



SHIRE OF SHARK BAY

Annual Report

2023/2024



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PRESIDENT'S REPORT

Through 2023/2024, the Shire of Shark Bay staff have continued to provide the local community and visitors with exceptional and well maintained assets and infrastructure, adding benefit and enjoyment to recreating and living in the Bay.

Strong visitation numbers and demographics continue to drive demand for both tourist and seasonal workers' accommodation, as a result a substantial shortfall for both short and long-term accommodation options in Denham was identified.

To help address this accommodation shortfall, Shire Council supported an administration initiative to pursue an Essential Worker Accommodation Project, which will see the development of 6 essential worker (government employees and Shire staff) dwellings in Denham Estate. This project is earmarked for commencement in early 2025 and will hopefully result in the relocation of several government employees from the private rental market thus freeing up long term accommodation options.

Work also commenced on the construction of 12 new independent living units to augment the current Herald – Denham pensioner units (13), this project is expected to be completed and tenanted in early 2025.

Our dedicated and skilled Outside Works staff continue to deliver on much appreciated and anticipated projects and infrastructure maintenance throughout the Shire, such as regional road works, upgrades to our local roads, new dual use paths and kerbing, a new finger jetty at the western end of Knight Terrace, the introduction of several new waste and recycling initiatives, and the implementation of the Shires strategic plant replacement program, to name just a few!

The Community Development Team put in an outstanding effort during the past year, organising a variety of events for all ages within the community as well as also attracting large crowds of visitors to the Bay. The team were also successful in securing a number of grant funding opportunities including funding for daycare worker accommodation, funding to conduct out of school activities, and funding to help build capacity within local sporting and community groups.

The Shark Bay World Heritage Discovery and Visitors' Centre saw nearly 70,000 people through the door in 2023/2024. The staff at the 'Disco' are to be commended for their enthusiastic promotion of Shark Bay and their comprehensive knowledge of all the diverse attractions in the area.

Council has continued this financial year to provide Community Assistance Grants to local community organisations which provide activities, programs or services that enhance the well-being and safety of our residents and visitors.

A huge THANK YOU! to all of our selfless volunteers and groups that provide vital services to our population. The local volunteers in these groups contribute their time, effort and skills particularly to the wellbeing of our residents but also our visitors.

A lack of medical service provision has long been an area of major frustration and concern to the community's residents. 2023/2024 saw the transition of the Denham nursing post from Silverchain to the Western Australian Country Health Service. Whilst the Shire continues to explore options to broaden and enhance our local medical services, this transition has provided the Shire with a direct line of communication to Western Australian Country Health Service, ensuring that service levels concerns are addressed.

Whilst our residents certainly appreciate that Denham and the Shark Bay area is an awesome, unique place to live and work, the location and distance to some amenities and services can be problematic, particularly for our more aged residents. However, our pristine environment, World Heritage status, historical and maritime history and local character all contribute to our senior citizens' desire to stay as long as possible as residents of the Bay!

Whilst encouraging future development and business opportunities in the Bay, Council is also aware of the imperative to maintain a balance between sustainable economic development and community expectations and lifestyle.



Cheryl Cowell
Shire President

GENERAL INFORMATION

The Shire of Shark Bay is made up of two peninsulas on the western most 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 average water depth of 10-15 meters 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.

Tourist Attractions

Shark Bay World Heritage Discovery and Visitor Centre, World Heritage Listing, Monkey Mia, Stromatolites, Shell Beach, Steep Point (the most western point on mainland Australia), fishing, indigenous culture, Dirk Hartog Island, Peron Peninsula, aquaculture and Cape Inscription (first documented landing by Europeans on Australian soil in 1616).

Local Industries

Pastoral, tourism, fishing, salt production, pearl culturing, shell grit mining.

Significant Local Events

Far Western Speedway Championship – July, Bowling Club Anniversary Meeting – July, Denham Golf Open – August, Fishing Fiesta – May - Winter Markets – Beats in the Bay

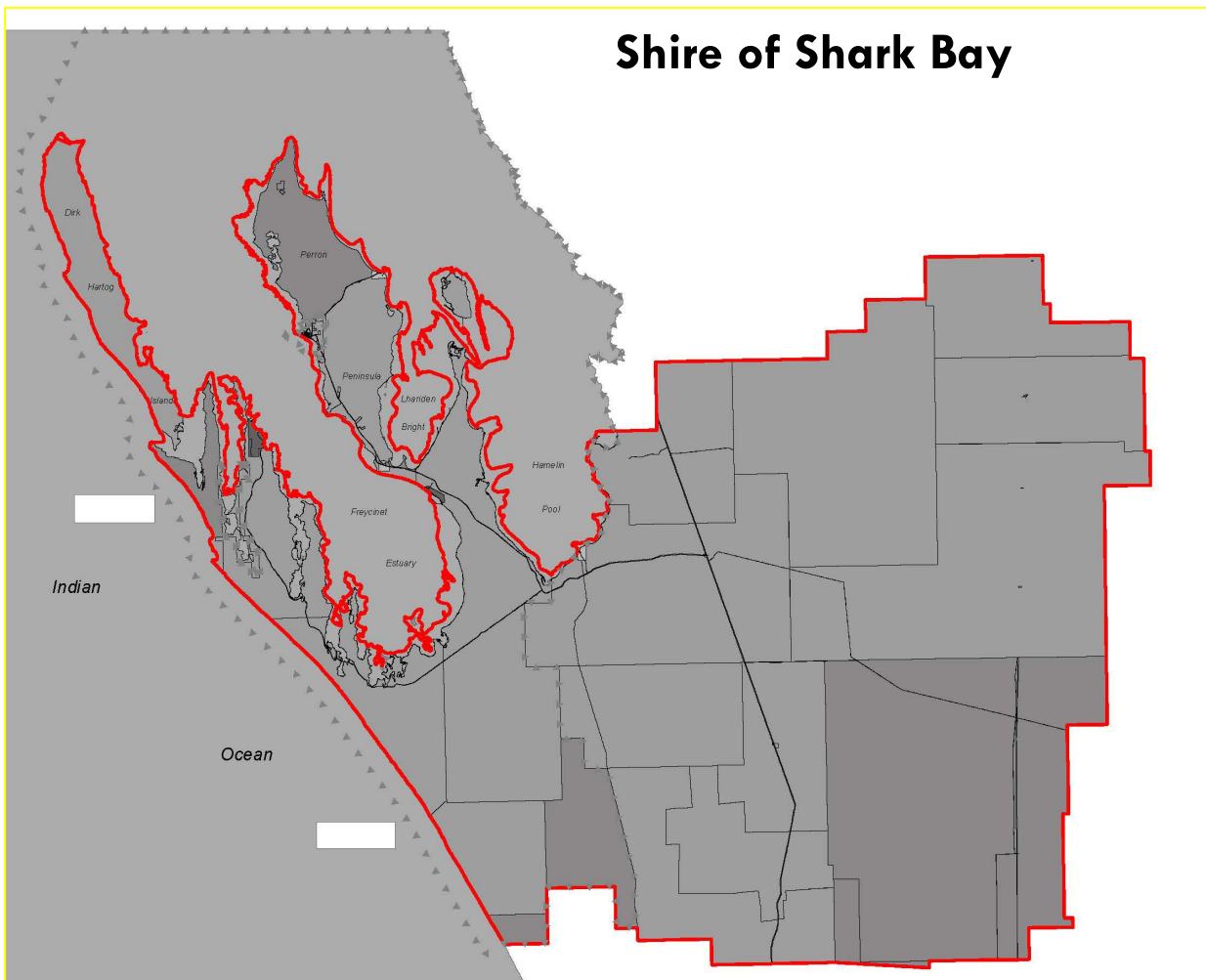
STRATEGIC OBJECTIVES

In order to discharge its responsibilities to the community, the Shire of Shark Bay has developed a set of operational and financial objectives. These objectives have been established on an overall basis reflected by the Shire's Vision Statement and for each of its broad activities/programs. These objectives provide a framework for the future direction of the Shire of Shark Bay.

Shire of Shark Bay Vision Statement

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

The Council Area Map



CHIEF EXECUTIVE OFFICER'S REPORT

I am pleased to report to the Shire of Shark Bay community that during the 2023/2024 financial year the Shire continued to provide a high level of service delivery, manage, and improve Shire infrastructure and other assets, and operate in an open, efficient, compliant and probity driven manner.

I would like to particularly thank our dedicated Shire employees for their tireless commitment and contribution to the delivery of services to the Shark Bay community, particularly given the resourcing challenges often faced by small Local Governments. I would also like to pass on thanks to our dedicated contractors, and numerous other important stakeholders, whose hard work ensured the continued delivery of services to the community in an often-challenging remote environment.

I am happy to report that the Shires overall 2023/2024 financial position remains stable and strong.

The Shires outside workforce are to be commended on the achievement on several key project outcomes and ongoing service delivery through 2023/2024.

- **Infrastructure Upgrades:**
 - Finger Jetty at the Western End Car Park Boat Ramp.
 - Upgraded Useless Loop Road for improved accessibility.
 - Enhanced Denham Road with new asphalt and dual-use paths.
 - Widened shoulders on Stella Rowley Drive for safer travel.
 - Improved disability beach access and water facilities.
 - Replaced BBQ facilities at Little Lagoon.
 - Installed new shade sails on the foreshore.
 - Constructed new footpaths on Edwards Street.
- **Ongoing Maintenance and Operations:**
 - Maintained the town oval, foreshore parks, and playground.
 - Managed the Shark Bay Recreational Centre.
 - Efficiently handled refuse and recycling services.
 - Carried out regular road maintenance.
- **Recycling and Environmental Sustainability:**
 - Continued the successful operation of the Shark Bay Recycling Centre.
 - Leveraged the container deposit scheme to reduce waste.
 - Cardboard recycling partnership with Strandline.
- **Fleet Management:**
 - Implemented a strategic plant replacement program to ensure operational efficiency and safety.
 - Conducted thorough evaluations to optimize procurement decisions.

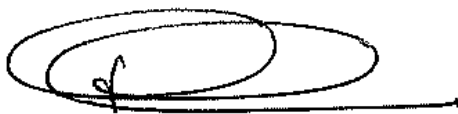
The Shires Community Development Team continued to provide a high level of community engagement, delivering numerous valued and well supported events, that catered for the demographic diversity that is the Shark Bay community. Additionally, an enormous amount of work continues to go into the preparation and submission of numerous grant funding applications for key community infrastructure projects and in support of new and continued community events. The Community team is to be congratulated on their contribution to securing the following key funding:

- **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. Work will commence in the 24/25 financial year.

- **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 commenced in the 2023/3024 financial year.

The Shark Bay World Heritage Discovery and Visitor Centre welcomed a total of 69,490 people through the Centre's doors during the 2023/2024 financial year. The highest recorded day occurred on 2 October 2023 during the school holiday period, with 612 people entering the Centre. The dedicated Discovery Centre team are to be commended on their continued high level of service to and interaction with visitors to Shark Bay.

