

ANNUAL REPORT 2024/2025

SHIRE OF SHARK BAY



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MESSAGE FROM THE PRESIDENT

CR PIETR STUBBERFIELD

It is my pleasure to present the Shire of Shark Bay Annual Report for 2024/2025. Throughout the year, the Shire of Shark Bay staff continued to provide residents and visitors with well-maintained assets, infrastructure and services that enhance the liveability, safety and enjoyment of our community. Strong visitation levels and population dynamics have continued to place pressure on housing availability, highlighting the ongoing shortage of both short-term and long-term accommodation options in Denham.

In response, Council supported key initiatives to address accommodation needs, including the progression of the Essential Worker Accommodation Project, which delivered six dwellings for government employees and Shire staff within Denham Estate.

This project is anticipated to assist in alleviating pressure on the private rental market by relocating essential workers into dedicated housing. In addition, construction continued on twelve new independent living units to augment the existing Herald-Denham pensioner units, supporting the needs of our ageing community. Significant progress was also achieved across infrastructure and maintenance activities.

Our dedicated Works team delivered a range of upgrades and improvements, including regional and local road works, new dual-use paths and kerbing, foreshore infrastructure, and continued implementation of the Shire's strategic plant replacement program. These works play a critical role in maintaining safe, functional and resilient infrastructure across our remote region.

The Community Development Team once again demonstrated exceptional commitment, delivering a diverse range of community events and programs for residents of all ages, while also attracting visitors to the Bay. The team was successful in securing grant funding to support initiatives such as daycare worker accommodation, out-of-school activities, and capacity building for local sporting and community groups.

The Shark Bay World Heritage Discovery and Visitor Centre continued to play a vital role in promoting the region, welcoming strong visitor numbers throughout the year. The dedication and knowledge of the Visitor Centre staff ensure that Shark Bay's unique World Heritage values and local attractions are showcased to visitors from around Australia and beyond.

Council also continued to support local organisations through Community Assistance Grants, recognising the important contribution these groups make to the wellbeing, safety and vibrancy of our community. I extend a heartfelt thank you to the many volunteers who give their time, skills and energy to support essential services, events and activities across the Shire. Your contribution is invaluable and deeply appreciated.

I would like to acknowledge the Chief Executive Officer and all Shire staff for their professionalism, resilience and dedication in supporting Council and delivering services in a challenging remote operating environment. Finally, I would like to formally acknowledge and sincerely thank the outgoing Shire President, Cheryl Cowell for her leadership, dedication and service to the community. Her efforts helped guide the Council through a period of change and laid important foundations for this year's report.

Council looks ahead with confidence as we continue to work in partnership with our community, stakeholders and government agencies to build a resilient, sustainable and vibrant future for Shark Bay.

Cr Pietr Stubberfield.





GENERAL INFORMATION

The Shire of Shark Bay is made up of two peninsulas on the westernmost point of Australia. It includes 1,500 km of coastline, together with some 25,000 square kilometres of hinterland. The Bay's main body of water covers an area of approximately 8,000 square kilometres with an average water depth of 10-15 metres and is divided by shallow banks and many peninsulas and islands.

The town of Denham, the main settlement within the Shire, is 833 km from Perth, 405 km from Geraldton, 330 km from Carnarvon and 129 km from the Overlander turnoff on the North West Coastal Highway. Shark Bay has a permanent population of 950 people, and it is estimated that this figure doubles during the tourist season April to October.

Shark Bay enjoys a mild climate all year round with an average temperature of 26.5 degrees Celsius. The average annual rainfall is 228 mm, most of which occurs between May and August.

Outside Denham, settlements also exist at Monkey Mia, Nanga, Overlander, Billabong (Wannoo) and Useless Loop. Useless Loop is a "closed" mining town located 250 km from Denham by road or 25 km across the bay. The region's landscapes and habitats range from rugged sea cliffs along the coast to tranquil bays and inlets fringed with wide beaches of sand and shells. Shark Bay has a strong community spirit with several sporting, recreational, educational, youth, special interest groups, clubs and committees. Many of these groups organise annual and weekly events for residents and visitors in the Shire of Shark Bay.

SHARK BAY

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TEETH IN



VISITOR'S GUIDE





VISION STATEMENT

Shark Bay

'is a proud unified community, respecting and sharing our pristine environment and great lifestyle'

Internationally recognised for its natural, cultural and heritage values as a UNESCO World Heritage Area.

Key attractions include the Shark Bay World Heritage Discovery and Visitor Centre, the World Heritage listing itself, Monkey Mia and its iconic wild dolphins, the ancient Stromatolites at Hamelin Pool, Shell Beach, and Steep Point.

the westernmost point on mainland Australia.



STRATEGIC OBJECTIVES

To effectively meet its responsibilities to the community, the Shire of Shark Bay has established a set of strategic, operational and financial objectives.

These objectives are guided by the Shire's Vision Statement and are applied across each of the Shire's core activities and service areas. Together, they provide a clear framework to guide decision-making, resource allocation and the future direction of the Shire of Shark Bay.

Visitors are also drawn to world-class fishing experiences, rich Indigenous cultural heritage, Dirk Hartog Island National Park.

Peron Peninsula within Francois Peron National Park, emerging aquaculture activities, and Cape Inscription, the site of the first documented European landing on Australian soil in 1616

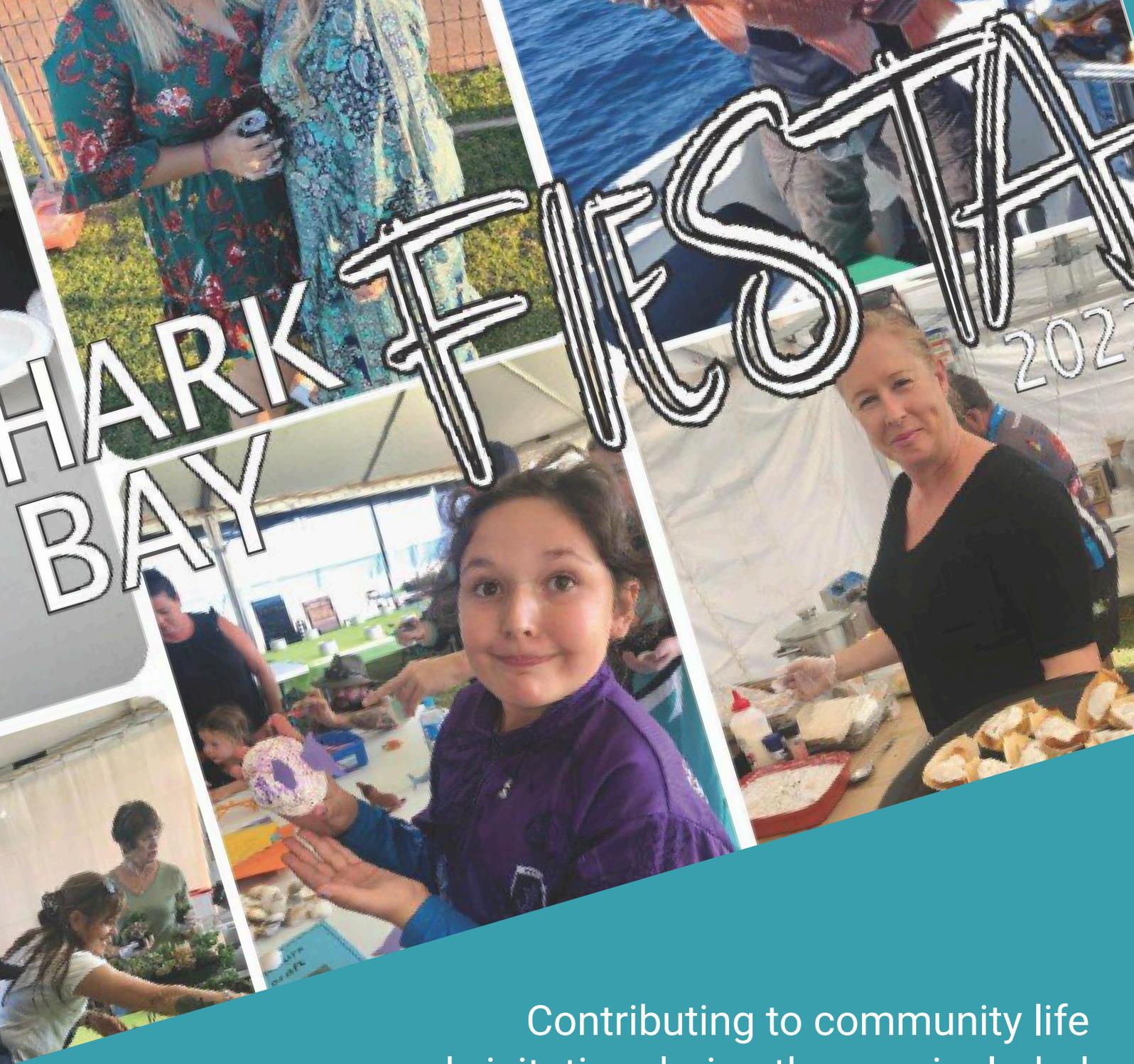




The Shire's economy is underpinned by a diverse mix of industries, including pastoral operations, tourism, commercial fishing, salt production, pearl culturing, aquaculture, and shell grit mining.

These industries play a vital role in employment, regional supply chains and the ongoing economic sustainability of the Shark Bay community.

SHARK BAY
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Contributing to community life and visitation during the year included the Far Western Speedway Championship, Bowling Club Anniversary Meeting, Denham Golf Open and the Fishing Fiesta.

LOCAL EVENTS

A WORD FROM OUR CEO



The 2024/2025 Annual Report reflects a year of delivery, consolidation and organisational stability following another busy year.

Throughout the year, the organisation remained focused on sound governance, prudent financial management, effective asset management and reliable service delivery in a complex and resource-constrained remote operating environment.

Key areas of focus included the maintenance and renewal of local roads and infrastructure, delivery of capital works, management of community facilities and reserves, regulatory and compliance services, and continued support for tourism and place-based initiatives aligned with Shark Bay's World Heritage values.

Significant progress was made across a number of priority capital and infrastructure projects. Construction of new independent living units continued during the year, expanding the Shire's capacity to support ageing residents and providing modern, accessible accommodation options within the community. These works represent an important investment in social infrastructure and long-term community wellbeing.

Coastal protection and accessibility improvements also remained a key focus. The construction of a new seawall and accessible ramp along the Denham foreshore enhanced public safety, improved universal access and strengthened resilience against coastal processes, while supporting continued community use of this important public space.

Investment in early childhood infrastructure continued, including upgrades to the local daycare facility, such as the installation of a new shade sail. These improvements support the safety and comfort of children, staff and families, and contribute to workforce participation by strengthening essential community services.

Significant effort was directed towards long-term asset planning and risk management to ensure infrastructure remains fit for purpose, resilient and sustainable over time. This included prioritising maintenance programs, progressing asset renewal works and aligning capital projects with Council's strategic planning framework and long-term financial objectives.

The Shire continued to actively pursue external funding opportunities and partnerships with State and Federal Government agencies, regional organisations and service providers. These partnerships were critical in progressing priority projects, including housing, community infrastructure and foreshore works, and in supporting community initiatives in a remote operating context.

Workforce capacity remains an ongoing challenge for remote local governments. During the year, the organisation focused on staff retention, cross-skilling and operational flexibility to maintain service continuity while meeting statutory, compliance and reporting obligations.

I acknowledge the professionalism, adaptability and commitment of Shire staff, who continue to deliver a broad range of services and projects for the community while supporting Council in its governance role.

Looking ahead, the organisation remains focused on continuous improvement, strengthening governance frameworks, managing organisational risk and supporting Council to deliver outcomes aligned with the Shire's Strategic Community Plan for the benefit of the Shark Bay community.

Dale Chapman
Chief Executive Officer



FINANCE AND ADMINISTRATION REPORT

OVERALL FINANCIAL POSITION

The financial position of the Shire of Shark Bay as at 30 June 2025 remained stable, notwithstanding a significant level of investment in community assets during the financial year. The Shire reported an operating surplus of \$2,871,106 at 30 June 2025.

An early payment of the 2025/2026 General Purpose Financial Assistance Grant in the amount of \$1,314,163 was recognised as revenue in the 2024/2025 financial year and contributed to the surplus position.

The deferral of a number of capital projects into the 2025/2026 financial year also contributed to the surplus outcome.



OVERALL FINANCIAL POSITION 2024/2025

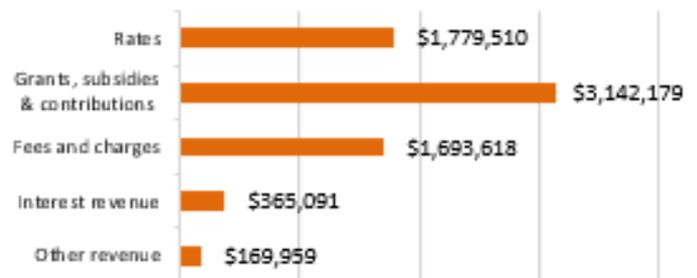
Overall Financial Position 2024/2025

The financial position of the Shire of Shark Bay at 30 June 2025 remained stable despite a significant investment in community assets. The surplus as at the 30 June 2025 was \$2,871,106. An early payment of the 2025/2026 General-Purpose Financial Assistance Grant allocation of \$1,314,163, was recognised as revenue during 2024/2025 and contributed to this surplus. Deferral of capital projects to 2025/26 also contributed to the surplus

Operating Revenue

Total operating revenue of \$7,150,357 was greater than the budgeted amount of \$5,936,684. The unbudgeted advance payment of the 2025/2026 Financial Assistance Grant allocation of \$1,314,163 was the primary reason for revenue being higher than budget. Interest revenue was \$177,596 higher than budget.

