Treasury and Keystart in preparation for the *Keystart Act 2024*, which commenced on 1 July 2025 when Keystart became a GTE.



Looking Forward

Government Sector Reform

On 31 March 2025, the State Government announced targeted departmental reforms to better align its priorities with a more resilient economy and improved infrastructure delivery. These changes, effective from 1 July 2025, will impact several government entities. We remain committed to supporting our State Government clients throughout this transition and will continue working closely with them to navigate the reforms effectively.



Looking Forward

Strengthening Our Local Government Offering

In alignment with our organisation's *Strategic Development Plan*, a key focus for 2025–26 will be the review of our ongoing engagement with local governments. The first stage of this work will be to evaluate our current engagement strategy and identify potential areas for growth and development, with a view to strengthening our product and service offerings in support of this sector.

View more information about Local Government Support on our website.



View more information about our Advisory Services on our website.



CASE STUDY

Department of Transport**Project**

Driving Access and Equity Grant Program – Cost of Service Review and Cost Benefit Assessment

Background

The *Driving Access and Equity Program* (DAEP) is an initiative introduced by the Department of Transport (DoT) to improve access to obtaining a drivers licence in regional and remote areas of Western Australia. DAEP grants are provided to eligible regional not-for-profit and Aboriginal organisations that have dedicated activities to improve access to driver licensing services, driving instructors and supervisors, and vehicles in which to learn to drive. To support its strategy and budget submission to further expand and fund DAEP on a State-wide ongoing basis, DoT sought our help to develop a forecast cost model for the program and also assess the value the program delivers to the State.

Approach

Through meetings with DoT program members and following a review of program metrics and cost data, we developed a cost option model to forecast the cost to State and associated funding requirements of an expansion of the DAEP on a State-wide basis. Our model incorporated the ability to test funding costs under a range of program scenarios. Having identified the potential program costs, we undertook a cost–benefit analysis (CBA) to quantify the potential value to State and how the value might be influenced by different program scenarios. In undertaking the CBA, we considered and tested DAEP benefit metrics. The benefits attributed values to metrics including reductions to driver training access costs, program success rates and longer-term licenced driver economic participation benefits. We then contrasted the net present value of program costs and benefits over an evaluation timeline to arrive at a benefit–cost ratio score for the DAEP under a range of program scenarios.

Outcome

Our evaluation found that ongoing State support for the Driving Access and Equity Program generates positive value to the State for two of the three tested scenarios, reflecting favourably on the State's continued funding support.

Advisory Services

SERVICE FAMILY

**Business Strategy and
Operations Support**

Wildflowers, Morawa.
Image courtesy of Tourism Western Australia

Advisory Services

Service Families and Client Feedback



Advisory Services

We provide a broad range of corporate finance and financial risk management advisory services which are available to all Western Australian Government entities, local governments and public universities.

Our highly skilled and experienced team provides expert, independent and professional advice and is one of the largest teams of finance professionals dedicated to solely servicing the Western Australian government sector.

Using a collaborative approach, we strive to deliver better outcomes for our clients and for the State. Our broad range of advisory services, which are provided on a cost recovery basis, are as follows:

Business Strategy and Operations Support

Our team specialises in financial analysis and provides actionable advice across various areas. These services include:

- strategic reform cost modelling;
- financial sustainability and performance reviews;
- true cost of service analysis
- price setting (including fees, charges and rates);
- budget modelling support;
- long-term financial planning; and
- general financial modelling, analysis and advice.

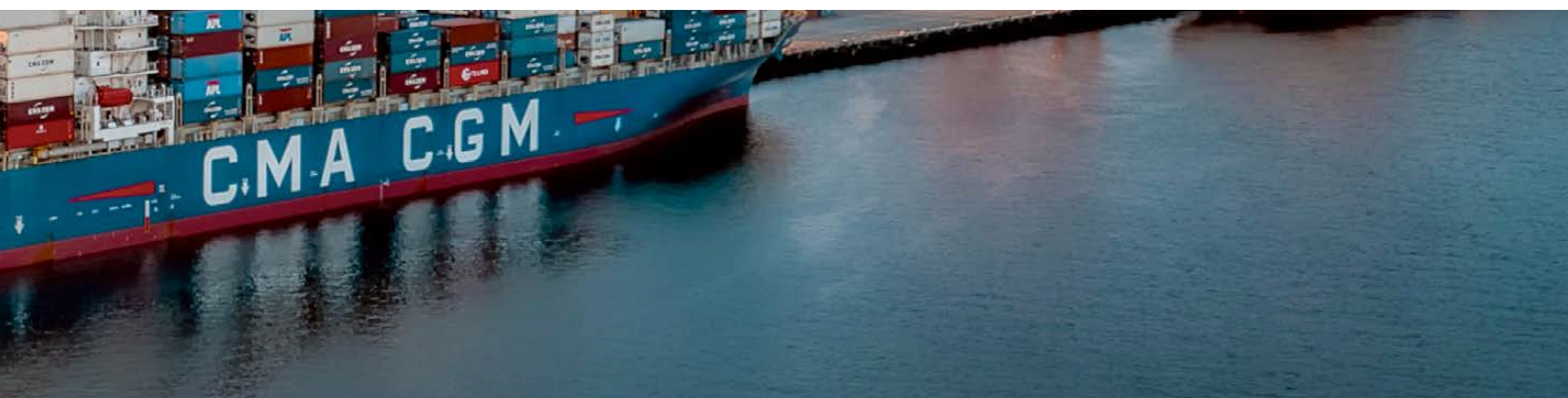
Strategic Asset Investment Decision Support

In aiding informed investment decisions and value-to-State choices, we offer comprehensive cost modelling, value analysis, project finance expertise and alternative funding options. Our services include:

- business case support and guidance around Strategic Asset Management Framework (SAMF) principles;
- investment logic mapping;
- asset and investment costing;
- total cost of ownership analysis;
- project finance and public private partnerships (PPP) modelling;
- lease vs buy analysis;
- value-to-state assessments; and
- evaluating options through cost option modelling and cost-benefit analysis.



North Quay Terminals, Fremantle Port. Image courtesy of Fremantle Ports.



Procurement Support

For successful procurement, we provide financial and commercial guidance, from designing respondent pricing workbooks to evaluating price offers and procurement options. We help clients optimise procurement strategies through services including:

- structuring tender pricing matrices and response templates;
- evaluating complex pricing responses;
- analysing procurement options; and
- offering commercial advice and negotiation support.



Corporate Finance

Our comprehensive suite of corporate finance services support clients across a wide range of modelling challenges. Our services include:

- integrated financial forecasts;
- enterprise valuations;
- financial capability assessments;
- cost of capital (i.e. weighted average cost of capital (WACC), rates of return and discount rates);
- debt structure analysis and advice; and
- alternative funding mechanisms.



Risk Management Support

Clients benefit from the collective experience which our team can bring to financial risk assessments. Our services include:

- financial risk strategies and assessments;
- treasury policy reviews; and
- quality assurance reviews of complex financial models.

Client Feedback on Our Advisory Services

During the financial year we worked on 75 engagements, 48 of which were major due to their complexity and duration. As part of our quality assurance framework, we request feedback from clients after completing an advisory engagement. Similar to previous years, client feedback results from the 2024–25 financial year were extremely positive. Clients continued to be very complimentary in their feedback and expressed high levels of satisfaction regarding the quality of advice we provide, the value we add to their projects, our overall capabilities and the services we deliver. The effectiveness of our Advisory Services team is also evidenced in the number of clients re-engaging our services to help them deliver new projects and initiatives.



Kukerin, Wheatbelt.
Image courtesy of Tourism Western Australia.

SERVICE FAMILY

Strategic Asset Investment Decision Support

Advisory Services

CASE STUDY

Department of Primary Industries and Regional Development

Project

Australian Export Grains Innovation Centre Review

Background

The Australian Export Grains Innovation Centre (AEGIC) is Australia's leading organisation for market insight, innovation and applied solutions for the grains industry. Funding for AEGIC is provided by its two members – the State via the Western Australian Agricultural Authority (WAAA) and the Commonwealth via Grains Australia through its associated levies generated from grain growers. The Department of Primary Industries and Regional Development (DPIRD), on behalf of WAAA, engaged us to undertake a financial assessment of AEGIC to determine optimal annual member funding requirements to maintain future viability and also quantify the value that AEGIC delivers to the State.

Approach

Through meetings with AEGIC executives and reviewing financial data, we initially developed an integrated financial model for the business to forecast revenue, cost, cash flow and balance sheet profiles for each of AEGIC's three main functional service areas. We then tested the financial viability of the business under a range of funding scenarios. Having identified the potential future funding costs for the State, we then sought to identify optimal methods to quantify AEGIC's value to the State. Leveraging independent research, we developed an aggregate benefit–cost ratio (BCR) score for AEGIC, and in conjunction with DPIRD economists, we developed a framework to reflect the differential share of AEGIC benefits that accrue to the State based on Western Australia's proportional share of national export-related grain activity.

Outcome

Our evaluation found that AEGIC generates positive BCR scores under all of the base case sensitivity scenarios, reflecting favourably on the State's continued funding support for AEGIC.

Delivering on Our Funding Requirements

We successfully delivered on the State's 2024–25 borrowing requirements and continued to meet our clients' evolving debt financing needs during another year of unpredictable and challenging global economic and financial conditions.

Despite these conditions, we continued to be able to access and source funding from domestic and international financial markets, with our new issuances attracting strong investor demand. Our ability to complete our funding task was well supported by the State's sound fiscal position, with our low net-debt profile and top credit ratings being a positive story for our investors.

We are continually monitoring the ever-changing global economic and financial market environment and remain vigilant to identify opportunities that present and manage any challenges that may impact our future financing requirements. We remain confident in the State's economic resilience and our continued ability to deliver on the State's and our clients' future financing needs.

Economic and Market Conditions

Global economic growth slowed in 2024–25, but remained sound. However, the downside risks intensified in early 2025 as newly inaugurated US President Donald Trump increased import tariffs for individual countries and selected industries. Despite the frequent policy changes, the average US tariff rate in June 2025 was estimated to be the highest since the 1930s.

The early impacts of the tariff policies were most evident in the US. Following solid growth during the second half of 2024, gross domestic product (GDP) growth was uneven in the first half of 2025. US GDP declined slightly in the first quarter of 2025 due to a sharp rise in imports ahead of the expected tariff increases and bounced back in the second quarter of 2025 as the surge in imports was unwound. However, outside of the impact of net exports, underlying growth in the US economy slowed in the first half of 2025. US inflation, while well below its 2022 highs, remains above the 2.0 per cent goal of the US Federal Reserve System (Fed).

Chinese economic growth lifted during the first half of the 2024–25 financial year, allowing the economy

to reach the government's GDP growth target of 5.0 per cent for 2024. Chinese authorities have also set a growth target of 5.0 per cent for 2025 and, despite the slight easing in the first half of 2025, Chinese GDP growth appears on track to meet this target. China's demand for iron ore remained healthy in 2024–25, despite the ongoing recession within the construction industry. The tariff impacts saw exports to the US fall to the lowest level since 2019–20 in the second half of 2024–25. However, Chinese exports remained strong overall, as lower shipments to the US were more than offset by strong exports to other destinations, mainly in Asia.

Declining growth and inflation in most major advanced economies saw central banks begin their monetary easing cycles in 2024. This included the Fed, which reduced the federal funds rate by a total of 100 basis points during its last three meetings of 2024. While most major central banks continued to decrease their interest rates in the first half of 2025, the Fed has kept the federal funds rate unchanged since December 2024 to assess the inflationary impact of the US tariff increases.

Australian economic growth accelerated a little during the first three quarters of 2024–25, though remained subdued. After rising by just 0.9 per cent in 2023–24, GDP picked up by 1.3 per cent over the year to March 2025, with slow growth in household consumption and business investment. The economic expansion continues to be largely driven by population growth, while productivity growth remains weak. At the same time, labour market conditions remained solid in 2024–25, with employment increasing by around 286,000, while the unemployment rate is still low at 4.3 per cent.

Faster-than-expected disinflation, aided in part by State and Commonwealth Government energy bill rebates, saw Australian consumer price inflation fall back to within the 2–3 per cent target band set by the Reserve Bank of Australia (RBA). This enabled the RBA's Monetary Policy Board to reduce the cash rate target by 25 basis points at

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Western Australia's economic outperformance has contributed to the State's outstanding fiscal position. Notably, the State Government recorded its seventh consecutive general government net operating surplus in 2024–25 while net-debt-to-revenue remained well below the other states.

each of its February and May policy meetings, taking it to 3.85 per cent.

The Western Australian economy remained the strongest of all the states with state final demand rising 3.6 per cent over the year to March 2025. Moreover, the State exported \$232 billion of merchandise goods in the year to May, an impressive 45 per cent of the total Australian goods exported during that period. Western Australian labour market conditions also remained the strongest among the states, with the unemployment rate at 4.1 per cent in June 2025.

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Following rising expectations for the RBA to cut interest rates, both Australian and Western Australian bond yields fell sharply at the short end of the bond yield curve. However, longer-term yields — which are heavily influenced by movements in global bond yields — fell only slightly as concerns over the outlook for US and European government finances maintained upward pressure on global long-term bond yields.



Looking Forward

Economic Outlook

The economic outlook remains extremely uncertain. Global trade policies have emerged as the single largest risk factor to global growth and consumer prices.

The direct impacts of tariffs on the broader global economy have been limited so far, among others due to the US administration temporarily delaying large increases in tariffs in favour of a temporary 10 per cent baseline tariff rate on most trading partners to allow for trade negotiations. However, the end of the deferral period has seen the US raise tariff rates on a wide range of countries in the early months of 2025–26. The US has agreed to trade deals with a number of major economies, and talks with China continue. Higher US tariffs pose an upside risk to US consumer prices and a downside risk to growth in affected economies. However, the adverse impact of tariff policies might be partly contained by the realignment of global trade.

Apart from the direct impact of trade policies, the frequently changing tariff rates has led to heightened uncertainty in the decision-making environment of businesses in the US and other economies, which could in turn impact their investment, pricing and hiring decisions.

In addition to economic risks from global trade disruptions, geopolitical risks remain elevated as tensions in the Middle East and the war between Russia and Ukraine continue. These conflicts could disrupt global oil and gas supply chains, leading to higher energy prices and a rebound in global inflation rates, with implications for the stance of monetary policies worldwide, including in the US and Australia.

Lower average effective US tariff rates than those initially announced in April saw the International Monetary Fund upgrade its 2025 global growth forecast in its July update of the *World Economic Outlook*. However, at 3.0 per cent, it is still somewhat below the 3.2 per cent growth expected in the January update of the Outlook.

Comparatively, the global 2024 GDP growth estimate was 3.3 per cent.

In Australia, the Commonwealth Treasury is forecasting Australian GDP growth to accelerate from a projected 1.25 per cent in 2024–25 to 2.25 per cent in 2025–26 thanks to faster growth in household spending and business investment. Additionally, the RBA is forecasting underlying inflation to be steady at around the middle of its 2–3 per cent target band through 2025–26.

Growth in Western Australian gross state product (GSP) is expected to accelerate in 2025–26. Forecasts for faster growth in household consumption, dwelling and private business investments, and exports are expected to more than offset a decline in Government investment following several years of double-digit growth.

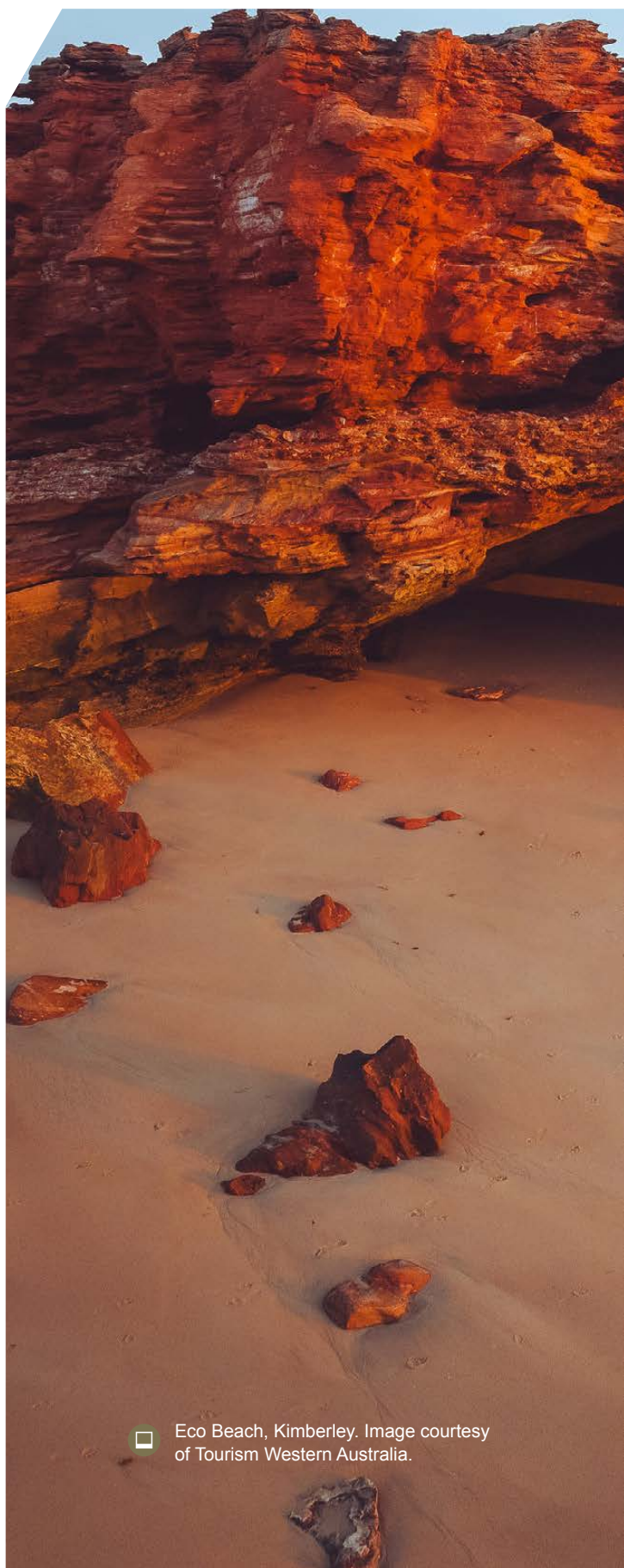
Reassuringly, the State's strong economic fundamentals and strong finances mean Western Australia is well positioned to navigate global tensions, including the impacts of US trade policies. The direct impact of US tariffs on Western Australia will be relatively minor compared with other economies, especially given that just 1.4 per cent of Western Australian merchandise goods are exported to the US.

Despite this, Western Australia may be impacted by US trade policies through indirect channels, particularly through developments in China. However, the Department of Treasury expects Chinese authorities to introduce measures for shielding its economy from the tariff impacts, which would in turn support demand for Western Australian resources. The Chinese Government has already accelerated its bond issuance to fund major infrastructure projects, while keeping its 2025 growth target at 5.0 per cent.

View more information on Market Updates on our website.



View more information on Economic Indicators on our website.



Eco Beach, Kimberley. Image courtesy of Tourism Western Australia.



Aerial view of Shark Bay World Heritage Area. Image courtesy of Tourism Western Australia.