As with most years, the Shire has again had to contend with, and overcome many challenges throughout 2023/2024, and should be proud of the ongoing service delivery to the community considering those challenges. 2024/2025 promises to be an exciting year as we look to begin work on the delivery on several key infrastructure projects, including completion of the twelve (12) new independent living units, construction of the Denham foreshore revetment, commencement of the essential worker accommodation project, and the completion of several projects under the Local Roads and Community Infrastructure funding program. I very much look forward to continuing to work closely with the Shire team, Councillors, the community, and key stakeholders as we continue to work towards achieving the communities' long term economic, social and sustainability objectives through 2024/2025 and beyond.



Dale Chapman
Chief Executive Officer

FINANCE AND ADMINISTRATION REPORT

Overall Financial Position 2023/2024

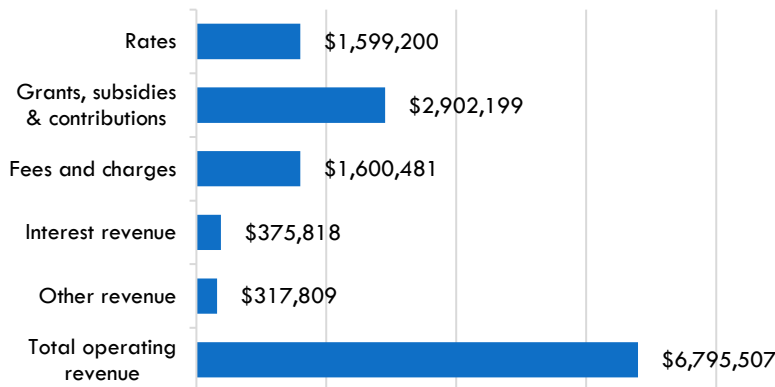
The financial position of the Shire of Shark Bay at 30 June 2024 remained stable. The actual surplus as at the 30 June 2024 was \$2,949,927 against a nil budgeted surplus. This result excludes reserve accounts of \$5,185,418 as detailed in Note 24 and 26 of the Annual Financial Report.

An early payment of the 2024/2025 General-Purpose Financial Assistance Grant allocation of \$1,529,960, was recognised as revenue during 2023/2024 and contributed to this surplus.

Revenue

Total operating revenue of \$6,795,507 was greater than the budgeted amount of \$4,348,254. The unbudgeted advance payment of the 2024/2025 Financial Assistance Grant allocation of \$1,529,960 was the primary reason for revenue being higher than budget. Additional grant revenue was also received which had not been budgeted, and interest revenue was \$258,568 higher than budget due to the level of cash held during the year.

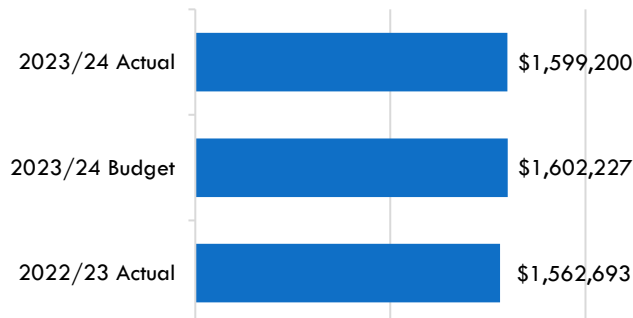
2023/2024 Operating Revenue



Rates

Total rate revenue for 2023/2024 was \$1,599,200 which was slightly under budget but was also 2.33% higher than the 2022/2023 rates revenue (\$1,562,693).

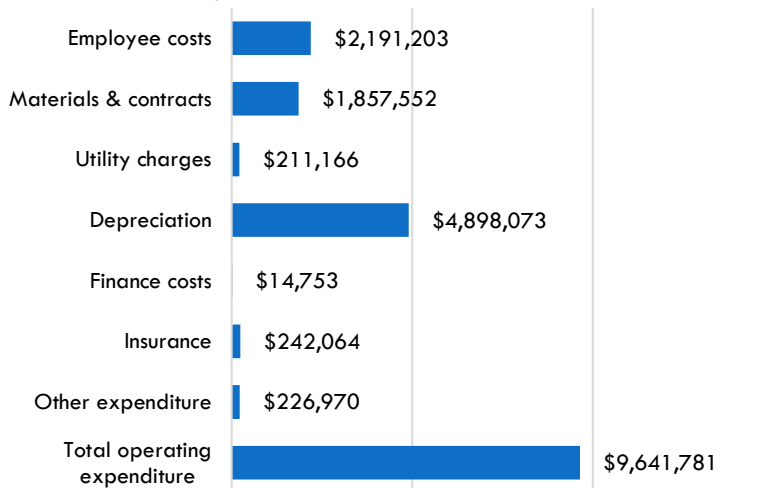
Rates Revenue



Expenditure

Employee costs and Materials & Contracts were under budget during 2023/2024, however operating expenditure of \$9,641,781 exceeded the budget of \$7,675,135. This was mainly due to depreciation expenses being higher than originally budgeted following a revaluation of asset classes in 2022/2023 and was factored into the calculations for the 2023/2024 mid year budget review. As depreciation is a non cash expense, this did not impact the final surplus position at 30 June 2024.

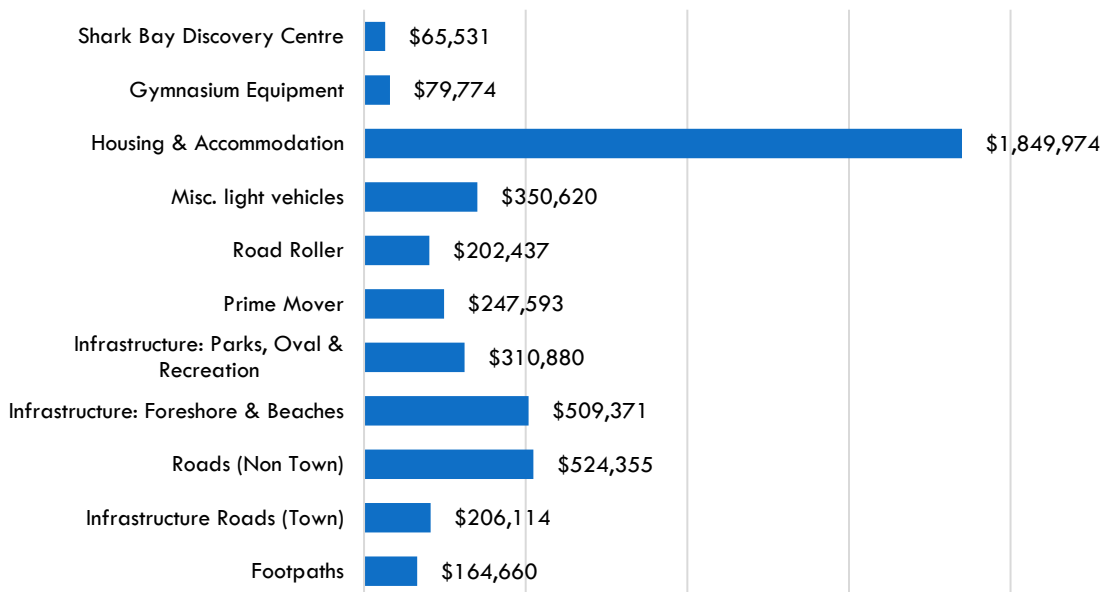
2023/2024 Operating Expenditure



Capital Projects

Major projects carried out during 2023/2024 included:

Capital Projects

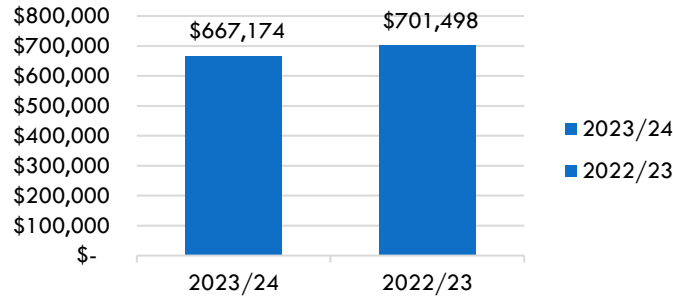


Capital expenditure of \$4,511,310 was less than the budgeted amount of \$9,799,555 due to timing impacts of projects.

A number of the 2023/2024 capital projects carry forward into the 2024/2025 financial year and are outlined within the 2024/2025 budget documentation. During 2023/2024 \$4,346,304 was received in capital grants which was not expended and is recognised at 30 June 2024 as a liability. These funds already received will fund their related capital projects during 2024/2025.

Total Debt

The Shire’s total loan liability as of 30 June 2024 for the Town Oval Bore was \$667,174.



Reserve Accounts

The Shire’s cash backed reserves increased over the year by \$175,076 resulting in higher than budgeted balance at 30 June 2024. Balances, as well as the purpose for each reserve 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.

WORKS REPORT

A Year of Progress and Community Enhancement

The 2023/2024 financial year was marked by significant strides in infrastructure development and community enhancement. The Shire of Shark Bay's dedicated team, both internal and external, worked tirelessly to deliver a range of projects that have positively impacted our region.

Key Projects and Achievements

- **Infrastructure Upgrades:**
 - A new Finger Jetty at the Western End Car Park Boat Ramp.
 - Upgraded Useless Loop Road for improved accessibility.
 - Enhanced Denham Road with new asphalt and dual-use paths.
 - Widened shoulders on Stella Rowley Drive for safer travel.
 - Improved disability beach access and water facilities.
 - Replaced BBQ facilities at Little Lagoon.
 - Installed new shade sails on the foreshore.
 - Constructed new footpaths on Edwards Street.
- **Ongoing Maintenance and Operations:**
 - Maintained the town oval, foreshore parks, and playground.
 - Managed the Shark Bay Recreational Centre.
 - Efficiently handled refuse and recycling services.
 - Carried out regular road maintenance.
- **Recycling and Environmental Sustainability:**
 - Continued the successful operation of the Shark Bay Recycling Centre.
 - Leveraged the container deposit scheme to reduce waste.
 - Strived to find sustainable markets for recyclable materials.
- **Fleet Management:**
 - Implemented a strategic plant replacement program to ensure operational efficiency and safety.
 - Conducted thorough evaluations to optimize procurement decisions.

A Thank You to Our Dedicated Team

I would like to express my sincere gratitude to our hardworking staff for their commitment and dedication. Their efforts have made a substantial difference to our community. As we move into the 2024/2025 financial year, I am confident that we will continue to build on these achievements and deliver even greater results for the Shire of Shark Bay.

TOURISM, COMMUNITY AND ECONOMIC DEVELOPMENT REPORT

COMMUNITY ENGAGEMENT

The Shire of Shark Bay maximizes the use of the mobile phone SMS system allowing a Shire-to-resident communication strategy. SMS communications are distributed to 426 people in one hit, thus proving to be an efficient way to keep the community informed.