2024/25 Operating Revenue



Rates



Total rate revenue for 2024/2025 was \$1,779,510 which was 11.27% higher than the 2023/2024 rates revenue (\$1,599,200). This has enabled the Shire to invest in community infrastructure.

Operating Expenditure

Operating expenditure of \$11,874,864 was lower than budget of \$12,141,026. Employee costs and depreciation were under budget during 2024/2025, Materials and contracts, finance costs and other expenditure being marginally higher than originally budgeted.

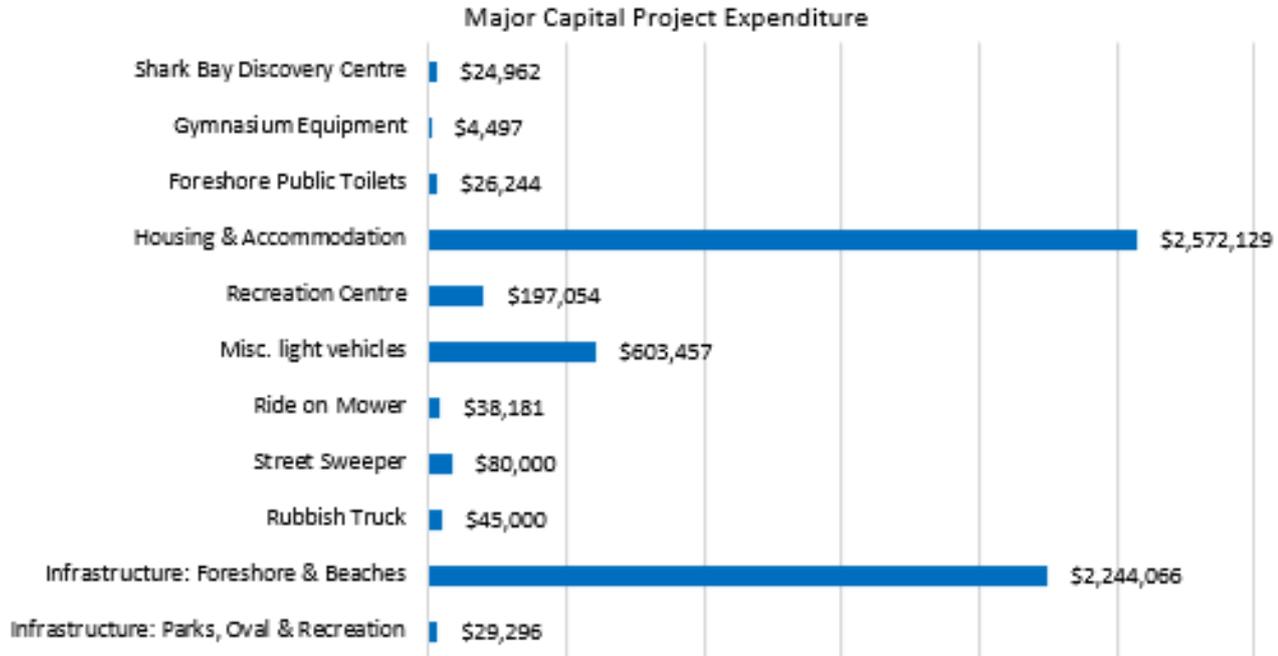
2024/25 Operating Expenditure



OVERALL FINANCIAL POSITION

2024/2025

Major projects carried out during 2023/2024 included:

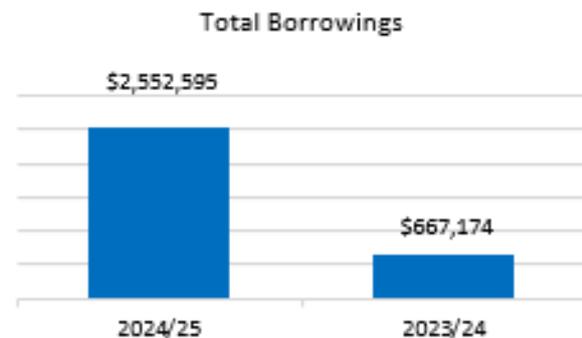


Capital expenditure of \$7,124,949 was less than the amended budgeted amount of \$8,781,637 due to delays in projects.

During 2024/2025 \$479,600 was received in capital grants which was not expended and is recognised at 30 June 2025 as a capital grant liability. These funds already received will fund their related capital projects during 2025/2026.

Total Debt

The Shire's total loan liability as of 30 June 2025 was \$2,552,595 increase due to new debenture for Essential Worker Accommodation.



Reserve Accounts

The Shire's cash backed reserves increased over the year by \$155,192 resulting in higher than budgeted balance at 30 June 2025. Balances, as well as the purpose for each reserve account established, are reflected in Note 26 of the Annual Financial Report.

Audit Report

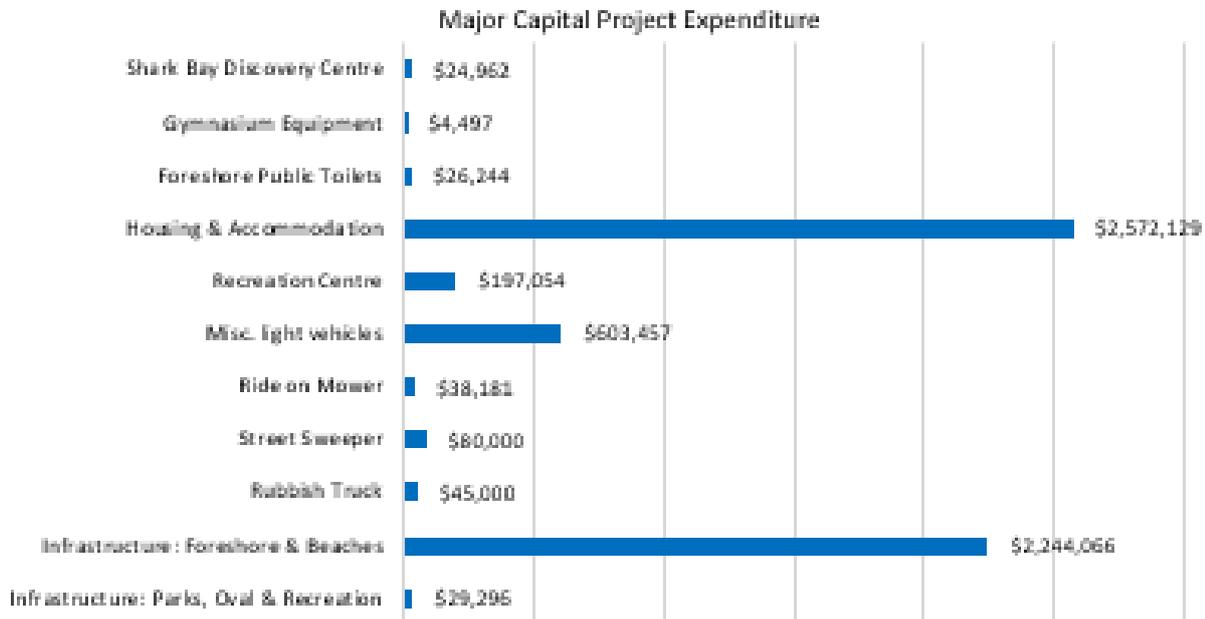
The audit report dated 13 December 2024 is an unqualified audit report with no significant matters raised.

CAPITAL PROJECTS



Capital Projects

Major projects carried out during 2023/2024 included:

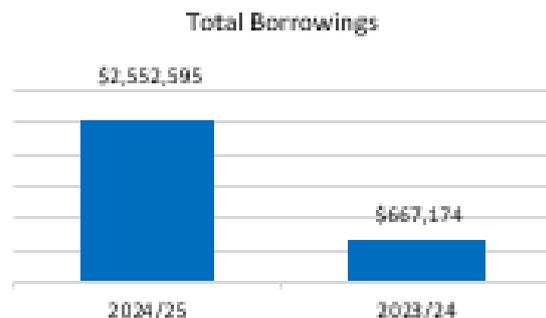


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Reserve Accounts

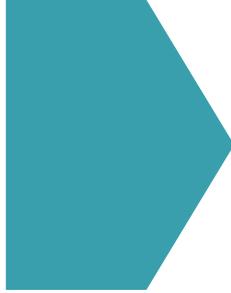
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WORKS

A YEAR OF PROGRESS



MAINTENANCE

Council continued to deliver essential maintenance and operational services across the townsite. This included the ongoing upkeep of the town oval, foreshore parks, and playgrounds, ensuring safe and accessible recreational spaces for the community.

The Shark Bay Recreation Centre continued to be actively managed to support community wellbeing and recreation. Core services such as refuse collection, recycling, and regular grading and maintenance of local roads were maintained to ensure reliable and efficient service delivery.



INFRASTRUCTURE

Council delivered a range of infrastructure upgrades across the Shire to improve safety, accessibility, and community amenity.

Works along Durlacher Street, between Talbot Street and Dampier Road, included the construction of new dual-use footpaths, kerb replacements, and an asphalt reseal. The Westend carpark was resurfaced with asphalt and enhanced through improved dual-use footpaths and kerbing.

Airport Road was resealed, including shoulder grading and ongoing maintenance works to improve road condition and longevity. Along the Denham foreshore, a new seawall and accessible ramp were constructed to enhance coastal protection and improve public access.

Upgrades at Sappi Park included limestone wall replacement and the installation of a new gazebo. New Independent Living units were constructed to support housing needs, and a new shade sail was installed at the Daycare facility to improve outdoor usability.

Further community improvements included toilet upgrades at George Wear Park, air conditioning upgrades at the Shark Bay Recreation Centre, along with improved footpath access, and the purchase of a new generator for the Evacuation Centre to strengthen emergency preparedness.

WORKS

YEAR 2024/2025

A YEAR OF PROGRESS AND COMMUNITY ENHANCEMENT

The 2024/2025 financial year was marked by continued progress in infrastructure and community enhancement.

The Shire of Shark Bay's Works team, together with contractors and supporting staff, delivered a range of projects that have strengthened our town's assets and improved community facilities.

Key Projects and Achievements

Infrastructure Upgrades:

- o Durlacher Street – upgrades between Talbot and Dampier Road, including new dual-use footpaths, kerb replacements, and an asphalt reseal.
- o Asphalt resurfacing of the Westend carpark with improved dual-use footpaths and kerbing.
- o Airport Road resealed, including shoulder grading and maintenance.
- o Construction of a new seawall and accessible ramp along the Denham foreshore.
- o Sappi Park upgrades, including limestone wall replacement and new gazebo installation.
- o New Independent Living units constructed.
- o Installation of new Daycare shade sail.
- o George Wear Park toilet upgrades.
- o Shark Bay Recreational Centre air conditioning upgrades with improved footpath access.
- o Purchase of a new Generator for the Evacuation Centre.

Ongoing Maintenance and Operations:

- o Maintained the town oval, foreshore parks, and playgrounds.
- o Management of the Shark Bay Recreational Centre.
- o Continued delivery of refuse collection and recycling services.
- o Regular grading and maintenance of local roads.

Recycling and Environmental Sustainability:

- o Continued the successful operation of the Shark Bay Recycling Centre.
- o Continued participation in the container deposit scheme to reduce waste.
- o Exploration of sustainable markets for recyclable materials.

Fleet Management:

- o Implemented a strategic plant replacement program to ensure operational efficiency and safety.
- o Ongoing assessments to improve equipment procurement and utilisation.

I would like to extend my sincere appreciation to our dedicated staff for their hard work and commitment throughout the year. Despite limited resources, the team's efforts have delivered strong outcomes for our community. As we move into the 2025/2026 financial year, we look forward to building on these achievements and continuing to deliver quality outcomes for the Shire of Shark Bay.

Brain Galvin
Works Manager

Tourism, Community and Economic Development Report

Tourism, Community and Economic Development Report

2024/25

The 2024/25 financial year was a strong year for community connection, service delivery and destination development across the Shire of Shark Bay. Despite the challenges of operating in a remote region, the Shire continued to deliver meaningful outcomes through proactive community engagement, well-utilised facilities, successful events, and continued investment in projects that strengthen liveability, inclusion and the local economy.

The Shire's work in tourism, community and economic development supports both residents and visitors by enhancing community wellbeing, maintaining vital local services, and promoting Shark Bay's unique World Heritage values. Through the Shark Bay World Heritage Discovery and Visitor Centre, partnerships with community organisations, and the delivery of funded infrastructure and programs, the Shire continued to build momentum toward a more resilient, connected and sustainable community.

COMMUNITY ENGAGEMENT

The Shire of Shark Bay continues to deliver clear and timely communication through a coordinated multi-channel approach, ensuring residents and visitors remain informed about services, projects, community safety and local events. The Shire's SMS notification system remains a highly effective tool, reaching approximately 450 subscribers in a single distribution. During the year, the system was reviewed and improved to streamline internal processes and achieve greater cost efficiency.