Market Activities

Borrowing Program

Over the course of the financial year our gross issuance was \$6.6 billion. This was a slight increase from our original estimated program, reflecting prefunding activities associated with our July 2024 and July 2025 benchmark bond maturities.

Delivering on Client Requirements

In delivering on the borrowing requirements of the State and our clients, we were active across all elements of financial markets through reverse enquiry, tenders and syndications. In doing so we successfully completed our yearly funding task, which included the successful issuance of a:

- **New Floating Rate Note**

Over the last financial year we launched and priced a new 5.25-year floating rate note (FRN) issue as part of our floating rate funding program. We issued \$1.58 billion with a 19 February 2030 maturity from a total book of more than \$3.3 billion. The issue attracted strong investor interest with final allocations going to 34 of 39 bidders including domestic and offshore banks, asset managers and official institutions. Domestic investors made up the bulk of the allocation, with just 4.0 per cent placed to offshore buyers.

- **New Benchmark Bond**

We also undertook the syndicated issue of our second green-labelled benchmark bond under our Sustainable Finance Program. The bond was issued as a 4.75 per cent coupon with an October 2035 maturity, attracting over \$5.5 billion in bids at book close before printing \$2.0 billion. This was the largest syndicated benchmark bond issue we have ever undertaken. The issue attracted significant interest from offshore real money, sovereign wealth funds and central banks with a record 53.0 per cent of allocations going to these offshore investors.

Funding for liquidity and short-term requirements continue to be met through our Domestic Short-Term Inscribed Stock and Euro Commercial Paper Program.

State Bonds

At WATC, we invite individual investors to contribute to the economic and social development of Western Australia by investing in our State Bonds, which we offer on a continuous basis. At 30 June 2025 there was \$139.1 million in State Bonds outstanding.

View information about Western Australian State Bonds on our website.

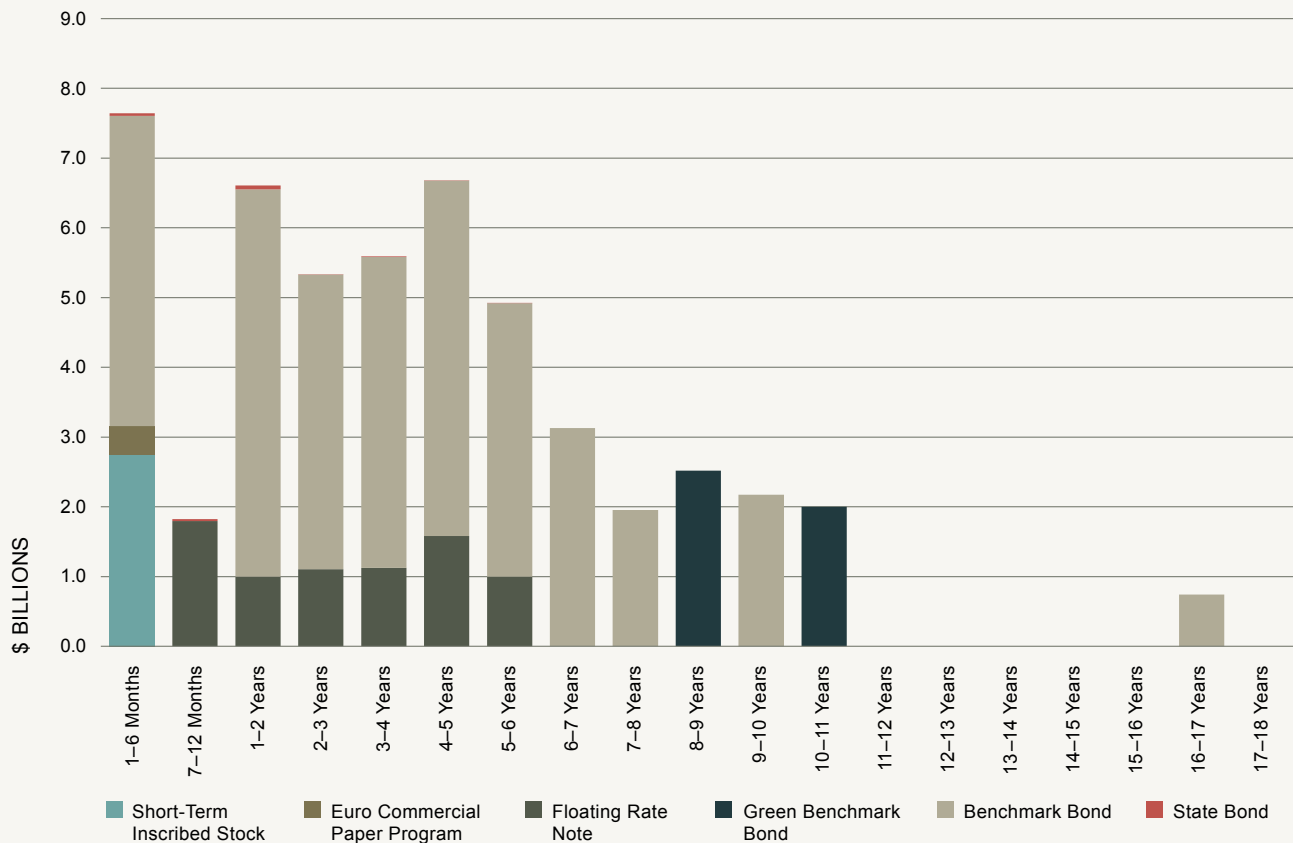


Credit Ratings

Under the *Western Australian Treasury Corporation Act 1986* (WATC Act) all of our financial liabilities are guaranteed by the Treasurer on behalf of the State. At 30 June 2025, our borrowings were afforded the highest credit ratings of AAA by S&P Global Ratings and Aaa by Moody's Ratings. Moody's Ratings revised Western Australia's credit rating to Aaa in July 2023, highlighting our State's ongoing strength in financial management, sustained budget surpluses and the decreased debt burden. Western Australia maintains its profile as the only Australian state or territory with a triple-A credit rating from both major international rating agencies. See [page 20](#) for more information about our credit ratings.

WATC Maturity Profile

As at 30 June 2025





Looking Forward

Funding Strategy

We plan to deliver on the State's funding and debt management requirements for 2025–26 by:

- considering opportunities to issue a minimum of one new FRN in the 5–7-year maturity range, while continuing to issue into outstanding FRN maturities, in response to investor demand and to meet the floating rate borrowing requirements of clients;
- seeking to establish up to two new benchmark bond lines with the aim of extending the maturity profile of the existing benchmark curve beyond the current 2035 maturity; and
- considering opportunities to increase outstandings in longer dated non-benchmark bonds of 15 or more years.

In addition, we will continue to:

- issue across the yield curve to fund lending to clients;
- build volume in existing benchmark bonds to enhance liquidity in those lines;
- where possible, support activity in our bond lines in the market; and
- issue through our Fixed Interest Dealer Panel through tenders, syndication and reverse enquiry.

We aim to meet short-term funding and liquidity requirements by maintaining, on average, approximately \$3 billion of short-term paper on issue through our Domestic Short-Term Inscribed Stock and offshore Euro Commercial Paper Program.

We will also ensure that debt issuance undertaken through our various funding programs is issued in a manner that satisfies the requirements for an exemption from interest withholding tax under Section 128F of the *Income Tax Assessment Act 1936*.



Looking Forward

Borrowing Program

The new money program for 2025–26 is estimated at \$4.6 billion. In addition, there is approximately \$6.2 billion of maturing benchmark bonds and FRNs. This results in a gross term funding program of \$8.8 billion after prefunding of approximately \$2.0 billion for 2025–26. The sourcing of WATC's funding is subject to various market conditions and the market mix during the year. Funding may be amended, as necessary, to meet our pricing, liquidity and lending targets. The WATC forecast borrowing program across the forward estimates period is detailed in the following table.

Forecast Borrowing Program

Term Funding Requirement	2025–26 \$b	2026–27 \$b	2027–28 \$b	2028–29 \$b
New Money Program (Estimated)	4.6	3.7	2.6	2.1
Projected Maturities	6.2	6.6	5.3	5.6
Less – Prefunding	(2.0)	-	-	-
Total Term Funding	8.8	10.2	7.9	7.7

ESG and Investor Relations Activities

Investor Engagement

Over the financial year, we delivered a robust calendar of investor relations activity aimed at strengthening our market presence and deepening engagement with institutional investors. Highlights included participation in the UBS Australasia Conference in Sydney and the Barclays Asia Forum in Singapore, where we met with global investors and attended high-profile roundtable discussions. We also joined the Citi Australia & New Zealand Investment Conference and the ANZ Investor Tour, both in Sydney, culminating in one-on-one meetings with international investors to discuss funding strategies and market trends.

The Australian Government Fixed Income Forum, held in Tokyo, provided a platform for promoting Western Australia's economic resilience, labour market strength, and strategic role in the Asia-Pacific, while our participation in the Australian Semi-Government Issuers' Panel at the UBS Reserve Management Seminar in Switzerland, also encompassed investor meetings in Dubai and Abu Dhabi en route to promote Western Australia as an investment destination in the Middle East. Domestically, we conducted an intensive east-coast engagement with our Dealer Panel in January, meeting with 12 major institutions to share updates on our borrowing program and further expand our investor outreach.

Informing Investors on Behalf of the State of Western Australia

We continue to communicate to investors the State's environmental, social and governance (ESG) credentials on behalf of the Western Australian government sector. This is done through a range of publications and engagements that support our commitment to transparency and ensure our investors remain informed. In August 2024 we produced and coordinated the release of the third annual update to the Western Australian Government's ESG information series: *Supporting Continuous Improvement in ESG Outcomes for Western Australia*. The publication provides updates on key ESG initiatives progressed by the Western Australian Government over the last 12 months, including new initiatives within the 2024–25 State Budget.

In September 2024 we completed a major new publication, *Decarbonising Western Australia and Our Trading Partners*, which provided detailed disclosures to support investors undertaking due diligence on how sovereign and semi-sovereign governments are transitioning their economies to net-zero. Key topics included Western Australia's emissions profile, decarbonisation drivers, emerging green industries and State Government leadership. The publication also facilitated meaningful investor engagement ahead of our second green bond issue.

Sustainability Bond Framework and Annual Report

In the six months preceding the launch of our second green bond in May 2025, we updated our *Sustainability Bond Framework* (the Framework) and published our second *Sustainability Bond Framework Annual Report*, ensuring a consistent set of sustainable finance resources were available to our investor base. A key component of this report is the disclosure of green bond proceeds by project including detailed descriptions, delivery statuses and impact indicators, all verified by an independent assurance provider.

This second annual report demonstrated the State Government's acceleration of climate outcomes through projects funded by our first green bond and further reinforced the alignment of the State's sustainability strategy with the 10 projects in our green bond project pool. These projects align with the delivery of important environmental policies of the Western Australian Government. All projects will either materially contribute to – or be beneficially impacted by – the State Government's commitment to phase out State-owned coal-fired power generation by 2030 and reduce own-source emissions to 80 per cent below 2020 levels.

New Additions to Green Bond Project Pool

While the annual report connects a selection of State Government initiatives for funding under the Framework, there are many other transformational projects that continue to be funded as part of our regular benchmark bond lines. The report also signals our intention to stay active in the sustainable bond market and outlines how we will continue to

Green Bond Project Pool

Projects are listed under the three environmental themes that guide project selection, being strongly connected to the delivery of priority policies of the Western Australian Government. Additional information is provided about the two new additions to the project pool.

1	Reducing Emissions From Electricity Generation	Renewable Energy	Wind Farms
			Standalone Power Systems
			Solar Schools Program
		Energy Efficiency	Large-Scale Batteries
			New Addition Clean Energy Link A vital infrastructure project providing the capacity to connect new renewable energy sources to the grid.
			Advanced Metering Infrastructure
			LED Streetlights
2	Transport Infrastructure to Support Net-Zero Transition	Clean Transportation	METRONET
			New Addition Electric Bus Fleet As part of decarbonising public transport, 130 new electric buses will be introduced, commencing the phasing out the existing diesel bus fleet.
			Electric Vehicle Initiatives
			Active Infrastructure
3	Enhancing Climate Adaptation and Resilience	Sustainable Water	Renewable Energy Powered Desalination Plant

work with our government partners and explore opportunities for future issuances. Following the annual report, in March 2025 two new large-scale projects were added to the green bond pool that build on the foundation of the initial pool and will materially contribute to decarbonisation.

Successful Release of Second Green Bond

Building on the success of our award-winning first green bond released in 2023, we announced plans for a second green bond in late 2024. Leading up to the issuance, our team embarked on a comprehensive investor roadshow, engaging with a diverse mix of domestic and international investors to promote the State's economic strengths and ongoing ESG commitments. On 13 May 2025, we priced our second green bond, issuing \$2.0 billion with a 4.75 per cent coupon and a 24 October 2035 maturity.

The new green bond was well received by the market, as indicated by the issuance being oversubscribed, with a high offshore allocation and participation from several new investors including those with green mandates. Informal feedback confirmed investors continue to respond positively to the forward-looking and environmentally transformative nature of our green bond project pool, which provides additionality compared to historical 'business as usual' government investments. The success of the second green bond also signals broader investor confidence in the Western Australian Government's progress in enhancing ESG outcomes across the State.

Contributing to the Finance Sector's Sustainability Agenda

In April 2025 Richard McKenzie, WATC's Head of ESG and Investor Relations, was invited to participate in the panel discussion Financing Adaptation and Resilience as part of the KangaNews' 2025 Sustainable Debt Summit. Among other topics, Richard spoke about the energy-intensive nature of desalination infrastructure, which is a significant component of the State's sustainable water strategy, and addressed the potential conundrum between climate adaptation and mitigation responsibilities. He commented, "This is why the enabling theme of our green bond program is to reduce emissions from electricity generation, which in turn aligns

with the policy commitment for all energy required for Perth's desalination plants to be 100 per cent renewable by 2035." WATC's participation in the panel demonstrates our ongoing contribution to thought leadership in the sustainable finance arena and reinforces the significance of the key environmental themes underpinning our green bond project pool that are connected to the Western Australian Government's priority policies.



Looking Forward

Australian Sustainable Finance Taxonomy

In June 2025, the Australian Sustainable Finance Institute (ASFI) released the *Australian Sustainable Finance Taxonomy*, a classification framework for green finance tailored to Australia's unique context. Along with other state central financing authorities and the Australian Office of Financial Management, we will be participating in an upcoming ASFI-coordinated project to develop guidance on applying the taxonomy to labelled bond issuances, supporting the initial uptake of the taxonomy and ensuring its ongoing relevance.

The project originated from the state central financial authorities' Sustainable Finance Workshop, which WATC initiated and further demonstrates our commitment to coordinate collaboration with our peer agencies. The project's outputs will be considered in the next review of our Sustainability Bond Framework, where we will explore opportunities to align project selection for future green bonds with the taxonomy's classification framework.

Find out more about our Sustainable Finance Program on our website.



View all ESG Publications and Disclosures on our website.



ESG Achievements

Led By Our Organisation, 2023 to 2025



Sustainability Bond Framework

Enabling Green, Social and Sustainability Bonds

In May 2023, after more than two years of coordination across a range of Western Australian government entities, we launched our Sustainability Bond Framework, the structure that supports our organisation to raise capital for projects that deliver environmental and social benefits.

More on page 39



Release of our First Green Bond

Successful Issue With Strong Investor Demand

In June 2023, following a comprehensive investor engagement program, the launch of our first green bond was a resounding success. The issuance was heavily oversubscribed, receiving more than \$6 billion in investor bids for the \$1.9 billion issued.

More on page 41



Sustainability Bond Framework Annual Report Released

Consolidating Our Sustainable Finance Journey

This first report, published in December 2023, confirmed our participation in the sustainable finance market and showcased the State's progress towards accelerating climate outcomes and achieving its environmental, social and governance initiatives.

More on page 39



Francois Peron National Park near Denham. Image courtesy of Tourism Western Australia.



Continuation of Annual ESG Disclosures Series

Supporting Western Australia's Continuous Improvement

We have coordinated the release of the Western Australian Government's ESG information series: *Supporting Continuous Improvement in ESG Outcomes for Western Australia* for the last three years. The most recent update was released in August 2024.

More on page 39



New Decarbonising Western Australia Publication

Supporting Investor Due Diligence

In September 2024 we launched a major new publication *Decarbonising Western Australia and Our Trading Partners*, which provides disclosures to support investors undertaking due diligence on how sovereign and semi-sovereign governments are transitioning their economies to net-zero.

More on page 39



Release of our Second Green Bond

Building On Our First Green Bond Success

In May 2025, we issued our second green bond, which was well received by the market with total investor orders at final price guidance in excess of \$5.5 billion and over 50 per cent of the issue was allocated offshore. Informal feedback confirmed that investors continue to respond to our forward-looking green bond project pool which provides additionality compared to other investment options.

More on page 41

Optimising Our Performance

During another year of challenging global economic and financial conditions, we continued to deliver on our stakeholders' requirements and achieve our key performance metrics while operating within relevant legislative, governance and compliance requirements.

We operate in a dynamic and constantly changing environment that produces both risks and opportunities, necessitating a flexible approach to the management of our operations. We assess potential risks and opportunities in accordance with the *Western Australian Treasury Corporation Act 1986* and our Board-approved risk management and compliance framework, which provide a clear governance structure for operational decision making.

Risk Management

Changes to Internal Risk Committees

To enable more focused deliberations and enhance operational synergies, during 2024–25 we undertook a reorganisation of our internal risk committees. As part of this initiative, an expanded Credit Committee was established to reinforce oversight of credit risk. This committee now encompasses not only WATC's portfolios, such as liquid assets and lending to local governments and universities, but also extends to investments managed on behalf of clients. This restructuring has also enabled our Asset and Liability Committee to concentrate more effectively on developments within funding markets, as well as the strategic management of funding, liquidity and market risk.

Model Risk Management

Coinciding with the establishment of our new *Model Risk Management Policy*, a program of work commenced during the year to review all legacy models. No material errors were identified but some remediation was conducted to apply more stringent standards around model formatting, structure and documentation. To embed awareness and ensure employees understood their responsibilities under

the new policy, an animated training module was produced and rolled out across the organisation, accompanied by a quiz to reinforce comprehension. In addition, to strengthen modelling capabilities across key business units, training was delivered on best practice spreadsheet modelling. Recordings of the sessions and supporting materials were made permanently accessible to all employees through our learning platform.

Assurance Work

We successfully delivered target assurances to complement our internal audit program. WATC's assurance plan was re-engineered to ensure assurance activities are more targeted and proportionate to the risks we face.

Managing the State's Liquidity

A key factor rating agencies take into consideration when determining credit ratings is liquidity risk. Western Australia's exceptional liquidity coverage is cited as a major strength that has contributed to our State receiving triple-A credit ratings from both major international rating agencies. We work collaboratively with the Department of Treasury and our clients to successfully manage and maintain our State's financial assets and liabilities. Additionally, our Board sets key metrics, which it monitors closely, to ensure effective balance sheet management and sufficient liquidity levels. During the 2024–25 financial year, our organisation and the State both maintained elevated levels of liquidity, ensuring targets for our debt metrics were met.