The Shire's Facebook page is a functional tool with which to communicate important information to the broader community. The page now has over 2,000 followers and by "sharing" the messages to up to four (4) of the local community administrated Facebook group pages, the Shire can access in excess of 25,300 followers of these pages.

The Shire's website and noticeboard is updated on a regular basis with the latest news and information, plus we utilise noticeboards at our town 'anchor' points such at the Community Resource Centre, IGA and the Shark Bay Supermarket.

COMMUNITY FACILITIES

The Shark Bay Recreation Centre continues to be managed by the Shark Bay Community Resource Centre. Users of the Centre participated in a range of open courts, nightly sports, school holiday programs and toddler activities during the year. The Centre receives consistent attendance throughout the year, with a total of 6,148 participants registered for the financial year. The busiest month was July 2023, with 934 participants, and the quietest month was December 2023, with 159 participants.

The Shark Bay Community Gym had 217 members sign up (15% growth on 2022/2023), and of those 140 are active (18.6% growth on 2022/2023). A large proportion of these sign ups were for one-month memberships (70), of which 25 of these members have a permanent address outside of Shark Bay. The Shire Administration Office receives 6-8 gym enquiries per week. There is approximately two (2) enquiries per week for a visitor's gym pass, and often these visitors choose to sign up for a month (the shortest time available) as the \$40 monthly membership fee is in line with a weekly membership fee in the Perth metropolitan area.

In May 2024, through Local Roads and Community Infrastructure funding, the Shire took delivery of a substantial amount of new gym equipment as part of a full gym upgrade which also includes installation of window tinting and updating gym process and procedures. The new equipment has been very well received by gym members, and further enhancements to the gym such as fans and mirrors will take place soon.

The Shark Bay Public Library continues to be a popular service for all ages of the community. In the 2023/2024 financial year with residents and visitors borrowing books and DVD's.

The Denham Town Hall is being well utilized by local community groups. Currently there are programs held by the Denham Crafters, Shukokai Karate, and the Shark Bay Entertainers. There are also a number of organisations who hire this venue for one-off or short-term use.

Shark Bay Recycling Centre

The Shark Bay Recycling Centre continues to be a donation point for eligible containers under the Containers for Change program. Our partnership continues with the ABC Foundation to raise money through the Containers for Change program for investment in sustainable practices and projects. We have also developed a partnership with Strandline Resources for the recycling of

cardboard by backloading trucks delivering their freight, for processing in Perth. To date 80-90 bales (300kgs each) of cardboard have been recycled via this arrangement.

Additional Social Housing Units at the Herald Denham Centre

In 2022/2023 the Shire was awarded a grant through the Social Housing Economic Recovery Package of \$4,116,200 for the construction of twelve (12) new independent living units, to be collocated with the existing 13 units at the Herald Denham Centre on Hughes Street. Construction commenced in early 2024 and is expected to be completed early 2025.

Denham Finger Jetty

The Shire was successful with a grant for \$314,000 from the Department of Transport through the Recreational Boating Facilities Fund to build a new finger jetty at the western end of Knight Terrace. The jetty was constructed in the 2023/2024 financial year.

COMMUNITY EVENTS

Shark Bay Winter Festival Markets

On Sunday 9 July 2023 the annual Winter Markets took place on the foreshore at George Wear Park. Despite very cold weather and the threat of rain, there was a big turnout of both local residents and visiting tourists. Participants enjoyed browsing the market stalls, listening to live music, and creating dried flower crowns. Children who attended also enjoyed playing on the bouncy castles and getting crafty with slime and sand. Overall, the event was very successful, with positive feedback received from attendees and stallholders.

2023 Beats in the Bay

On Saturday 2 September, the Shire of Shark Bay hosted the 2023 Beats in the Bay. This event was a rare opportunity to provide the Shark Bay community an experience of live music in a festival atmosphere. The event attracted media attention with articles written by the Mid-West Times and an interview on ABC Radio during prime time listening. We believe that the attention received was to a great extent, due to the bands we engaged to perform being up and coming 'unearthed' artists. We also believe that this will enable us to leverage more funding for 2025 and grow this event into one with a significant presence in fostering live music in the regions. The feedback we have received from both artists and community members has been phenomenal! Overall, the day was extremely successful and is highly anticipated as a fixture on the events calendar next year.

Mental Health Week

The 2023 Mental Health Week was held between the 7 and 14 October. ABC Radio requested an interview which gave the Shire an opportunity to speak about Mental Health in this community and what we are doing in this space. The interview took place on Saturday 14th October on the ABC Kimberley Breakfast Show. <https://www.abc.net.au/listen/programs/kimberley-saturday-breakfast-sport/saturday-breakfast/102950116> (approx. 1hr:45m mark). The Shire has also partnered with Act, Belong, Commit to promote mentally healthy communities. This message will now be used in the events and programs we already offer, as well as new community driven programs that support mental health by staying active, connected and doing things that matter.

Children's Week

On Monday 23 October 2023 there was an Art Workshop where kids could paint on their own canvas or wooden figurine. They were also given a healthy afternoon tea to sustain them while their creativity flourished. 37 local kids and 18 parents attended this session. On Thursday 26 October 2023 there was a game of Glow in the Dark Dodgeball. All of the kids were given a plain white T-shirt to paint before their game and enjoyed another healthy afternoon tea. Each age group then went into the dark courts lit with UV lights. 47 local kids attended this session.

Every Club Scheme - Grant Writing Workshop

As part of the Every Club Funding Scheme, the Shire hosted a Grant Writing Essentials Workshop. We had 6 attendees representing Shark Bay Speedway, Shark Bay P & C, Shark Bay Pistol Club, Shark Bay Junior Football & Sports Association, St John Ambulance and the Shark Bay Youth Group. It was a rewarding session, with all attendees being really invested in what they were learning, giving them the ability and knowledge to apply for grants with a better chance of securing the funding they need to deliver quality projects at their respective clubs.

Thank A Volunteer Day

On Tuesday 5 December 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, there was a very strong attendance with representation from over sixteen (16) community and emergency services groups with more than 60 people coming together. Over 250 Certificates were printed, showing just how much support our volunteers give to this community, with some giving their time and expertise to up to five different groups. The volunteers enjoyed a selection of food and drinks, as well as a small gift provided by the Shire.

Seniors Christmas Lunch

The annual Seniors Christmas lunch was held on Thursday 7 December at the Denham Town Hall with approximately 30 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 students from Shark Bay School, who did a tremendous job. Carlos played beautiful music in the background on his acoustic guitar, followed by some merry Christmas carols. Each senior was presented with a gift bag containing a tin of biscuits, lollies and a 2024 calendar produced by the Shark Bay Community Resource Centre.

Australia Day Breakfast & Shark Bay Citizen of the Year

On Friday 26 January, 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, and to congratulate our newest Australian Citizen, Alana Eru. Everyone enjoyed a delicious breakfast cooked by the tireless volunteers of the Shark Bay Bowling, Sport & Recreation Club. The Shark Bay Fish Factory once again showed their support by donating fish for the breakfast.

Clean Up Australia Day

On Sunday 10 March 2024, the Shire hosted the annual Clean Up Australia Day Event. There were 30 registrations for this event, predominantly locals, with approximately 8 visitors to the region. All volunteers were allocated an area and were given gloves and bags to collect as much rubbish as they could in a 90-minute period. A full Ute load of rubbish was collected from Netta's Beach, Denham Foreshore, Little Lagoon, Denham Streets, and the Monkey Mia Road. We had a very enthusiastic response from the Shark Bay youth, supported by parents bringing their kids down to help collect rubbish. All volunteers were thanked with a sausage sizzle after the clean-up, cooked by Dale, the Shire Chief Executive Officer.

Every Club Scheme – High Performing Sport & Recreation Clubs

As part of the Every Club Funding Scheme, the Shire hosted a Workshop on High Performing Sport & Recreation Clubs delivered by Leadership and Influence expert Ian Crawford. This workshop was the first in a series that will work with the local Shark Bay sport & recreation clubs to develop a Strategic and Operation Plan, which is customised to each of the clubs' Purpose and Vision. The objective of this is to ensure future success and stability for the organisation, no matter who is at the helm. The workshop was held in the evening of Wednesday 13 March

at the Shark Bay Bowling, Sport & Recreation Club. Attendees represented a number of clubs including Shark Bay Speedway, Shark Bay P & C, Shark Bay Pistol Club, Shark Bay Junior Football & Sports Association, Shark Bay School, Shark Bay Wind & Water Association, Shark Bay Community Resource Centre and the Shark Bay Bowling, Sport & Recreation Club. It was a rewarding and informative session which set the foundation of this focused project over the next two years. All attendees were engaged in what they were learning and have given their commitment to participate in the process of building these plans.

Youth Week

On Friday the 5 April Shark Bay and visiting Youth were invited to attend the 2024 Youth Week 'Dardy Day'. This event was a collaboration with the Shark Bay Community Resource Centre held at the Shark Bay Bowling, Sport & Recreation Club. There was a strong attendance of 50 youth (including 22 visitors) and 20 adults. The activities provided included art and craft, with the opportunity to design your own skateboard deck and canvas painting which the kids got to keep. There was also a range of delicious food available, with the 'Make Your Own Smoothie' being the most popular. There were movies and other games on offer, giving our youth a wide range of activities during the day.

ANZAC Day

On Thursday 25 April, the Shire supported the Shark Bay RSL with financial and in-kind support to run the annual ANZAC Day event. This year was a return to a full day of activities, starting with a well-attended dawn service then, later in the morning, a march from the Discovery Centre to Pioneer Park for a full memorial service. Activities concluded at the Shark Bay Bowling, Sport & Recreation Club with a free lunch and Two Up.

Shark Bay Fiesta

Commencing on Friday 17 May, the Shark Bay Community Resource Centre hosted the 29th annual Shark Bay Fiesta. In addition to the Shire's Community Grant and in-kind contributions to this event, we also hosted the Fiesta Markets on Saturday 18 May. The Shire issued permits to trade, site maps and assistance to stallholders early in the morning to ensure set up went smoothly. The Shire also assisted with the screening of the Barbie movie, which was enjoyed just as much by the adults as the kids!

Denham Triathlon

The Shire of Shark Bay hosted the fourth annual Denham Triathlon on Saturday 1 June in collaboration with the Geraldton Triathlon Club. This event was supported by Champion Bay SLS, Real Futures, St John Ambulance, Shark Bay Police and a number of volunteers acting as course marshals. Although participant numbers were down on last year, the event atmosphere was buzzing with excitement.

Denham Dash for Kids

The Denham Dash for Kids was held as part of the Denham Triathlon for it's second year. Real Futures kindly donated another two bikes to giveaway, which assisted in building participation. We had 15 kids participate aged from infancy to 13. Real Futures offered their support to keep the children in our community active.

