

Shire of Esperance

# Annual Report

2024 / 2025





# Acknowledgment of Country

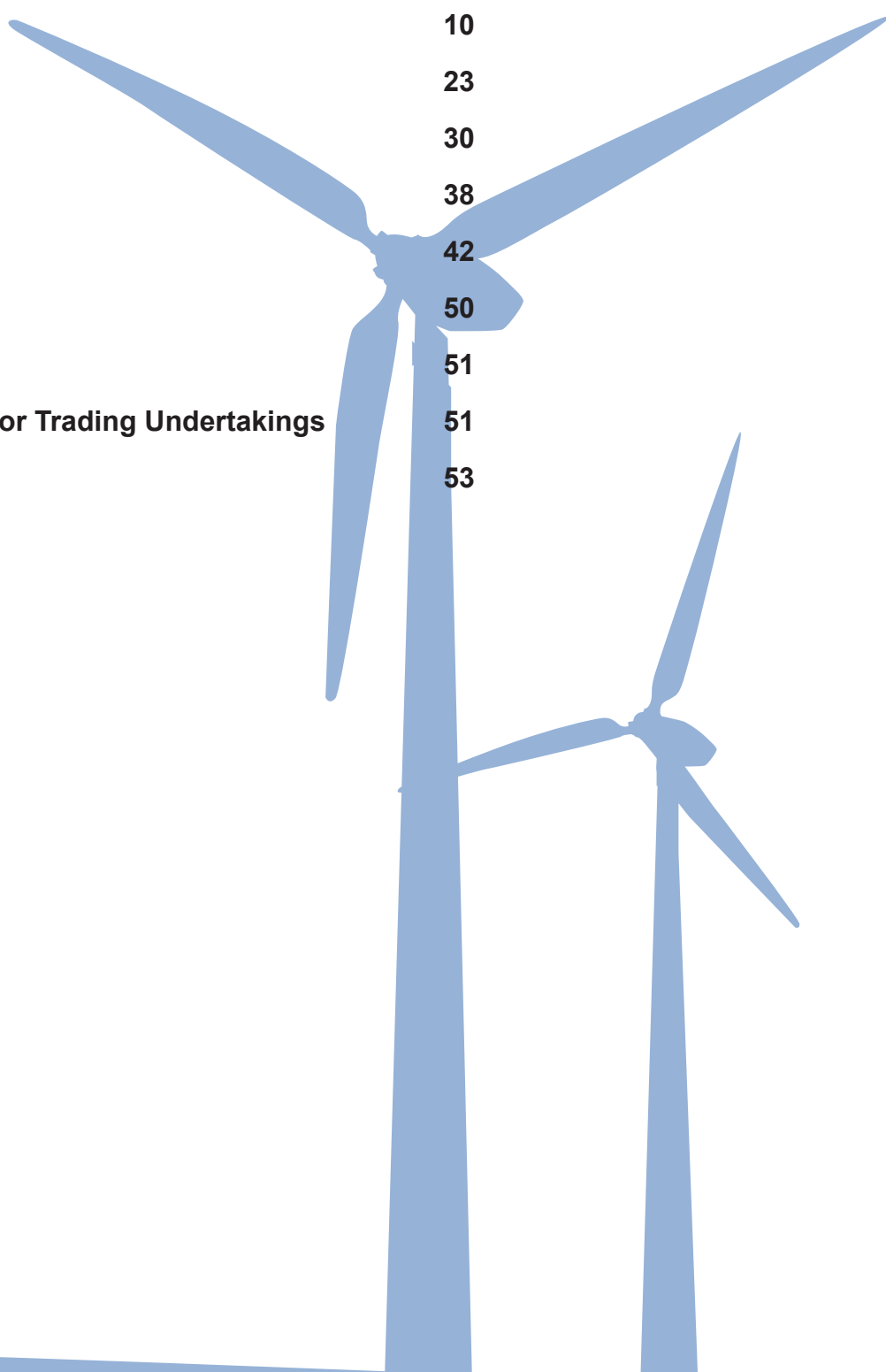
The Shire of Esperance acknowledges the Kapa Kurl Wudjari people of the Nyungar nation and Ngadju people who are the traditional custodians of this land, and their continuing connection to land, waters and community. We pay our respects to Elders past, present and emerging and we extend that respect to other Aboriginal Australians today.