Debt Metrics

At 30 June 2025



Debt Maturing
19 %

Debt Maturing Within 12 Months

Target: Less Than 20%

Result: Target Achieved



Liquid Asset Cover
191 %

Liquid Asset Portfolio Cover

Target: Greater Than 100%

Result: Target Achieved



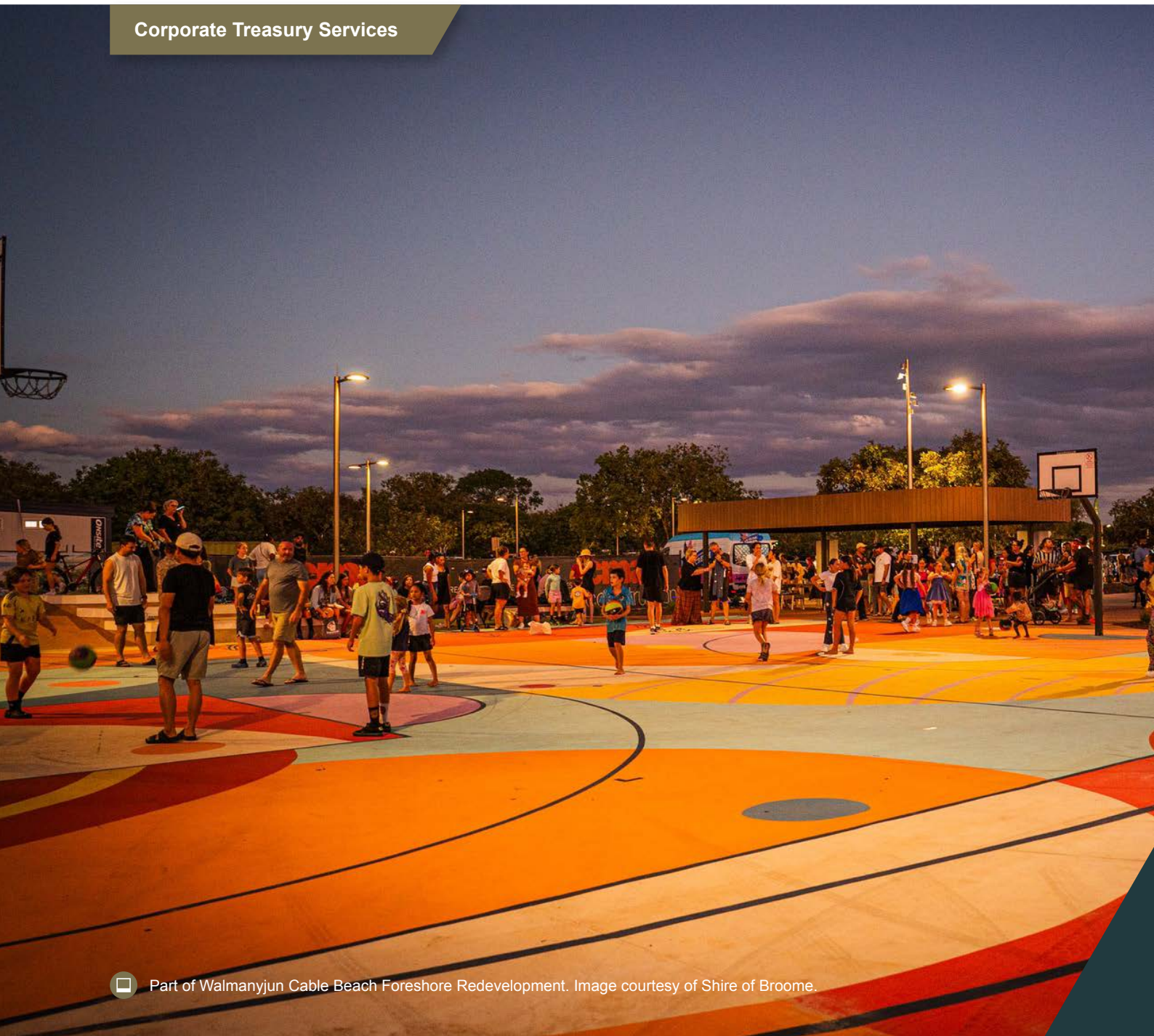
Aerial view of the Western Australian coastline.

KEY PERFORMANCE INDICATOR – ADMINISTRATION COST RATIO

→ **0.049%**

This ratio allows us to monitor our administrative efficiency and the cost effectiveness of funding client borrowing by calculating the average administrative on-cost to be covered by our clients. In 2024–25 we achieved an administration cost ratio of 0.049 per cent, which was below our target of less than 0.060 per cent, affirming our cost-effectiveness while delivering value to clients and the State. See Key Performance Indicators on [page 104](#) for more details.

Corporate Treasury Services



Part of Walmanyjun Cable Beach Foreshore Redevelopment. Image courtesy of Shire of Broome.

SUPPORTING LOCAL GOVERNMENT WITH WATC FUNDING

Prioritising the Walmanyjun Cable Beach Foreshore Redevelopment

The Walmanyjun Cable Beach Foreshore Redevelopment is a key priority for the Shire of Broome and is built upon years of research, strategy development, master planning, business case development, grant applications and extensive community consultation. The project is being delivered as a staged development thanks to a number of grant partners and funding sources.

Disclosures and Legal Compliance

In This Section

- **Managing Our Information Assets**
- **Our People**
- **Board of Directors' Governance**
- **Board Committees**
- **Legislation**
- **Corporate Governance**

 Eco Beach, Kimberley. Image courtesy of Tourism Western Australia.

Managing Our Information Assets

Information is critical in supporting our business activities and is managed in accordance with the State's records management requirements.

Information Management

Data, information and records are all managed as valuable assets, critical to the success of our operations. All information assets are captured and managed according to our business needs, ensuring relevant information is readily accessible and appropriately secured.

We have an approved recordkeeping plan in accordance with Section 19 of the *State Records Act 2000* (State Records Act), which meets the requirements of Standard 2, Principle 6. We manage our records under the *Recordkeeping Plan (RKP) 20200032*, which was approved by the State Records Office of Western Australia on 26 March 2021 and is valid until March 2026.

The changing nature of the workplace continues to shape how we operate, with our organisation embracing a flexible approach including remote working opportunities. In response, WATC policies and practices are regularly reviewed and updated to ensure they remain contemporary, fit for purpose, and that our digital information is managed safely and securely.

Recordkeeping Training

Our recordkeeping induction program for new team members continued with all 22 new starters completing the program within two weeks of their commencement date in line with our policy. Our recordkeeping induction program is a combination of:

- An initial introduction and overview of our records and information framework, including where and how to find information.
- An audio-guided online learning module introducing our information management policy and outlining employee responsibilities and requirements. Once the module is completed, a quiz is used to embed understanding.

66

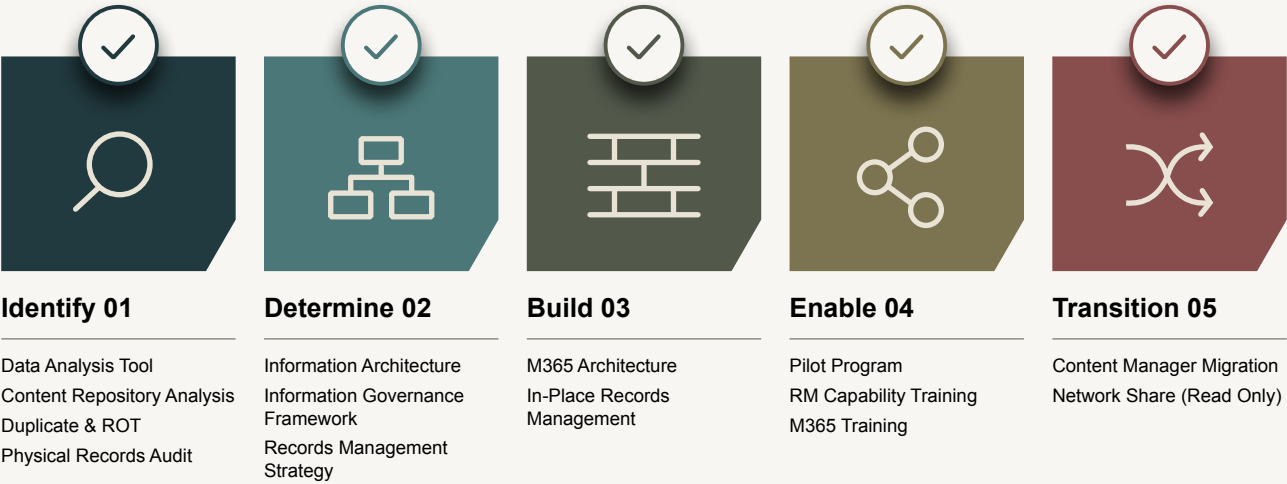
The changing nature of the workplace continues to shape how we operate, with our organisation embracing a flexible approach including remote working opportunities. In response, WATC policies and practices are regularly reviewed and updated to ensure they remain contemporary, fit for purpose, and that our digital information is managed safely and securely.

- A facilitated practical workshop on how to use our electronic document records management system. After completing the workshop, our information management service provider, Information Proficiency, meets with new team members to see how they are finding using the system, answer any questions and obtain feedback on their induction.

In accordance with our policy, our people undertake records awareness refresher training every two years. During the year we identified specific employee needs in this area and updated our refresher training program accordingly.

Roadmap to Compliance
Digital Information Management

■ Intuitive ■ Managed ■ Governed ■ Automated



Technology Activities

Delivering Our Digital Information Strategy

In 2022 we undertook extensive research to determine the best way to implement digital information technologies and applications as part of our high-level *Digital Information Strategy and Roadmap*. This three-year technology strategy is now complete, with a strong focus on cyber security, information management, systems and digital literacy.

Additional Highlights

Other key achievements this year included successfully implementing SharePoint Online as the primary document management system for our organisation to optimise collaboration and support more effective ways of working. Our Technology and Change team also established a security operations centre, which operates 24 hours a day, 7 days a week to enable real-time monitoring and alerts on cyber security events.

Freedom of Information

The *Freedom of Information Act 1992* (FOI Act) enables the public to apply for access to documents held by our organisation. Guidance on how to apply for and obtain requested documents is set out in our *Information Statement*, which is available via our website. The statement is prepared in accordance with the requirements of the FOI Act and is regularly reviewed and updated.

We received one FOI application and one third-party consultation during the financial year. These were both processed in accordance with the FOI Act and our FOI Policy, and within the required timeframes.

View our Privacy Statement and Public Interest Disclosure on our website.



Complaints

We are committed to providing an accessible, fair and efficient complaints management process. Our *Complaints Management Policy* is informed by guidance issued by the Ombudsman Western Australia. This includes the appointment of a dedicated Complaints Officer who is responsible for impartially assessing complaints and notifying our Chief Executive Officer about any received and progress towards a resolution. The policy stipulates strict timeframes for responding to and resolving complaints. We regularly review our complaints policy to ensure it remains current and is easy for users to navigate. There are multiple ways to lodge a complaint, including an online form submitted via our website, by mail, email or in person.

Complaints at our organisation are viewed as an opportunity to improve our business operations and services provided. We received no complaints in the 2024–25 financial year.

Provide any feedback and complaints about WATC via our website.



Annual Report Wins Award

Our last annual report received a Silver Award in the Government Trading Enterprise category at the Institute of Public Administration Australia WA's 2024 WS Lonnie Awards held in March 2025. This annual event recognises excellence in annual reporting across the Western Australian government sector and promotes and encourages accountability and transparency, themes that are central to good governance. Each year, an independent judging panel awards gold, silver and bronze medals across a range of government categories after assessing eligible annual reports against selection criteria.

One of our core values is integrity and we strive to be open, honest and accountable in all aspects of our business. We have consistently applied this value to our annual reporting approach and, with many of our previous annual reports also having won Lonnie Awards, this is a great recognition of how we deliver on this aspect of our values.



Looking Forward

Enhancing Our Internal Communications

In line with our *Strategic Development Plan*, a key focus for our Marketing and Communications business unit will be developing a clear, concise and effective internal communications governance framework that enhances employee connection with our purpose and strategic objectives, together with strengthening communication practices across our organisation.



Looking Forward

Strengthening Our Digital Information Management

Also in alignment with our Strategic Development Plan, our Technology and Change business unit will be developing and launching a new technology strategy and initiating a phased rollout of Microsoft 365 Copilot to enhance workplace productivity and improve user experience across our business functions.



Looking Forward

Privacy and Responsible Information Sharing

In support of the State's *Privacy and Responsible Information Sharing Act 2024*, which aims to protect the personal information of Western Australians and facilitate responsible use and sharing of government information, we will be developing and implementing a privacy policy. The release of this policy will be determined by the commencement of the relevant provisions of this legislation.

Our People

We continue to develop our existing team, and through the creation of several new roles, build out the depth and capacity of our workforce to respond to current and future challenges.

Employee Engagement Survey

Our annual *Employee Engagement Survey* provides valuable insights into the connection our people have with the values and objectives of our organisation. The survey is curated to measure levels of employee motivation, pride and commitment, and provide clear pathways for feedback and recommendations. All WATC employees are invited to take part in the survey, and participants are deidentified to encourage open and candid responses. Results include an employee engagement rating (captured as a percentage value to indicate performance) and expanded data grouped by theme. Expanded data insights are crucial for identifying current and emerging employee trends, and informing areas of focus, workplace policies and key initiatives.

This year's survey revealed an employee engagement rating of 68 per cent, a decrease of nine percent on last year's results. Importantly, the overall trend remained positive and employee advocacy was strong, with 83 per cent of respondents recommending WATC as a good place to work. We continue to develop and implement a range of strategies designed to improve employee engagement which are based on feedback provided.

Working at WATC

Diversity and Inclusion

We recognise diversity as an asset and purposefully build our teams to ensure varied professional expertise and cultural perspectives. Our *Diversity and Inclusion Plan*, which provides metrics on both diversity and inclusion in our organisation, continues to guide our progress in this space.

At WATC we measure diversity through five of the six diversity demographics identified by the Public Sector Commission (PSC). These include women, youth, Aboriginal and Torres Strait Islander people, people from culturally and linguistically diverse backgrounds and people with disability. Although people of diverse sexualities and genders are included in the PSC list we do not currently collect data on this particular demographic.

This year female representation in our organisation saw a solid increase, from 40.96 per cent to 44.68 per cent, while cultural diversity rose significantly, from 33.73 per cent to 41.49 per cent. These figures demonstrate the positive impact of our continued efforts to build diversity into our culture and working environment.

Diversity Profile	30/06/2024	30/06/2025
Male	59.04%	55.32%
Female	40.96%	44.68%
Cultural Diversity	33.73%	41.49%
First Nations	0.00%	0.00%
People with Disability	4.82%	3.19%
Youth	1.20%	0.00%
Senior	26.51%	25.53%



WATC's initial team of volunteers at local not-for-profit Dismantle.

This year at WATC we continued to deliver a range of culture and diversity information sessions, activities and resources to engage and educate our workforce. Various topics were covered, including celebrations for International Day of Tolerance and International Women's Day, team building for Harmony Week, a Women in Treasury leadership event and an initiative on volunteering for wellbeing.

Volunteering to Improve Wellbeing

In research conducted by Volunteering Australia in 2021, there are associations between volunteering and improved self-esteem, reduced stress and meaningful social connection. This research, along with a combination of employee feedback, formed our decision to include volunteering opportunities as part of our *Health and Wellbeing Program*.

In November 2024, a team of 10 employees volunteered with Dismantle, a local not-for-profit organisation designed to support disadvantaged youth to develop their skills, and connect with education and work opportunities. The charity's BikeRescue program provides a space to help young people learn and connect through maintaining and repairing bikes that would otherwise go to landfill. Our volunteers were able to support this program by spending a day

performing a variety of tasks including basic bike maintenance and odd jobs around the workshop. Following very positive feedback from our initial group of volunteers, our Human Resources team arranged for a second group to participate in the program in May.

Learning and Development

Core Capability Framework

During the 2024–25 financial year, we launched our *Core Capability Framework*, a foundational tool that supports our organisation to attract, recruit, develop and retain a capable and adaptable workforce. The framework describes the capabilities and associated behaviours expected of WATC employees and provides our organisation with a common language for skills development. The structure is linked to our purpose and values as an organisation and ensures consistent practices across all areas of human resources and people management. As part of the launch and subsequent rollout of the framework, our Human Resources team delivered a range of comprehensive tools to assist employees in navigating the framework and facilitating capability-based discussions within their respective business units.

Performance Planning and Feedback

The financial year also saw the development of a new approach to performance planning and ongoing feedback processes, both of which are crucial to promoting a transparent and constructive work culture. Strategically, the intention is to improve clarity of expectations among teams, strengthen links between individual and organisational goals, and improve the overall quality of performance conversations across business units. To enhance knowledge in this area, all people managers participated in a one-day workshop that focused on building confidence in providing clear and meaningful feedback. These practical and engaging sessions were designed to support our leaders in creating open, high-trust team environments where both positive and constructive feedback becomes part of everyday conversations and not confined to performance reviews.



Looking Forward

Technical Capabilities Framework

Following on from the launch of the Core Capability Framework in 2024–25, our Human Resources team will be assisting business units in developing a framework on technical capabilities which will describe the specific capabilities applicable to the various disciplines across our organisation. Our aim is for the two frameworks – core and technical – to complement each other and provide a comprehensive structure to support the growth and development of all employees.



Looking Forward

Development Planning Resource

Our focus on core and technical capabilities will be enhanced by this new resource which is scheduled for development over the next year. The resource will link employee capabilities with individual growth and performance goals to ensure better alignment with business unit planning and the broader objectives of our organisation.

Our Workforce

Significant Contributions

April 2025 marked the last board meeting with Michael Barnes PSM FIPA AWA as our Chairperson, a role he assumed when he became Acting Under Treasurer at the Department of Treasury in 2014. Michael has worked tirelessly to promote WATC and the State of Western Australia and will continue to add value to our corporate governance as a Director on our Board.

The year also saw another change to our Board with Director Sue Murphy retiring from her role after six years of dedicated service. More recently Sue oversaw the implementation of key changes within our organisation including the delivery of new systems, structural changes and the release of our first green bond.

In December 2024, John Zuvich retired after being part of our team for a remarkable 36 years. John joined our organisation back in 1988 and worked as our Principal Dealer, Funding and Liquidity. John was responsible for the day-to-day management of – and transactions associated with – our \$46 billion domestic fixed-interest benchmark bond and floating rate note programs. As a valued employee for over three decades, John's contribution at WATC has been significant.

We congratulate Sue and John on their meaningful legacies, thank them for their considerable contributions to WATC and wish them every success in their future endeavours.

People Profile

Our total employee numbers at 30 June 2025 were 94, compared to 83 at the end of the previous financial year. The slight increase in numbers reflects a combination of vacant positions being filled and new roles being created to support strategic initiatives. Going forward, our employee numbers are expected to stabilise as we focus on building capability to achieve strategic initiatives.