The Shire also financially supported several community groups to run events in the 2023/2024 financial year. This included the following:

- Shark Bay RSL, with \$1,000 contributed to ANZAC Day celebrations in April 2024.
- Shark Bay Community Resource Centre, with \$1000 contributed to Youth Week in April 2024.
- Shark Bay Fishing Fiesta with \$8,000 cash and \$6,000 in kind support.
- 2024 Downwinder with \$8,000 cash.

EMERGENCY MANAGEMENT

In July 2023 an updated Local Recovery Plan was adopted for use across the Shire. This document outlines processes activities to be undertaken as part of the recovery phase following an emergency event. A copy is available on the Shire website.

ACCESS & INCLUSION

The Shire's Access and Inclusion Plan 2019 – 2024 continues to be implemented. Several initiatives have been implemented to improve access and inclusion, including repairing the door into the administration building/library to allow for easier access. In the 2023/2024 year the Shire purchased and installed accessible beach matting and created accessible entry ways into the Recreation Precinct.

ECONOMIC

Community Assistance Grants

Council allocated \$50,000 to the Shire's Community Assistance Grants during the 2023/2024 financial year. The grant program facilitates the Shire's investment in people, community, health and wellness at the grassroots level by assisting local community groups to offer a range of activities for the community and strengthen skills and capacity. Overall, the Community Assistance Grants distributed \$22,433 to the local community in 2023/2024.

- Three (3) community groups were funded by Council in Round 1 (projects valued \$2,000-\$5,000), with a total commitment of \$5,233. This funding opportunity was opened in August 2023, and was distributed to the following projects:
 - Boolbardie Country Club received \$2,000 for first aid defibrillator and equipment upgrade.
 - Shark Bay Community Resource Centre received \$2,225 to hold the annual Kindy Gym Christmas Party and Equipment.
 - Shark Bay War on Waste received \$1,008 for the blister pack recycling project.
- One (1) community group was funded by Council in Round 2 (equipment valued at a maximum of \$1,000), with a total commitment of \$1,000. This funding opportunity was opened in April 2024, and was distributed to the following project:
 - Boolbardie Country Club received \$1,000.00 to provide catering for the 2024 Denham Open Golf Championship.
- Three (3) community groups were funded by Council in the Significant Event Sponsorship category, with a total commitment of \$20,000. This funding opportunity was open all year round, and was distributed to the following events:
 - Shark Bay Speedway Club received \$3,200 for the 2024 Far Western Championship.
 - Shark Bay Community Resource Centre received \$5,000 for the 2024 Shark Bay Fiesta with an additional \$6,000 in In-Kind support.
 - Shark Bay Wind & Water Association received \$8,000 for the Shark Bay Downwinders Kite surfing event. Due to a lack of wind when this event was scheduled, this association requested these funds be rolled over to the 2024/2025 event.

FUNDED PROJECTS

2023/2024 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**

- There are currently four phases to this grant program. Phase 1 and 2 have been completed. Work continued on Phase 3 projects and commenced on Phase 4 projects during the 2023/2024 financial year. Across Phases 3 and 4 a total funding of \$1.197million is available for specified projects. Work was completed on:
 - Upgrading of the air-conditioning at the Shark Bay World Heritage Discovery and Visitor Centre.
 - Replacement of the BBQ's at Little Lagoon
 - Replacement of the town oval reticulation and pump refurbishment.
 - Purchase and installation of accessible beach matting and two beach wheelchairs at town beach.
 - Accessible pathways into the Recreation Centre Precinct.
 - Solar bollard lighting along the new Stella Rowley dual use pathway.
 - Installation of a new entry system at the Recreation Centre, Gym and Town Hall.
 - Contribution towards the building of the new finger jetty at the western end of Knight Terrace.

Work will continue in 2024/2025 on:

- Purchase and installation of shade sails at the foreshore and other playgrounds.
- Upgraded equipment in the community gym.
- Replacement of part of the limestone wall along Kight Terrace.
- Upgrades to the interior of the Discovery Centre.
- Upgrading the toilet block at George Wear Park.
- Contributions towards road and carpark upgrades.

- **Funding for Day Care Worker Accommodation**

- 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 events**

- 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.
- Work continues on the \$21,600 grant from the Department of Local Government, Sport and Cultural Industries in 2022/2023 through the Club Development Program to run capacity building workshops for local sporting clubs and community groups. This funding extends over 3 years.

- The Shire was also successful in receiving multiple funding streams for the inaugural 2023 Beats in the Bay Festival. This included:
 - \$20,000 from Lottery west,
 - \$8,933 from Horizon Power,
 - \$5,000 from RAC Monkey Mia Dolphin Resort, and
 - \$500 from the Gascoyne Development Commission.
- **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. Work will commence in the 24/25 financial year.
- **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 commenced in the 2023/2024 financial year.
- **Funding for Dark Sky Tourism**
 - \$5,000 from the Gascoyne Development Commission to assist with developing Gascoyne Dark Sky Tourism. During the 2023/2024 this funding was allocated to the production of a Beginners Stargazing sign and a Giant Planisphere for Denham.

TOURISM

Promotion of the Shark Bay World Heritage Discovery and Visitor Centre and the Shark Bay region continued throughout 2023/2024 with consistent posts on social media, including Facebook and Instagram. These posts have generated traffic to our website and enquiries regarding tour bookings and accommodation.

Shark Bay World Heritage Discovery & Visitor Centre

The Shark Bay World Heritage Discovery and Visitor Centre continues to play a critical role in the support and advocacy of the tourism sector in the region. In the 2023/2024 financial year, the Centre progressed the Shire's strategic direction towards a progressive, resilient and diverse economy through the support of local tourism and creative businesses.

A total of 69,490 people were welcomed through the Centre's doors during the financial year. The highest recorded day occurred on 2 October 2023 during the School Holiday period, with 612 people entering the Centre.

The Visitor Centre saw strong sales in merchandise, tour and accommodation booking commission, camping and museum entry fees during the 2023/2024 financial year. The Centre demonstrated on-going commitment to stocking and selling merchandise that has significance to the Shark Bay region, including items produced by local artists and businesses.

The Discovery Centre submitted an application for Denham to be considered in the Top Tourism Towns Awards and was announced as a finalist in the **Tiny Tourism Town Category** in April 2024.

The Rose de Freycinet Gallery continued to host high-quality art installations, including a collection of works called *Jila Kujarra | Two Snakes Dreaming*, a collaboration between Desmond Taylor and Mariaan Pugh. This exhibition was a touring collection, sponsored by ART ON THE MOVE. Both artists joined us in Shark Bay for the opening night event, and to deliver art workshops to the community over the weekend.

The Centre publicly launched the first Shark Bay Artist-In-Residence program in partnership with ART ON THE MOVE in March 2024. Selected artists – Tania Spencer, Rebecca McCauley and Aaron Claringbold – will spend a minimum of six weeks immersing themselves in a significant artistic project while living and working in Shark Bay in the 2024/2025 financial year.

EVENTS

In August 2023, the Discovery Centre was pleased to welcome Minister Don Punch MLA, Minister for Regional Development, Disability Services, Fisheries, Seniors and Ageing and Volunteering to Denham during September 2023. The Minister and honorable guests were treated to afternoon tea in the Rose de Freycinet Gallery to celebrate the announcement of Round 6 Regional Economic Development grants.

A staff representative from the Discovery Centre attended the Perth Caravan & Camping Show 2024 in March as part of an ongoing partnership with Australia's Coral Coast. Organisers of the event reported a total of 29,963 paid ticket scans across the FOUR (4) days. Limited edition Shark Bay fridge magnets were very popular at the event, with QR codes linking guests to the Discovery Centre website now displayed on fridges across the state.

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 2023/2024 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 2023 and 30 June 2024, 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 2023/2024, there is no activity that satisfies this 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 of public monopolies

The Shire of Shark Bay is not classified as a natural monopoly, nor does it conduct any business activities that could be classed as public monopolies. Therefore, the principle of structural monopolies 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 or may not conflict with the Competition Principles Agreement. The Shire of Shark Bay will be looking to commence a review of its Local Laws in 2025/2026 financial year.

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 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 2023/2024 year there was one employee entitled to an annual salary in the band of \$190,000 to \$200,000.

Regulation - 19B (2) (c)

Elected Member Allowances 2023/2024 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 2023/2024 was nil

Regulation - 19B (2) (e)

Chief Executive Officer Remuneration Paid 2023/2024 - \$194,425

Regulation - 19B (2) (f)

Elected Member Meeting Attendance / Ordinary Council Meetings 2023/2024

A	ATTENDED
LA	LEAVE APPROVED
N	APOLOGY

Councillor Name	JUL 23	AUG 23	SEPT 23	OCT 23	NOV 23	DEC 23	JAN 24	FEB 24	MAR 24	APR 24	MAY 24	JUNE 24
Cr Bellottie	NO MEETING HELD IN JULY 2023	A	A	A	LA	A	NO MEETINGS HELD IN JANUARY	LA	A	A	A	A
Cr Cowell		A	A	A	A	A		A	A	A		
Cr Fenny		A	A	LA	A	A		LA	A	LA	A	A
Cr Ridgley		A	LA	A	A	A		A	A	A	A	A
Cr Smith		A	LA	A	A	LA		A	A	A	A	A
Cr Stubberfield		A	A	A	A	LA		A	A	A	A	A
Cr Vankova		A	A	A	A	A		A	A	A	A	A

Elected Member Meeting Attendance / Audit Committee Meetings 2023/2024

Meeting Date	12 FEB 2024
Cr Bellottie	A
Cr Cowell	A
Cr Fenny	A
Cr Ridgley	N
Cr Smith	N
Cr Stubberfield	A
Cr Vankova	N

Elected Member Meeting Attendance / Special Council Meetings 2023/2024

Meeting Date	23 AUG 2023	13 Sept 2023	25 Oct 2023	12 Feb 2024
Cr Bellottie	A	A	A	A
Cr Cowell	A	A	A	A
Cr Fenny	A	A	N	A
Cr Ridgley	A	A	A	N
Cr Smith	N	A	A	N
Cr Stubberfield	A	A	A	A
Cr Vankova	N	A	A	N

Regulation - 19B (2) (h)

Elected Member Age Groups for 2023/2024

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

Regulation - 19B (2) (i)

Aboriginal or Torres-Strait Islander Councillor's for 2023/2024

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 2023/2024 financial year.

Regulation - 19B (2) (k)

There were no significant modifications made to the Shire of Shark Bay's Corporate Business Plan during the 2023/2024 financial year.

Regulation – 29C (2) (d)

The name of each Council member who lodged a primary return or annual return for the 2023/2024 financial year.