Social media remains an important channel for community engagement and destination promotion. The Shark Bay World Heritage Discovery & Visitor Centre's Facebook page has grown to more than 4,800 followers, while its Instagram account now exceeds 9,300 followers, strengthening digital engagement across local, regional and visitor audiences. The Shire's Facebook page has increased to 2,200 followers, representing a 10 per cent growth compared to the previous financial year. Through the coordinated sharing of key messages across community-managed Facebook groups, the Shire's overall local social media communications now have the potential to reach more than 33,100 followers, up from 31,300 last year.

The Shire's official website remains an important source of public information and is updated regularly with the latest news, notices and community updates. This is supported by physical noticeboards located at key community anchor points, including the Community Resource Centre, IGA, Shark Bay Supermarket, Newsagency, Recreation Centre and Gym. The Shire also continues to utilise the Inscription Post newsletter to promote events, projects and programs, strengthening community awareness and participation across the year.

COMMUNITY FACILITIES

The Shark Bay Recreation Centre continues to be managed by the Shark Bay Community Resource Centre (CRC). The Recreation Centre is utilised for open court sessions, allowing locals and visitors to use the space for a range of activities and sports that the space and resources can support, such as Basketball, Indoor Soccer, Volleyball or Badminton. There are also scheduled sports running every Tuesday and Wednesday night (Volleyball, Basketball and Soccer). The space also facilitates school holiday programs (such as extended open court sessions or specific sporting sessions) as well as Kindy Gym (a combination of day care and physical exercise).

Attendance fluctuates throughout the year, with numbers largely dependent on holiday periods and tourists. There was a total of 6,255 participants for the 24/25 financial year (1.74% higher than the previous financial year).

The busiest month was July 2024, with a total of 1144 attendees, up 22% from the previous financial year's busiest month (also July). This reflects the influx of tourists, particularly Australian tourists holidaying in state or in country rather than overseas or interstate (such as in extended Christmas breaks) as well as more locals choosing to stay in the bay rather than travel – such as in the December holidays. The quietest month was December 2024 – also consistent with the previous year's quietest month – with 169 attendees (10 attendees higher than the previous December).

The Shark Bay Community Gym also experienced continued growth, with 217 memberships recorded during the year (a 15% increase on 2022/23). Of these, 140 members were active, representing an 18.6% increase on 2022/23. A significant portion of memberships were purchased as one-month subscriptions (70), including 25 members with permanent addresses outside of Shark Bay, demonstrating strong demand from visitors and seasonal workers. The Shire Administration Office receives an average of 6–8 gym enquiries per week, including approximately two enquiries per week for visitor access. Many visitors elect to purchase a one-month membership, as the \$40 monthly fee is comparable to a weekly membership cost in the Perth metropolitan area.

The Shark Bay Public Library continues to provide a valued service for residents and visitors of all ages. Library members access a broad range of physical resources including books and DVDs, complemented by expanding digital services. During the year, the Shire worked with the State Library of Western Australia to support access to eResources for all library members, including digital newspapers and magazines, eBooks and audiobooks.

The Denham Town Hall continues to support community events and functions, while remaining as a hub for local community groups, with regular programs delivered by the Denham Crafters and Shukokai Karate. The venue is also used by visiting practitioners and organisations.

Shark Bay Recycling Centre

The Shark Bay Recycling Centre continues to serve as a donation point for eligible containers through our ongoing partnership with the ABC Foundation under the Containers for Change program. Funds raised via the program are reinvested into sustainable practices and community projects. In the 2024/25 financial year, 18,194 containers were diverted from landfill. This brings the total collected through the partnership to 56,923 containers, surpassing the half-ton milestone and ensuring these materials are returned to the circular economy rather than disposed of as waste.

The Shire also established a partnership with Coburn Mineral Sands Mine to support cardboard recycling. Trucks delivering freight to site backload cardboard for transport to Perth for processing. To date, approximately 80–90 bales of cardboard (around 300 kilograms each) have been recycled through this initiative. Following changes in administrative arrangements of Strandline Resources, efforts to renew the partnership with the receiving company Doral Mineral Sands have progressed, and it is anticipated the program will resume in the 2025/26 financial year.



Additional Social Housing Units – Herald Denham Centre

In 2022/23, the Shire successfully secured \$4,116,200 in grant funding through the State Government’s Social Housing Economic Recovery Package to deliver twelve new independent living units at the Herald Denham Centre on Hughes Street. This investment enabled the expansion of the existing 13-unit facility, increasing the availability of appropriate, affordable housing options for seniors within our community.

Construction commenced in April 2024 and was completed by 30 June 2025, with handover occurring in early July. The project delivers tangible social outcomes by supporting older residents to age in place, maintaining independence while remaining connected to local services, support networks and community life. Increasing the supply of quality independent living units also helps to ease pressure on the broader housing market by creating greater movement and availability within the local housing system.

Denham Foreshore – Seawall Revetment

The Shire secured \$2,148,649 in funding under the Coastal and Estuarine Risk Management Program, administered by the Department of Fire and Emergency Services, to deliver priority coastal protection works along the Denham Foreshore. Procurement was undertaken during 2024, with construction commencing in early 2025.

The project focuses on two key sections of the foreshore identified as vulnerable to shoreline erosion. The construction of a rock revetment (rock seawall) will provide increased resilience against coastal processes and storm events, protecting public infrastructure, community assets and valued recreational spaces. These works represent a proactive investment in climate adaptation and long-term risk mitigation for the township. Completion is anticipated in late 2025 to early 2026.

COMMUNITY EVENTS

Beats in the Bay (September 2024)

On Saturday 7 September 2024, the Shire of Shark Bay successfully hosted Beats in the Bay, marking the third year of this much-anticipated community event. Beats in the Bay continues to provide a unique opportunity for the Shark Bay community to experience a live music festival locally, while supporting cultural engagement and entertainment in a remote region.

This year's event introduced the Under 18's Musician Discovery initiative, supported by Festivals Australia, designed to nurture emerging talent. Local musician Tobi Williams (15) was selected to perform on stage and was supported through mentorship and a production package, providing a positive pathway for young performers in the region.

The event attracted strong media interest, including an interview aired during prime time on ABC Radio, increasing the profile of Beats in the Bay and supporting future funding opportunities.

In total, the event secured \$66,575 (plus GST) in external funding, along with approximately \$6,000 in cost reductions achieved through partnerships including reduced airfares through REX and sponsorship reductions from 65Thirty Events.

Shark Bay Winter Festival Markets

On Sunday, 22 September 2024, the Shire of Shark Bay delivered the Spring Markets, rescheduled following the cancellation of the Winter Markets due to rainfall during the July school holidays. While several original stallholders were unable to attend the revised date, new applications were received, maintaining a strong and diverse stallholder presence.

Held on the first weekend of the September school holidays, the event successfully attracted both local residents and visitors, resulting in strong community participation and increased activation of the town centre. Feedback from attendees was overwhelmingly positive, particularly in relation to the quality and diversity of market stalls and the range of children's activities provided, reinforcing the event's role in supporting local enterprise, tourism visitation and community connection.

Mental Health Week (October 2024)

Mental Health Week was held from 5 to 12 October 2024. The Shire worked collaboratively with the Shark Bay Community Resource Centre to deliver a program of activities designed to promote wellbeing, connection and awareness of positive mental health practices. Activities included a Cultural Walk and Campfire delivered in partnership with Wula Gura Nyinda, followed by creative wellbeing workshops including jewellery making with Summer Gypsy and art therapy sessions delivered by Janeen Cameron (Art 4 Success). Attendance was strong across the week, with broad participation from individuals, families and community members of all ages.

Children's Week (October 2024)

In partnership with the Shark Bay Community Resource Centre, the Shire supported two community activities for Children's Week, providing inclusive opportunities for both younger children and teenagers. Activities included creative workshops and hands-on sessions such as craft, lip balm and soap making, supporting positive engagement and family participation.

Thank A Volunteer Day (December 2024)

On Thursday 5th December 2024 the Shire hosted Thank a Volunteer Day. All volunteers in the Shark Bay Community were invited to attend a Sundowner event to recognise and thank them for their contributions to our community. Surrounded by the beautiful artwork in the Rose de Freycinet Gallery at the Shark Bay World Heritage Discovery Centre, the volunteers enjoyed a selection of food and drinks, as well as a small gift provided by the Shire. There was a strong attendance with representation from 14 community groups and emergency service organisations with more than 40 people attending the event. Hosting this event also helps us to collect important data, including understanding that there were over 260 volunteer positions throughout the Shark Bay Community, with nominations being received for 180 members of our community (or 24% of the Denham population) who filled these positions, with an average of 1.4 positions for each volunteer.

Seniors Christmas Lunch (December 2024)

The annual Seniors Christmas lunch was held on Thursday 12th December 2024 at the Denham Town Hall with approximately 40 of our local senior citizens attending. Volunteers and Shire staff spent the day prior decorating the hall and doing food preparation. A delicious three course meal was served to our guests by volunteers from the Shark Bay community (including Cr Ridgley), who all did a tremendous job at making our seniors feel valued. Each person was presented with a gift bag containing a tin of biscuits, lollies and a 2025 calendar produced by the Shark Bay Community Resource Centre.

Australia Day Breakfast & Shark Bay Citizen of the Year (January 2025)

On Sunday 26th January 2025, the Shire hosted the Shark Bay Citizen of the Year Awards. There was a fantastic turn out at the Shark Bay Bowling, Sport & Rec Club, with approximately 120 people attending to support the nominees and recipients of the Awards. Everyone enjoyed a delicious breakfast cooked by the Shark Bay SES.

Clean Up Australia Day (March 2025)

The Shire hosted its annual Clean Up Australia Day event on Sunday 16 March 2025. A total of 22 volunteers registered, comprising mostly local community members with a small number of visitors also participating. Volunteers collected rubbish across multiple locations including Netta's Beach, Denham Foreshore, Denham Lookout, Denham Oval, Little Lagoon, Monkey Mia Road and surrounding streets.

A full ute load of rubbish was collected, and volunteers were thanked with a sausage sizzle. Special acknowledgement is extended to Karen Gidley and Roger Hewitt who commenced their clean-up a day early, demonstrating an outstanding commitment to community pride.

Youth Week (April 2025)

The Shire provided financial support to the Shark Bay Community Resource Centre to assist in delivering Youth Week activities for the community.

ANZAC Day (April 2025)

On Friday 25 April 2025, the Shire supported the Shark Bay RSL with financial and in-kind assistance to deliver ANZAC Day commemorations in Denham. The day included a 6:00am Dawn Service at Pioneer Park, followed by a march along Knight Terrace, an 11:00am memorial service, and a community light lunch at the Bowling Club.

Shark Bay Fiesta (May 2025)

The Shark Bay Community Resource Centre hosted the 30th annual Shark Bay Fiesta commencing Friday 16 May 2025. In addition to the Shire's Community Grant and in-kind support, the Shire hosted the Fiesta Markets on Saturday 17 May 2025. The Shire supported stallholder coordination through permit approvals, site maps and early morning set-up assistance.

The Shire also assisted with the screening of the film IF, which was well received by both children and adults.

Community Event Support

During the 2024/25 financial year, the Shire provided financial and in-kind support to a number of community organisations to assist with event delivery, including:

- Shark Bay Bowling, Sport & Recreation Club - \$2,000 contributed towards Australia Day Breakfast
- Shark Bay RSL – \$500 contributed towards Remembrance Day commemorations (November 2024) and \$1,000 contributed toward ANZAC Day commemorations (April 2025)
- Shark Bay Community Resource Centre – \$1,000 contribution toward Youth Week (April 2025)
- Shark Bay Fishing Fiesta –\$6,000 in-kind support (Community Assistance Grant information below)

EMERGENCY MANAGEMENT

The Shire maintains an active focus on emergency management planning and preparedness to support community resilience.

The Shire's Local Recovery Plan is available via the Shire website and outlines recovery roles, responsibilities and processes following an emergency event.

ACCESS & INCLUSION

The Shire of Shark Bay continued to improve access and inclusion outcomes across key community spaces during 2024/25.

New footpaths and wheelchair/pram ramps were completed along Durlacher Street, improving connectivity between key community facilities and enhancing safe pedestrian movement. The Shire completed twelve (12) new independent living units designed to Silver level compliance under the Liveable Housing Design Guidelines. The Silver Standard includes wider doorways, step-free entry, reinforced bathroom walls for grab rails, and accessible internal layouts. This proactive approach supports long-term housing security and improves quality of life for tenants.

The Shire also installed a new accessibility bridge linking Francis Street to the Shark Bay Recreation Centre, improving inclusive access to this important community facility. The bridge was designed beyond minimum standards, incorporating a wider path, gentle gradients and strategically spaced bollards to support mobility scooter and wheelchair access while reducing bicycle speed.

The Shire's Disability Access and Inclusion Plan is currently under review, with community consultation underway to support development of an updated plan for 2025–2030.

ECONOMIC DEVELOPMENT

Community Assistance Grants

Council allocated \$50,000 to the Shire's Community Assistance Grants program during the 2024/25 financial year. The program supports community-led initiatives that strengthen participation, wellbeing and local capacity.

A total of \$27,130 was distributed to community groups across the year.