People Profile	2023–24	2024–25
Number of WATC Employees at 30 June	83	94
Full-Time Permanent	74	84
Full-Time Temporary	2	2
Part-Time Measured on a Full-Time (FTE) Basis	4.29	5.24
On Secondment	1	0

Work Health and Safety

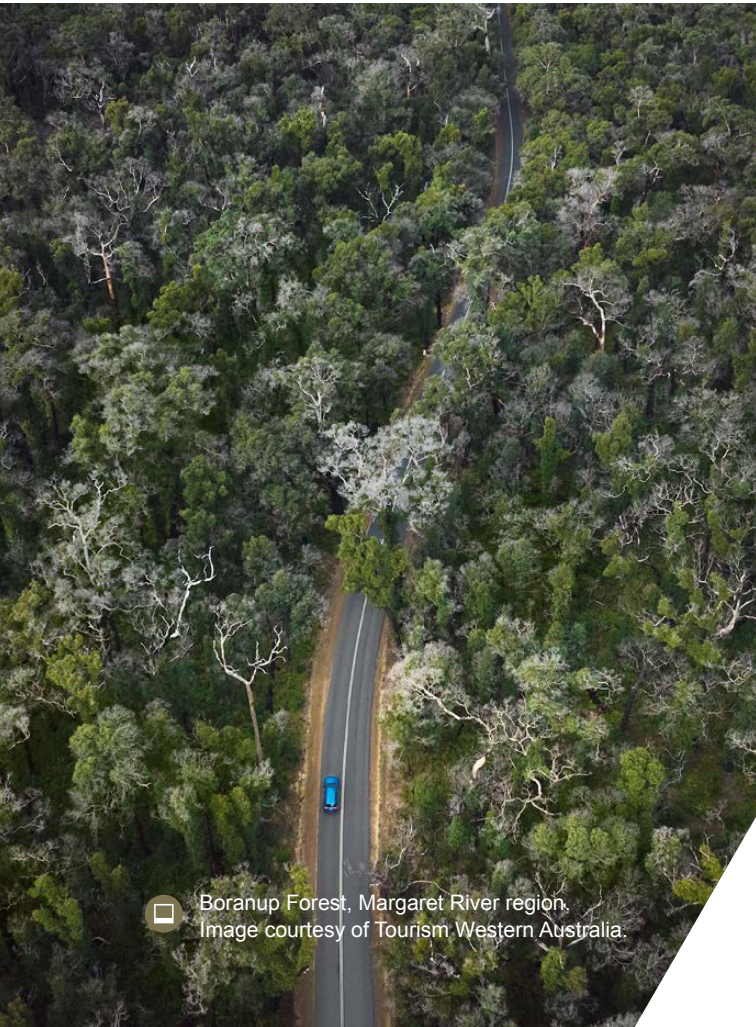
We are committed to providing a safe and healthy working environment that promotes wellbeing and complies with the relevant legislation, namely the State's *Work Health and Safety Act 2020* and supporting regulations and codes of practice.

Annual Performance on Work Health and Safety Management

Through a culture of continuous improvement in workplace health, safety and wellbeing, we aim to achieve and maintain a zero lost time injury rate, and actively encourage and support team wellbeing. We held four Workplace Health and Safety (WHS) committee meetings during 2024–25. These were attended by both our health and safety representatives and members of management. Monthly workplace inspections were performed, with identified issues reported and managed. We complied with all legislation relating to WHS workers' compensation and injury management. In accordance with State Government reporting requirements, there were no lost time injuries and no workers' compensation claims were made.

Measures				Targets	Comments on Result
	2022–23 ¹ (Base Year)	2023–24 (Prior Year)	2024–25 (Current Year)		
Number of fatalities	0	0	0	0	Achieved
Lost time injury and/or disease incidence rate	0	0	0	0	Achieved
Lost time injury and/or disease severity rate	0	0	0	0	Achieved
Percentage of injured workers returning to work within 13 weeks	n/a	n/a	n/a	>=80%	n/a
Percentage of injured workers returning to work within 26 weeks	n/a	n/a	n/a	>=80%	n/a
Percentage of managers and supervisors trained in work health and safety injury management responsibilities, including refresher training within three years	100%	100%	100%	>=80%	Achieved

¹ The performance reporting examines a three-year trend and, as such, the comparison base year is two years prior to the current reporting year.
n/a: not applicable



 Boranup Forest, Margaret River region.
Image courtesy of Tourism Western Australia.

Board of Directors’ Governance

Our Board of Directors is responsible for the performance of WATC’s functions under the *Western Australian Treasury Corporation Act 1986* (the Act).

To ensure that WATC carries out its functions in the best interests of the State, our clients and other stakeholders, our Board of Directors (the Board) sets the strategic direction of WATC, with the agreement of the Treasurer, and establishes the policies and principles under which we operate. The corporate governance processes established by the Board ensure they are able to fulfil WATC’s statutory obligations, guide the affairs of WATC and oversee our performance. The Board relies on and holds to account the Chief Executive Officer for the operational management of WATC and implementation of the strategic direction.

Board Composition

The membership of the Board is determined in accordance with Section 5B of the Act. The directors of WATC for the 2024–25 financial year were as follows:

Name	Position	First Appointed	Term Expires
Michael Barnes	Chairperson	Statutory – 17/02/2014	30/04/2025
Michael Court	Deputy Chairperson	Statutory – 01/07/2017	n/a
Kaylene Gulich ¹	Chief Executive Officer	Statutory – 04/02/2019	n/a
Philippa Hobson	Director	17/02/2020	31/12/2025
Susan Murphy	Director	01/01/2019	31/12/2024
Wayne Zekulich	Director	01/01/2023	31/12/2025
Michael Barnes	Director	01/05/2025	30/04/2028

¹ The Chief Executive Officer is the only director with executive responsibilities.
n/a: not applicable

The Secretary to the Board was Mark Caldwell, Chief Financial Officer.

Board Remuneration

The annual remuneration for WATC's Board is as follows:

Name	Type of Remuneration	Period of Membership	2024–25
Michael Barnes (Chairperson)	Statutory position – Not eligible	10 months	0
Michael Court	Statutory position – Not eligible	12 months	0
Kaylene Gulich	Statutory position – Not eligible	12 months	0
Philippa Hobson	Annual	12 months	\$62,289
Susan Murphy	Annual	6 months	\$29,383
Wayne Zekulich	Annual	12 months	\$55,407
Michael Barnes (Director)	Annual	2 months	\$9,183

Board Responsibilities

The Board is responsible for the performance of the functions of WATC under the Act, which include:

- To borrow money to lend to Western Australian government authorities.
- To develop and implement borrowing programs for the purpose of the Act.
- To manage the financial rights and obligations of WATC and government authorities.
- To advise on financial matters, including debt management, asset management, project and structured financing, and business risks.
- To manage investments for the Department of Treasury and other government authorities.
- To assist government authorities with managing their financial exposures.

In fulfilling this role, the Board guides and monitors the affairs of WATC, including:

- Reviewing and establishing, with the Treasurer's agreement, WATC's *Strategic Development Plan* and *Statement of Corporate Intent* each year.
- Monitoring the performance of WATC.
- Ensuring that appropriate accounting, risk management, budgeting, compliance, information technology and internal control policies, systems and reporting processes are in place – these include WATC's *Risk Management Policy* and *Business Continuity Plan*.

Constitution and Proceedings of the Board

The Constitution and proceedings of the Board are provided in Schedule 2 of the Act.

Statutory Corporations (Liability of Directors) Act 1996

WATC's directors are bound by the provisions of the *Statutory Corporations (Liability of Directors) Act 1996*. Accordingly, directors are required to comply with the same fiduciary responsibilities and duties of loyalty and good faith owed by directors and companies incorporated under the *Corporations Act 2001*. In accordance with Clause 18 of Schedule 2 of the *Western Australian Treasury Corporation Act 1986*, directors are required to leave the room and not take part in deliberations of matters in which they have some material personal interest.

Board Committees

To assist in the execution of their responsibilities, the Board has established an Audit Committee and a People and Remuneration Committee.

Attendance at Meetings by Directors

Attendance details for each director this year are as follows:

Director	Board		Audit Committee		People and Remuneration Committee	
	Held	Attended	Held	Attended	Held	Attended
Michael Barnes (Chairperson)	5	5	n/a	n/a	5	5
Michael Court	5	5	5	5	5	5
Kaylene Gulich ¹	5	5	5	5	5	5
Philippa Hobson	5	5	5	5	5	5
Susan Murphy ²	3	3	2	2	3	3
Wayne Zekulich ³	5	5	1	1	5	5
Michael Barnes (Director)	0	0	n/a	n/a	0	0

¹ Kaylene Gulich was invited to attend Audit Committee meetings.

² Susan Murphy's term as a director expired on 31/12/2024.

³ Wayne Zekulich was appointed to the Audit Committee from June 2025.

n/a: not applicable

Audit Committee

The role of the Audit Committee is to give the Board additional assurance regarding the quality, integrity, reliability and adequacy of our accounting and internal control systems, financial reporting, and compliance processes. At meetings of the Audit Committee, the external and internal auditors are invited to address the committee without management present.

The members of the Audit Committee at 30 June 2025 were Philippa Hobson (Chairperson), Michael Court and Wayne Zekulich.

People and Remuneration Committee

The People and Remuneration Committee reviews and makes recommendations to the Board on remuneration packages and policies applicable to the employment terms and conditions for all our people, including the Chief Executive Officer.

The members of the People and Remuneration Committee at 30 June 2025 were Michael Court (Chairperson), Michael Barnes, Kaylene Gulich, Philippa Hobson and Wayne Zekulich.

Legislation

Legislation Administered

Western Australian Treasury Corporation Act 1986

Legislation Impacting on WATC's Activities

State Legislation

- *Auditor General Act 2006*
- *Corruption, Crime and Misconduct Act 2003*
- *Criminal Code Act Compilation Act 1913*
- *Disability Services Act 1993*
- *Electoral Act 1907*
- *Electronic Transactions Act 2011*
- *Employment Dispute Resolution Act 2008*
- *Equal Opportunity Act 1984*
- *Fair Trading Act 2010*
- *Financial Management Act 2006*
- *Financial Management and Accountability Act 1997*
- *Freedom of Information Act 1992*
- *Government Trading Enterprises Act 2023*
- *Long Service Leave Act 1958*
- *Pay-roll Tax Assessment Act 2002*
- *Prescription Act 1832*
- *Privacy and Responsible Information Sharing Act 2024*
- *Procurement Act 2020*
- *Public and Bank Holidays Act 1972*
- *Public Interest Disclosure Act 2003*
- *Public Sector Management Act 1994*
- *Salaries and Allowances Act 1975*
- *Stamp Act 1921*
- *State Records Act 2000*
- *State Superannuation Act 2000*
- *Statutory Corporations (Liability of Directors) Act 1996*
- *Work Health and Safety Act 2020*
- *Workers' Compensation and Injury Management Act 2023*

Subsidiary Legislation

- *Financial Management Regulations 2007*
- *Government Trading Enterprises Regulations 2023*
- *Western Australian Treasury Corporation (Debt Paper Regulations) 1986*

Commonwealth Legislation

- *A New Tax System (Goods and Services Tax) Act 1999*
- *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*
- *Census and Statistics Act 1905*
- *Copyright Act 1968*
- *Cyber Crime Act 2001*
- *Data Availability and Transparency Act 2022*
- *Disability Discrimination Act 1992*
- *Fair Work Act 2009*
- *Fringe Benefits Tax Act 1986*
- *Income Tax Assessment Act 1936*
- *Payment Times Reporting Act 2020*
- *Personal Property Securities Act 2009*
- *Security of Critical Infrastructure Act 2018*
- *Superannuation Guarantee (Administration) Act 1992*
- *Taxation Administration Act 1953*

Corporate Governance

External and internal oversight of WATC conduct and outcomes ensures adherence to our core value of integrity.

Ethical Standards and Codes of Conduct

The Board acknowledges the need for, and the continued maintenance of, the highest standards of corporate governance practices and ethical conduct by WATC's directors and employees. The *WATC Code of Conduct* (the Code) reflects and supports our values and provides our people with a clear, concise and relevant guide to behavioural standards in the workplace.

The Code also applies to directors. In developing the Code we aligned it with the principles of the *Western Australian Public Sector Code of Ethics*. We also endorse the code of conduct developed by the Australian Financial Markets Association. Expectations of conduct for our directors are also outlined in the Board Charter and are in line with obligations under the *Statutory Corporations (Liability of Directors) Act 1996*.

Compliance

The role of our compliance function is to ensure we maintain high prudential standards and have the appropriate procedures in place to comply with the *Western Australian Treasury Corporation Act 1986*, and other relevant legislation, our policies and industry standards.

Auditors

External Audit

Section 21 of the Western Australian Treasury Corporation Act 1986 states:

"The provisions of the Financial Management Act 2006 and the Auditor General Act 2006 regulating the financial administration, audit and reporting of statutory authorities apply to and in respect of the Corporation and its operations."

In accordance with the provisions of the *Financial Management Act 2006* and the *Auditor General*

Act 2006, WATC's external auditor is the Auditor General for Western Australia. The Auditor General engages the services of EY to conduct the annual audit.

Internal Audit

WATC's internal audit function was provided by PwC during 2024–25. Appointment to this role by WATC is subject to the *Common Use Arrangements* authorised by the Department of Finance for accessing audit services and financial advice.

Quarterly Report to the Treasurer

With the exception of the June quarter, WATC submits a quarterly report on our operations to the Treasurer. This report is tabled in Parliament by the Treasurer.

Professional Advice

Directors are entitled, with the prior approval of the Chief Executive Officer, to obtain such resources and information from WATC, including direct access to management and professional advisers, as they may require in order to carry out their duties as directors. Directors are also entitled, with the prior approval of the Chairperson, to seek independent professional advice, at the expense of WATC, to assist them to carry out their duties as directors.

Pricing Policy

We operate in a dynamic market where the price of our lending to the government sector is primarily driven by the cost of our borrowings. This cost fluctuates according to the prevailing level of interest rates. We set our lending rates after taking into account the cost of funds, the cost of our market and liquidity risk management activities and WATC's administration costs. The pricing for financial advice and funds management is determined on a cost-recovery basis.

Insurance Policy

An insurance policy has been taken out to indemnify members of the Board against liabilities under Sections 13 and 14 of the *Statutory Corporations (Liability of Directors) Act 1996*. The amount of the insurance premium paid for 2024–25 was \$95,475.

Expenditure on Advertising

Under Section 175ZE of the *Electoral Act 1907*, WATC is required to disclose any expenditure we make to:

- advertising agencies
- market research organisations
- polling organisations
- direct mail organisations
- media advertising organisations.

For the year ended 30 June 2025, the only disclosable expenditure incurred was in relation to advertising, where the following amount was paid:

- \$3,658 to BondNews Ltd, trading as KangaNews.

Unauthorised Use of Credit Cards

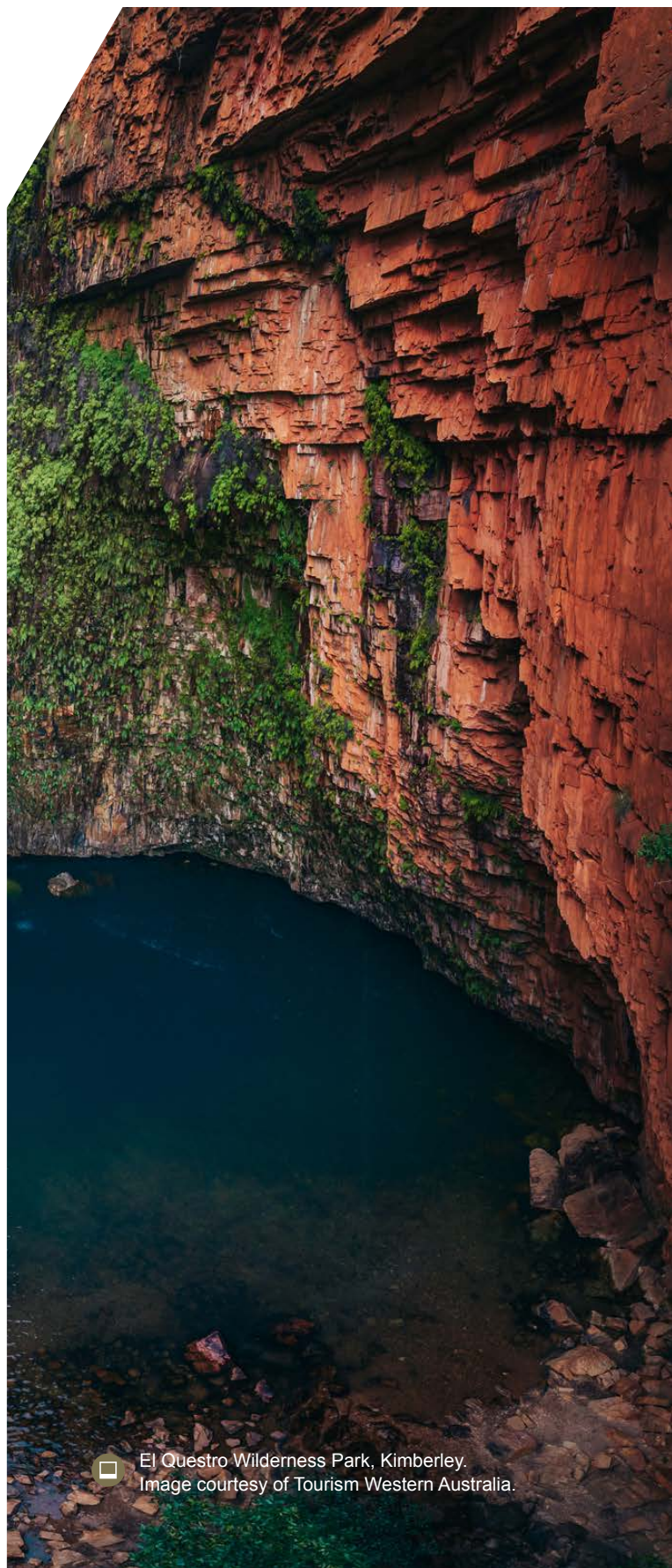
Our employees hold corporate credit cards where their role warrants usage. There were no instances of personal expenditure on a corporate card.

Act of Grace Payments

No act of grace payments were made during the year.

Registry and Treasury Operations

MUFG Corporate Markets acts as agent for providing registry services on behalf of WATC.



El Questro Wilderness Park, Kimberley.
Image courtesy of Tourism Western Australia.

Financial Statements

In This Section

- **Statement of Comprehensive Income**
- **Statement of Financial Position**
- **Statement of Changes in Equity**
- **Statement of Cash Flows**
- **Notes to the Financial Statements**
- **Certification of Financial Statements**
- **Key Performance Indicators**
- **Independent Auditor's Report**
- **Client Authorities**

 Wildflowers, Morawa. Image courtesy of Tourism Western Australia.