Councillor Name	Annual Return Completed	Primary Return Completed
Cr Bellottie	20/08/2024	
Cr Cowell - President	23/07/2024	
Cr Fenny	19/08/2024	
Cr Ridgley	16/08/2024	
Cr Smith	30/08/2024	
Cr Stubberfield	13/08/2024	
Cr Vankova	22/08/2024	

Regulation – 29C (2) (e)

The position of each employee who lodged a primary return or annual return for the 2023/2024 financial year

Employee Position Held	Annual Return Completed	Primary Return Completed
Chief Executive Officer	02/07/2024	
Deputy Chief Executive Officer	05/07/2024	
Works Manager	05/07/2024	
Supervisor – Finance and Administration	05/08/2024	
Shark Bay World Heritage Discovery and Visitor Centre – Co-Ordinator	16/08/2024	
Executive Assistant	02/07/2024	
Community Development Officer	02/07/2024	
Administration - Works	11/07/2024	
Supervisor – Town	05/07/2024	
Supervisor – Works	13/08/2024	
Team Leader – Shark Bay World Heritage Discovery and Visitor Centre	05/07/2024	

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 2023/2024 – One Councillor was due to undertake mandatory training to be completed by the 17 October 2024. No Councillor undertook any other training in the 2023/2024 financial year.

Councillor Name	Conflicts of Interest	Understanding Local Government	Serving on Council	Understanding Financial Reports and Budgets	Meeting Procedures
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 2023 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.

Councillor Name	President Allowance	Deputy President Allowance	Annual Meeting Attendance Fees	Information Technology Fees
Cr Bellottie			\$ 5,905.00	\$2,175.00
Cr Cowell	\$12,465.00		\$12,135.00	\$2,175.00
Cr Fenny			\$ 5,905.00	\$2,175.00
Cr Ridgley			\$ 5,905.00	\$2,175.00
Cr Smith			\$ 5,905.00	\$2,175.00
Cr Stubberfield		\$1,820.43	\$ 5,905.00	\$2,175.00
Cr Vankova		\$ 950.91	\$ 5,905.00	\$2,175.00

STRATEGIC COMMUNITY PLAN 2023 - 2033

Section 5.53 (e) of the *Local Government Act 1995* requires that the Annual Report has an overview of the strategic community plan for the Shire made in accordance with section 5.56 of the *Local Government Act 1995*, including major initiatives that are proposed to commence or to continue in the next financial year.

Principal Objective	Outcomes, Strategies and Achievements
<p>Economic Objective - a progressive, resilient, and diverse economy</p>	<p>1.1 Appropriate transport infrastructure and services in line with demand.</p> <p>Achievements:</p> <ul style="list-style-type: none"> • Road and footpath programs completed in accordance with Councils Budget. • Construction of a new finger jetty at the western end of Knight Terrace. <p>2. Support local business and encourage further investment in the district.</p> <p>Achievements:</p> <ul style="list-style-type: none"> • Ongoing building and planning services and support resulting in continued building investment within the Shire. • Commenced an essential worker project to provide GROH and Shire housing • Commenced the revision of the Local Planning Strategy • Installation of EV fast charging infrastructure (Land provided by the Shire, charging station installed by Horizon Power) <p>2.1 Maintain relationships with educational organisations.</p> <p>Achievements:</p> <ul style="list-style-type: none"> • The Shire provides ongoing sponsorship and community bus allowances to the Shark Bay School. • Securing of funding for the attraction and retention of childcare workers in remote areas funding. This funding provides a subsidy towards the cost of accommodation for the Denham Day Care Educator. <p>2.2 Promote and support our tourism industry.</p> <p>Achievements:</p> <ul style="list-style-type: none"> • The Shark Bay World Heritage Discovery and Visitor Centre continuously promotes the tourism industry via social media thereby increasing traffic to its website. In

	<p>addition, it provides counter service incorporating recommendations of tourism services to visitors and the public and is a booking agent for most tourism operators within the region.</p> <ul style="list-style-type: none"> • The Shire continues to promote the area through several mediums leveraging the brand “Shark Bay Sink Your Teeth In”. <p>2.3 Advocate to support new industries and local business.</p> <p>Achievements:</p> <ul style="list-style-type: none"> • Ongoing promotion of the Shark Bay Investment Prospectus which details investment and business opportunities and general information on starting a local business. This is also available on the Shire’s website. • Round 1 and 2 Community Assistant Grants supported significant events, projects and equipment upgrades for the Boolbardie Country Club, Shark Bay School P&C, Shark Bay Speedway, and the Shark Bay Community Resource Centre. • Round 3 Significant Event Grants were provided to the Shark Bay Business and Tourism Association towards the 2023 Shark Bay Downwinder, the Shark Bay Community Resource Centre towards the 2023 Shark Bay Fiesta, and Creality towards the 2023 Barefoot Black-Tie Festival event. • Astro tourism events – Community Stargazing and Solar Eclipse Stargazing Event, opportunities to prepare for the Total Solar Eclipse event and promote Shark Bay as a world class dark sky tourism destination.
<p>Environment Objective – help protect our unique natural and built environment</p>	<p>3. A natural environment for the benefit and enjoyment of current and future generations.</p> <p>Achievements:</p> <ul style="list-style-type: none"> • The Shire supported the annual Clean Up Australia Day event which involved the community collecting rubbish Netta’s Beach, Denham Foreshore, Little Lagoon, Denham Streets, and the Monkey Mia Road. • An ongoing partnership with Containers for Change and the ABC Foundation saw the Bring Centre upgraded with new signage and processes to form the new Shark Bay Recycling Centre. The Recycling Centre is now a donation point for eligible containers for change, collected by the ABC Foundation, to raise money for sustainable practices and projects.

	<p>3.1 Promote reduced environmental impact with the Shire</p> <p>Achievements:</p> <ul style="list-style-type: none"> Continued to promote recycling programs and activities to reduce environmental impact . <p>4. A well planned built environment and infrastructure supporting our community.</p> <p>Achievements:</p> <ul style="list-style-type: none"> Continuation of the Containers for Change program with the aim of all net proceeds to support future waste and environment initiatives and community groups/events. Installation of shade sails at the foreshore and other playgrounds. Purchase and installation of accessible beach matting and two beach wheelchairs at town beach. Commencement of the construction of 12 new independent living units at 23 Hughes Street. These will be completed in the 24/25 financial year. <p>4.1 Ongoing development, maintenance, and upgrade of infrastructure.</p> <p>Achievements:</p> <ul style="list-style-type: none"> The Shire’s day to day routine operations have continued, resulting in a high level of maintenance to the Shires infrastructure inclusive of the Town Oval, Foreshore Parks and Playground, the Shark Bay Recreation Centre, Refuse and Recycling Facility and roads and footpaths. Ongoing maintenance and upgrades on Useless Loop Road. Upgraded air-conditioning at the Shark Bay World Heritage Discovery and Visitor Centre. Replacement of BBQ’s at Little Lagoon Creation of an accessible pathway into the Recreation Centre Installation of bollard lighting along the Stella Rowley dual use path New entry system for the Recreation Centre and Town Hall
<p>Social Objective – A safe and inclusive community.</p>	<p>5. Strong sense of spirit and pride in an inclusive community.</p> <p>5.1 Support provision of essential community services and facilities.</p>

	<p>Achievements:</p> <ul style="list-style-type: none"> • Ongoing commitment and support to emergency and volunteer groups inclusive of hosting Thank A Volunteer Day. • Grant funding received for numerous community events and initiatives, including the Every Club Scheme to support and build capacity in local community and sporting groups. • Community Assistance Grants available upon application to assist local community groups to offer more activities to the community. <p>5.2 Encourage inclusion, involvement, and wellbeing.</p> <p>Achievements:</p> <ul style="list-style-type: none"> • The second Beats in the Bay Music Festival was held on Saturday 2 September 2023. The event was very successful, with positive feedback from sponsors, artists and attendees. • The Shire continues to manage 13 low-cost long-term accommodation units at the Herald Denham Pensioner Units for our aged community. • The annual Denham Triathlon in collaboration with the Geraldton Triathlon Club, Champion Bay SLS, Real Futures, St John Ambulance and the Shark Bay police was held in June. The is event also included the second Denham Dash for Kids event. • The Shire use of a mobile phone SMS system distributing to 426 community members at one time enabling recipients to be kept informed of upcoming events and meetings. • The hosting of the 2023 Seniors Christmas Lunch, run with the generous support of the Shark Bay Café, IGA, Community Resource Centre, and Shire staff. • 2023 Winter Markets were very successful with more than 40 stalls, entertainment and children's activities for locals and visitors to enjoy. • The Shire financially supported the several community groups to run the following events: <ul style="list-style-type: none"> ○ Shark Bay RSL – ANZAC Day Celebrations ○ Shark Bay Community Resource Centre – National Seniors Week, Australia Day and Citizenship of the Year Awards ○ Shark Bay Fiesta ○ 2023 Downwinder Event
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<p>Leadership Objective – a transparent, resilient, organisation demonstrating leadership and governance.</p>	<p>6. A strategically focused, unified Council, functioning efficiently.</p> <p>Achievements:</p> <ul style="list-style-type: none"> All Strategic and Operational plans regularly reviewed, and budgets reflective of strategic objectives. <p>6.1 Effectively represent and promote the Shire of Shark Bay.</p> <p>Achievements:</p> <ul style="list-style-type: none"> Ongoing participation in State and regional boards and committees. <p>7. A transparent, resilient organisation demonstrating leadership and governance.</p> <p>Achievements:</p> <ul style="list-style-type: none"> Accountability and Financial responsibility have been maintained in line with long term financial plans. All areas of operational expenditure are regularly reviewed through monthly reports presented to Council and annual and midyear budget reviews. A High Level of Legislative compliance has been maintained throughout the organisation. <p>7.1 Encourage and support community engagement.</p> <p>Achievements:</p> <ul style="list-style-type: none"> National Seniors Week supported by the Shire. Annual Seniors Christmas Lunch was supported by the Shire. Several events such as Winter Markets, Thank a Volunteer Day, Clean Up Australia Day, Australia Day and Citizen of the Year Awards, ANZAC Day and NAIDOC Week were either organised or supported by the Shire, and resulted in strong community engagement. <p>7.2 Provide appropriate services to the community in a professional and efficient manner.</p> <p>Achievements:</p> <ul style="list-style-type: none"> The Shire provides 13 low-cost rental accommodation at the Denham Pensioner Units and continues to source funding to increase the number of, and the upgrade of existing units. The Shire is a Department of Transport agent.
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	<ul style="list-style-type: none">• The Shire supports the Local Health Services via the provision of car hire for visiting doctors and medical professionals.• The Shire provides Western Australian Library Services to the local community and visitors.• The Shire provides and maintains Street Lighting.• The Shire provides twice weekly Kerbside Waste Collection Services and regular Street Sweeping Services.• The Shire keeps the community informed using mobile phone SMS and posting regular updates to Facebook.• The Shark Bay Recreation Centre is fully funded by the Shire and hosts many community group functions and sporting activities.
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SHIRE OF SHARK BAY
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

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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 2024**

*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 2024 and the financial position as at 30 June 2024.