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# Our Purpose

The Shire of Esperance exists to meet the needs of current and future generations through an integration of environmental protection, social advancement and economic prosperity.

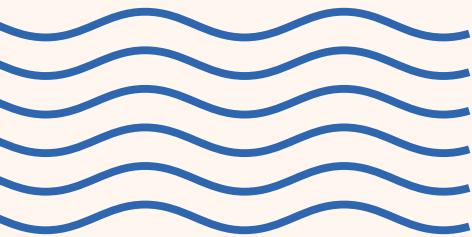
# Our Vision

Esperance, together we make it happen.



Image Credit: Young Adventuress





## Shire President Report 2024/2025

Over the 2024/25 year your Council has kept its eyes firmly on what matters most: championing the aspirations of our community. Every decision we've made has been guided by the Council Plan and by the vision you helped shape through consultation - "Esperance, together we make it happen". Our role is clear and unwavering:

to provide strong, strategic leadership, to advocate with determination, and to ensure that the wishes of our community are represented at every step of the decision making process.

Council's commitment to inclusive growth and sustainable development was demonstrated repeatedly over the year. We backed major infrastructure projects for our communities' benefit - the James Street Cultural Precinct, the Graham Mackenzie Stadium redevelopment, and the Myrup Waste Management Facility - each a bold step forward in strengthening community amenities and safeguarding lifelong education, wellbeing, and the environment for generations to come.

This financial year saw advances in key planning initiatives including the Farm Stay Accommodation Policy and the Public Open Space Strategy, ensuring Esperance remains welcoming, vibrant, and resilient in the face of future challenges. At the same time, we have continued to advocate strongly for improved telecommunications, better access to education, and housing solutions such as the Key Worker Accommodation Project, because these are the foundations of a thriving community.

We run the Community Scorecard every two years and I want to acknowledge the time and thought our community put into completing the Scorecard this year. Your feedback is invaluable, and the results made one message very clear: strong advocacy from Council and the Shire is a top priority.

Advocacy to every level of government, and organisations of influence has always been central to our role. With the Scorecard highlighting just how vital this is to you, and identifying the areas you most want us to champion, we are now shaping a strategic advocacy approach to ensure your priorities are heard, respected, and acted upon.

I'd like to take this opportunity to thank my fellow Elected Members for their disciplined and level-headed support for both the Deputy President and President roles, and the respectful, professional dedication they bring to their roles, serving the community as Councillors.

To our CEO, Shane Burge, Directors Felicity Baxter, Mat Walker and Roy Grieve, and all Shire employees - your commitment and hard work have been vital in turning the community's instructions into real outcomes. Together we've shown what can be achieved when Council and the Shire work side by side with purpose and clarity, keeping our focus firmly on delivering for Esperance.

Looking ahead, our focus is clear: to foster economic prosperity, champion tourism development, enhance physical and mental health, and ensure Esperance remains a place where people feel connected, supported, and proud to call home.

I thank our community for their ongoing engagement, energy, and vision. Together, we're not just planning for the future, we're building it.