Round 1 – Community Projects (\$2,000 to \$5,000)

Three (3) groups were funded in Round 1, with a total commitment of \$12,200, supporting the following projects:

- Boolbardie Country Club – \$5,000 for equipment replacement to support facility upkeep
- Shark Bay Pistol Club – \$5,000 for infrastructure upgrades including roof sheeting and water tanks
- Yadgalah Aboriginal Corporation – \$2,200 to support delivery of a six-month seniors program

Round 2 – Small Equipment Grants (up to \$1,000)

Three (3) groups were funded in Round 2, with a total commitment of \$2,800, supporting the following:

- Boolbardie Country Club – \$1,000 for catering support for the 2025 Denham Open Golf Championship and the Club’s 60th Anniversary
- Shark Bay Arts Council – a \$1,000 contribution was requested for the replacement of the cooling system in the Arts Workshop. Council considered the social benefits of this community group and the need for a cool comfortable environment and used their discretion to cover the entire cost of the air conditioning upgrade valued at \$3,330.
- Shark Bay Pistol Club – \$800 for equipment to support roof sheeting replacement

Significant Event Sponsorship

One (1) community group received funding under the Significant Event Sponsorship category:

- Shark Bay Community Resource Centre – \$10,000 toward the 2025 Shark Bay Fiesta, which included \$2,000 over the requested amount to provide additional entertainment for the Shark Bay community.

FUNDED PROJECTS

2024/2025 was a busy year for grants, while substantial funding was made available to all local governments through the Local Roads and Community Infrastructure program, many other grants were secured through competitive grant application processes, highlighting the grant writing skills of the Shire Administrative staff.

- Local Roads and Community Infrastructure Funding (Phase 4)
 - o Accessible pathways into the Recreation Centre Precinct.
 - o Contribution towards the building of the new finger jetty at the western end of Knight Terrace.
 - o Upgrades to the interior of the Discovery Centre.
 - o Upgrading the toilet block at George Wear Park.
 - o Contributions towards road and carpark upgrades.

· Funding for Day Care Worker Accommodation

o For the second consecutive year, the Shire was able to secure \$25,000 from the Department of Communities through the Attraction and Retention of Child Care Workers in Remote Areas funding. This funding subsidises the cost of accommodation for the Denham Day Care worker.

• **Funding for community programs**

- The Shire received \$60,000 through the Department of Local Government, Sport and Cultural Industries to run out of school activities. These are being planned and run in conjunction with the school and the Community Resource Centre.
- The WA Youth Engagement Grant Program through the Department of Communities for \$10,000 for the Shark Bay Youth Life Skills Program.
- Regional Arts Venues grant of \$165,720 through the Department of Local Government, Sport and Cultural Industries to run a series of events and activities in the Discovery Centre.
- Work continues on the \$21,600 through the Department of Local Government, Sport and Cultural Industries for a Shark Bay Club Development Program to be run over 3 years (2023 -2025).
- The Shire was also successful in receiving multiple funding streams for the 2024 Beats in the Bay Festival. This included:
 - Horizon Power
 - Lotterywest
 - Festivals Australia

• **Funding for infrastructure maintenance and development**

- \$250,000 through a Regional Economic Development grant to be applied toward the costs of essential worker accommodation project.
- \$187,500 through the Department of Planning Lands and Heritage's Infrastructure Development Fund grant towards the cost of service connection for the essential worker accommodation project.
- \$500,000 from the Department of Fire and Emergency Services' Cyclone Seroja Local Government Resilience Funding to upgrade the Recreation Centre as an evacuation and recovery facility.

• **Funding for feasibility studies**

- \$130,000 from the Department of Planning, Lands and Heritage through its Regional North Government Assistance Program to enable the Shire to revise its Local Planning Strategy. This project continued throughout the 2024/2025 financial year.

• **Bushfire Mitigation**

- A Bushfire Mitigation Activity Fund Grant (MAF) for \$52,800 through the Department of Fire and Emergency Services (DFES). This grant was provided as part of the DFES MAF Grants Program to support building the fire management capacity and overall resilience of communities. Funds were for on-ground works to mitigate extreme, very high and high risks on land that is State owned and managed by the Local Government.

Through the Shark Bay World Heritage Discovery and Visitor Centre, the Shire of Shark Bay continues to provide strategic leadership in tourism development, local heritage interpretation and the creative arts. These sectors remain central to building a progressive and resilient local economy, supported through ongoing advocacy and strong partnerships with local businesses.

Shark Bay World Heritage Discovery and Visitor Centre

Throughout 2024–2025, the Shark Bay World Heritage Discovery and Visitor Centre consistently promoted the Shark Bay region through social media, the Centre’s website, stakeholder engagement, events, and daily visitor interactions.

The dedicated Centre team engaged with more than 64,000 people in person, in addition to many more through email, the website, and telephone enquiries. Visitors were connected with over 31 accommodation options and 55 tour, self-drive, historic, and natural attractions within the Shire of Shark Bay, as well as a range of additional experiences across the broader region, including Carnarvon, Exmouth, Kalbarri, Geraldton, and beyond.

During the 2024–2025 financial year, 63,046 visitors viewed the exhibitions in the Rose de Freycinet Gallery and the Fire of Water: HMAS Sydney 3D film. The highest single-day attendance of 604 was recorded on 11 July 2024, during the July school holidays

The Centre reported strong sales in merchandise, tour and accommodation booking commissions, and museum entry fees during 2024–2025. The team continues to prioritise merchandise that reflects the cultural and natural significance of the Shark Bay region, including items produced by local artists and businesses.

Rose de Freycinet Gallery

The Rose de Freycinet Gallery delivered a strong and diverse exhibition program throughout 2024–2025, including two Artists-in-Residence initiatives and the launch of a major new triennial program.

The inaugural Shark Bay Artist-in-Residence Program, delivered in partnership with ART ON THE MOVE, commenced in March 2024. Selected artists included Tania Spencer, Rebecca McCauley and Aaron Claringbold. While Ms Spencer’s residency concluded in 2023–2024, McCauley and Claringbold continued through to October 2025, spending six weeks living and working in Shark Bay. Their residency culminated in the photographic exhibition What Can I Say Without Touching the Earth with My Hands (12 September – 19 October 2025).

The 2024–2025 year also marked the successful launch of the triennial art program By the Bay, showcasing six artists with strong connections to Shark Bay. The program celebrated the region’s unique landscapes, stories and creative identity, and was widely acclaimed by both residents and visitors. Funding of \$56,000 per year for three years was secured through the Department of Local Government, Sport and Cultural Industries and the Department of Primary Industries and Regional Development.

The program supported the engagement of professional artist, mentor and curator Andrew Nicholl, whose guidance strengthened the quality and impact of the participating artists’ work. Participating artists included Joey York, Sophie Seyah, Claire Cooper, Jake Mason, Lauren Greatorex and Christine von Schill, all of whom are expected to act as ambassadors and mentors for the next cohort in the 2025–2026 By the Bay program.

Additional exhibitions presented during 2024–2025 included Jila Kujarra: Two Snakes Dreaming (February – April 2024), a cross-cultural collaboration between Warnman artist Desmond Taylor and Boorloo-based textile artist Mariaan Pugh, commissioned by Fremantle Arts Centre in partnership with Martumili Artists. This exhibition was well received by both residents and visitors.

OTHER INFORMATION

Report on Complaints made against Councillor's

Section 5.53(2)(hb) of the Local Government Act requires disclosure of entries made in the register of complaints against Councillor's for the year.

For 2024/2025 there were no complaints lodged of any Breaches of the Local Government Act 1995.

Record Keeping Plan

The Shire's Record Keeping Plan outlines the control, retention and disposal policies and procedures for all shire records. The Shire's Record Keeping Plan was formally approved by the State Records Commission on the 7 September 2023 in accordance with Section 28 of the State Records Act 2000. The Shire's Record Keeping Plan will need to be reviewed again before the 29 August 2028.

Shire staff are trained in the use of the Shire's electronic recordkeeping system on a regular basis. New employees are inducted with the Shire's policy and procedures manual covering records management and are given extensive training in how to utilize the Shire's electronic recordkeeping system.

Freedom Of Information

Access to information / documents may be granted to members of the community under the Freedom of Information Act 1992. The Shire of Shark Bay complies with the Freedom of Information Act 1992. An Information Statement is available along with application forms on the Council's website. The statement is a guide on the Freedom of Information process and also lists the types of documents available outside of Freedom of Information. The Chief Executive Officer is the Shire's Freedom of Information Coordinator. Any formal application information that is not already freely available at the Council may be made through the Freedom of Information Coordinator.

Between 1 July 2024 and 30 June 2025, the Shire received no Freedom of Information requests.

NATIONAL COMPETITION POLICY

The National Competition Policy statement requires Local Governments to include in the Annual Report, ongoing statements on the following.

1. Competitive Neutrality – To remove benefits (and costs) that accrue to government business because of their public ownership.
2. Structural Reform – Local government is required to reform the structure of publicly owned monopoly businesses where it is proposed to introduce competition.
3. Legislative Review – To review legislation that restricts competition.

The full requirements are contained in a statement issued by the Department of Local Government and Regional Development.

Competitive Neutrality

There are several tests to apply that assist in determining if there is a “significant business enterprise”:

1. Does the activity receive revenue from external sources that exceeds \$200,000 per annum? (This threshold excludes grant income, internal charges, and statutory fees)
2. Would the benefits to be realised from the implementation of competitive neutrality exceed the costs?

From an examination of the income statement of the Shire of Shark Bay for the 2024/2025 financial year, there is no activity that satisfies the first part of the test, and therefore the principles of competitive neutrality do not apply to any of the Shire of Shark Bay’s activities.

Structural Reform

The Shire of Shark Bay is not classified as a natural monopoly and does not conduct any business activities that could be classed as public monopolies. Accordingly, the principle of structural reform does not apply to the Shire of Shark Bay.

Legislation Review

The Shire has a portfolio of Local Laws (previously known as by-laws) which may impact competition. A formal review has been deferred until Quarter Two (Q2) due to operational priorities, with no material competition impacts identified during the reporting period.

ELECTED MEMBERS AND OFFICER COMPLIANCE

ELECTED MEMBERS AND OFFICER COMPLIANCE STATISTICS

The Local Government (Administration) Regulations 1996 Part 5 – Annual reports and planning, regulation 19B (1) and (2) was amended as of the 7 November 2020 and now requires the following statistics to be included in the annual report:

Regulation - 19B (2) (a) & (b) and Prescribed Information for Payments to Employees

Section 5.53(2)(g) of the Local Government Act 1995 requires disclosure of information as prescribed in relation to salary of \$130,000 or more made to employees.

For the 2024/2025 year there was one employee entitled to an annual salary in the band of \$160,000 to \$170,000.

Regulation - 19B (2) (c)

Elected Member Allowances 2024/2025 for Standards Panel costs for hearing a complaint regarding one of its council members and any amount that the Standards Panel orders to be reimbursed is nil.

Regulation - 19B (2) (d)

Any amount ordered under section 5.110(6)(b)(iv) to be paid by a person against whom a complaint was made under section 5.107(1), 5.109(1) or 5.114(1) to the local government during the financial year 2024/2025 was nil

Regulation - 19B (2) (e)

Chief Executive Officer Remuneration Paid 2024/2025 - \$205,494

Regulation - 19B (2) (f)

Elected Member Meeting Attendance / Ordinary Council Meetings 2024/2025

A ATTENDED

LA LEAVE APPROVED

N APOLOGY

Councillor Name	JUL	AUG	SEPT	OCT	NOV	DEC	JAN 25	FEB	MAR	APR	MAY	JUN
Cr Bellottie	A	A	A	LA	A	A	NO MEETING	A	A	A	A	A
Cr Cowell President	A	LA	A	A	A	A		LA	A	LA	A	A
Cr Fenny	A	A	A	A	A	A		LA	LA	A	A	A
Cr Ridgley	A	A	LA	A	A	A		A	A	A	A	LA
Cr Smith	A	N	A	A	A	LA		A	A	A	A	A
Cr Stubberfield	A	A	A	A	A	A		A	A	A	A	A
Cr Vankova	A	N	A	LA	A	A		A	A	A	LA	A

Elected Member Meeting Attendance / Audit Committee Meetings 2024/2025

Meeting Date	5 February 2025
Cr Bellottie	A
Cr Cowell President	N
Cr Fenny	A
Cr Ridgley	A
Cr Smith	A
Cr Stubberfield	A
Cr Vankova	N

Elected Member Meeting Attendance / Special Council Meetings 2024/2025

Meeting Date	16 August 2024	5 February 2024
Cr Bellottie	N	A
Cr Cowell President	A	N
Cr Fenny	A	A
Cr Ridgley	A	A
Cr Smith	A	A
Cr Stubberfield	A	A
Cr Vankova	A	N

Regulation - 19B (2) (h)

Elected Member Age Groups

Councillor Age Group	30-40 Years of Age	41-50 Years of Age	51-60 Years of Age	61-70 Years of Age
	0	2	1	4

Regulation - 19B (2) (i)

Aboriginal or Torres-Strait Islander Councillor's for 2024/2025

Aboriginal Councillor's 1

Torres-Strait Islander Councillor's 0

Regulation - 19B (2) (j)

There were no modifications made to the Shire of Shark Bay's Strategic Community Plan during the 2024/2025 financial year.