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

Signed on the 12th day of December 2024



CEO

Dale Chapman

Name of CEO

William Buck Audit (WA) Pty Ltd



**SHIRE OF SHARK BAY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024**

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
Revenue				
Rates	2(a),23	1,599,200	1,602,227	1,562,693
Grants, subsidies and contributions	2(a)	2,902,199	770,438	3,577,628
Fees and charges	2(a)	1,600,481	1,717,150	1,771,956
Interest revenue	2(a)	375,818	117,250	134,689
Other revenue	2(a)	317,809	141,189	255,823
		6,795,507	4,348,254	7,302,789
Expenses				
Employee costs	2(b)	(2,191,203)	(2,803,877)	(2,482,027)
Materials and contracts		(1,857,552)	(2,317,521)	(2,053,307)
Utility charges		(211,166)	(179,775)	(176,541)
Depreciation		(4,898,073)	(1,881,680)	(1,726,933)
Finance costs		(14,753)	(20,139)	(22,070)
Insurance		(242,064)	(242,362)	(217,501)
Other expenditure	2(b)	(226,970)	(229,781)	(229,468)
		(9,641,781)	(7,675,135)	(6,907,847)
		(2,846,274)	(3,326,881)	394,942
Capital grants, subsidies and contributions	2(a)	2,493,700	8,069,996	904,744
Profit on asset disposals		14,082	24,483	106,959
Loss on asset disposals		(132,249)	(145,336)	(7,909)
Fair value adjustments to financial assets at fair value through profit or loss	4	841	0	1,843
		2,376,374	7,949,143	1,005,637
Net result for the period		(469,900)	4,622,262	1,400,579
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	(63,463)	0	8,794,383
Total other comprehensive income/(loss) for the period	15	(63,463)	0	8,794,383
Total comprehensive income/(loss) for the period		(533,363)	4,622,262	10,194,962

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 POSITION
AS AT 30 JUNE 2024**

	NOTE	2024 \$	2023 \$
CURRENT ASSETS			
Cash and cash equivalents	3	13,891,860	12,103,541
Trade and other receivables	5	113,204	146,630
Inventories	6	120,918	129,762
Other assets	7	50,945	40,645
TOTAL CURRENT ASSETS		14,176,927	12,420,578
NON-CURRENT ASSETS			
Trade and other receivables	5	12,635	11,217
Other financial assets	4	41,586	40,745
Property, plant and equipment	8	29,915,898	28,741,170
Infrastructure	9	69,865,309	71,946,339
TOTAL NON-CURRENT ASSETS		99,835,428	100,739,471
TOTAL ASSETS		114,012,355	113,160,049
CURRENT LIABILITIES			
Trade and other payables	11	1,290,153	1,075,865
Other liabilities	12	4,535,372	3,277,741
Borrowings	13	35,098	34,324
Employee related provisions	14	216,057	288,217
TOTAL CURRENT LIABILITIES		6,076,680	4,676,147
NON-CURRENT LIABILITIES			
Borrowings	13	632,076	667,174
Employee related provisions	14	63,344	43,110
TOTAL NON-CURRENT LIABILITIES		695,420	710,284
TOTAL LIABILITIES		6,772,100	5,386,431
NET ASSETS		107,240,255	107,773,618
EQUITY			
Retained surplus		39,099,856	39,744,832
Reserve accounts	26	5,185,418	5,010,342
Revaluation surplus	15	62,954,981	63,018,444
TOTAL EQUITY		107,240,255	107,773,618

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

William Ruck Audit (WA) Pty Ltd



SHIRE OF SHARK BAY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2022		38,736,137	4,618,458	54,224,061	97,578,656
Comprehensive income for the period					
Net result for the period		1,400,579	0	0	1,400,579
Other comprehensive income for the period	15	0	0	8,794,383	8,794,383
Total comprehensive income for the period		1,400,579	0	8,794,383	10,194,962
Transfers from reserve accounts	26	727,588	(727,588)	0	0
Transfers to reserve accounts	26	(1,119,472)	1,119,472	0	0
Balance as at 30 June 2023		39,744,832	5,010,342	63,018,444	107,773,618
Comprehensive income for the period					
Net result for the period		(469,900)	0	0	(469,900)
Other comprehensive income/(loss) for the period	15	0	0	(63,463)	(63,463)
Total comprehensive income/(loss) for the period		(469,900)	0	(63,463)	(533,363)
Transfers to reserve accounts	26	(175,076)	175,076	0	0
Balance as at 30 June 2024		39,099,856	5,185,418	62,954,981	107,240,255

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 2024**

NOTE	2024 Actual \$	2023 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Rates	1,584,286	1,585,130
Grants, subsidies and contributions	2,901,279	6,229,438
Fees and charges	1,600,481	1,735,527
Interest revenue	375,818	134,689
Goods and services tax received	579,688	445,572
Other revenue	317,809	232,454
	7,359,361	10,362,810
Payments		
Employee costs	(2,498,897)	(2,276,610)
Materials and contracts	(1,383,730)	(1,760,993)
Utility charges	(211,166)	(176,541)
Finance costs	(14,753)	(22,070)
Insurance paid	(242,064)	(217,501)
Goods and services tax paid	(590,090)	(424,268)
Other expenditure	(226,970)	(229,468)
	(5,167,670)	(5,107,451)
Net cash provided by operating activities	2,191,691	5,255,359
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for purchase of property, plant & equipment	8(a) (2,767,076)	(1,239,291)
Payments for construction of infrastructure	9(a) (1,744,234)	(1,084,724)
Capital grants, subsidies and contributions	3,804,353	889,344
Proceeds from sale of property, plant & equipment	337,909	478,335
Net cash (used in) investing activities	(369,048)	(956,336)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	25 (34,324)	(69,278)
Net cash (used in) financing activities	(34,324)	(69,278)
Net increase in cash held	1,788,319	4,229,745
Cash at beginning of year	12,103,541	7,873,796
Cash and cash equivalents at the end of the year	13,891,860	12,103,541

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 2024

	NOTE	2024 Actual \$	2024 Budget \$	2023 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	23	1,476,966	1,483,551	1,426,614
Rates excluding general rates	23	122,234	118,676	136,079
Grants, subsidies and contributions		2,902,199	770,438	3,577,628
Fees and charges		1,600,481	1,717,150	1,771,956
Interest revenue		375,818	117,250	134,689
Other revenue		317,809	141,189	255,823
Profit on asset disposals		14,082	24,483	106,959
Fair value adjustments to financial assets at fair value through profit or loss	4	841	0	1,843
		<u>6,810,430</u>	<u>4,372,737</u>	<u>7,411,591</u>
Expenditure from operating activities				
Employee costs		(2,191,203)	(2,803,877)	(2,482,027)
Materials and contracts		(1,857,552)	(2,317,521)	(2,053,307)
Utility charges		(211,166)	(179,775)	(176,541)
Depreciation		(4,898,073)	(1,881,680)	(1,726,933)
Finance costs		(14,753)	(20,139)	(22,070)
Insurance		(242,064)	(242,362)	(217,501)
Other expenditure		(226,970)	(229,781)	(229,468)
Loss on asset disposals		(132,249)	(145,336)	(7,909)
		<u>(9,774,030)</u>	<u>(7,820,471)</u>	<u>(6,915,756)</u>
Non cash amounts excluded from operating activities	24(a)	5,034,215	2,002,533	1,630,873
Amount attributable to operating activities		<u>2,070,615</u>	<u>(1,445,201)</u>	<u>2,126,708</u>
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		2,493,700	8,069,996	904,744
Proceeds from disposal of assets		337,909	327,000	478,335
		<u>2,831,609</u>	<u>8,396,996</u>	<u>1,383,079</u>
Outflows from investing activities				
Purchase of property, plant and equipment	8(a)	(2,767,076)	(5,245,985)	(1,239,291)
Purchase and construction of infrastructure	9(a)	(1,744,234)	(4,553,570)	(1,084,724)
		<u>(4,511,310)</u>	<u>(9,799,555)</u>	<u>(2,324,015)</u>
Amount attributable to investing activities		<u>(1,679,701)</u>	<u>(1,402,559)</u>	<u>(940,936)</u>
FINANCING ACTIVITIES				
Inflows from financing activities				
Transfers from reserve accounts	26	0	1,189,340	727,588
		<u>0</u>	<u>1,189,340</u>	<u>727,588</u>
Outflows from financing activities				
Repayment of borrowings	25	(34,324)	(34,324)	(69,278)
Transfers to reserve accounts	26	(175,076)	(1,115,884)	(1,119,472)
		<u>(209,400)</u>	<u>(1,150,208)</u>	<u>(1,188,750)</u>
Amount attributable to financing activities		<u>(209,400)</u>	<u>39,132</u>	<u>(461,162)</u>
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	24(b)	2,768,413	2,808,628	2,043,803
Amount attributable to operating activities		2,070,615	(1,445,201)	2,126,708
Amount attributable to investing activities		(1,679,701)	(1,402,559)	(940,936)
Amount attributable to financing activities		(209,400)	39,132	(461,162)
Surplus or deficit after imposition of general rates	24(b)	<u>2,949,927</u>	<u>0</u>	<u>2,768,413</u>

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



**SHIRE OF SHARK BAY
FOR THE YEAR ENDED 30 JUNE 2024
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**SHIRE OF SHARK BAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

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 140 Investment Property paragraph 75(f)
- 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

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 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates*

This standard resulted in terminology changes relating to material accounting policies (formerly referred to as significant accounting policies).

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 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current*
 - AASB 2021-7c *Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*
 - 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*
- These amendments are not expected to have any 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*

These amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified.

- AASB 2023-1 *Amendments to Australian Accounting Standards - Supplier Finance Arrangements*

These amendments may result in additional disclosures in the case of applicable finance arrangements.

SHIRE OF SHARK BAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

Recognition of revenue is dependant 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

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 2024

Nature	Contracts with customers	Capital grant/contributions	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	2,493,700	0	0	2,493,700
Total	2,014,442	2,493,700	1,624,423	3,156,642	9,289,207

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,562,693	0	1,562,693
Grants, subsidies and contributions	531,247	0	0	3,046,381	3,577,628
Fees and charges	1,010,716	0	22,676	738,564	1,771,956
Interest revenue	0	0	5,990	128,699	134,689
Other revenue	222,529	0	23,769	9,525	255,823
Capital grants, subsidies and contributions	0	904,744	0	0	904,744
Total	1,764,492	904,744	1,615,128	3,923,169	8,207,533

**SHIRE OF SHARK BAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Interest revenue

Interest on reserve account
Trade and other receivables overdue interest
Other interest revenue

The 2024 original budget estimate in relation to:
Trade and other receivables overdue interest was \$5,100.

Fees and charges relating to rates receivable

Charges on instalment plan

The 2024 original budget estimate in relation to:
Charges on instalment plan was \$5,000.