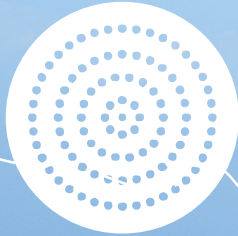
Ron Chambers  
Shire President



## ESPERANCE IN NUMBERS



**13,883**  
Population



**4.3%**  
Indigenous Australians



**24.1%**  
Born Internationally



**3,441**  
Families



**6,808**  
Private Dwellings



**2.4**  
Average People Per Household



**\$1,521**  
Median Household Weekly Income



**42**  
Average Age

**53,755.87km<sup>2</sup>**

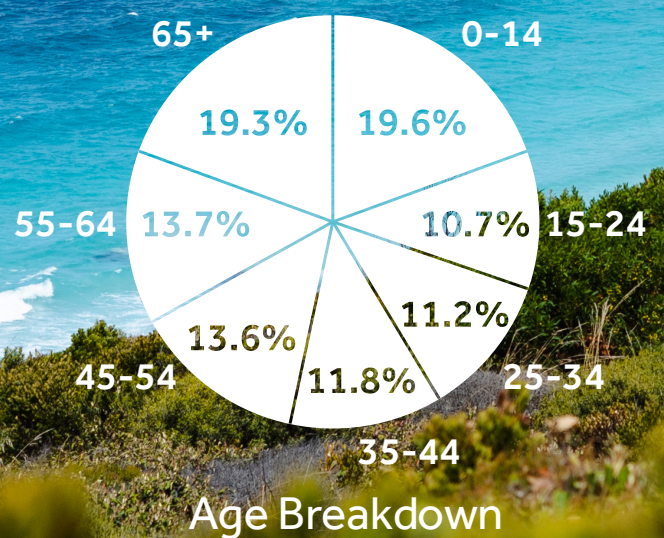
**3,698.3km** of unsealed roads

**875.2km** of sealed roads

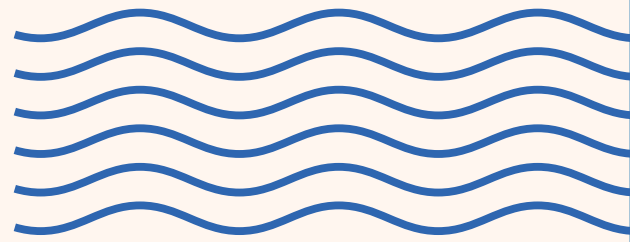
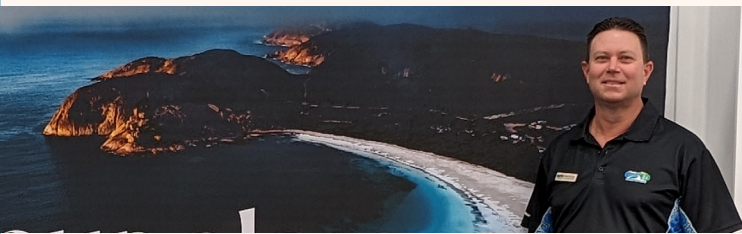
**140.6km** of footpaths

**13,045km<sup>2</sup>** of agricultural land

**20,377km<sup>2</sup>** of reserves







## CEO Report 2024/2025

The 2024/25 financial year was very busy for us at the Shire. We worked to keep services running smoothly with only minimal rate increases, even though costs are going up everywhere. We know many in our community are feeling that squeeze. At the same time, we pushed ahead with major projects and made sure our systems are solid enough to carry us well into the future.

I'm really pleased with our new internal Procure to Pay system; built for local government, it strengthens the way we manage your money, ensuring accountability, efficiency, and compliance. Our Finance Team were up to the challenge of integrating it into our day-to-day work. The quality of this team was also acknowledged with another unqualified audit opinion from the Office of the Auditor General, recognising the Shire as one of WA's top 20 best practice entities. This is not just a nice pat on the back - it shows we're serious about transparency and accountability.

The Shire also invested in the basics that make a difference for staff and the community over this financial year. Our IT systems were upgraded, and new Work Health and Safety systems are now in place because keeping our people safe at work is non negotiable.

On the community side, we rolled out practical initiatives like the Bin Tagging Program, KidSport Pool Memberships, and expanded volunteer and youth engagement programs. We also took a hard look at facilities like the Bay of Isles Leisure Centre and the Esperance Library to make sure they'll keep meeting community needs into the future.

Our staff are the backbone of this organisation, and we've made sure they've been given the tools they need to succeed. More than 500 training courses were delivered, and we negotiated a new Industrial Agreement to give stability and fairness. Housing and recruitment remain tough challenges, but we've kept services going by being flexible and working closely with local partners.

I want to thank our Directors Felicity, Mat and Roy, Shire staff, and volunteers for the effort they've put in over the past year. It hasn't been a simple run - costs keep climbing, housing and recruitment are tough, and the community rightly expects a lot from us. But through all that, you've kept the Shire's machinery

humming: services delivered, projects moving, and people cared for. That's what counts. The proof of your work is in the fact that we've stayed financially accountable, managed resources responsibly, and kept things ticking for the community. That's real value, and it only happens because of the people who show up and do the work every day.

Looking ahead, the focus doesn't change. Shire staff at all levels will keep delivering great service, backing Council's strategic direction, and making sure our staff and our community are supported. We'll continue to be upfront about how we spend and how we work - because that's what accountability looks like.

Shane Burge  
Chief Executive Officer



# Planning for the future

The Shire of Esperance is guided by the Council Plan 2022 – 2032, which provides instruction from the community on priority projects and goals. The Council Plan is an amalgamation of both the Strategic Community Plan and Corporate Business Plan into one succinct document.

Under the Integrated Planning and Reporting Framework, Corporate Business Plans are to be reviewed each year and Strategic Community Plans every four years, with minor reviews every two years.