Regulation - 19B (2) (k)

There were no significant modifications made to the Shire of Shark Bay's Corporate Business Plan during the 2024/2025 financial year.

Regulation – 29C (2) (d)

The name of each Council member who lodged a primary return or annual return for the 2024/2025 financial year.

Councillor Name	Annual Return Completed	Primary Return Completed
Cr Bellottie	21 July 2025	COMPLETE
Cr Cowell - President	22 July 2025	
Cr Fenny	27 August 2025	
Cr Ridgley	8 August 2025	
Cr Smith	27 August 2025	
Cr Stubberfield	12 August 2025	
Cr Vankova	7 August 2025	

Regulation – 29C (2) (e)

The position of each employee who lodged a primary return or annual return for the 2024/2025 financial year

Employee Position	Annual Return Completed	Primary Return Completed
Chief Executive Officer	7 July 2025	COMPLETE
Manager Finance and Administration	22 July 2025	
Executive Manager Community Development	5 August 2025	
Works Manager	15 August 2025	
Shark Bay World Heritage Discovery and Visitor Centre – Manager	7 July 2025	
Executive Assistant	7 July 2025	
Supervisor – Town	19 August 2025	
Supervisor – Bush Crew	4 August 2025	
Ranger	5 August 2025	
Team Leader – Shark Bay World Heritage Discovery and Visitor Centre	4 August 2025	
Administration Officer Works / Assets Coordinator	14 July 2025	
Revenue and Payroll Officer	4 August 2025	
Expenditure Finance Officer	9 July 2025	
Customer Service Officer		
Administration Officer		

Local Government Act 1995 Section 5.127 – Report on training

S5.127 (1) A local government must prepare a report for each financial year on the training completed by council members in the financial year.

Elected Member Training Attendance 2024/2025

- Cr Bellottie
- Cr Cowell
- Cr Fenny
- Cr Ridgley
- Cr Smith
- Cr Stubberfield
- Cr Vankova

Local Government Act 1995 Section 5.53 (2) (i) Administration Regulations 19BD – Information on Payments to Council Members

S5.53 (2)(i) Administration Regulations 19BD Annual reports for a financial year beginning on or after 1 July 2022 are to include information relating to fees, expenses or allowances paid during the financial year for each person who is a Council member, mayor or president:

- Detailing the nature of the fee, expense or allowance; and
- The total amount/value for each class of fee, expense or allowance.

Payments made to Councillor’s for the 2024/2025 Financial Year.

Councillor Name President Allowance Deputy President Allowance Annual Meeting Attendance Fees Information Technology Fees Reimbursements

Councillor Name	President Allowance	Deputy President Allowance	Annual Meeting Attendance Fees	Information Technology Fees
Cr Bellottie	\$5,905	\$0.00	\$2,175.00	\$0.00
Cr Cowell	\$12,963	\$12,920.00	\$2,175.00	\$0.00
Cr Fenny	\$5,905.00	\$0.00	\$2,175.00	\$0.00
Cr Ridgley	\$5,905.00	\$0.00	\$2,175.00	\$0.00
Cr Smith	\$5,905.00	\$0.00	\$2,175.00	\$0.00
Cr Stubberfield	\$5,905.00	\$3,245.00	\$2,175.00	\$0.00
Cr Vankova	\$5,905.00	\$0.00	\$2,175.00	\$0.00

STRATEGIC COMMUNITY PLAN 2023-2033

The Strategic Community Plan is Council's principal 10-year strategy and planning tool. Guiding the remainder of the Shire's strategic planning, the Strategic Community Plan is underpinned by community engagement to provide the community's vision and aspirations.

An essential element of the development process is to enable community members and stakeholders to participate in shaping the future of the community, identifying issues and solutions.

Economic Objective

A progressive, resilient and diverse local economy

Outcome 1 - Provide appropriate transport infrastructure and services

Achievements

- Delivered the 2024/25 road capital works and maintenance program in accordance with the adopted Budget.
- Completed upgrades and resurfacing works to Durlacher Street, Airport Road and Useless Loop Road.
- Undertook routine grading, drainage improvements and shoulder maintenance across the Shire's road network.
- Extended and maintained dual-use pathways to improve pedestrian and cycling safety and connectivity.
- Completed the Denham Boat Ramp finger jetty, improving access for recreational, fishers and visitors, and spreading the overall boating effort across jetty and boat ramp infrastructure.

Outcome 2 - Support local business and encourage further investment within the district

Achievements

- Provided responsive planning and building services to support residential, tourism and commercial development applications.
- Progressed updates to the Local Planning Strategy to support long-term land use planning and investment certainty.
- Continued advocacy to DevelopmentWA regarding land release to address housing demand and enable economic growth.
- Advanced workforce and essential worker accommodation planning to strengthen business continuity and workforce retention.
- Supported local businesses and community groups through direct sharing of grant opportunities and funding pathways.
- Delivered capacity-building workshops, including grant writing and digital capability sessions.
- Continued operation of the Shark Bay World Heritage Discovery and Visitor Centre, providing visitor servicing and tourism bookings.
- Delivered destination marketing initiatives promoting Shark Bay as a nature-based and dark-sky tourism destination.
- Maintained memberships and engagement with regional and state tourism bodies.
- Contributed to development of the Gascoyne Regional Arts Plan in partnership with regional stakeholders.



Environmental Objective

Maintain our community infrastructure and support protection of the unique natural environment

Outcome 3 – A natural environment for the benefit and enjoyment of current and future generations

Achievements

- Supported Clean Up Australia Day activities across multiple community locations.
- Continued operation of the Shark Bay Recycling Centre in partnership with Containers for Change and the ABC Foundation.
- Supported community participation in recycling initiatives and waste reduction practices.
- Progressed environmental planning initiatives including works associated with the Little Lagoon area.
- Continued streetscape and public realm improvements enhancing the town environment.

Outcome 4 - A well-planned built environment and infrastructure supporting our community

Achievements

- Delivered routine maintenance and renewal across parks, playgrounds, housing, waste facilities and community buildings.
- Installed shade sails at playground and foreshore locations to improve amenity and sun protection.
- Completed town oval reticulation replacement and pump system upgrades.
- Upgraded George Wear Park public toilets and improved facilities at Charlie Sappie Park.
- Upgraded West End foreshore carpark and associated infrastructure.
- Commenced Denham foreshore revetment upgrades and coastal protection works.
- Completed Denham Boat Ramp finger jetty works enhancing marine infrastructure resilience.
- Installed accessible beach matting and provided beach wheelchairs at Denham Town Beach.
- Continued upgrades to the Shark Bay Recreation Centre and Discovery Centre including air-conditioning improvements.
- Expanded the Shire-owned childcare building to allow broader service provision and increased child capacity.
- Supported the independent childcare provider operating from the Shire-owned facility, enabling expanded early learning services.
- Implemented initiatives supporting attraction and retention of childcare workers in remote areas.



A safe, inclusive and connected community

Outcome 5 – Strong sense of spirit and pride in an inclusive community

Achievements

- Provided ongoing support to emergency services and volunteer organisations.
- Hosted Thank a Volunteer Day recognising the contribution of local volunteers.
- Continued review and strengthening of Local Emergency Management Arrangements.
- Strengthened emergency facility connectivity including satellite communications capability.
- Delivered Community Assistance Grants supporting local events, clubs and initiatives.
- Provided financial and in-kind support to a wide range of community activities and cultural events.
- Supported Youth Week and other youth engagement initiatives.
- Supported seniors' activities and community wellbeing programs.
- Continued management of the Herald Denham Centre Independent Living units, supporting ageing-in-place.
- Expanded childcare availability, supporting working families and community participation.
- Extended dual-use pathways improving accessibility and recreation opportunities.

Leadership Objective

A transparent, resilient organisation demonstrating leadership and governance

Outcome 6 – A strategically focused, unified Council, functioning efficiently

Achievements

- Reviewed and aligned strategic and operational planning documents with adopted frameworks.
- Maintained active participation in regional boards, committees and sector working groups.
- Undertook Councillor training and governance development activities.
- Maintained strong financial management aligned with long-term financial planning.

Outcome 7 – A transparent, resilient organisation demonstrating leadership and governance

Achievements

- Maintained monthly financial reporting and formal budget reviews.
- Continued delivery of core local government services including waste collection, street lighting and recreation facilities.
- Maintained community communications through Bulk SMS alerts, social media and public notices.
- Administered Community Assistance Grant funding with transparent reporting and accountability.
- Supported emergency management governance, preparedness and recovery planning.
- Ensured ongoing legislative and regulatory compliance across operational areas.



The Shire of Shark Bay would like to acknowledge the Malgana Peoples as the traditional custodians of the land and sea in and around the Shire of Shark Bay. They pay their respects to their Elders past, present and emerging.

SHIRE OF SHARK BAY
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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

Shark Bay is a proud, unified community, respecting and sharing our pristine environment and great lifestyle.

Principal place of business:
65 Knight Terrace
Denham WA 6537

**SHIRE OF SHARK BAY
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

*Local Government Act 1995
Local Government (Financial Management) Regulations 1996*

Statement by CEO

The accompanying financial report of the Shire of Shark Bay has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2025 and the financial position as at 30 June 2025.

At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the 11th day of DECEMBER 2025



CEO

Dale Chapman
Name of CEO



**SHIRE OF SHARK BAY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025 Actual	2025 Budget	2024 Actual *Restated
		\$	\$	\$
Revenue				
Rates	2(a),23	1,779,510	1,777,151	1,599,200
Grants, subsidies and contributions	2(a)	3,142,179	1,866,832	2,902,199
Fees and charges	2(a)	1,693,618	1,945,256	1,600,481
Interest revenue	2(a)	365,091	187,495	375,818
Other revenue	2(a)	169,959	159,950	317,809
		7,150,357	5,936,684	6,795,507
Expenses				
Employee costs	2(b)	(2,262,884)	(2,842,506)	(2,191,203)
Materials and contracts		(3,390,487)	(3,136,420)	(1,857,552)
Utility charges		(212,770)	(206,052)	(211,166)
Depreciation		(5,242,218)	(5,383,369)	(4,898,073)
Finance costs	2(b)	(66,209)	(19,308)	(14,753)
Insurance		(253,572)	(251,047)	(242,064)
Other expenditure	2(b)	(446,724)	(235,324)	(226,970)
		(11,874,864)	(12,074,026)	(9,641,781)
		(4,724,507)	(6,137,342)	(2,846,274)
Capital grants, subsidies and contributions	2(a)	5,832,176	7,507,681	3,327,374
Profit on asset disposals		25,732	29,000	14,082
Loss on asset disposals		(87,637)	(67,000)	(132,249)
Fair value adjustments to financial assets at fair value through profit or loss	4	(1,776)	0	841
		5,768,495	7,469,681	3,210,048
Net result for the period		1,043,988	1,332,339	363,774
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	15	0	0	(63,463)
Total other comprehensive income for the period	15	0	0	(63,463)
Total comprehensive income for the period		1,043,988	1,332,339	300,311

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

*Refer to Note 27 Correction of Prior Period Error



William Buck Audit (WA) Pty Ltd

**SHIRE OF SHARK BAY
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025**

	Note	2025	2024
		\$	*Restated \$
CURRENT ASSETS			
Cash and cash equivalents	3	10,595,904	13,891,860
Trade and other receivables	5	558,931	113,204
Inventories	6	135,734	120,918
Other assets	7	405,331	50,945
TOTAL CURRENT ASSETS		11,695,900	14,176,927
NON-CURRENT ASSETS			
Trade and other receivables	5	11,720	12,635
Other financial assets	4	39,810	41,586
Property, plant and equipment	8	31,702,790	29,915,898
Infrastructure	9	69,741,338	69,865,309
TOTAL NON-CURRENT ASSETS		101,495,658	99,835,428
TOTAL ASSETS		113,191,558	114,012,355
CURRENT LIABILITIES			
Trade and other payables	11	828,735	1,290,153
Contract liabilities	12	74,537	139,996
Capital grant/contributions liabilities	12	399,600	3,561,702
Borrowings	13	200,500	35,098
Employee related provisions	14	181,312	216,057
TOTAL CURRENT LIABILITIES		1,684,684	5,243,006
NON-CURRENT LIABILITIES			
Borrowings	13	2,352,095	632,076
Employee related provisions	14	36,862	63,344
TOTAL NON-CURRENT LIABILITIES		2,388,957	695,420
TOTAL LIABILITIES		4,073,641	5,938,426
NET ASSETS		109,117,917	108,073,929
EQUITY			
Retained surplus		40,822,326	39,933,530
Reserve accounts	26	5,340,610	5,185,418
Revaluation surplus	15	62,954,981	62,954,981
TOTAL EQUITY		109,117,917	108,073,929

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

*Refer to Note 27 Correction of Prior Period Error



William Buck Audit (WA) Pty Ltd

**SHIRE OF SHARK BAY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	Retained surplus \$	Reserve accounts \$	Revaluation surplus \$	Total equity \$
Balance as at 1 July 2023		39,744,832	5,010,342	63,018,444	107,773,618
Comprehensive income for the period					
Net result for the period (restated)		363,774	0	0	363,774
Other comprehensive loss for the period	15	0	0	(63,463)	(63,463)
Total comprehensive income for the period (restated)		363,774	0	(63,463)	300,311
Transfers to reserve accounts	26	(175,076)	175,076	0	0
Balance as at 30 June 2024 (restated)		39,933,530	5,185,418	62,954,981	108,073,929
Comprehensive income for the period					
Net result for the period		1,043,988	0	0	1,043,988
Total comprehensive income for the period		1,043,988	0	0	1,043,988
Transfers to reserve accounts	26	(155,192)	155,192	0	0
Balance as at 30 June 2025		40,822,326	5,340,610	62,954,981	109,117,917