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report
- Other services – grant acquittals

Employee Costs

Employee benefit costs
Other employee costs

Other expenditure

Sundry expenses

	2024	2023
	Actual	Actual
	\$	\$
	160,078	79,198
	6,712	5,991
	209,028	49,500
	<u>375,818</u>	<u>134,689</u>
	6,917	5,671
	40,400	33,700
	6,150	3,500
	<u>46,550</u>	<u>37,200</u>
	2,103,619	2,132,505
	87,584	349,522
	<u>2,191,203</u>	<u>2,482,027</u>
	226,970	229,468
	<u>226,970</u>	<u>229,468</u>

**SHIRE OF SHARK BAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

3. CASH AND CASH EQUIVALENTS

Note	2024	2023
	\$	\$
Cash at bank and on hand	7,944,718	8,103,541
Term deposits	5,947,142	4,000,000
Total cash and cash equivalents	13,891,860	12,103,541
Held as		
- Unrestricted cash and cash equivalents	4,171,070	3,815,458
- Restricted cash and cash equivalents	9,720,790	8,288,083
	13,891,860	12,103,541

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 and for which no liability has been recognised.

4. OTHER FINANCIAL ASSETS

	2024	2023
	\$	\$
Non-current assets		
Financial assets at fair value through profit or loss	41,586	40,745
	41,586	40,745
Financial assets at fair value through profit or loss		
Units in Local Government House Trust - opening balance	40,745	38,902
Movement attributable to fair value increment	841	1,843
Units in Local Government House Trust - closing balance	41,586	40,745

SIGNIFICANT ACCOUNTING POLICIES

Financial assets at fair value through profit or loss

The Shire has elected to classify 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 2024**

5. TRADE AND OTHER RECEIVABLES

Current

Rates and statutory receivables
Trade receivables
Other receivables
GST receivable
Receivables for employee related provisions

Non-current

Rates and statutory receivables
Receivables for employee related provisions

	2024	2023
	\$	\$
	39,466	31,192
	30,475	75,197
	32,861	34,755
	10,402	0
	0	5,486
	113,204	146,630
	12,039	10,621
	596	596
	12,635	11,217

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.

6. INVENTORIES

Current

Fuel and materials
Visitor centre stock

	2024	2023
	\$	\$
	11,748	34,828
	109,170	94,934
	120,918	129,762
	129,762	140,182
	(194,932)	(145,826)
	186,088	135,406
	120,918	129,762

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.

**SHIRE OF SHARK BAY
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30 JUNE 2024**

7. OTHER ASSETS

	2024	2023
	\$	\$
Other assets - current		
Prepayments	0	6,067
Accrued income	50,945	34,578
	50,945	40,645

MATERIAL ACCOUNTING POLICIES
Other current assets
 Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

SHIRE OF SHARK BAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

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.

	Total Property					Plant and equipment			Total property, plant and equipment
	Land	Buildings - non-specialised	Buildings - specialised	Work in progress	Total Property	Furniture and equipment	Plant and equipment	Heritage assets	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	1,810,000	2,793,793	16,585,479	0	21,189,272	724,161	2,847,290	234,250	24,994,973
Additions	0	61,464	208,195	0	269,659	21,629	929,961	18,042	1,239,291
Disposals	0	0	0	0	0	0	(379,285)	0	(379,285)
Revaluation increments / (decrements) transferred to revaluation surplus	195,000	1,193,718	2,349,269	0	3,737,987	0	0	0	3,737,987
Depreciation	0	(108,775)	(361,240)	0	(470,015)	(123,770)	(238,968)	(19,043)	(851,796)
Balance at 30 June 2023	2,005,000	3,940,200	18,781,703	0	24,726,903	622,020	3,158,998	233,249	28,741,170
Comprises:									
Gross balance amount at 30 June 2023	2,005,000	8,721,000	27,259,689	0	37,985,689	1,137,233	3,859,916	319,735	43,302,573
Accumulated depreciation at 30 June 2023	0	(4,780,800)	(8,477,986)	0	(13,258,786)	(515,213)	(700,918)	(86,486)	(14,561,403)
Balance at 30 June 2023	2,005,000	3,940,200	18,781,703	0	24,726,903	622,020	3,158,998	233,249	28,741,170
Additions	0	30,505	33,244	1,819,469	1,883,218	83,208	800,650	0	2,767,076
Disposals	0	0	0	0	0	0	(456,076)	0	(456,076)
Depreciation	0	(249,162)	(430,586)	0	(679,748)	(137,557)	(302,224)	(16,743)	(1,136,272)
Balance at 30 June 2024	2,005,000	3,721,543	18,384,361	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	8,751,505	27,292,933	1,819,469	39,868,907	1,220,442	4,046,206	319,735	45,455,290
Accumulated depreciation at 30 June 2024	0	(5,029,962)	(8,908,572)	0	(13,938,534)	(652,771)	(844,858)	(103,229)	(15,539,392)
Balance at 30 June 2024	2,005,000	3,721,543	18,384,361	1,819,469	25,930,373	567,671	3,201,348	216,506	29,915,898

**SHIRE OF SHARK BAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

8. PROPERTY, PLANT AND EQUIPMENT (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					
Land and buildings					
Land	2	Market approach using recent observable market data for similar properties	Independent Registered Valuers	June 2023	Price per hectare
Buildings - non-specialised	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	3	Cost approach using current replacement cost	Independent Registered Valuers	June 2023	Construction costs, 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 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 2024**

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 2022	53,872,386	2,143,436	4,707,782	5,956,752	0	66,680,356
Additions	886,479	186,670	0	3,779	7,796	1,084,724
Revaluation increments / (decrements) transferred to revaluation surplus	4,192,236	150,820	(1,217,559)	1,930,899	0	5,056,396
Depreciation	(491,280)	(25,302)	(37,325)	(321,230)	0	(875,137)
Balance at 30 June 2023	58,459,821	2,455,624	3,452,898	7,570,200	7,796	71,946,339
Comprises:						
Gross balance at 30 June 2023	79,553,453	3,781,990	6,198,715	12,938,550	7,796	102,480,504
Accumulated depreciation at 30 June 2023	(21,093,632)	(1,326,366)	(2,745,817)	(5,368,350)	0	(30,534,165)
Balance at 30 June 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

**SHIRE OF SHARK BAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

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 (Level 2), current condition, residual values and remaining useful life assessment (Level 3) inputs.
Infrastructure - footpaths	3	Cost approach using current replacement cost	Independent Registered Valuers	June 2024	Construction cost (Level 2), current condition, residual values and remaining useful life assessment (Level 3) inputs.
Infrastructure - drainage	3	Cost approach using current replacement cost	Independent Registered Valuers	June 2024	Construction cost (Level 2), current condition, residual values and remaining useful life assessment (Level 3) inputs.
Infrastructure - public facilities	3	Cost approach using current replacement cost	Independent Registered Valuers	June 2023	Construction cost (Level 2), current condition, residual values and remaining useful life assessment (Level 3) inputs.

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 2024**

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 2024**

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.
- (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 2024**

11. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Prepaid rates
Accrued payroll liabilities
Bonds and deposits held
ESL levied
Accrued expenses

2024	2023
\$	\$
242,304	652,744
39,522	44,744
87,435	343,203
58,011	34,938
373	236
862,508	0
1,290,153	1,075,865

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 2024

12. OTHER LIABILITIES

	2024	2023
	\$	\$
Current		
Contract liabilities	139,996	193,018
Capital grant/contributions liabilities	4,395,376	3,084,723
	<u>4,535,372</u>	<u>3,277,741</u>
Reconciliation of changes in contract liabilities		
Opening balance	193,018	628,325
Additions	139,996	193,018
Revenue from contracts with customers included as a contract liability at the start of the period	(193,018)	(628,325)
	<u>139,996</u>	<u>193,018</u>
<p>The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$139,996 (2023: \$193,018)</p> <p>The Shire expects to satisfy the performance obligations, from contracts with customers unsatisfied at the end of the reporting period, within the next 12 months.</p>		
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	3,084,723	569,378
Additions	4,346,304	3,084,723
Revenue from capital grant/contributions held as a liability at the start of the period	(3,035,651)	(569,378)
	<u>4,395,376</u>	<u>3,084,723</u>
Expected satisfaction of capital grant/contribution liabilities		
Less than 1 year	4,395,376	3,084,723
	<u>4,395,376</u>	<u>3,084,723</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.

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations 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.

**SHIRE OF SHARK BAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

13. BORROWINGS

	Note	2024			2023		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		35,098	632,076	667,174	34,324	667,174	701,498
Total secured borrowings	25	35,098	632,076	667,174	34,324	667,174	701,498

Secured liabilities and assets pledged as security

Debentures 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 2024 and 2023 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.

**SHIRE OF SHARK BAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

14. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2024	2023
	\$	\$
Current provisions		
Employee benefit provisions		
Annual leave	105,309	129,800
Long service leave	84,896	121,821
	190,205	251,621
Employee related other provisions		
Employment on-costs	25,852	36,596
	25,852	36,596
Total current employee related provisions	216,057	288,217
Non-current provisions		
Employee benefit provisions		
Long service leave	55,565	37,158
	55,565	37,158
Employee related other provisions		
Employment on-costs	7,779	5,952
	7,779	5,952
Total non-current employee related provisions	63,344	43,110
Total employee related provisions	279,401	331,327

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 2024**

15. REVALUATION SURPLUS

	2024 Opening Balance	Total Movement on Revaluation	2024 Closing Balance	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	12,979,453	0	12,979,453	9,241,466	3,737,987	12,979,453
Revaluation surplus - Furniture and equipment	659,571	0	659,571	659,571	0	659,571
Revaluation surplus - Plant and equipment	1,167,447	0	1,167,447	1,167,447	0	1,167,447
Revaluation surplus - Heritage assets	624,162	0	624,162	624,162	0	624,162
Revaluation surplus - Infrastructure - roads	42,417,282	(3,959,503)	38,457,779	38,225,046	4,192,236	42,417,282
Revaluation surplus - Infrastructure - footpaths	223,093	737,302	960,395	72,273	150,820	223,093
Revaluation surplus - Infrastructure - drainage	2,944,308	3,158,738	6,103,046	4,161,867	(1,217,559)	2,944,308
Revaluation surplus - Infrastructure - public facilities	2,003,128	0	2,003,128	72,229	1,930,899	2,003,128
	63,018,444	(63,463)	62,954,981	54,224,061	8,794,383	63,018,444

**SHIRE OF SHARK BAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

16. RESTRICTIONS OVER FINANCIAL ASSETS

	Note	2024 Actual \$	2023 Actual \$
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	9,720,790	8,288,083
		9,720,790	8,288,083
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	26	5,185,418	5,010,342
Contract liabilities	12	139,996	193,018
Capital grant liabilities	12	4,395,376	3,084,723
Total restricted financial assets		9,720,790	8,288,083

**17. UNDRAWN BORROWING FACILITIES AND CREDIT
STANDBY ARRANGEMENTS**

Bank overdraft limit		50,000	50,000
Bank overdraft at balance date		0	0
Credit card limit		20,000	15,000
Credit card balance at balance date		(5,603)	(9,903)
Total amount of credit unused		64,397	55,097
Loan facilities			
Loan facilities - current		35,098	34,324
Loan facilities - non-current		632,076	667,174
Total facilities in use at balance date		667,174	701,498
Unused loan facilities at balance date		NIL	NIL

**SHIRE OF SHARK BAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

18. CONTINGENT LIABILITIES

At reporting date, the Shire has no sites that have been classified as 'possibly contaminated - investigation required' by the DWER.