Statement of Comprehensive Income

For the year ended 30 June 2025

	Note	2025 \$m	2024 \$m
INCOME			
Revenue			
Interest on Investments		141.4	156.3
Interest from Authorities		1,650.0	1,599.7
Fee Income		2.8	3.0
Total Revenue		1,794.2	1,759.0
Total Income		1,794.2	1,759.0
EXPENSES			
Expenses			
Interest on Borrowings		1,642.5	1,655.1
Borrowing Related Expenses		2.3	1.0
Depreciation		0.2	0.2
Amortisation of Intangible Assets		0.6	0.3
Administration Expenses	4	21.7	20.8
Net Fair Value Movement	5	95.3	45.4
Total Expenses		1,762.6	1,722.8
Profit before income tax equivalent expense		31.6	36.2
Income Tax Equivalent Expense	6	9.5	10.9
Profit for the period		22.1	25.3
Other Comprehensive Income		0.0	0.0
Total Comprehensive Income for the period		22.1	25.3

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 30 June 2025

	Note	2025 \$m	2024 \$m
ASSETS			
Cash Assets	<u>7</u>	244.7	112.9
Investments	<u>8</u>	6,261.9	5,092.7
Receivables and Other Financial Assets	<u>9</u>	326.7	337.7
Loans to Authorities	<u>10</u>	45,565.7	45,006.3
Tax Assets	<u>11</u>	1.2	1.1
Plant and Equipment	<u>12</u>	0.4	0.2
Intangible Assets	<u>13</u>	1.2	1.7
Total Assets		52,401.8	50,552.6
LIABILITIES			
Payables and Other Financial Liabilities	<u>15</u>	2,753.3	2,508.4
Borrowings	<u>16</u>	49,459.5	47,857.2
Tax Liabilities	<u>17</u>	9.5	10.9
Provisions	<u>18</u>	3.8	3.5
Total Liabilities		52,226.1	50,380.0
NET ASSETS		175.7	172.6
EQUITY			
Retained Earnings		172.7	169.6
Reserves		3.0	3.0
Total Equity		175.7	172.6

The Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2025

	Reserves \$m	Retained Earnings \$m	Total Equity \$m
Balance at 1 July 2023	3.0	164.0	167.0
Profit for the period	0.0	25.3	25.3
Other Comprehensive Income	0.0	0.0	0.0
Total Comprehensive Income for the period	0.0	25.3	25.3
Transactions with owners in their capacity as owners:			
Distributions to Owners	0.0	(19.7)	(19.7)
Total	0.0	(19.7)	(19.7)
Balance at 30 June 2024	3.0	169.6	172.6
Balance at 1 July 2024	3.0	169.6	172.6
Profit for the period	0.0	22.1	22.1
Other Comprehensive Income	0.0	0.0	0.0
Total Comprehensive Income for the period	0.0	22.1	22.1
Transactions with owners in their capacity as owners:			
Distributions to Owners	0.0	(19.0)	(19.0)
Total	0.0	(19.0)	(19.0)
Balance at 30 June 2025	3.0	172.7	175.7

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 30 June 2025

	Note	2025 \$m	2024 \$m
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest Received on Loans to Authorities		1,665.4	1,571.4
Interest Received on Investments		129.3	134.8
Proceeds from Sale and Maturity of Investments		3,390.9	5,908.0
Payment for Investments		(2,358.6)	(5,801.9)
Loans to Authorities		(13,257.3)	(12,707.8)
Loans Repaid by Authorities		13,900.4	12,226.8
Proceeds from Issuance of Borrowings		12,258.8	15,600.5
Repayment of Borrowings		(11,941.6)	(15,309.0)
Fee Income		3.2	2.9
Interest and Other Cost of Finance Paid		(1,592.9)	(1,608.9)
Administration and Borrowing Related Expenses		(24.2)	(21.2)
Payment of Taxation Equivalents		(10.9)	(18.6)
Net Cash provided by/(used in) Operating Activities	20b	2,162.5	(23.0)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for Plant and Equipment		(0.4)	0.0
Payment for Intangible Assets		0.0	(1.6)
Net Cash used in Investing Activities		(0.4)	(1.6)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of Dividend		(19.0)	(32.8)
Net Cash used in Financing Activities		(19.0)	(32.8)
Net increase/(decrease) in Cash and Cash Equivalents		2,143.1	(57.4)
Cash and Cash Equivalents at the beginning of the financial year		659.2	716.7
Cash and Cash Equivalents at the end of the financial year	20a	2,802.3	659.3
Included in the above are the following			
CASH FLOWS TO STATE GOVERNMENT			
Payment of Dividend		(19.0)	(32.8)
Payment of Taxation Equivalents		(10.9)	(18.6)
Net Cash provided to State Government		(29.9)	(51.4)

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the year ended 30 June 2025

NOTE 1

The Western Australian Treasury Corporation (WATC) was established on 1 July 1986 under the *Western Australian Treasury Corporation Act 1986* as the State's central financing authority. WATC is located at Level 12, 225 St Georges Terrace, Perth, Western Australia.

General

WATC's financial statements have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). The financial report also complies with International Financial Reporting Standards.

In preparing these financial statements, WATC has adopted, where relevant to its operations, new and revised Standards and Interpretations from their operative dates as issued by the AASB.

The Australian Accounting Interpretations are adopted through AASB 1048 'Interpretation and Application of Standards' and are classified into those corresponding to International Accounting Standards Board (IASB) Interpretations and those only applicable in Australia.

Early adoption of standards

WATC cannot early adopt an Australian Accounting Standard or Interpretation unless specifically permitted by *Treasurer's Instruction (TI) 9* 'Financial Statements'.

There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not operative) by WATC for the annual reporting period ended 30 June 2025.

NOTE 2

SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

(a) General Statement

- (i) WATC is a not-for-profit reporting entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording.

The *Financial Management Act 2006* and the Treasurer's Instructions are legislative provisions that govern the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

Where modification is required and has a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements. There are no modifications in the financial statements.

- (ii) The financial statements are presented in Australian dollars and all values are rounded to \$'000,000 unless otherwise stated.
- (iii) The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.
- (iv) Comparative information has been adjusted to conform with current year presentation.

NOTE 2 (continued)

(b) Basis of Preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention except as noted below.

WATC maintains investments, loans to authorities and borrowings to fulfil its functions and has elected to designate these financial assets and financial liabilities as fair value through profit or loss, consistent with the provisions of AASB 139 'Financial Instruments: Recognition and Measurement'. WATC satisfies the eligibility criteria for this election as it manages its business daily on a fair value basis. In accordance with AASB 139, all derivative financial instruments are also accounted for on a fair value basis through profit or loss. By nature, the market quoted rates used for valuation of financial assets and financial liabilities include an allowance for credit risk.

WATC presents its Statement of Financial Position in order of liquidity based on its intention and perceived ability to recover/settle the majority of assets/liabilities of the corresponding financial statement line item.

Critical accounting judgements and estimates

The judgements that have been made in the process of applying accounting policies that have the most significant effect on the amounts recognised in the financial statements relate to the use of mid prices instead of bid-offer prices for the measurement of investments, loans to authorities and borrowings. WATC aims to minimise its exposure to risk in these financial assets and liabilities. To the extent that the risk positions in these items are offset, mid prices are used with bid-offer prices being applied to any net open position, if WATC had them.

Key assumptions made in the valuation of financial assets and financial liabilities are disclosed in Note 19.

(c) Revenue

Revenue is recognised and measured at the fair value of consideration received or receivable. Revenue is recognised as shown below.

Fee Income

Fee Income in respect of services provided is recognised in the period in which the service is provided.

Interest

Interest revenue is recognised as it accrues using the effective interest method and includes items of a similar nature realised in managing the relevant portfolios. Any realised gains or losses on financial assets are also recognised as interest.

(d) Plant and Equipment

Items of plant and equipment costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of plant and equipment costing less than \$5,000 are expensed directly to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

All items of plant and equipment are initially recognised at cost. After initial recognition, plant and equipment are stated at cost less any accumulated depreciation and any impairment in value. Depreciation is calculated based on the estimated useful lives using the straight line method. The estimated useful lives for each class of depreciable asset are as follows:

	2025	2024
Computer Equipment	3-5 years	3-5 years
Other Equipment	5-10 years	5-10 years

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

NOTE 2 (continued)

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less costs to sell and the depreciated replacement cost.

Impairment losses are recognised in the Statement of Comprehensive Income.

(e) **Intangible Assets**

Computer software is the only intangible asset which WATC has in its financial statements. The cost of utilising the assets is expensed (amortised) over their useful lives.

Intangible assets acquired separately are capitalised at cost as at the date of acquisition. Following initial recognition, the cost model is applied to the class of intangible assets. The useful lives of these assets are assessed to be finite. Intangible assets are amortised over a period of three years.

Intangible assets are tested for impairment where an indicator of impairment exists. Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

(f) **Investments**

WATC classifies its investments as financial assets at fair value through profit or loss. WATC does not hold any investments that are classified as held to maturity or available for sale.

Investments are initially recognised at fair value on trade date and subsequently measured at fair value applicable at reporting date. Unrealised gains or losses arising from this policy are brought to account in the Statement of Comprehensive Income. Fair values are derived using market quoted mid point prices to the extent that investments are held in offsetting risk positions, otherwise bid prices are applied. Commonwealth and state government investments are held for portfolio management purposes. Whilst these investments generally have maturity dates greater than twelve months, they are used in the ordinary course of business to economically hedge WATC's benchmark bonds and are therefore held in the expectation of being realised within twelve months.

(g) **Loans to Authorities**

Loans to authorities are initially recognised at fair value on trade date and subsequently measured at the fair value applicable at reporting date and are recorded as assets in the Statement of Financial Position. Unrealised gains or losses arising from this policy are brought to account in the Statement of Comprehensive Income. Fair values are derived using market quoted mid point prices to the extent that loans to authorities are held in offsetting risk positions, otherwise bid prices are applied. In normal circumstances, upon maturity, loans to authorities are either rolled over or refinanced.

NOTE 2 (continued)

(h) Borrowings

Borrowings are initially recognised at fair value on trade date and subsequently measured at the fair value applicable at reporting date. Unrealised gains or losses arising from this policy are brought to account in the Statement of Comprehensive Income. Fair values are derived using market quoted mid point prices to the extent that borrowings are held in offsetting risk positions, otherwise ask prices are applied. In normal circumstances, maturities of borrowings are either rolled over or refinanced. Borrowing related expenses are charged to the Statement of Comprehensive Income as incurred.

(i) Derivative Financial Instruments

Derivatives are used exclusively to provide an economic hedge of interest rate and foreign currency exposures. All derivatives are recognised in the Statement of Financial Position at fair value on trade date. All derivatives are classified as held for trading. The carrying value of a derivative is remeasured at fair value throughout the life of the contract. Unrealised gains or losses arising from this policy are brought to account in the Statement of Comprehensive Income.

(j) Foreign Currency Translation

Foreign currency transactions are brought to account in Australian dollars at trade date at the rate of exchange applying at that date. At the end of the reporting period, all monetary assets and liabilities are translated at the exchange rates existing at 30 June 2025. Exchange gains or losses are brought to account in the Statement of Comprehensive Income.

Both the functional and presentation currency of WATC is Australian dollars (AUD).

(k) Borrowing Costs

Borrowing costs are recognised as an expense when incurred. Interest expense is recognised as it accrues and includes items of a similar nature realised in managing the relevant portfolios. Any realised gains or losses on financial liabilities are also recognised as interest.

(l) Employee Benefits

(i) Sick Leave

No provision is made for sick leave benefits as they are non-vesting and the sick leave taken in a financial year is not expected to exceed the benefit accruing in a year.

(ii) Annual Leave

This benefit is recognised at the reporting date in respect of employees' services up to that date and is measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

(iii) Long Service Leave

The liability for long service leave expected to be settled within 12 months after the reporting date is recognised in the provision for employee benefits, and is measured at the nominal amounts expected to be paid when the liability is settled. The liability for long service leave expected to be settled more than 12 months after the end of the reporting period is recognised in the provision for employee benefits and is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given, when assessing expected future payments, to expected future salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated cash outflows.

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

NOTE 2 (continued)

(I) Employee Benefits (continued)

(iv) Superannuation

The Government Employees Superannuation Board (GESB) and other fund providers administer the superannuation schemes detailed hereunder in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for employees varies according to commencement and implementation dates.

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme closed to new members since 1995. Employees commencing employment prior to 16 April 2007 who were not members of either of these schemes became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). From 30 March 2012, existing members of the WSS or GESBS and new employees have been able to choose their preferred superannuation fund provider. WATC makes contributions to GESB or other fund providers on behalf of employees in compliance with the Commonwealth Government's *Superannuation Guarantee (Administration) Act 1992*. Contributions to these accumulation schemes extinguish WATC's liability for superannuation charges in respect of employees who are not members of the Pension Scheme or GSS.

WATC also has an unfunded superannuation liability as a result of prior service of current staff who were previously within the public service. The liability for these future payments is provided for at reporting date in the Statement of Financial Position. The liability under this scheme has been calculated annually by Mercer Human Resource Consulting using the projected unit credit method.

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

The GSS, the WSS and the GESBS, where the current service superannuation charge is paid by WATC to GESB, are defined contribution schemes. The liabilities for current service superannuation charges under the GSS, the WSS and the GESBS are extinguished by the concurrent payment of employer contributions to GESB.

The GSS is a defined benefit scheme for the purposes of employees and whole-of-government reporting. However, from an agency perspective, apart from the transfer benefits, it is a defined contribution plan under AASB 119.

The superannuation expense of the defined benefit plan is made up of the following elements:

- Current service cost;
- Interest cost (unwinding of the discount);
- Actuarial gains and losses; and
- Past service cost.

Actuarial gains and losses of the defined benefit plan are recognised immediately as income or expense in the Statement of Comprehensive Income.

The superannuation expense of the defined contribution plan is recognised as and when the contributions fall due.

NOTE 2 (continued)

(m) Dividend Policy

WATC's dividend policy has been formulated to ensure that WATC pays an appropriate dividend to the State which is consistent with sound commercial practice and has regard to the financial health of WATC. WATC's policy provides for dividends to be paid to the State Consolidated Account at a level of 75% of WATC's after tax equivalent profit, subject to adjustments which have been agreed with the Treasurer. Dividends for the current financial year will be declared by the Board and paid in the subsequent financial year.

(n) Income Tax

WATC operates within a tax equivalent regime (TER) whereby an equivalent amount in respect of income tax is payable to the Western Australian Treasury. The calculation of the liability in respect of income tax is governed by TER guidelines and directions approved by government.

As a consequence of participation in the TER, WATC is required to comply with Australian Accounting Standard AASB 112 'Income Taxes'.

The income tax expense or revenue for the period is the tax payable on the current period's taxable income adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rate expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax balances attributable to amounts recognised in other comprehensive income are recognised in other comprehensive income, and directly in equity are recognised directly in equity.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

(o) Impairment of Assets

At each reporting date, WATC assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, WATC makes a formal estimate of the recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

NOTE 2 (continued)

(p) Receivables

Receivables are recognised at cost. The carrying amount approximates fair value, as they are generally settled within thirty days. An allowance for uncollectible amounts is made when there are indications that an asset is impaired. There is no previous evidence of amounts being uncollected, due to the nature of WATC's clients.

(q) Payables

Payables are recognised at the amounts payable when WATC becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount approximates fair value, as they are generally settled within thirty days.

(r) Cash and Cash Equivalents

Cash assets in the Statement of Financial Position comprise cash at bank and in hand. The carrying amount approximates fair value as these items are short term in nature. For the purpose of the Statement of Cash Flows, cash and cash equivalents includes cash in hand and short term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

(s) Accrued Salaries

Accrued salaries represent the amount due to staff but unpaid at the end of the financial year, as the end of the last pay period for that financial year does not coincide with the end of the financial year.

Accrued salaries are settled within a fortnight of the financial year end. WATC considers the carrying amount of accrued salaries to be equivalent to the fair value.

(t) Swap Fair Value Reserve

WATC enters into interest rate and currency swaps to mitigate interest rate and foreign exchange exposure on medium and long term debt raised to fund its clients' long term funding requirements.

In accordance with accounting standards, changes in swap fair values are brought to account in the Statement of Comprehensive Income. A discretionary capital reserve has been established which may be used to separately identify net profits created by this policy and which may, in the future, be transferred to retained earnings upon maturity of the transactions.

NOTE 3

DISCLOSURE OF CHANGES IN ACCOUNTING POLICY

Initial application of an Australian Accounting Standard

WATC has adopted all Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2024. None have had a material financial impact on WATC.

Future impact of Australian Accounting Standards issued but not yet operative

WATC cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 9 'Financial Statements' or by an exemption from TI 9. WATC has not applied early any of the following Australian Accounting Standards that have been issued. Where applicable, WATC plans to apply these Australian Accounting Standards from their application date.

NOTE 3 (continued)

The following new standards and amendments are not expected to have any impact on WATC:

AASB Amendment	Affected Standards
AASB 2021-2	'Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates'
AASB 2022-1	'Amendments to Australian Accounting Standards - Initial Application of AASB 17 and AASB 9 - Comparative Information'
AASB 2022-9	'Amendments to Australian Accounting Standards - Insurance Contracts in the Public Sector'

The impact of the following new standards and amendments has not yet been fully determined:

AASB Amendment	Affected Standards
AASB 2024-2	'Amendments to Australian Accounting Standards - Clarification and Measurement of Financial Instruments'
AASB 2025-2	'Amendments to Australian Accounting Standards - Clarification and Measurement of Financial Instruments: Tier 2 Disclosures'

	2025 \$m	2024 \$m
NOTE 4		
ADMINISTRATION EXPENSES		
Employee Benefit Expenses		
The following employee benefit expenses are included in Administration Expenses.		
Salaries	13.4	12.5
Workers Compensation Costs	0.1	0.2
Superannuation Expense	1.6	1.4
Long Service Leave Provision	(0.1)	(0.1)
	15.0	14.0
Administration Expenses		
Employee Benefit Expenses	15.0	14.0
Services and Contracts	2.6	3.2
Equipment Maintenance	1.3	1.1
Accommodation Costs	0.9	0.9
Other Costs	1.9	1.6
	21.7	20.8

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

	2025 \$m	2024 \$m
NOTE 5		
NET FAIR VALUE MOVEMENT		
Unrealised Gain - Investments	60.9	54.3
Unrealised Gain - Loans to Authorities	923.0	62.5
Unrealised Loss - Borrowings	(1,400.8)	(365.1)
Unrealised Gain - Derivatives	321.6	202.9
Net Fair Value Movement	(95.3)	(45.4)
Add: Interest movements		
Interest on Investments	141.4	156.3
Interest from Authorities	1,650.0	1,599.7
Interest on Borrowings	(1,642.5)	(1,655.1)
	148.9	100.9
Net gain on financial assets and financial liabilities at fair value through profit and loss	53.6	55.5

WATC manages its operations on a portfolio basis to achieve its long term objectives.

Realised gains totalling A\$62.2 million (realised losses 2024, A\$12.8 million) are reflected in interest revenue and expense. The net fair value movement represents unrealised fair value adjustments to be realised over the term of the underlying securities.