To make sure the Council Plan stays relevant, the Shire committed to undertake annual desktop reviews, with major reviews every four years.

This year's review of the Council Plan focused on the Corporate Business Plan elements, including updates for the priority action statuses, financial information and workforce resources.

The Council Plan includes five themes being –

**People**

**Planet**

**Place**

**Prosperity**

**Performance**

## Where to find the Council Plan

Hard copies can be obtained from the Shire Administration Building, Library or Online:

[www.esperance.wa.gov.au](http://www.esperance.wa.gov.au)

We welcome your feedback on this report. Feedback can be dropped off at any Shire building or emailed to:

[shire@esperance.wa.gov.au](mailto:shire@esperance.wa.gov.au)





# Welcome

Each year, the Shire delivers essential services across our diverse communities - from Condingup in the east to Cascade in the west, Salmon Gums in the north, and everywhere in between.

The Annual Report highlights our achievements and tracks progress on priority projects and goals set out

in the Council Plan. As a key reporting tool, it offers transparency, showcases performance, and reflects on both the successes and challenges of the past financial year.

The Shire's vision of

## **"Together, we make it happen"**

continues to promote Esperance as an inclusive community where things get done when we pull together with a common goal.



Image Credit: Dan Paris





# PEOPLE

## 1. A safe community

### Ranger Services

The Firebreak Inspection Program commenced in October this year, supporting property owners to meet compliance with the annual Fire Hazard Reduction Notice. The program concluded in March, with the season's learnings being collated and used to assist in development of a field tool to improve future delivery of the Program. Planning for the next season has commenced, with community engagement identified as a key opportunity to support fire prevention and preparedness.

Routine patrols continued throughout the year, including animal control and public safety, with summer patrols commencing in December to address unauthorised camping and increased visitation. Casual Ranger Assistants were recruited to support camping patrols, increasing capacity and enabling broader patrol coverage. This approach successfully reduced the incidence of illegal camping.

Ranger Services continued to facilitate animal rehoming, supporting SAFE due to limited local resourcing, and progressed work to increase animal registrations and compliance with legislative reforms. The team also welcomed a visit from the Shark Response Unit to discuss hazard response arrangements and appointed a new Coordinator Ranger Services to support operational planning and service delivery.

### Customer Requests Received

**815** Animal Related  
**256** Regulatory Compliance  
**30** Fire Hazard  
**77** Illegal Dumping

### Animals to Rescue Organisations

**19** Cats  
**9** Dogs

### Animals Impounded

**57** Cats  
**82** Dogs





## 2. A Healthy and active community

### Esperance Indoor Stadium

A water leak from a burst pipe at the Esperance Indoor Stadium (EIS) was discovered in April 2024, which allowed water to flow over courts one and two and partially cover court three. Despite our best efforts to dry the courts, the water had seeped into and under the sports flooring, causing irreparable water damage.

This caused temporary relocation of sporting club use and competitive sports to the Graham Mackenzie Stadium (GMS) while the damaged flooring was removed, treated for mould and replaced. The stadium reopened in April 2025 to full capacity.



### Hockey Synthetic Turf and Lighting Project

Council reaffirmed its commitment to supporting local sport and recreation by endorsing the Esperance Hockey Association's application for \$643,176 in State Government funding through the Community Sporting and Recreation Facilities Fund (CSRFF). The application was considered at the September Council Meeting and received a top priority ranking and was declared well worthy of support.

The Association's proposed Synthetic Turf and Lighting Project will bring Esperance in line with regional, state, and international hockey standards, where synthetic surfaces are the norm.

The new facility will modernise local competition, enhance player development, and provide a suitable venue for junior and senior members alike.

To demonstrate its support, Council committed \$300,000 towards the project, to be allocated in the 2025/2026 Budget. In addition, the Shire has provided a quote for the earthworks, civil, and fencing components to help reduce the overall project cost.

This project will deliver a long-awaited upgrade for one of the last major hockey associations in Western Australia without a synthetic playing surface.

### Mountain Bike Track

Stage 1 upgrade works at the Piggery Mountain Bike Track were successfully completed, focusing on erosion management and enhancements to trail features. The project was delivered in collaboration with the Esperance Mountain Bike Association and professional trail designers and builders.

A key milestone was the completion of the firebreak jump line, with the final touches including signage installation and carpark upgrades scheduled to further improve site accessibility and appeal.