19. CAPITAL COMMITMENTS

	2024	2023
	\$	\$
Contracted for:		
- capital expenditure projects	3,762,492	351,167
- plant & equipment purchases	0	79,450
	<u>3,762,492</u>	<u>430,617</u>
Payable:		
- not later than one year	3,762,492	430,617

**SHIRE OF SHARK BAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

20. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

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

Note	2024 Actual \$	2024 Budget \$	2023 Actual \$
President's annual allowance	12,465	12,465	12,278
President's meeting attendance fees	12,135	12,135	11,955
President's annual allowance for ICT expenses	2,175	2,175	2,143
President's travel and accommodation expenses	0	0	1,398
	<u>26,775</u>	<u>26,775</u>	<u>27,774</u>
Deputy President's annual allowance	3,120	3,120	3,070
Deputy President's meeting attendance fees	5,905	5,905	5,815
Deputy President's annual allowance for ICT expenses	2,175	2,175	2,143
	<u>11,200</u>	<u>11,200</u>	<u>11,028</u>
All other council member's meeting attendance fees	29,525	29,525	29,075
All other council member's annual allowance for ICT expenses	10,875	10,875	10,715
All other council member's travel and accommodation expenses	0	0	659
	<u>40,400</u>	<u>40,400</u>	<u>40,449</u>
20(b)	<u>78,375</u>	<u>78,375</u>	<u>79,251</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	484,281	508,819
Post-employment benefits	66,711	69,459
Employee - other long-term benefits	88,652	30,596
Employee - termination benefits	20,288	0
Council member costs	78,375	79,251
20(a)	<u>738,307</u>	<u>688,125</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 2024**

20. RELATED PARTY TRANSACTIONS

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:

	2024 Actual	2023 Actual
	\$	\$
Sale of goods and services	45,506	47,125
Short term employee benefits - other related parties	160,926	224,257

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 and are detailed in Notes 20(a) and 20(b).

ii. Other Related Parties

Outside of 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 2024**

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 2024**

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 2024

23. RATING INFORMATION

(a) General Rates

RATE TYPE	Basis of valuation	Rate in \$	Number of Properties	2023/24 Actual Rateable Value*	2023/24 Actual Rate Revenue	2023/24 Actual Interim Rates	2023/24 Actual Total Revenue	2023/24 Budget Rate Revenue	2023/24 Budget Interim Rate	2023/24 Budget Total Revenue	2022/23 Actual Total Revenue
Rate Description		\$		\$	\$	\$	\$	\$	\$	\$	\$
(i) General rates											
Rateable property	Gross rental valuation	0.10224	379	5,278,998	539,719	0	539,719	538,311	0	538,311	515,871
Commercial	Gross rental valuation	0.10507	41	2,333,188	245,141	0	245,141	245,141	0	245,141	235,713
Vacant	Gross rental valuation	0.10224	16	310,500	31,745	0	31,745	31,745	0	31,745	32,811
Rural Commercial	Gross rental valuation	0.10626	5	341,520	36,290	0	36,290	36,290	0	36,290	34,894
Industrial	Gross rental valuation	0.11314	48	661,094	74,795	0	74,795	73,324	0	73,324	70,817
Resort	Gross rental valuation	0.11216	2	1,474,650	165,400	0	165,400	165,400	0	165,400	160,099
Rateable property	Unimproved valuation	0.145499	7	840,293	122,262	0	122,262	134,180	0	134,180	182,558
Pastoral	Unimproved valuation	0.09965	11	544,676	54,274	0	54,274	54,274	0	54,274	73,842
Mining	Unimproved valuation	0.19845	1	10,200	2,024	0	2,024	1,856	0	1,856	2,525
Exploration	Unimproved valuation	0.19081	11	1,076,019	205,316	0	205,316	207,934	0	207,934	275,595
Total general rates			521	12,871,138	1,476,966	0	1,476,966	1,488,455	0	1,488,455	1,584,725
				Minimum Payment \$							
(ii) Minimum payment											
Rateable property	Gross rental valuation	866	9	54,964	7,794	7,213	15,007	7,794	0	7,794	7,497
Commercial	Gross rental valuation	866	17	90,080	14,722	0	14,722	14,722	0	14,722	14,161
Vacant	Gross rental valuation	866	82	238,855	71,012	0	71,012	71,878	0	71,878	68,306
Rural Commercial	Gross rental valuation	866	0	0	0	2,735	2,735	0	0	0	0
Industrial	Gross rental valuation	866	2	13,540	1,732	0	1,732	2,598	0	2,598	2,499
Resort	Gross rental valuation	866	0	0	0	0	0	0	0	0	0
Rateable property	Unimproved valuation	659	6	10,150	3,954	0	3,954	3,954	0	3,954	5,250
Pastoral	Unimproved valuation	910	0	0	0	0	0	0	0	0	0
Mining	Unimproved valuation	910	1	840	910	0	910	910	0	910	875
Exploration	Unimproved valuation	910	2	6,120	1,820	(1,005)	815	1,820	0	1,820	875
Total minimum payments			119	414,549	101,944	8,943	110,887	103,676	0	103,676	99,463
Total general rates and minimum payments			640	13,285,687	1,578,910	8,943	1,587,853	1,592,131	0	1,592,131	1,684,188
				Rate in \$							
(iii) Specified Area Rates											
Monkey Mia Bore Replacement	Gross rental valuation	0.0106	1	1,411,050	14,999	0	14,999	15,000	0	15,000	36,616
Concessions							(3,652)			(4,904)	(158,111)
Total Rates							1,599,200			1,602,227	1,562,693
Rate overdue interest							6,712			5,100	5,990

The 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.

*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 2024

24. DETERMINATION OF SURPLUS OR DEFICIT

	2023/24 (30 June 2024 Carried Forward)	2023/24 Budget (30 June 2024 Carried Forward)	2022/23 (30 June 2023 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			
Less: Profit on asset disposals	(14,082)	(24,483)	(106,959)
Less: Fair value adjustments to financial assets at fair value through profit or loss	(841)	0	(1,843)
Add: Loss on disposal of assets	132,249	145,336	7,909
Add: Depreciation	4,898,073	1,881,680	1,726,933
Non-cash movements in non-current assets and liabilities:			
Pensioner deferred rates	(1,418)	0	(1,268)
Employee benefit provisions	20,234	0	6,101
Non-cash amounts excluded from operating activities	5,034,215	2,002,533	1,630,873
(b) 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			
Less: Reserve accounts	26 (5,185,418)	(4,936,886)	(5,010,342)
Add: Current liabilities not expected to be cleared at end of year			
- Current portion of borrowings	13 35,098	34,324	34,324
Total adjustments to net current assets	(5,150,320)	(4,902,562)	(4,976,018)
Net current assets used in the Statement of Financial Activity			
Total current assets	14,176,927	9,104,841	12,420,578
Less: Total current liabilities	(6,076,680)	(4,202,279)	(4,676,147)
Less: Total adjustments to net current assets	(5,150,320)	(4,902,562)	(4,976,018)
Surplus or deficit after imposition of general rates	2,949,927	0	2,768,413

SHIRE OF SHARK BAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

25. BORROWING AND LEASE LIABILITIES

Purpose	Actual							Budget			
	Principal at 1 July 2022	New Loans During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	New Loans During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024	Principal at 1 July 2023	New Loans During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Town Oval Bore	735,066	0	(33,568)	701,498	0	(34,324)	667,174	701,499	0	(34,324)	667,175
Monkey Mia Bore	35,710	0	(35,710)	0	0	0	0	0	0	0	0
Total	770,776	0	(69,278)	701,498	0	(34,324)	667,174	701,499	0	(34,324)	667,175

Borrowing Finance Cost Payments

Purpose	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2024	Actual for year ending 30 June 2023
Town Oval Bore	58	*WATC	2.24%	17/04/2040	\$ (14,753)	\$ (20,139)	\$ (21,163)
Monkey Mia Bore	57	*WATC	4.06%	20/03/2023	0	0	(907)
Total Finance Cost Payments					(14,753)	(20,139)	(22,070)

* WA Treasury Corporation

**SHIRE OF SHARK BAY
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024**

26. RESERVE ACCOUNTS

	2024 Actual Opening Balance	2024 Actual Transfer to	2024 Actual Transfer (from)	2024 Actual Closing Balance	2024 Budget Opening Balance	2024 Budget Transfer to	2024 Budget Transfer (from)	2024 Budget Closing Balance	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by legislation/agreement												
(a) Monkey Mia Bore reserve	0	14,999	0	14,999	0	15,200	0	15,200	0	0	0	0
	0	14,999	0	14,999	0	15,200	0	15,200	0	0	0	0
Restricted by council												
(b) Leave reserve	199,109	6,361	0	205,470	199,109	3,300	0	202,409	195,752	3,357	0	199,109
(c) Plant replacement reserve	671,374	21,450	0	692,824	671,374	392,000	(501,785)	561,589	744,743	372,471	(445,840)	671,374
(d) Infrastructure reserve	3,336,123	106,587	0	3,442,710	3,336,123	643,534	(577,555)	3,402,102	2,950,046	611,162	(225,085)	3,336,123
(e) Pensioner unit maintenance reserve	207,868	6,641	0	214,509	207,868	53,000	(60,000)	200,868	191,251	73,280	(56,663)	207,868
(f) Recreation facilities upgrade reserve	543,117	17,352	0	560,469	543,114	8,000	(50,000)	501,114	484,804	58,313	0	543,117
(g) Monkey Mia jetty reserve	22,560	721	0	23,281	22,560	350	0	22,910	22,180	380	0	22,560
(h) Shared fire system reserve	30,191	965	0	31,156	30,194	500	0	30,694	29,682	509	0	30,191
	5,010,342	160,077	0	5,170,419	5,010,342	1,100,684	(1,189,340)	4,921,686	4,618,458	1,119,472	(727,588)	5,010,342
	5,010,342	175,076	0	5,185,418	5,010,342	1,115,884	(1,189,340)	4,936,886	4,618,458	1,119,472	(727,588)	5,010,342

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.



Auditor General

INDEPENDENT AUDITOR'S REPORT

2024

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 2024, 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 2024 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.

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 2024, 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 2024 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
13 December 2024