NOTE 6

INCOME TAX EQUIVALENT EXPENSE

The prima facie income tax equivalent expense on accounting profit reconciles to the income tax equivalent expense in the accounts as follows:

Accounting profit before income tax equivalent expense	31.6	36.2
Income tax equivalent expense at 30% (2024, 30%)	9.5	10.9
Tax effect of expenses that are not deductible/assessable in determining taxable profit:		
Sundry Expenses	0.0	0.0
Income Tax Equivalent Expense	9.5	10.9

	2025 \$m	2024 \$m
NOTE 6 (continued)		
Income tax equivalent expense comprises movements in:		
Current income tax equivalent expense	9.6	10.9
Deferred tax income relating to the origination and reversal of temporary differences	(0.1)	0.0
Total income tax equivalent expense	9.5	10.9
Deferred Tax Assets:		
Employee Provisions	1.2	1.1
Total (<i>Note 11</i>)	1.2	1.1
Deferred Tax Liabilities:		
Payables	(0.1)	0.0
Total (<i>Note 17</i>)	(0.1)	0.0
NOTE 7		
CASH ASSETS		
Bank Deposits	244.7	112.9
Overseas Bank Accounts	0.0	0.0
	244.7	112.9
Average Balance	239.9	252.5
Interest Revenue	10.9	12.2
Average Interest Rate	4.54%	4.83%

Cash assets represent only those funds held in accounts with banks and does not include money market investments. To facilitate the maturity of WATC's benchmark bond lines, larger than normal cash balances are left in the bank account overnight prior to bond maturities.

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

	2025 \$m	2024 \$m
NOTE 8		
INVESTMENTS - AT FAIR VALUE		
Investments - non derivative		
Investments comprise the following:		
Short Term Money Market Investments	4,202.6	2,800.5
Government Stock	2,059.0	2,292.2
Total	6,261.9	5,092.7
Maturity Profile		
Up to 3 Months	4,789.8	3,505.0
3 to 12 Months	118.5	0.0
1 to 5 Years	963.0	961.8
Over 5 Years	390.6	625.9
Total	6,261.9	5,092.7
Repricing Profile		
Up to 3 Months	4,789.8	3,505.0
3 to 12 Months	118.5	0.0
1 to 5 Years	963.0	961.8
Over 5 Years	390.6	625.9
Total	6,261.9	5,092.7
Credit Exposure		
Rating	%	%
AAA	0.00	0.00
AA	86.31	82.96
A	10.65	16.03
BBB	3.04	1.01
	100.00	100.00
Average Balance	3,611.0	4,791.5
Interest Revenue	130.5	144.1
Average Interest Rate	3.61%	3.01%

WATC invests its surplus funds in accordance with the *Western Australian Treasury Corporation Act*. All investments are classified as financial assets at fair value through profit and loss. Further information on valuation methods is shown in [Note 19](#).

	2025 \$m	2024 \$m
NOTE 9		
RECEIVABLES AND OTHER FINANCIAL ASSETS		
Accrued Interest Receivable	313.0	326.3
Other Debtors	1.9	1.7
	314.9	328.0
Other Financial Assets (at fair value) (<i>Notes 10b</i> and <i>16b</i>)	11.8	9.7
	326.7	337.7

Accrued interest receivable comprises accruals relating to advances made to clients and investments with financial institutions. Other debtors represent financial instrument transactions undertaken prior to 30 June 2025 and due for settlement after 30 June 2025.

NOTE 10

LOANS TO AUTHORITIES - AT FAIR VALUE

10a. Loans to Authorities - non derivative	45,565.7	45,006.3
Maturity Profile		
Up to 3 Months	2,656.9	2,180.3
3 to 12 Months	4,696.0	6,116.6
1 to 5 Years	22,352.6	22,595.0
Over 5 Years	15,860.2	14,114.4
Total	45,565.7	45,006.3
Repricing Profile		
Up to 3 Months	15,926.7	15,334.6
3 to 12 Months	4,706.1	6,223.5
1 to 5 Years	12,651.1	12,605.6
Over 5 Years	12,281.8	10,842.6
Total	45,565.7	45,006.3

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

	2025 \$m	2024 \$m
NOTE 10 (continued)		
10b. Loans to Authorities - derivative	11.8	9.7
Maturity Profile		
Up to 3 Months	(0.2)	(0.3)
3 to 12 Months	(5.9)	24.3
1 to 5 Years	17.9	(14.3)
Over 5 Years	0.0	0.0
Total derivatives	11.8	9.7
Repricing Profile		
Up to 3 Months	(15.5)	(11.4)
3 to 12 Months	(5.9)	24.2
1 to 5 Years	33.2	(3.1)
Over 5 Years	0.0	0.0
Total derivatives	11.8	9.7
Average Balance	43,497.2	42,868.3
Interest Revenue	1,650.0	1,599.7
Average Interest Rate	3.79%	3.73%

WATC advances funds to State government and local government authorities within Western Australia. In normal circumstances, most advances are either rolled over or refinanced.

State government advances (98.6% of total (2024, 98.6%)) are guaranteed by the State.

Local government advances (1.4% of total (2024, 1.4%)) are secured by debenture and are charged in accordance with the provisions of the *Local Government Act 1995* upon the general funds of the local government.

There were no indications of impairment to lendings to local government at 30 June 2025 (2024, Nil). Loans to Authorities are not readily traded on organised markets in standardised form.

Further information on valuation methods is shown in [Note 19](#).

NOTE 11

TAX ASSETS

Deferred Tax Asset	1.2	1.1
--------------------	-----	-----

	2025 \$m	2024 \$m
NOTE 12		
PLANT AND EQUIPMENT		
Equipment (at cost)	1.6	1.2
Less Accumulated Depreciation	(1.2)	(1.0)
Total Plant and Equipment	0.4	0.2
Reconciliation		
Equipment		
Opening balance	0.2	0.4
Additions	0.4	0.0
Depreciation	(0.2)	(0.2)
Closing balance	0.4	0.2
NOTE 13		
INTANGIBLE ASSETS		
Intangible Assets (at cost)	3.4	3.4
Less Accumulated Amortisation	(2.2)	(1.7)
Total Intangible Assets	1.2	1.7
Reconciliation		
Intangible Assets		
Opening balance	1.8	0.5
Additions	0.0	1.6
Amortisation	(0.6)	(0.3)
Closing balance	1.2	1.8

NOTE 14**IMPAIRMENT OF ASSETS**

There were no indications of impairment to plant and equipment and intangible assets at 30 June 2025 and 2024.

WATC held no goodwill or intangible assets with an indefinite useful life during the reporting period and at reporting date, there were no intangible assets not yet available for use.

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

	2025 \$m	2024 \$m
NOTE 15		
PAYABLES AND OTHER FINANCIAL LIABILITIES		
Interest Accrued (at amortised cost)	457.4	462.1
Other Creditors (at amortised cost)	1,775.8	1,612.9
Foreign Currency Payable	24.3	0.0
	2,257.5	2,075.0
Other Financial Liabilities (at fair value)	495.8	433.4
	2,753.3	2,508.4

Payables comprises accrued interest and sundry creditors relating to debt instruments and unrepresented cheques. Interest accrued is owed to financial institutions. Other creditors includes financial instrument transactions undertaken prior to 30 June 2025 and due for settlement after 30 June 2025.

Other financial liabilities (at fair value) are comprised of derivatives of \$210.3m (refer to [Note 16b](#)) and repurchase agreements payable of \$285.5m.

Other financial liabilities are discussed in more detail in [Note 19](#).

NOTE 16

BORROWINGS - AT FAIR VALUE

16a. Borrowings - non derivative

Maturity Profile

Up to 3 Months	6,327.6	5,431.2
3 to 12 Months	3,282.4	2,808.3
1 to 5 Years	23,930.9	23,714.6
Over 5 Years	15,918.6	15,903.1
Total borrowings at fair value	49,459.5	47,857.2

Repricing Profile

Up to 3 Months	13,907.5	13,055.6
3 to 12 Months	1,489.2	1,114.2
1 to 5 Years	19,131.7	18,775.5
Over 5 Years	14,931.1	14,911.9
Total borrowings at fair value	49,459.5	47,857.2

	2025 \$m	2024 \$m
NOTE 16 (continued)		
16b. Borrowings - derivative	210.3	433.4
Maturity Profile		
Up to 3 Months	(4.6)	11.2
3 to 12 Months	(3.5)	26.9
1 to 5 Years	74.7	119.9
Over 5 Years	143.7	275.4
Total derivatives	210.3	433.4
Repricing Profile		
Up to 3 Months	112.8	129.7
3 to 12 Months	30.7	68.5
1 to 5 Years	3.9	40.6
Over 5 Years	62.9	194.6
Total derivatives	210.3	433.4
Average Balance	46,593.3	47,052.1
Interest Expense	1,642.5	1,655.2
Average Interest Rate	3.53%	3.52%

WATC raises its funds in the domestic and offshore capital markets. Under Section 13(1) of the *Western Australian Treasury Corporation Act*, the financial liabilities of WATC are guaranteed by the Treasurer on behalf of the State of Western Australia. WATC's borrowings are well diversified across markets and maturities.

Further information on valuation methods is shown in [Note 19](#).

BORROWINGS - AT FACE VALUE

Payable 12 months or less from 30 June		
– Domestic	9,613.3	8,387.5
	9,613.3	8,387.5
Payable more than 12 months from 30 June		
– Domestic	41,542.6	42,059.5
	41,542.6	42,059.5
Balance 30 June at face value	51,155.9	50,447.0

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

NOTE 16 (continued)

OVERSEAS BORROWINGS

Overseas borrowings include Australian currency and foreign currency loans. Foreign currency loans have been translated using the exchange rates applicable at 30 June 2025 and 2024 and are shown below:

	Exchange Rate Translation at 30/06/25	
	Payable 12 Months or Less from 30/06/25 A\$m	Payable More than 12 Months from 30/06/25 A\$m
Foreign Currency Borrowing		
USD 80 million	119.6	Nil
HKD 1,500 million	286.7	Nil

	Exchange Rate Translation at 30/06/24	
	Payable 12 Months or Less from 30/06/24 A\$m	Payable More than 12 Months from 30/06/24 A\$m
Foreign Currency Borrowing		
Nil	Nil	Nil

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

	2025 \$m	2024 \$m
NOTE 17		
TAX LIABILITIES		
Current Income Tax Equivalent Liability	9.5	10.9
	9.5	10.9

The current income tax equivalent liability in the current year relates to 2025 tax liabilities. In the prior year, current income tax equivalent liabilities related to 2024 tax liabilities.

	2025 \$m	2024 \$m
NOTE 18		
PROVISIONS		
Annual Leave	1.3	1.2
Long Service Leave	2.4	2.3
Superannuation - defined benefit plans	0.1	0.0
	3.8	3.5

Gold State Superannuation Scheme (GSS)

Some former Pension Scheme members have transferred to GSS. In respect of their transferred benefit, the members receive a lump sum benefit at retirement, death or invalidity which is related to their salary during their employment and indexed during any deferral period after leaving public sector employment.

The defined benefits obligations is being valued by a qualified actuary annually. Any actuarial gains and losses are recognised immediately in the Statement of Comprehensive Income in the year which they occur.

The movement of GSS defined benefit obligations is as follows:

	2025 \$m	2024 \$m
Net Defined Benefit liability/(asset) at start of year	-	-
(+) Interest expense	-	-
(+) Actuarial (gains)/losses	-	-
(-) Benefits paid	-	-
Net Defined Benefit liability/(asset) at end of year	-	-

Below are the key assumptions used to determine the defined benefit obligations:

		2025	2024
Assumptions to Determine Start of Year DBO and Defined Benefit Cost for the Current Year			
Discount rate		4.35%	3.55%
Expected salary increase rate		3.50%	3.50%
CPI	2023-24	0.00%	5.80%
	2024-25	3.40%	3.00%
	thereafter	2.50%	2.50%
Assumptions to Determine DBO at Valuation Date			
Discount rate		3.95%	4.35%
Expected salary increase rate		3.50%	3.50%
CPI	2024-25	0.00%	3.40%
	2025-26	2.80%	2.50%
	thereafter	2.50%	2.50%

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

NOTE 19

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT POLICY

Risk Management Governance

WATC's Board of Directors (the Board) is responsible for WATC performing its functions under the *Western Australian Treasury Corporation Act 1986*.

In carrying out these functions, the Board ensures that appropriate risk management policies, systems and reporting processes are in place. To assist in fulfilling its obligations in this regard, the Board has implemented risk management policies covering market risk, credit risk, liquidity and funding risk and operational risk.

WATC has established three committees - the Asset and Liability Management Committee (ALCO), the Operational Risk and Compliance Committee (ORCC) and the Investment and Credit Committee (ICC) which all meet on a monthly basis and are responsible for the following functions with respect to risk management:

- providing advice on WATC's risk management processes and strategies;
- advising on matters relating to WATC keeping risk exposure levels within agreed levels;
- providing advice on developments in risk that may have an impact on WATC; and
- providing advice on recommendations flowing from the annual review of WATC's risk management policies.

WATC incurs risk in relation to the financial services it provides to its clients. These services include lending, financial risk management and investment activities. The key risks that WATC manages are:

- Interest Rate Risk;
- Exchange Rate Risk;
- Credit Risk;
- Liquidity Risk;
- Funding Risk; and
- Operational Risk.

WATC ensures that it maintains appropriate capital cover to mitigate these risks as described in the Capital Requirement section below.

WATC, as a matter of policy, does not take any material exchange rate risk and seeks to minimise its exposure to losses resulting from all other financial risks.

WATC enters into interest rate and currency swaps to mitigate foreign exchange and interest rate exposure on debt raised to fund its clients' funding requirements. In accordance with accounting standards, changes in swap fair values are brought to account in the Statement of Comprehensive Income. Unrealised gains or losses do not represent cash profit or loss to WATC.

NOTE 19 (continued)

Interest Rate Risk

Interest rate risk is the risk that a movement in interest rates will cause a loss. WATC's interest rate risk is primarily controlled through Value-at-Risk (VaR) limits set by the Board. VaR quantifies the amount that the value of a portfolio could fall over a set period of time given a fixed probability.

WATC gives high regard to the minimisation of interest rate risk. As a matter of course, all of WATC's interest rate risk exposures resulting from lending and market support activities are economically hedged. The effectiveness of these hedging arrangements is reviewed on an ongoing basis in order to minimise WATC's VaR.

Market exposures using VaR and other interest rate sensitivity measures are assessed daily. Risk control is further enhanced by the use of stress testing which is performed on a monthly basis or more frequently if required. Stress testing gives an indication of the level of possible losses that can be incurred under extreme market conditions. It also highlights those areas on the curve where WATC is sensitive to interest rate movements.

WATC's VaR measure related to market risk is detailed below:

	2025 \$m	2024 \$m
Value at Risk (VaR)		
Average Daily Balance for Year	0.8	1.0
Lowest for Year	0.3	0.0
Highest for Year	1.6	1.7
Closing Balance (30 June 2025)	1.4	1.1

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

NOTE 19 (continued)

Interest Rate Risk Exposure

The following table details WATC's exposure to interest rate risk as at the reporting date:

	Weighted Average Effective Interest Rate %	At Call \$m	Up to 3 Months \$m	3 to 12 Months \$m	1 to 5 Years \$m	Over 5 Years \$m	Non Interest Bearing \$m	Total \$m
2025								
Financial Assets:								
Cash and Cash Equivalents	4.54	244.7						244.7
Receivables							314.9	314.9
Investments	3.61		4,789.8	118.5	963.0	390.6		6,261.9
Loans to Authorities	3.79		15,926.7	4,706.1	12,651.1	12,281.8		45,565.7
		244.7	20,716.5	4,824.6	13,614.1	12,672.4	314.9	52,387.2
Financial Liabilities:								
Payables								
– non derivative							2,543.0	2,543.0
– derivative			(4.4)	2.4	56.8	143.8		198.6
Borrowings	3.53		13,907.5	1,489.2	19,131.7	14,931.1		49,459.5
		0.0	13,903.1	1,491.6	19,188.5	15,074.9	2,257.5	52,201.1

2024

Financial Assets:

Cash and Cash Equivalents	4.83	112.9						112.9
Receivables							328.0	328.0
Investments	3.01		3,505.0		961.8	625.9		5,092.7
Loans to Authorities	3.73		15,334.6	6,223.5	12,605.6	10,842.6		45,006.3
		112.9	18,839.6	6,223.5	13,567.4	11,468.5	328.0	50,539.9

Financial Liabilities:

Payables								
– non derivative							2,075.0	2,075.0
– derivative			11.5	2.6	134.2	275.4		423.7
Borrowings	3.52		13,055.6	1,114.2	18,775.5	14,911.9		47,857.2
		0.0	13,067.1	1,116.8	18,909.7	15,187.3	2,075.0	50,355.9

NOTE 19 (continued)

Exchange Rate Risk

Foreign exchange risk is the risk of loss due to changes in foreign exchange rates. WATC's policy is not to take any foreign exchange risk apart from the minor exposure created by the need to maintain small balances in foreign bank accounts for operational purposes.

In practice, all of the foreign currency denominated liabilities of WATC are matched or backed off against foreign currency denominated assets in one or more of the following forms:

- a foreign currency denominated lending;
- a foreign currency denominated receivable under a cross currency swap;
- a foreign currency denominated receivable under a forward exchange rate contract; and/or
- a foreign currency denominated investment.

WATC also undertakes foreign exchange transactions and currency options on behalf of clients in accordance with section 9(1)(g) of the *Western Australian Treasury Corporation Act*. Each market transaction is offset by a transaction with the client, so that no exchange rate risk is borne by WATC.

Credit Risk

Credit risk is the risk of financial loss due to a counterparty not meeting its financial obligations to WATC.

WATC's governing legislation only permits lending to Western Australian public sector agencies or to entities that have approval to borrow from WATC conferred by a written law. WATC does not set aside capital to cover its exposure to public sector agencies due to the nature of its relationship to such entities. As a result, WATC's management of credit risk is primarily focused on its investment, derivative and local government counterparties.

WATC has a comprehensive Credit Risk Management Policy that is designed to reduce credit risk by ensuring diversification of WATC's credit exposures and by setting minimum standards for the credit quality of counterparties. WATC also reduces credit risk in relation to derivative instruments by using ISDA Master Agreements with netting provisions and Credit Support Annexes (CSAs).

	2025 %	2024 %
Credit Exposure of Investments by Rating		
AAA	0.00	0.00
AA	86.31	82.96
A	10.65	16.03
BBB	3.04	1.01
	100.00	100.00
Credit Exposure of Derivatives by Rating		
AAA	0.00	0.00
AA	86.32	95.91
A	10.65	4.09
BBB	3.03	0.00
	100.00	100.00

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

NOTE 19 (continued)

Liquidity Risk

Liquidity risk relates to WATC's ability to have sufficient funds available to meet its financial obligations as and when they fall due, without having to incur excessive losses or funding costs.

WATC minimises this risk in a number of ways, including:

- ensuring that its holdings of liquid assets and/or standby facilities are equal to or above a minimum level;
- preparing cash flow forecasts on a daily basis;
- carrying out scenario analysis for adverse market conditions;
- diversifying its funding activity across markets and across the maturity spectrum; and
- having access to an intra day overdraft facility in order to handle its intra day liquidity requirements.

By maintaining a minimum level of liquid assets, WATC ensures that it has sufficient liquidity to meet unforeseen large net cash outflows or temporary market disruptions.