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

William Buck Audit (WA) Pty Ltd



**SHIRE OF SHARK BAY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025**

Note	2025 Actual \$	2024 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Rates	1,480,933	1,584,286
Grants, subsidies and contributions	3,076,720	2,901,279
Fees and charges	1,464,283	1,600,481
Interest revenue	365,091	375,818
Goods and services tax received	930,147	579,688
Other revenue	169,959	317,809
	7,487,133	7,359,361
Payments		
Employee costs	(2,435,977)	(2,498,897)
Materials and contracts	(4,128,805)	(1,383,730)
Utility charges	(212,770)	(211,166)
Finance costs	(66,209)	(14,753)
Insurance paid	(253,572)	(242,064)
Goods and services tax paid	(999,793)	(590,090)
Other expenditure	(274,414)	(226,970)
	(8,371,540)	(5,167,670)
Net cash (used in)/provided by operating activities	(884,407)	2,191,691
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for purchase of property, plant & equipment	8(a) (3,591,525)	(2,767,076)
Payments for construction of infrastructure	9(a) (3,533,424)	(1,744,234)
Proceeds from capital grants, subsidies and contributions	2,670,074	3,804,353
Proceeds from sale of property, plant & equipment	157,905	337,909
Net cash (used in) investing activities	(4,296,970)	(369,048)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	25(a) (114,579)	(34,324)
Proceeds from new borrowings	25(a) 2,000,000	0
Net cash provided by (used in) financing activities	1,885,421	(34,324)
Net (decrease) increase in cash held	(3,295,956)	1,788,319
Cash at beginning of year	13,891,860	12,103,541
Cash and cash equivalents at the end of the year	10,595,904	13,891,860

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

William Buck Audit (WA) Pty Ltd



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

Note	2025 Actual	2025 Budget	2024 Actual *Restated
	\$	\$	\$
OPERATING ACTIVITIES			
Revenue from operating activities			
General rates	1,652,603	1,651,194	1,476,966
Rates excluding general rates	126,907	125,957	122,234
Grants, subsidies and contributions	3,142,179	1,866,832	2,902,199
Fees and charges	1,693,618	1,945,256	1,600,481
Interest revenue	365,091	187,495	375,818
Other revenue	169,959	159,950	317,809
Profit on asset disposals	25,732	29,000	14,082
Fair value adjustments to financial assets at fair value through profit or loss	0	0	841
	7,176,089	5,965,684	6,810,430
Expenditure from operating activities			
Employee costs	(2,262,884)	(2,842,506)	(2,191,203)
Materials and contracts	(3,390,487)	(3,136,420)	(1,857,552)
Utility charges	(212,770)	(206,052)	(211,166)
Depreciation	(5,242,218)	(5,383,369)	(4,898,073)
Finance costs	(66,209)	(19,308)	(14,753)
Insurance	(253,572)	(251,047)	(242,064)
Other expenditure	(446,724)	(235,324)	(226,970)
Loss on asset disposals	(87,637)	(67,000)	(132,249)
Fair value adjustments to financial assets at fair value through profit or loss	(1,776)	0	0
	(11,964,277)	(12,141,026)	(9,774,030)
Non-cash amounts excluded from operating activities	5,280,332	5,421,369	5,034,215
Amount attributable to operating activities	492,144	(753,973)	2,070,615
INVESTING ACTIVITIES			
Inflows from investing activities			
Capital grants, subsidies and contributions	5,832,176	7,507,681	3,327,374
Proceeds from disposal of assets	157,905	188,000	337,909
	5,990,081	7,695,681	3,665,283
Outflows from investing activities			
Acquisition of property, plant and equipment	(3,591,525)	(8,495,555)	(2,767,076)
Acquisition of infrastructure	(3,533,424)	(3,752,756)	(1,744,234)
	(7,124,949)	(12,248,311)	(4,511,310)
Amount attributable to investing activities	(1,134,868)	(4,552,630)	(846,027)
FINANCING ACTIVITIES			
Inflows from financing activities			
Proceeds from borrowings	2,000,000	2,000,000	0
Transfers from reserve accounts	0	1,148,000	0
	2,000,000	3,148,000	0
Outflows from financing activities			
Repayment of borrowings	(114,579)	(35,097)	(34,324)
Transfers to reserve accounts	(155,192)	(1,238,033)	(175,076)
	(269,771)	(1,273,130)	(209,400)
Non-cash amounts excluded from financing activities	(2,000,000)	0	0
Amount attributable to financing activities	(269,771)	1,874,870	(209,400)
MOVEMENT IN SURPLUS OR DEFICIT			
Surplus or deficit at the start of the financial year	3,783,601	3,431,733	2,768,413
Amount attributable to operating activities	492,144	(753,973)	2,070,615
Amount attributable to investing activities	(1,134,868)	(4,552,630)	(846,027)
Amount attributable to financing activities	(269,771)	1,874,870	(209,400)
Surplus or deficit after imposition of general rates	2,871,106	0	3,783,601

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

*Refer to Note 27 Correction of Prior Period Error



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

1. BASIS OF PREPARATION

The financial report of the Shire of Shark Bay which is a Class 4 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the *Local Government Act 1995*, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied except for disclosure requirements of:

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

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

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

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

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

Critical accounting estimates and judgements

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment - note 8
 - Infrastructure - note 9
- Measurement of employee benefits - note 14
- Assets held for sale - note 7
- Measurement of provisions - note 14

Fair value hierarchy information can be found in note 22

The local government reporting entity

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

All monies held in the Trust Fund are excluded from the financial statements.

Initial application of accounting standards

During the current year, the following new or revised Australian Accounting Standards and Interpretations were applied for the first time.

- AASB 2020-1 Amendments to Australian Accounting Standards
 - Classification of Liabilities as Current or Non-current
- AASB 2022-5 Amendments to Australian Accounting Standards
 - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards
 - Non-current Liabilities with Covenants
- AASB 2023-3 Amendments to Australian Accounting Standards
 - Disclosure of Non-current Liabilities with Covenants: Tier 2
- AASB 2024-1 Amendments to Australian Accounting Standards
 - Supplier Finance Arrangements: Tier 2 Disclosures
- AASB 2023-1 Amendments to Australian Accounting Standards
 - Supplier Finance Arrangements

These amendments did not have a material impact on the financial report on initial application.

- AASB 2022-10 Amendments to Australian Accounting Standards
 - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

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

New accounting standards for application in future years

The following new accounting standards will have application to local government in future years:

- AASB 2014-10 Amendments to Australian Accounting Standards
 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2024-4b Amendments to Australian Accounting Standards
 - Effective Date of Amendments to AASB 10 and AASB 128 [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-9 Amendments to Australian Accounting Standards
 - Insurance Contracts in the Public Sector
- AASB 2023-5 Amendments to Australian Accounting Standards
 - Lack of Exchangeability
- AASB 18 (FP) Presentation and Disclosure in Financial Statements
 - (Appendix D) [for for-profit entities]
- AASB 18 (NFP/super) Presentation and Disclosure in Financial Statements
 - (Appendix D) [for not-for-profit and superannuation entities]
- AASB 2024-2 Amendments to Australian Accounting Standards
 - Classification and Measurement of Financial Instruments
- AASB 2024-3 Amendments to Australian Accounting Standards
 - Annual Improvements Volume 11

These amendments are not expected to have any material impact on the financial report on initial application.

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

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/refunds/warranties	Timing of revenue recognition
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - sale of stock	Kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

Consideration from contracts with customers is included in the transaction price.

Revenue recognition

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

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

For the year ended 30 June 2025

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,779,510	0	1,779,510
Grants, subsidies and contributions	1,302,053	0	0	1,840,126	3,142,179
Fees and charges	1,015,439	0	24,433	653,746	1,693,618
Interest revenue	0	0	30,578	334,513	365,091
Other revenue	123,945	0	0	46,014	169,959
Capital grants, subsidies and contributions	0	5,832,176	0	0	5,832,176
Total	2,441,437	5,832,176	1,834,521	2,874,399	12,982,533

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions (Restated)	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,599,200	0	1,599,200
Grants, subsidies and contributions	705,650	0	0	2,196,549	2,902,199
Fees and charges	1,156,996	0	18,511	424,974	1,600,481
Interest revenue	0	0	6,712	369,106	375,818
Other revenue	151,796	0	0	166,013	317,809
Capital grants, subsidies and contributions	0	3,327,374	0	0	3,327,374
Total	2,014,442	3,327,374	1,624,423	3,156,642	10,122,881

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Note	2025 Actual \$	2024 Actual \$
Interest revenue		
Interest on reserve account	155,192	160,078
Trade and other receivables overdue interest	30,578	6,712
Other interest revenue	179,321	209,028
	365,091	375,818
The 2025 original budget estimate in relation to:		
Fees and charges relating to rates receivable		
Charges on instalment plan	6,724	6,917
The 2025 original budget estimate in relation to: Charges on instalment plan was \$7,000.		
(b) Expenses		
Auditors remuneration		
- Audit of the Annual Financial Report	43,127	40,400
- Other services – grant acquittals	11,750	6,150
	54,877	46,550
Employee Costs		
Employee benefit costs	2,218,138	2,103,619
Other employee costs	44,746	87,584
	2,262,884	2,191,203
Finance costs		
Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	66,209	14,753
	66,209	14,753
Other expenditure		
Sundry expenses	446,724	226,970
	446,724	226,970

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

3. CASH AND CASH EQUIVALENTS

Note	2025	2024 (Restated)
	\$	\$
Cash at bank and on hand	8,571,626	7,944,718
Term deposits	2,024,278	5,947,142
Total cash and cash equivalents	10,595,904	13,891,860
Held as		
- Unrestricted cash and cash equivalents	2,781,157	5,004,744
- Restricted cash and cash equivalents	16 7,814,747	8,887,116
	10,595,904	13,891,860

MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents

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

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

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

Restricted financial assets

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

4. OTHER FINANCIAL ASSETS

Note	2025	2024
	\$	\$
Non-current assets		
Financial assets at fair value through profit or loss	39,810	41,586
	39,810	41,586
Financial assets at fair value through profit or loss		
Units in Local Government House Trust - opening balance	41,586	40,745
Movement attributable to fair value	(1,776)	841
Units in Local Government House Trust - closing balance	39,810	41,586

MATERIAL ACCOUNTING POLICIES

Financial assets at fair value through profit or loss

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

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

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

5. TRADE AND OTHER RECEIVABLES

Current

Rates and statutory receivables
 Trade receivables
 Other receivables
 GST receivable
 Allowance for credit losses of rates and statutory receivables

Non-current

Rates and statutory receivables
 Receivables for employee related provisions

Note	2025	2024
	\$	\$
	333,495	39,466
	259,810	30,475
	57,888	32,861
	80,048	10,402
	(172,310)	0
	558,931	113,204
	11,720	12,039
	0	596
	11,720	12,635

Disclosure of opening and closing balances related to contracts with customers

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

Trade and other receivables from contracts with customers
 Contract assets
 Total trade and other receivables from contracts with customers

Note	30 June 2025 Actual	30 June 2024 Actual	1 July 2023 Actual
	\$	\$	\$
	171,239	30,475	0
7	405,331	50,945	0
	576,570	81,420	0

MATERIAL ACCOUNTING POLICIES

Rates and statutory receivables

Rates and statutory receivables are non-contractual receivables arising from statutory requirements and include amounts due from ratepayers for unpaid rates and service charges and other statutory charges or fines.

Rates and statutory receivables are recognised when the taxable event has occurred and can be measured reliably.

Trade receivables

Trade receivables are amounts receivable from contractual arrangements with customers for goods sold, services performed or grants or contributions with sufficiently specific performance obligations or for the construction of recognisable non financial assets as part of the ordinary course of business.

Other receivables

Other receivables are amounts receivable from contractual arrangements with third parties other than contracts with customers and amounts received as grants for the construction of recognisable non financial assets.

Measurement

Trade and other receivables are recognised initially at the amount of the transaction price, unless they contain a significant financing component, and are to be recognised at fair value.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore the Shire measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

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

6. INVENTORIES

Current

Fuel and materials
 Visitor centre stock

	2025	2024
	\$	\$
	14,440	11,748
	121,294	109,170
	135,734	120,918
	120,918	129,762
	(76,980)	(194,932)
	91,796	186,088
	135,734	120,918

The following movements in inventories occurred during the year:

Balance at beginning of year

Inventories expensed during the year

Additions to inventory

Balance at end of year

MATERIAL ACCOUNTING POLICIES

General

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

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

7. OTHER ASSETS

Other assets - current

Accrued income

Contract assets

	2025	2024
	\$	\$
	0	50,945
	405,331	0
	405,331	50,945

MATERIAL ACCOUNTING POLICIES

Contract assets

Contract assets primarily relate to the Shire's right to consideration for work completed but not billed at the end of the period.