Liquidity Table

The following are contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting arrangements:

	Up to 3 Months \$m	3 to 12 Months \$m	1 to 5 Years \$m	Over 5 Years \$m	Total \$m
2025					
Financial Liabilities:					
Borrowings					
– non derivative	6,629.9	4,326.7	23,755.6	16,479.2	51,191.4
– other financial liabilities	221.5	64.0	0.0	0.0	285.5
	6,851.4	64.0	23,755.6	16,479.2	51,476.9
Derivatives					
– derivative payable	420.0	628.9	800.6	193.1	2,042.6
– derivative receivable	171.2	517.6	674.3	143.0	1,506.1
Derivatives Net	248.8	111.3	126.3	50.1	536.5
Total	7,100.2	4,502.0	23,881.9	16,529.3	52,013.4

2024

Financial Liabilities:

Borrowings					
– non derivative	6,040.5	3,849.0	27,718.5	19,504.4	57,112.4
	6,040.5	3,849.0	27,718.5	19,504.4	57,112.4
Derivatives					
– derivative payable	141.0	1,045.2	1,160.2	245.7	2,592.1
– derivative receivable	110.2	925.2	896.9	166.6	2,098.9
Derivatives Net	30.8	120.0	263.3	79.1	493.2
Total	6,071.3	3,969.0	27,981.8	19,583.5	57,605.6

NOTE 19 (continued)

Funding Risk

Funding risk is the risk that funding may not always be available. This can arise where there is a lack of funding facility diversification or the funding requirement over a particular time period is excessive.

This risk is minimised by WATC through the diversification of funding activity across domestic and offshore markets and across the maturity spectrum and by maintaining a highly liquid investment portfolio.

The Board requires ALCO to ensure that appropriate facilities and funding sources are maintained. In addition, the Board sets minimum debt maturity and liquidity coverage targets within which management must operate in order to ensure funding risk is appropriately controlled.

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

WATC's Operational Risk Management Policy sets out the methodology by which its operational risks are identified, assessed, controlled and monitored. The key objectives of the policy are:

- to promote a culture which allows operational risk to be managed in a consistent manner;
- to ensure staff have a clear understanding of their responsibilities with respect to operational risk management;
- to effectively identify and manage operational risks so that business objectives can be met; and
- to calculate the level of capital that is commensurate with WATC's operational risk exposures

Capital Requirements

Under WATC's capital policy, a defined minimum amount of capital must be retained to cover its market, credit and operational risk exposures. WATC considers retained earnings and reserves as its capital.

WATC's total capital requirements vary over time as a function of the level and profile of client lending, the volume of market support activity and the availability of suitable funding/hedge instruments. Therefore, to prudently manage its capital retention levels, WATC makes forward projections (normally over a 3-year horizon) of its capital requirements. This information is used by the Board to determine the minimum amount of capital that must be retained to ensure sufficient capital is available to cover expected exposures over the projection period.

A review of WATC's capital requirements is carried out at least annually.

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

NOTE 19 (continued)

Management

Investments, loans to authorities, borrowings and derivative financial instruments have been designated as fair value through profit and loss. Balances are recorded at fair value in the Statement of Financial Position and unrealised gains or losses are brought to account in the Statement of Comprehensive Income. Fair values are derived using market quoted mid point prices to the extent that financial assets and liabilities are held in offsetting risk positions. Credit risk is not a significant determinant of fair value as WATC's liabilities are guaranteed by the Treasurer on behalf of the State and therefore changes in fair value are largely attributable to market related movements in prices and yields.

In carrying out its strategy, WATC is a net borrower from the capital markets. WATC's funding preferences in terms of term structure and product usage must be balanced against investor preferences in order to source funds in the most cost-effective manner. In this regard, WATC accepts a degree of market risk by allowing the maturity profile of its funding portfolio to only approximate the maturity profile of its lending portfolio. Derivative instruments, including swaps, forward rate agreements and futures, are used to economically hedge and minimise the residual market risks incurred.

The amounts to be exchanged on these contracts are calculated with reference to the notional amount and other terms of the derivatives. Credit exposure represents WATC's estimate of its exposure at reporting date in the event of non-performance by counterparties. WATC has adopted APRA's "Current Exposure Method" to determine the credit exposure arising from its derivative transactions. WATC is confident that all its counterparties will meet their obligations at year end.

Details of the notional amount, fair value and credit exposure of the derivative instruments used for managing interest rate risk are shown below:

	Notional Amount \$m	Fair Value \$m	Credit Exposure \$m
As at 30 June 2025			
Futures	(946.1)	(0.4)	0.0
Interest Rate Swaps	12,795.1	(198.2)	(218.3)
Forward Rate Agreements	0.0	0.0	0.0

As at 30 June 2024

Futures	(811.8)	0.0	0.0
Interest Rate Swaps	13,026.5	(423.7)	(407.4)
Forward Rate Agreements	0.0	0.0	0.0

Interest rate swaps are used from time to time to manage funding and interest rate risk by issuing fixed rate benchmark bonds and interest rate swaps to generate floating rate exposures. At times, floating to fixed swaps are used to change floating rate borrowings to fixed rate borrowings in order to match WATC's lending to client authorities. With interest rate swaps, WATC agrees with counterparties to exchange, at predetermined intervals, the difference between fixed rate and floating rate interest amounts calculated by reference to an agreed notional face value. Interest rate swaps are also used to provide term floating rate funds for client authorities.

At 30 June 2025, WATC had lent funds amounting to A\$16,199.8 million (2024, A\$16,224.1 million) on this basis.

NOTE 19 (continued)

Forward rate agreements are used by WATC to secure a guaranteed return or cost on known cash flows as and when they fall due. These agreements establish an interest rate on a notional principal over a specified period. Futures contracts are used essentially for the same purpose as forward rate agreements. The contracts used by WATC are the bank bill, 3-year and 10-year bond contracts.

WATC borrows in foreign currencies when the all in cost after swapping back into Australian dollars is cheaper than the equivalent domestic borrowing. Whereas WATC manages interest rate risk on a portfolio basis, it manages the exchange rate risk on foreign currency borrowings as part of the borrowing transaction.

At 30 June 2025, WATC had foreign currency swaps and forwards amounting to A\$406.4 million (2024, A\$nil) with a fixed future obligation in Australian dollars of A\$430.8 million (2024, A\$nil).

Additionally, WATC has arranged foreign exchange transactions for clients amounting to A\$558.4 million (2024, A\$1,741.2 million). These transactions are arranged with clients on a back to back basis and therefore WATC does not have any net exposure.

The fair value of A\$8.2 million (2024, A\$26.1 million) relating to these forward foreign exchange transactions receivable from authorities and payable to third parties is included in Notes 10(b) and 16(b) respectively.

All financial assets and liabilities have been recognised at the reporting date at their fair value. For valuation purposes, WATC uses quoted market rates wherever possible to discount cash flows to present values. Those stocks without quoted market rates are valued using appropriate zero coupon yield curves, which include adequate consideration for credit risk, to closely approximate market. As at 30 June, the market interest rates used by WATC for valuation purposes were:

	Coupon	Market Rate as at 30 June 2025	Market Rate as at 30 June 2024
Overnight	-	3.85%	4.35%
90 days	-	3.68%	4.47%
180 days	-	3.72%	4.66%
23 July 2024	-	0.00%	4.27%
23 July 2025	5.00%	3.56%	4.43%
21 October 2026	3.00%	3.26%	4.36%
21 October 2027	3.00%	3.33%	4.34%
20 July 2028	3.25%	3.45%	4.36%
24 July 2029	2.75%	3.64%	4.43%
22 October 2030	1.50%	3.85%	4.54%
22 October 2031	1.75%	4.05%	4.67%
21 July 2032	4.50%	4.22%	4.72%
20 July 2033	4.25%	4.39%	4.80%
24 October 2034	2.00%	4.66%	4.94%
24 October 2035	4.75%	4.76%	0.00%
23 July 2041	2.25%	5.19%	5.31%
Proxy 2047	-	5.39%	5.37%

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

NOTE 19 (continued)

Fair Value Hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Transfers between levels of the fair value hierarchy are deemed to have occurred at the end of the reporting period. There were no transfers between levels during the year ended 30 June 2025.

	Level 1 \$m	Level 2 \$m	Level 3 \$m	Total \$m
30 June 2025				
Financial assets designated at fair value through profit or loss				
Investments	1758.0	4,504.0	0.0	6,262.0
Loans to Authorities	131.8	45,433.9	0.0	45,565.7
Derivative Financial Assets	0.0	11.8	0.0	11.8
Total Assets	1,889.8	49,949.7	0.0	51,839.5
Financial liabilities designated at fair value through profit or loss				
Borrowings	38,571.8	10,887.7	0.0	49,459.5
Derivative Financial Liabilities	0.4	210.0	0.0	210.4
Other financial liabilities	285.5	0.0	0.0	285.5
Total Liabilities	38,857.7	11,097.7	0.0	49,955.4

30 June 2024

Financial assets designated at fair value through profit or loss

Investments	2,030.7	3,062.0	0.0	5,092.7
Loans to Authorities	79.4	44,926.8	0.0	45,006.2
Derivative Financial Assets	0.0	9.7	0.0	9.7
Total Assets	2,110.1	47,998.5	0.0	50,108.6

Financial liabilities designated at fair value through profit or loss

Borrowings	37,128.5	10,728.7	0.0	47,857.2
Derivative Financial Liabilities	0.0	433.4	0.0	433.4
Total Liabilities	37,128.5	11,162.1	0.0	48,290.6

NOTE 19 (continued)

The valuation technique used to determine the value of Level 2 assets or liabilities is the generation of a range of zero coupon yield curves using Level 1 inputs or the valuation of an asset or liability at a spread to a particular curve. Inputs include prices on WATC benchmark bond lines, bank bill swap rates, money market rates, exchange rates, observed spreads between issuers and benchmark rates and observed spreads between curves at particular points on the curve. These inputs are revised daily to improve estimation results against observable criteria.

Investments are valued utilising quoted prices in an active market for identical assets where available or on a discounted cash flow basis using appropriate zero coupon yield curves.

Loans to authorities are valued on a discounted cash flow basis using WATC zero coupon yield curves.

Derivative financial assets and liabilities, which includes over the counter derivatives such as interest rate swaps, forward rate agreements and foreign currency swaps are valued on a discounted cash flow basis using WATC zero coupon yield curves.

Borrowings are valued utilising quoted prices in an active market for identical liabilities where available or on a discounted cash flow basis using swap zero coupon yield curves.

	2025 \$m	2024 \$m
NOTE 20		
NOTES TO THE STATEMENT OF CASH FLOWS		
20a. Reconciliation of Cash		
For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Bank Deposits (<i>Note 7</i>)	244.7	112.8
Short Term Money Market Investments	2,557.6	546.5
	2,802.3	659.3

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

	2025 \$m	2024 \$m
NOTE 20 (continued)		
20b. Reconciliation of Net Cash provided by Operating Activities to Profit for the period		
Total Comprehensive Income for the period	22.1	25.3
Depreciation	0.2	0.2
Amortisation of Intangible Assets	0.6	0.3
Unrealised Foreign Exchange (Gain)/Loss	0.0	0.0
(Gain)/Loss Sale of Equipment	0.0	0.0
Decrease/(Increase) in Receivables	22.0	(29.0)
(Decrease)/Increase in Accrued Interest Payable	(13.5)	13.5
(Decrease)/Increase in Other Creditors	(0.4)	0.6
Increase in Tax Liability	9.6	10.9
(Increase)/Decrease in Deferred Tax Asset	(0.1)	0.0
Increase/(Decrease) in Deferred Tax Liability	0.0	0.0
Increase/(Decrease) in Employee Benefits	0.2	0.0
Tax Equivalent Payment	(10.9)	(18.6)
Increase/(Decrease) in Other Payment on behalf of Client Authorities	0.0	0.0
Premium/Discount Amortisation	44.8	11.8
Fair Value Adjustment	95.3	45.4
Decrease in Investments	1,032.3	106.1
Decrease/(Increase) in Lending	643.1	(481.0)
Increase in Borrowings	317.2	291.5
Net Cash provided by/(used in) Operating Activities	2,162.5	(23.0)

20c. Financing Facilities

WATC holds a substantial portfolio of liquid assets that can be readily converted into cash. These assets comprise highly liquid money market investments and longer term State government and Commonwealth government securities.

NOTE 21

REMUNERATION OF DIRECTORS AND OTHER KEY MANAGEMENT PERSONNEL

WATC has determined that key management personnel include Ministers, directors and senior officers of WATC. However, WATC is not obligated to compensate Ministers. Disclosures relating to Ministers' compensation is included in the Annual Report on State Finances.

Directors' Remuneration

M A Barnes, Chairperson, M J R Court, Deputy Chairperson, K P Gulich, Chief Executive Officer, W Zekulich, Director, P Hobson, Director and S L Murphy, Director are the current directors of WATC. Directors other than K P Gulich are non-executive. The number of directors whose total of fees, salaries, superannuation and other benefits for the financial year fall within the following bands are:

\$	2025	2024
0 - 50,000	*2	1
50,001 - 100,000	2	3
450,001 - 500,000	1	1

2025

* Mr Barnes resigned as Chairperson and joined WATC as an independent non-executive director during the year and therefore this salary represents part year only.

* Ms Murphy resigned from WATC during the year and therefore this salary represents part year only.

	2025 \$	2024 \$
The total remuneration of the directors of WATC is:	641,609	664,569
Which comprises:		
Short Term Employment Benefits	570,043	596,350
Other Long Term Employment Benefits	10,625	9,892
Post Employment Benefits	60,940	58,327

The superannuation included here represents the superannuation expense incurred by WATC in respect of the directors. No directors are members of the Pension Scheme.

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

NOTE 21 (continued)

Other Key Management Personnel Remuneration

Other Key Management Personnel are V Cinquina, Head of Financial Markets, M Caldwell, Chief Financial Officer and Board Secretary, K S Middleton, Chief Risk Officer, S J B Morhall, General Manager Client Services, R A Moulton, Chief Operating Officer, D Lavars, General Manager Funding and Markets and R L Ridgway, Human Resource Manager. The number of other key management personnel, other than directors, whose total fees, salaries, superannuation and other benefits, including payout of entitlements, for the financial year, fall within the following bands are:

\$	2025	2024
200,001 - 250,000	*1	*2
250,001 - 300,000	2	3
300,001 - 350,000	3	2
350,001 - 400,000	1	-

2024

* Mr Luff retired from WATC during the year and therefore this salary represents part year only.

2025

* Ms Lavars joined WATC during the year and therefore this salary represents part year only.

	2025 \$	2024 \$
The total remuneration of other key management personnel is:	2,079,740	1,913,746
Which comprises:		
Short Term Employment Benefits	1,821,598	1,707,480
Other Long Term Employment Benefits	42,175	34,381
Post Employment Benefits	215,967	171,885

The superannuation included here represents the superannuation expense incurred by WATC in respect of other key management personnel other than directors. No other key management personnel are members of the Pension Scheme.

The total remuneration of directors and key management personnel is:	2,721,349	2,578,315
Which comprises:		
Short Term Employment Benefits	2,391,641	2,303,830
Other Long Term Employment Benefits	52,800	44,273
Post Employment Benefits	276,907	230,212

	2025 \$	2024 \$
NOTE 22		
AUDITOR'S REMUNERATION		
Amounts paid or due and payable to the Office of the Auditor General for auditing the financial statements, controls and key performance indicators.	283,182	259,800

NOTE 23

RELATED PARTY TRANSACTIONS

WATC is wholly-owned and controlled by the State of Western Australia. Related parties of WATC include:

- all Ministers and their close family members, and their controlled or jointly controlled entities;
- all senior officers and their close family members, and their controlled or jointly controlled entities;
- other statutory authorities and State government departments, including their related bodies, that are included in the whole of government consolidated financial statements;
- associates and joint ventures of an entity that are included in the whole of government financial statements; and
- the Government Employees Superannuation Board (GESB).

Significant transactions with government related entities

As at 30 June 2025, 98.6% (2024, 98.6%) of total loans to authorities were advanced to State government authorities. The loans are provided at the cost of borrowing to WATC plus a margin to cover administration expenses and have various maturities.

Details of maturity profile, interest earned and average interest earned are shown in [Note 10](#).

In addition, WATC receives services from various government departments and agencies in the normal course of business. These transactions take place on an arm's length basis and include superannuation payments to GESB and accommodation rental payments to the Department of Finance.

Material transactions with related parties

WATC had no material related party transactions with key management personnel or their close family members or their jointly controlled entities.

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

NOTE 24

EXPLANATORY STATEMENT

24a. Actual/Budget Comparison 2024/2025

	Actual \$m	Unaudited Budget \$m	Variance \$m	Comment
Revenue				
Interest on Investments	141.4	170.4	(29.0)	1
Interest from Authorities	1,650.0	1,822.7	(172.7)	2
Fee Income	2.8	3.2	(0.4)	
	1,794.2	1,996.3	(202.1)	
Total Income	1,794.2	1,996.3	(202.1)	
Expenses				
Interest on Borrowings	1,642.5	1,940.2	(297.7)	3
Borrowing Related Expenses	2.3	2.4	(0.1)	
Depreciation	0.2	0.6	(0.4)	
Amortisation of Intangible Assets	0.6	0.3	0.3	
Administration Expenses	21.7	25.7	(4.0)	
Net Fair Value Movement	95.3	0.0	95.3	4
	1,762.6	1,969.2	(206.6)	
Profit before income tax equivalent	31.6	27.1	4.5	
Income Tax Equivalent Expense	9.5	8.1	1.4	
Profit for the period	22.1	19.0	3.1	
Other Comprehensive Income	0.0	0.0	0.0	
Total Comprehensive Income for the period	22.1	19.0	3.1	

Comments - Reasons For Variations From Budgeted Amounts

1. The decrease in Interest on Investments compared to budget was due to a lower than anticipated balance invested and lower interest rates.
2. The decrease in Interest from Authorities compared to budget was due to a lower than anticipated client authority borrowing program.
3. The decrease in Interest on Borrowings compared to budget was due to lower than anticipated debt levels and interest rates.
4. The relationship between net fair value movement and interest income and expense is discussed at [Note 5](#). The budget does not separately identify unrealised gains or losses.

NOTE 24 (continued)

24b. Comparison Between 2024/2025 And The Previous Year

	2025 \$m	2024 \$m	Change \$m	Comment
Revenue				
Interest on Investments	141.4	156.3	(14.9)	1
Interest from Authorities	1,650.0	1,599.7	50.3	2
Fee Income	2.8	3.0	(0.2)	
	1,794.2	1,759.0	35.2	
Total Income	1,794.2	1,759.0	35.2	
Expenses				
Interest on Borrowings	1,642.5	1,655.1	(12.6)	3
Borrowing Related Expenses	2.3	1.0	1.3	
Depreciation	0.2	0.2	0.0	
Amortisation of Intangible Assets	0.6	0.3	0.3	
Administration Expenses	21.7	20.8	0.9	
Net Fair Value Movement	95.3	45.4	49.9	4
	1,762.6	1,722.8	39.8	
Profit before income tax equivalent	31.6	36.2	(4.6)	
Income Tax Equivalent Expense	9.5	10.9	(1.4)	
Profit for the period	22.1	25.3	(3.2)	
Other Comprehensive Income	0.0	0.0	0.0	
Total Comprehensive Income for the period	22.1	25.3	(3.2)	

Comments - Reasons For Significant Movements From Previous Year

1. Interest on Investments has decreased by \$14.9 million from the previous year mainly due to lower interest rates.
2. Interest from Authorities has increased by \$50.3 million from the previous year mainly due to higher client debt requirements throughout the current year.
3. Interest on Borrowings has decreased by \$12.6 million from the previous year, as a result of lower interest rates.
4. Net Fair Value Movement has changed by \$49.9 million from the previous year, mainly due to changes in interest rates.