Impairment of assets associated with contracts with customers are detailed at Note 2 (b), if any.

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

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in balances

Movement in the balances of each class of property, plant and equipment between the beginning and the end of the current financial year.

	Note	Total property				Plant and equipment			Total property, plant and equipment
		Land	Buildings	Work in progress	Total property	Furniture and equipment	Plant and equipment	Heritage assets	
		\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023		2,005,000	22,721,903	0	24,726,903	622,020	3,158,998	233,249	28,741,170
Additions		0	63,749	1,819,469	1,883,218	83,208	800,650	0	2,767,076
Disposals		0	0	0	0	0	(456,076)	0	(456,076)
Depreciation		0	(679,748)	0	(679,748)	(137,557)	(302,224)	(16,743)	(1,136,272)
Balance at 30 June 2024		2,005,000	22,105,904	1,819,469	25,930,373	567,671	3,201,348	216,506	29,915,898
Comprises:									
Gross balance amount at 30 June 2024		2,005,000	36,044,438	1,819,469	39,868,907	1,220,442	4,046,206	319,735	45,455,290
Accumulated depreciation at 30 June 2024		0	(13,938,534)	0	(13,938,534)	(652,771)	(844,858)	(103,229)	(15,539,392)
Balance at 30 June 2024	8(b)	2,005,000	22,105,904	1,819,469	25,930,373	567,671	3,201,348	216,506	29,915,898
Additions		0	249,221	2,546,206	2,795,427	29,460	766,638	0	3,591,525
Disposals		0	0	0	0	0	(219,810)	0	(219,810)
Depreciation		0	(1,063,659)	0	(1,063,659)	(142,973)	(359,332)	(18,859)	(1,584,823)
Balance at 30 June 2025		2,005,000	21,291,466	4,365,675	27,662,141	454,158	3,388,844	197,647	31,702,790
Comprises:									
Gross balance amount at 30 June 2025		2,005,000	36,293,659	4,365,675	42,664,334	1,249,901	4,496,591	319,735	48,730,561
Accumulated depreciation at 30 June 2025		0	(15,002,193)	0	(15,002,193)	(795,743)	(1,107,747)	(122,088)	(17,027,771)
Balance at 30 June 2025	8(b)	2,005,000	21,291,466	4,365,675	27,662,141	454,158	3,388,844	197,647	31,702,790

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

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying amount measurements

Asset class	Note	Carrying amount 2025 \$	Carrying amount 2024 \$	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date								
Land and buildings								
Land - market value	8(a)	2,005,000	2,005,000	2	Market approach using recent observable market data for similar properties	Independent Registered Valuers	June 2023	Price per hectare
Buildings - non specialised		3,721,543	3,721,543	2	Market approach using recent observable market data for similar properties	Independent Registered Valuers	June 2023	Observable open market values of similar assets, adjusted for conditions and comparability at their highest and best use.
Buildings - specialised		17,569,923	18,384,361	3	Cost approach using current replacement cost	Independent Registered Valuers	June 2023	Construction costs, current condition, residual values and remaining useful life assessments.
Total buildings	8(a)	21,291,466	22,105,904					

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

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs. The valuation techniques applied to property subject to lease was the same as that applied to property not subject to lease.

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

9. INFRASTRUCTURE

(a) Movements in balances

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

	Infrastructure - roads	Infrastructure - footpaths	Infrastructure - drainage	Infrastructure - public facilities	Infrastructure - work in progress	Total infrastructure
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023	58,459,821	2,455,624	3,452,898	7,570,200	7,796	71,946,339
Additions	730,469	164,660	0	431,249	417,856	1,744,234
Revaluation increments / (decrements) transferred to revaluation surplus	(3,959,503)	737,302	3,158,738	0	0	(63,463)
Depreciation	(2,801,405)	(115,189)	(278,139)	(567,068)	0	(3,761,801)
Balance at 30 June 2024	52,429,382	3,242,397	6,333,497	7,434,381	425,652	69,865,309
Comprises:						
Gross balance at 30 June 2024	69,106,137	4,096,028	8,615,665	13,369,799	425,652	95,613,281
Accumulated depreciation at 30 June 2024	(16,676,755)	(853,631)	(2,282,168)	(5,935,418)	0	(25,747,972)
Balance at 30 June 2024	52,429,382	3,242,397	6,333,497	7,434,381	425,652	69,865,309
Additions	1,260,062	0	0	2,273,362	0	3,533,424
Depreciation	(2,554,273)	(63,491)	(77,056)	(962,575)	0	(3,657,395)
Transfers	0	0	0	425,652	(425,652)	0
Balance at 30 June 2025	51,135,171	3,178,906	6,256,441	9,170,820	0	69,741,338
Comprises:						
Gross balance at 30 June 2025	70,366,199	4,096,028	8,615,665	16,068,812	0	99,146,704
Accumulated depreciation at 30 June 2025	(19,231,028)	(917,122)	(2,359,224)	(6,897,992)	0	(29,405,366)
Balance at 30 June 2025	51,135,171	3,178,906	6,256,441	9,170,820	0	69,741,338

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

9. INFRASTRUCTURE (Continued)

(b) Carrying amount measurements

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date					
Infrastructure - roads	3	Cost approach using current replacement cost	Independent Registered Valuers	June 2024	Construction cost and current condition, residual values and remaining useful life assessments.
Infrastructure - footpaths	3	Cost approach using current replacement cost	Independent Registered Valuers	June 2024	Construction cost and current condition, residual values and remaining useful life assessments.
Infrastructure - drainage	3	Cost approach using current replacement cost	Independent Registered Valuers	June 2024	Construction cost and current condition, residual values and remaining useful life assessments.
Infrastructure - public facilities	3	Cost approach using current replacement cost	Independent Registered Valuers	June 2023	Construction cost and current condition, residual values and remaining useful life assessments.

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

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

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

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

Asset class	Useful life
Buildings	2 to 70 years
Furniture and equipment	5 to 18 years
Plant and equipment	5 to 25 years
Sealed roads and streets	
subgrade	not depreciated
pavement	45 to 80 years
seal	
- bituminous seals	6 to 67 years
- asphalt surfaces	10 to 25 years
Gravel roads	
subgrade	not depreciated
pavement	2 to 10 years
Footpaths	4 to 80 years
Drainage systems	
drains and kerbs	4 to 60 years
culverts, pipes and pits	14 to 70 years
Infrastructure public facilities	1 to 60 years
Heritage Assets	25 to 100 years
Streetscapes	10 to 50 years

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

10. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

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

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

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

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

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

Measurement after recognition

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

Reportable value

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

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

Revaluation

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

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

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

Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Depreciation

The depreciable amount of all property, plant and equipment and infrastructure, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation on revaluation

When an item of property, plant and equipment and infrastructure is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset; or
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Impairment

In accordance with *Local Government (Financial Management) Regulations 17A(4C)*, the Shire is not required to comply with *AASB 136 Impairment of Assets* to determine the recoverable amount of its non-financial assets that are land or buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls in circumstances where there has been an impairment indication of a general decrease in asset values.

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposal

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise.

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

11. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Prepaid rates
Accrued payroll liabilities
Bonds and deposits held
Accrued expenses
Contract retentions held

	2025	2024
	\$	\$
	575,776	242,677
	34,655	39,522
	0	87,435
	73,371	58,011
	43,127	862,508
	101,806	0
	828,735	1,290,153

MATERIAL ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are initially recognised at fair value when the Shire becomes a party to the contractual provisions of the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and any consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Prepaid rates

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the Shire recognises income for the prepaid rates that have not been refunded.

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

12. OTHER LIABILITIES

	2025	2024 (Restated)
	\$	\$
Current		
Contract liabilities	74,537	139,996
Capital grant/contributions liabilities	399,600	3,561,702
	<u>474,137</u>	<u>3,701,698</u>
Reconciliation of changes in contract liabilities		
Opening balance	139,996	193,018
Additions	74,537	139,996
Revenue from contracts with customers included as a contract liability at the start of the period	(139,996)	(193,018)
	<u>74,537</u>	<u>139,996</u>
The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$74,536 (2024: \$139,996)		
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	3,561,702	3,084,723
Additions	399,600	4,346,304
Revenue from capital grant/contributions held as a liability at the start of the period	(3,561,702)	(3,869,325)
	<u>399,600</u>	<u>3,561,702</u>
Expected satisfaction of capital grant/contribution liabilities		
Less than 1 year	399,600	3,561,702
	<u>399,600</u>	<u>3,561,702</u>

Performance obligations in relation to capital grant/contribution liabilities are satisfied as project milestones are met or completion of construction or acquisition of the asset.

MATERIAL ACCOUNTING POLICIES

Contract liabilities

Contract liabilities represent the Shire's obligation to transfer goods or services to a customer for which the Shire has received consideration from the customer.

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

Capital grant/contribution liabilities

Capital grant/contribution liabilities represent the Shire's obligations to construct recognisable non-financial assets to identified specifications to be controlled by the Shire which are yet to be satisfied. Capital grant/contribution liabilities are recognised as income when the obligations in the contract are satisfied.

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

13. BORROWINGS

	Note	2025			2024		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Borrowings		200,500	2,352,095	2,552,595	35,098	632,076	667,174
Total secured borrowings	25(a)	200,500	2,352,095	2,552,595	35,098	632,076	667,174

Secured liabilities and assets pledged as security

Borrowings are secured by a floating charge over the assets of the Shire of Shark Bay.

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

MATERIAL ACCOUNTING POLICIES

Borrowing costs

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

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 22(i)) due to the unobservable inputs, including own credit risk.

Risk

Details of individual borrowings required by regulations are provided at Note 25(a).

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

14. EMPLOYEE RELATED PROVISIONS

Employee related provisions

	2025	2024
	\$	\$
Current provisions		
Employee benefit provisions		
Annual leave	88,095	105,309
Long service leave	71,920	84,896
	<u>160,015</u>	<u>190,205</u>
Employee related other provisions		
Employment on-costs	21,297	25,852
	<u>21,297</u>	<u>25,852</u>
Total current employee related provisions	<u>181,312</u>	<u>216,057</u>
Non-current provisions		
Employee benefit provisions		
Long service leave	32,335	55,565
	<u>32,335</u>	<u>55,565</u>
Employee related other provisions		
Employment on-costs	4,527	7,779
	<u>4,527</u>	<u>7,779</u>
Total non-current employee related provisions	<u>36,862</u>	<u>63,344</u>
Total employee related provisions	<u>218,174</u>	<u>279,401</u>

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Annual leave liabilities are classified as current, as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

MATERIAL ACCOUNTING POLICIES

Employee benefits

The Shire's obligations for employees' annual leave, long service leave and other employee leave entitlements are recognised as employee related provisions in the Statement of Financial Position.

Short-term employee benefits

Provision is made for the Shire's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

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

15. REVALUATION SURPLUS

	2025 Opening balance	2025 Closing balance	2024 Opening balance	Total Movement on revaluation	2024 Closing balance
	\$	\$	\$	\$	\$
Revaluation surplus - Land	12,979,453	12,979,453	12,979,453	0	12,979,453
Revaluation surplus - Furniture and equipment	659,571	659,571	659,571	0	659,571
Revaluation surplus - Plant and equipment	1,167,447	1,167,447	1,167,447	0	1,167,447
Revaluation surplus - Heritage assets	624,162	624,162	624,162	0	624,162
Revaluation surplus - Infrastructure - roads	38,457,779	38,457,779	42,417,282	(3,959,503)	38,457,779
Revaluation surplus - Infrastructure - footpaths	960,395	960,395	223,093	737,302	960,395
Revaluation surplus - Infrastructure - drainage	6,103,046	6,103,046	2,944,308	3,158,738	6,103,046
Revaluation surplus - Infrastructure - public facilities	2,003,128	2,003,128	2,003,128	0	2,003,128
	62,954,981	62,954,981	63,018,444	(63,463)	62,954,981

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

18. CONTINGENT LIABILITIES

At reporting date, the Shire has no sites that have been classified as 'possibly contaminated - investigation required' by the Department of Water and Environmental Regulation.

19. CAPITAL COMMITMENTS

	2025	2024
	\$	\$
Contracted for:		
- capital expenditure projects	63,837	3,762,492
	63,837	3,762,492
Payable:		
- not later than one year	63,837	3,762,492

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

20. RELATED PARTY TRANSACTIONS

(a) Council member remuneration

Fees, expenses and allowances to be paid or reimbursed to council members.

Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
President's annual allowance	12,620	12,963	12,465
President's meeting attendance fees	12,963	12,620	12,135
President's annual allowance for ICT expenses	2,175	2,175	2,175
	<u>27,758</u>	<u>27,758</u>	<u>26,775</u>
Deputy President's annual allowance	3,245	3,245	3,120
Deputy President's meeting attendance fees	6,141	6,141	5,905
Deputy President's annual allowance for ICT expenses	2,175	2,175	2,175
	<u>11,561</u>	<u>11,561</u>	<u>11,200</u>
All other council member's meeting attendance fees	30,705	30,705	29,525
All other council member's annual allowance for ICT expenses	10,875	10,875	10,875
	<u>41,580</u>	<u>41,580</u>	<u>40,400</u>
20(b)	<u>80,899</u>	<u>80,899</u>	<u>78,375</u>

(b) Key management personnel (KMP) compensation

The total of compensation paid to KMP of the Shire during the year are as follows:

Short-term employee benefits	409,235	484,281
Post-employment benefits	60,425	66,711
Employee - other long-term benefits	46,799	88,652
Employee - termination benefits	0	20,288
Council member costs	80,899	78,375
20(a)	<u>597,358</u>	<u>738,307</u>

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Termination benefits

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

Council member costs

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

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

20. RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with related parties

Transactions between related parties and the Shire are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.