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

NOTE 25

COMMITMENTS

There are no expenditure commitments contracted for and payable at 30 June 2025 (2024, nil).

NOTE 26

SUBSEQUENT EVENTS

There have been no events subsequent to balance date which would have a material effect on WATC's financial statements at 30 June 2025.

NOTE 27

CONTINGENT LIABILITIES

There are no contingent liabilities at 30 June 2025 (2024, nil).

Certification of Financial Statements

For the year ended 30 June 2025

The accompanying financial statements of the Western Australian Treasury Corporation have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2025 and the financial position as at 30 June 2025.

At the date of signing, we are not aware of any circumstances which would render the particulars included in the financial statements as misleading or inaccurate.



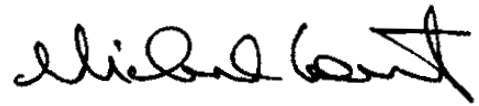
M CALDWELL MSC, FCPA

CHIEF FINANCIAL OFFICER
WESTERN AUSTRALIAN
TREASURY CORPORATION
22 August 2025



K GULICH PSM

CHIEF EXECUTIVE OFFICER
WESTERN AUSTRALIAN
TREASURY CORPORATION
22 August 2025



M COURT BEcon (Hons)

DEPUTY CHAIRPERSON
WESTERN AUSTRALIAN
TREASURY CORPORATION
22 August 2025

Key Performance Indicators

PURPOSE

To provide financial solutions for the benefit of the Western Australian government sector.

KEY OUTPUT

A key output flowing from the pursuit of this purpose is providing service of the highest quality to our clients through understanding their needs, offering expert financial risk management advice and providing financial products and services that are competitively priced.

GLOSSARY OF TERMS

A glossary of terms is provided at the end of this report to assist with the interpretation of the performance indicators.

KEY EFFECTIVENESS INDICATOR – ESTIMATED AVERAGE INTEREST RATE SAVINGS

In order to gauge its effectiveness in providing competitively priced loan funds to clients, WATC monitors the Australian corporate bond market.

The following table shows the estimated savings to clients borrowing from WATC compared to the estimated cost to clients of borrowing in the corporate bond market for the past three years. A direct cost comparison is impossible because none of WATC's clients currently issue bonds in their own name.

Table 1 – Estimated Marginal Average Interest Rate Savings to Clients by Reference to Bond Credit Rating and Term to Maturity*

Term to Maturity as at 30/6/25 (Years)	AAA			AA+			AA			AA-		
	24/25 %	23/24 %	22/23 %	24/25 %	23/24 %	22/23 %	24/25 %	23/24 %	22/23 %	24/25 %	23/24 %	22/23 %
1 to 2	0.22	0.34		0.51	0.55		0.45	0.69			0.63	0.74
2 to 3	0.26	0.34	0.49	0.62		0.69	0.54	0.56	0.92	0.68	0.68	0.97
3 to 4	0.24	0.38	0.46	0.66	0.77		0.55	0.79		0.79	0.79	0.88
4 to 5		0.41	0.53	0.49	0.89	0.85	0.81	0.95	0.94		1.02	0.97
5 to 6	0.44		0.56	0.62	0.65			1.01	1.13	0.39		1.19
6 to 7		0.66			0.86		0.78		1.20			
7 to 8	0.28		0.77			1.18		0.99				
8 to 9		0.66					0.88					
9 to 10	0.08		0.74					1.13				
10 to 11												
11 to 12												
12 to 13												
13 to 14												

* A blank entry in the table means there is no reference bond available in the corporate bond market for comparative purposes. Target Interest Rate Saving is an amount above 0.00%.

By way of example, the saving of 0.22% identified in the first row of the AAA 24/25 column represents the estimated average interest rate saving to a client (able to borrow in the corporate bond market with an AAA credit rating) when borrowing from WATC.

The savings identified in Table 1 would be significantly greater than shown for all but the largest of WATC's clients due to the relatively small size of individual client borrowing requirements. In reality, most clients would be unable to borrow at the interest rates available in the corporate bond market due to this constraint. In general, the market imposes a liquidity risk premium because a small issue volume implies a small secondary market in the bond. The premium compensates for the increased difficulty of selling at fair market prices in a small secondary market. As a guide, in the current market environment, issue volumes need to be of the order of \$500 – \$750 million to avoid the risk of incurring a significant liquidity risk premium.

In this regard, WATC's effectiveness is further demonstrated by its ability to make available competitively priced loan funds to clients, with borrowing terms from 1 day to greater than 10 years, regardless of the size of client borrowing programs. By way of contrast, only the largest of corporate bond market participants are able to issue bonds with different terms to maturity. Having multiple bond issues allows WATC to reduce the initial interest cost of bond issues by improving the secondary market and hence liquidity of its bonds.

Cost Estimation Methodology

A number of corporate bonds were selected for the purpose of comparison to WATC's Debt Portfolio Manager (DPM) lending program. To be selected, a bond had to satisfy the following conditions:

- be rated between AAA and AA-;
- be on issue at 30 June 2025 and have at least one year until maturity at 30 June 2026;
- not be guaranteed by the Commonwealth or other central governments; and
- not be subordinated debt.

The month-end traded interest rates for the selected corporate bonds were tracked over the year. The rate for each bond was compared to the DPM fixed rate for an equivalent term lending, net of WATC's on-cost margin. This margin was removed because it represents the loan issue and administration costs that clients would reasonably be expected to incur in arranging their own borrowing programs.

The estimated saving to the client for a given observation is defined as the observed corporate bond rate minus the equivalent DPM fixed rate. The savings shown in Table 1 are defined as the average of the monthly observations. Where more than one bond falls into a particular maturity category, the results are also averaged.

Key Performance Indicators (continued)

KEY EFFECTIVENESS INDICATOR – ADMINISTRATION COST RATIO

Table 2 – WATC Administration Cost Ratio 2020/21 to 2024/25

Year	Net Administration Expense \$m	Average Loan Funds Outstanding \$m	Target Administration Cost Ratio %	Actual Administration Cost Ratio %
2020/21	19,810	49,847	<0.050	0.040
2021/22	18,957	48,890	<0.050	0.039
2022/23	18,424	46,344	<0.050	0.040
2023/24	19,298	45,127	<0.060	0.043
2024/25	21,737	44,045	<0.060	0.049

Clients are able to benefit from the economies of scale that result from the centralised or pooled borrowing arrangements of WATC. Through this pooling, WATC is able to reduce the administration cost per dollar of lending to the client.

The economies of scale achieved by WATC generate savings to the client that would not be available to individual clients attempting to fund their borrowing requirements directly from the market. In general, the level of specialisation and expertise provided by WATC would not be cost effective for an individual client to maintain.

WATC's administration cost ratio will fluctuate from time to time due to changes in aggregate debt levels as well as direct management action. Changes in aggregate debt levels are impacted by government asset sales and debt management policy in general which is beyond the control of WATC.

Glossary of Terms

Term	Explanation
Liquidity Risk	The risk that a bond owner, wanting to sell a bond in the secondary market, is not able to find a buyer willing to pay a fair price for the bond having regard to currently observed market rates and the initial liquidity risk premium.
Liquidity Risk Premium	The increase in the interest rate required by the buyer of a bond to compensate for liquidity risk.
Maturity Date	The date on which the final bond payment is to be made.
Term to Maturity	The amount of time until the final bond payment is due.
Issue Volume	The face value amount at issue date. This is the amount that a bond issuer must repay on the maturity date of the bond.
Corporate Bond Market	The market in which bonds issued in the name of individual corporate entities are bought and sold.
Reference Bond	A corporate bond selected for comparison to WATC's lending rates.

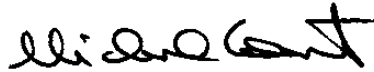
CERTIFICATION OF PERFORMANCE INDICATORS

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess Western Australian Treasury Corporation's performance and fairly represent the performance of Western Australian Treasury Corporation for the financial year ended 30 June 2025.



K GULICH PSM

CHIEF EXECUTIVE OFFICER
WESTERN AUSTRALIAN
TREASURY CORPORATION
22 August 2025



M COURT BEcon (Hons)

DEPUTY CHAIRPERSON
WESTERN AUSTRALIAN
TREASURY CORPORATION
22 August 2025

Independent Auditor's Report



Auditor General

INDEPENDENT AUDITOR'S REPORT

2025

Western Australian Treasury Corporation

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Western Australian Treasury Corporation (Corporation) which comprise:

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

In my opinion, the financial statements are:

- based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Corporation for the year ended 30 June 2025 and the financial position as at the end of that period
- in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for opinion

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

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

Responsibilities of the Board for the financial statements

The Board is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Page 1 of 5

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In preparing the financial statements, the Board is responsible for:

- assessing the entity's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Corporation.

Auditor's responsibilities for the audit of the financial statements

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

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

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

Report on the audit of controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Corporation. The controls exercised by the Corporation are those policies and procedures established to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with the State's financial reporting framework (the overall control objectives).

In my opinion, in all material respects, the controls exercised by the Corporation are sufficiently adequate to provide reasonable assurance that the controls within the system were suitably designed to achieve the overall control objectives identified as at 30 June 2025, and the controls were implemented as designed as at 30 June 2025.

The Board's responsibilities

The Board is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my

Independent Auditor's Report (continued)

engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

Limitations of controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the audit of the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Corporation for the year ended 30 June 2025 reported in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions (legislative requirements). The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators report of the Corporation for the year ended 30 June 2025 is in accordance with the legislative requirements, and the key performance indicators are relevant and appropriate to assist users to assess the Corporation's performance and fairly represent indicated performance for the year ended 30 June 2025.

The Board's responsibilities for the key performance indicators

The Board is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal controls as the Board determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Board is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 3 Financial Sustainability – Requirement 5: Key Performance Indicators.

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the entity's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 3 - Requirement 5 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments, I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My independence and quality management relating to the report on financial statements, controls and key performance indicators

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

Other information

Those charged with governance are responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2025, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements, controls and key performance indicators do not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

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

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there

Independent Auditor's Report (continued)

is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Matters relating to the electronic publication of the audited financial statements and key performance indicators

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



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

Client Authorities

Face Value Net Debt Outstanding to Western Australian Treasury Corporation at 30 June 2025

Authority Name	Balance at 1 July 2024 \$'000	Net Advances During Year \$'000	Balance at 30 June 2025 \$'000
Albany City Council	3,868	231	4,099
Armadale City Council	33,721	7,727	41,448
Ashburton Shire Council	884	(452)	432
Augusta-Margaret River Shire Council	13,496	(1,142)	12,355
Bassendean Town Council	714	(231)	483
Bayswater City Council	14,156	(5,664)	8,492
Belmont City Council	11,618	(642)	10,976
Beverley Shire Council	2,001	1,326	3,327
Boddington Shire Council	1,387	(228)	1,159
Boyup Brook Shire Council	49	(24)	25
Bridgetown-Greenbushes Shire Council	1,597	(192)	1,405
Brookton Shire Council	517	414	931
Broome Shire Council	7,236	2,832	10,068
Broomehill-Tambellup Shire Council	1,572	(114)	1,458
Bruce Rock Shire Council	2,202	(96)	2,104
Bunbury City Council	15,282	1,618	16,900
Bunbury Water Corporation	4,272	(749)	3,523
Busselton City Council	44,058	(1,373)	42,685
Canning City Council	24,281	(4,548)	19,733
Capel Shire Council	3,787	(317)	3,470
Carnamah Shire Council	18	(18)	0
Carnarvon Shire Council	2,592	60	2,652
Chapman Valley Shire Council	677	(96)	581
Chittering Shire Council	5,705	(410)	5,295
Claremont Town Council	5,189	(460)	4,729
Cockburn City Council	5,000	(2,500)	2,500
Collie Shire Council	1,134	290	1,424
Commissioner of Main Roads	687,220	(230,320)	456,900
Coorow Shire Council	6,076	(222)	5,855
Corrigin Shire Council	1,225	(99)	1,126
Cottesloe Town Council	2,108	(354)	1,754
Cuballing Shire Council	1,125	(170)	955

Client Authorities (continued)

Authority Name	Balance at 1 July 2024 \$'000	Net Advances During Year \$'000	Balance at 30 June 2025 \$'000
Cue Shire Council	560	(98)	462
Cunderdin Shire Council	816	(64)	752
Curtin University	17,988	(3,079)	14,909
Dalwallinu Shire Council	3,004	(317)	2,687
Dandaragan Shire Council	2,075	(170)	1,905
Dardanup Shire Council	9,800	1,098	10,898
Denmark Shire Council	1,728	636	2,364
Derby-West Kimberley Shire Council	7,447	(539)	6,908
Donnybrook-Balingup Shire Council	3,121	(141)	2,980
Dowerin Shire Council	1,055	(108)	947
Dumbleyung Shire Council	172	(12)	160
Dundas Shire Council	138	(54)	84
East Fremantle Town Council	4,727	(151)	4,576
East Pilbara Shire Council	10,721	(3,753)	6,968
Edith Cowan University	32,187	(1,956)	30,231
Electricity Generation and Retail Corporation	161,130	315,000	476,130
Electricity Networks Corporation	7,565,232	363,200	7,928,432
Esperance Shire Council	2,016	(462)	1,554
Exmouth Shire Council	2,732	(380)	2,352
FES Ministerial Body	28,194	(2,977)	25,217
Fremantle City Council	18,160	(1,619)	16,541
Fremantle Port Authority	134,646	42,871	177,517
Gingin Shire Council	2,327	(259)	2,068
Gnowangerup Shire Council	424	(99)	325
Gosnells City Council	20,577	12,960	33,537
Greater Geraldton City Council	16,464	(3,142)	13,322
Harvey Shire Council	3,750	948	4,698
Housing Authority	2,591,245	(675,102)	1,916,143
Irwin Shire Council	5,903	(840)	5,063
Jerramungup Shire Council	808	(145)	663
Joondalup City Council	963	(963)	0
Kalamunda City Council	6,495	(1,231)	5,264

Authority Name	Balance at 1 July 2024 \$'000	Net Advances During Year \$'000	Balance at 30 June 2025 \$'000
Kalgoorlie-Boulder City Council	4,607	(592)	4,015
Karratha City Council	21	(21)	0
Katanning Shire Council	3,300	(293)	3,007
Kellerberrin Shire Council	1,800	(302)	1,498
Kent Shire Council	576	(72)	504
Kimberley Ports Authority	4,385	(1,557)	2,828
Kojonup Shire Council	4,998	(518)	4,480
Kondinin Shire Council	3,950	(260)	3,690
Kulin Shire Council	785	(102)	683
Kwinana City Council	11,352	(2,340)	9,012
Lake Grace Shire Council	1,036	581	1,617
Laverton Shire Council	1,251	(211)	1,040
Manjimup Shire Council	8,301	(385)	7,916
Melville City Council	1,207	(210)	997
Menzies Shire Council	0	605	605
Merredin Shire Council	1,870	(224)	1,646
Mid West Ports Authority	5,520	(709)	4,811
Mingenew Shire Council	141	(56)	85
Minister for Education	400,041	8,954	408,995
Minister for Fisheries	3,000	(1,000)	2,000
Moora Shire Council	3,425	(251)	3,174
Morawa Shire Council	391	(29)	362
Mosman Park Town Council	4,470	(429)	4,041
Mount Marshall Shire Council	860	(224)	636
Mukinbudin Shire Council	1,112	(118)	994
Mundaring Shire Council	7,692	(809)	6,883
Murchison Shire Council	1,534	(193)	1,341
Murdoch University	97,073	(5,797)	91,276
Murray Shire Council	3,999	(465)	3,534
Nannup Shire Council	665	(96)	569
Narembeen Shire Council	666	(85)	581
Narrogin Shire Council	1,380	1,302	2,682

Client Authorities (continued)

Authority Name	Balance at 1 July 2024 \$'000	Net Advances During Year \$'000	Balance at 30 June 2025 \$'000
Nedlands City Council	925	3,357	4,282
Northam Shire Council	6,612	(518)	6,094
Northampton Shire Council	807	676	1,483
Nungarin Shire Council	1,105	(205)	900
Peppermint Grove Shire Council	616	(42)	574
Perenjori Shire Council	1,127	2,042	3,169
Pilbara Ports Authority	134,725	(4,085)	130,640
Pingelly Shire Council	1,767	245	2,012
Plantagenet Shire Council	1,266	(387)	879
Port Hedland Town Council	21,979	(2,009)	19,970
Public Transport Authority	4,424,547	(272,714)	4,151,833
Quairading Shire Council	278	(68)	210
Ravensthorpe Shire Council	548	398	946
Regional Power Corporation	882,672	(4,339)	878,333
Resource Recovery Group (Southern Metropolitan Regional Council)	1,731	(119)	1,612
Rockingham City Council	4,169	(1,317)	2,852
Serpentine-Jarrahdale Shire Council	5,600	(653)	4,947
Shark Bay Shire Council	667	1,885	2,552
South Perth City Council	10,018	(3,408)	6,610
Southern Ports Authority	3,332	(1,383)	1,949
Subiaco City Council	5,105	180	5,285
Swan City Council	49,644	(6,880)	42,764
Tammin Shire Council	65	(51)	14
The Minister for Agriculture and Food exercising power under <i>Sec 6(1) of the the Loans (Co-operative Companies) Act 2004</i>	28,375	(2,032)	26,343
The Treasurer on behalf of the State of Western Australia	22,886,945	0	22,886,945
Toodyay Shire Council	4,944	(287)	4,657
Trayning Shire Council	1,381	(147)	1,234
University of Western Australia	166,130	(2,256)	163,874
Upper Gascoyne Shire Council	1,303	(185)	1,118
Victoria Park Town Council	9,448	(3,038)	6,410

Authority Name	Balance at 1 July 2024 \$'000	Net Advances During Year \$'000	Balance at 30 June 2025 \$'000
Victoria Plains Shire Council	1,460	(256)	1,204
Vincent City Council	10,174	(1,952)	8,222
Wagin Shire Council	395	(73)	322
Wandering Shire Council	71	342	413
Wanneroo City Council	65,334	0	65,334
Waroonna Shire Council	1,528	(94)	1,434
Water Corporation	4,401,646	(97,175)	4,304,471
West Arthur Shire Council	724	(148)	574
Western Australian Land Authority	74,200	(49,553)	24,647
Westonia Shire Council	0	600	600
Wickepin Shire Council	270	(40)	230
Williams Shire Council	452	(90)	362
Wiluna Shire Council	2,376	(130)	2,246
Wongan-Ballidu Shire Council	1,808	(109)	1,699
Wyalkatchem Shire Council	0	415	415
Wyndham-East Kimberley Shire Council	4,106	3,410	7,516
Yilgarn Shire Council	663	1,091	1,754
York Shire Council	860	(147)	713
TOTAL	45,366,683	(644,027)	44,722,648

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Contact Details

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Registry Information

MUFG Corporate Markets is the agent for supplying registry services to Western Australian Treasury Corporation's stockholders. Please call MUFG Corporate Markets on 1800 098 828 (FreeCall) for all stockholding enquiries.

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Aerial view of Elizabeth Quay and the Perth skyline. Image courtesy of Tourism Western Australia.