No outstanding balances or provisions for doubtful debts or guarantees exist in relation to related parties at year end.

In addition to KMP compensation above the following transactions occurred with related parties:

	2025	2024
	Actual	Actual
	\$	\$
Sale of goods and services - Key Management Personnel	49,476	45,506
Short term employee benefits - other related parties	31,535	160,926

(d) Related parties

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

Outside normal citizen type transactions with the Shire. There were no other related party transactions involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

iii. Entities subject to significant influence by the Shire

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

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

21. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial year that have a significant effect on the financial statements.

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

22. OTHER MATERIAL ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Interest revenue

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

i) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

j) Impairment of assets

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

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

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

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

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

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

23. RATING INFORMATION

(a) General rates

RATE TYPE	Basis of valuation	Rate in \$	Number of properties	2024/25 Actual rateable value*	2024/25 Actual rate revenue	2024/25 Actual interim rates	2024/25 Actual total revenue	2024/25 Budget rate revenue	2024/25 Budget interim rate	2024/25 Budget total revenue	2023/24 Actual total revenue
Rateable property	Gross rental valuation	0.1063	362	5,119,130	544,317	1,044	545,361	544,312	0	544,312	539,719
Other	Gross rental valuation	0.1170	133	5,358,374	626,715	2,324	629,039	627,633	0	627,633	0
Commercial	Gross rental valuation	0	0	0	0	0	0	0	0	0	245,141
Vacant	Gross rental valuation	0	0	0	0	0	0	0	0	0	31,745
Rural Commercial	Gross rental valuation	0	0	0	0	0	0	0	0	0	36,290
Industrial	Gross rental valuation	0	0	0	0	0	0	0	0	0	74,795
Resort	Gross rental valuation	0	0	0	0	0	0	0	0	0	165,400
Rateable property	Unimproved valuation	0.1575	7	1,074,136	169,176	0	169,176	169,176	0	169,176	122,262
Pastoral	Unimproved valuation	0.1050	11	555,676	58,346	0	58,346	58,346	0	58,346	54,274
Mining/Exploration	Unimproved valuation	0.2100	12	1,198,702	251,728	(1,047)	250,681	251,727	0	251,727	0
Mining	Unimproved valuation	0	0	0	0	0	0	0	0	0	2,024
Exploration	Unimproved valuation	0	0	0	0	0	0	0	0	0	205,316
Total general rates			525	13,306,018	1,650,282	2,321	1,652,603	1,651,194	0	1,651,194	1,476,966
Minimum payment		Minimum payment \$									
Rateable property	Gross rental valuation	950	93	302,185	88,350	0	88,350	88,350	0	88,350	15,007
Other	Gross rental valuation	950	21	119,480	19,950	0	19,950	19,000	0	19,000	0
Commercial	Gross rental valuation	0	0	0	0	0	0	0	0	0	14,722
Vacant	Gross rental valuation	0	0	0	0	0	0	0	0	0	71,012
Rural Commercial	Gross rental valuation	0	0	0	0	0	0	0	0	0	2,735
Industrial	Gross rental valuation	0	0	0	0	0	0	0	0	0	1,732
Rateable property	Unimproved valuation	950	6	13,920	5,700	0	5,700	5,700	0	5,700	3,954
Pastoral	Unimproved valuation	950	0	0	0	0	0	0	0	0	0
Mining/Exploration	Unimproved valuation	950	2	4,935	1,900	0	1,900	1,900	0	1,900	0
Mining	Unimproved valuation	0	0	0	0	0	0	0	0	0	910
Exploration	Unimproved valuation	0	0	0	0	0	0	0	0	0	815
Total minimum payments			122	440,520	115,900	0	115,900	114,950	0	114,950	110,887
Total general rates and minimum payments			647	13,746,538	1,766,182	2,321	1,768,503	1,766,144	0	1,766,144	1,587,853
Specified area rates		Rate in \$									
Monkey Mia Bore Replacement	Gross rental valuation	0.0106	1	1,411,050	14,999	0	14,999	15,000	0	15,000	14,999
Concessions							(3,992)			(3,993)	(3,652)
Total rates							1,779,510			1,777,151	1,599,200
(a) Rates related information											
Rates instalment plan charges							6,724			6,797	6,917
Rates overdue interest							30,578			5,245	6,712
Rates written off							247			0	0

*Rateable Value at time of raising of rate.

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

24. DETERMINATION OF SURPLUS OR DEFICIT

	2024/25 (30 June 2025 carried forward)	2024/25 Budget (30 June 2025 carried forward)	2023/24 (30 June 2024 carried forward)
Note	\$	\$	\$
(a) Non-cash amounts excluded from operating activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to operating activities			
	(25,732)	(29,000)	(14,082)
	596	0	0
	1,776	0	(841)
	87,637	67,000	132,249
10(a)	5,242,218	5,383,369	4,898,073
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates	319	0	(1,418)
Employee benefit provisions	(26,482)	0	20,234
Non-cash amounts excluded from operating activities	5,280,332	5,421,369	5,034,215
(b) Non-cash amounts excluded from financing activities			
The following non-cash revenue or expenditure has been excluded from amounts attributable to financing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
Adjustments to financing activities			
	(2,000,000)	0	0
25(b)	(2,000,000)	0	0
Non-cash amounts excluded from financing activities	(2,000,000)	0	0
(c) Surplus or deficit after imposition of general rates			
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.			
Adjustments to net current assets			
	(5,340,610)	(5,275,451)	(5,185,418)
	(2,000,000)	0	0
	200,500	35,888	35,098
26	(5,340,610)	(5,275,451)	(5,185,418)
25(b)	(2,000,000)	0	0
13	200,500	35,888	35,098
Total adjustments to net current assets	(7,140,110)	(5,239,563)	(5,150,320)
Net current assets used in the Statement of financial activity			
	11,695,900	5,759,168	14,176,927
	(1,684,684)	(519,605)	(5,243,006)
	(7,140,110)	(5,239,563)	(5,150,320)
Surplus or deficit after imposition of general rates	2,871,106	0	3,783,601

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

25. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual						Budget				
		Principal at 1 July 2023	New loans during 2023-24	Principal repayments during 2023-24	Principal at 30 June 2024	New loans during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025	Principal at 1 July 2024	New loans during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025
Town Oval Bore		\$ 701,498	\$ 0	\$ (34,324)	\$ 667,174	\$ 0	\$ (35,097)	\$ 632,077	\$ 632,850	\$ 0	\$ (35,097)	\$ 597,753
Essential Worker Accommodation		0	0	0	0	2,000,000	(79,482)	1,920,518	0	2,000,000	0	2,000,000
Total		701,498	0	(34,324)	667,174	2,000,000	(114,579)	2,552,595	632,850	2,000,000	(35,097)	2,597,753
Borrowing finance cost payments												
Purpose	Loan number	Institution	Interest rate	Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2025	Actual for year ending 30 June 2024					
Town Oval Bore	58	*WATC	2.24%	17/04/2040	\$ (19,442)	\$ (19,308)	\$ (14,753)					
Essential Worker Accommodation	59	*WATC	4.67%	19/12/2034	(46,767)	0	0					
Total					(66,209)	(19,308)	(14,753)					
Total finance cost payments					(66,209)	(19,308)	(14,753)					

* WA Treasury Corporation

(b) New borrowings - 2024/25

Particulars/purpose	Institution	Loan type	Term years	Interest rate	Amount borrowed		Amount (used)		Total interest and charges	Actual balance unspent
					2025 Actual	2025 Budget	2025 Actual	2025 Budget		
Essential Worker Accommodation	WATC	Debenture	10	4.67%	\$ 2,000,000	\$ 2,000,000	\$ 0	\$ 0	\$ 711,948	\$ 711,948
					2,000,000	2,000,000	0	0	711,948	711,948

* WA Treasury Corporation

(c) Unspent borrowings

Particulars	Institution	Date Borrowed	Unspent balance 1 July 2024	Borrowed during 2024-25	Expended during 2024-25	Unspent balance 30 June 2025
Essential Worker Accommodation	WATC	19/12/2024	\$ 0	\$ 2,000,000	\$ 0	\$ 2,000,000
			0	2,000,000	0	2,000,000

* WA Treasury Corporation

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

26. RESERVE ACCOUNTS

	2025 Actual opening balance	2025 Actual transfer to	2025 Actual transfer (from)	2025 Actual closing balance	2025 Budget opening balance	2025 Budget transfer to	2025 Budget transfer (from)	2025 Budget closing balance	2024 Actual opening balance	2024 Actual transfer to	2024 Actual transfer (from)	2024 Actual closing balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by legislation/agreement												
(a) Monkey Mia Bore reserve	14,999	0	0	14,999	14,999	15,000	0	29,999	0	14,999	0	14,999
	14,999	0	0	14,999	14,999	15,000	0	29,999	0	14,999	0	14,999
Restricted by council												
(b) Leave reserve	205,470	6,167	0	211,637	205,471	46,150	0	251,621	199,109	6,361	0	205,470
(c) Plant replacement reserve	692,824	20,795	0	713,619	692,823	115,033	0	807,856	671,374	21,450	0	692,824
(d) Infrastructure reserve	3,442,710	103,334	0	3,546,044	3,442,710	1,050,000	(1,148,000)	3,344,710	3,336,123	106,587	0	3,442,710
(e) Pensioner unit maintenance reserve	214,509	6,439	0	220,948	214,509	3,000	0	217,509	207,868	6,641	0	214,509
(f) Recreation facilities upgrade reserve	560,466	16,823	0	577,289	560,466	8,000	0	568,466	543,114	17,352	0	560,466
(g) Monkey Mia jetty reserve	23,281	699	0	23,980	23,281	350	0	23,631	22,560	721	0	23,281
(h) Shared fire system reserve	31,159	935	0	32,094	31,159	500	0	31,659	30,194	965	0	31,159
	5,170,419	155,192	0	5,325,611	5,170,419	1,223,033	(1,148,000)	5,245,452	5,010,342	160,077	0	5,170,419
	5,185,418	155,192	0	5,340,610	5,185,418	1,238,033	(1,148,000)	5,275,451	5,010,342	175,076	0	5,185,418

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

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

Name of reserve account	Purpose of the reserve account
Restricted by legislation/agreement	
(a) Monkey Mia Bore reserve	To be used to fund the replacement and major maintenance of the Monkey Mia Bore.
Restricted by council	
(b) Leave reserve	To be used for the provision of employees long service leave.
(c) Plant replacement reserve	To be used for the purchase of major plant and equipment.
(d) Infrastructure reserve	To be used to fund the future replacement and construction of infrastructure in the Shire.
(e) Pensioner unit maintenance reserve	To be used to fund the replacement and major maintenance of the pensioner units.
(f) Recreation facilities upgrade reserve	To be used to fund the upgrade/maintenance of the Shire recreation facilities.
(g) Monkey Mia jetty reserve	To be used for the upgrade and major maintenance of the Monkey Mia Jetty.
(h) Shared fire system reserve	Shared with the Department of Biodiversity, Conservation and Attractions and to be used to fund the future system replacement.

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

27. CORRECTION OF PRIOR PERIOD ERROR

The correction of the prior period relates to the Social Housing Economic Recovery Package (SHERP) capital grant received, which had been incorrectly recognised as capital grant liabilities at 30 June 2024. The grant should have been recognised as revenue at 30 June 2024 as the Shire had satisfied its obligations under the grant agreement. The error was identified after the Annual Financial Statements was finalised.

Statement of Financial Position (Extract)	30 June 2024	Increase/ (Decrease)	30 June 2024 (Restated)
	\$	\$	\$
Capital grant/contributions liabilities	4,395,376	(833,674)	3,561,702
Net assets	107,240,255	833,674	108,073,929
Retained surplus	39,099,856	833,674	39,933,530
Total equity	107,240,255	833,674	108,073,929

Statement of Comprehensive Income (Extract)	2024	Increase/ (Decrease)	2024 (Restated)
	\$	\$	\$
Capital grants, subsidies and contributions	2,493,700	833,674	3,327,374
Net result for the period	(469,900)	833,674	363,774
Total comprehensive income/(loss) for the period	(533,363)	833,674	300,311

Statement of Financial Activity (Extract)	2024	Increase/ (Decrease)	2024 (Restated)
	\$	\$	\$
Capital grants, subsidies and contributions	2,493,700	833,674	3,327,374
Amount attributable to investing activities	(1,679,701)	833,674	(846,027)



Auditor General

INDEPENDENT AUDITOR'S REPORT

2025

Shire of Shark Bay

To the Council of the Shire of Shark Bay

Opinion

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

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

In my opinion, the financial report :

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

Basis for opinion

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

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

Emphasis of Matter – Restatement of Comparative Balances

I draw attention to Note 27 of the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. My opinion is not modified in respect of this matter.

Other information

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

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

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

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

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

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

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

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Matters relating to the electronic publication of the audited financial report

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



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