# Bay of Isles Leisure Centre

The aquatic area was closed for eight weeks to undergo essential maintenance, including replacement of the specialty ceiling that was installed back in 1999 with a new Ripple Sound Ceiling System. During the closure, other maintenance and repairs to the Leisure and Toddler pools were undertaken, as well as replacing UV Filters and carrying out rust repairs, paint works to the pillars and windowsills, and other minor works.

The Leisure Centre staff enthusiastically joined the KidSport Regional Pool Program, an initiative by the Department of Local Government, Sport and Cultural Industries (DLGSC) aimed at promoting physical activity, water safety, and inclusive access to recreation for children from low-income families.

Staff worked swiftly to integrate the program into the existing fee structure, liaising with KidSport and DLGSC to establish a special six-month pool membership. The KidSport membership was fully funded by DLGSC and provided eligible children with free access to the aquatic area throughout the summer period.

Council responded promptly to support the initiative, endorsing the necessary fee changes to ensure the program's successful implementation. The result has been a steady uptake of memberships, with families embracing the opportunity for free, healthy, and fun aquatic recreation.

In December 2024 the final document of the Strategic Business Review for Bay of Isles Leisure Centre was delivered and presented to Council by OTIUM Planning Group. This review provided a foundational document explaining how the Leisure Centre is performing, its upcoming needs and an overall snapshot of our current standings, this then led to the creation of the Leisure Centre Management Plan for 2025/2026 which addresses some of the key recommendations out of the strategic review. This management plan was presented to Council in June which will now guide our projects and actions for the upcoming financial year.



**55,659** Member Visits  
**74,255** Casual Visits Crèche  
**41,155** Dry Area Visits  
**89,423** Wet Area Visits  
**8,330** Crèche Visits  
**1,507** Swim School Enrolments



## Environmental Health

Our Environmental Health Team had another busy year, with our Environmental Health Cadet successfully completing their studies to become a qualified Environmental Health Officer, and a new cadet commencing their studies to continue building team capacity. The Health Team also had the support of relieving officers, which has assisted during peak times and reduced staff numbers.

Team capability was enhanced through participation in the Environmental Health Australia Conference, including masterclasses on legal sampling practices and data-driven public health planning. The Mandurah Mosquito Management five-day course was also attended by the Environmental Health Officer.

On 1 September 2025 the Minister for Local Government reformed the *Caravan Parks and Camping Grounds Regulations 1997*, providing the local government with the delegation to approve applications to camp on a property for up to 24 months. To support these changes, protect the environment and the health of the community, a

policy, process and guideline were developed, with the Policy being adopted by Council in October.

An increase in asbestos-related service requests highlighted the need for responsive action to emerging public health concerns. The Health Team have been working with the waste and building teams to develop fact sheets, update information on our website and improve practices to ensure asbestos is handled and disposed safely.

A review of internal processes for annual caravan park inspections and licensing was completed. The aim was to streamline internal processes and remove the licence renewal time away from the peak tourist season. Extensive liaison with licence holders occurred to resolve compliance matters.



**122** Inspections Conducted with  
Eight Enforcement Actions  
Taken

**356** Water Samples

**65** Temporary Food Permits Issued

**96** Health Applications

## Food Safety Enforcement and Public Health Commitment

This year, we initiated legal action against a local food business under the *Food Act 2008* and associated regulations, which resulted in a court conviction. This action was not taken lightly and followed extensive engagement by our Environmental Health Officers, who provided education, resources, and support to assist the business in achieving compliance.

We take public health and safety seriously and are committed to working collaboratively with food businesses to meet legislative requirements.

Legal action is only pursued as a last resort, following a graduated compliance approach led by qualified officers.

Significant resources are invested in delivering the objectives of the Public Health Plan 2021–2026, with Environmental Health Officers prioritising relationship-building, education, and support. Officers have received positive feedback for their approachability and the provision of comprehensive resources, including templates, information sheets, and advisory forums.



## Home Care

Our Home Care Team continue to work closely with local partners including the hospital, Esperance Aged Care Facility (EACF), and referral agencies to support safe and appropriate care options for community members. Weekly hospital discharge meetings and monthly EACF intake meetings have helped with triaging and managing referrals, though we are seeing an increase in clients entering permanent care and ongoing waitlists for assessments.

The start of the new *Aged Care Act 2024* and its associated standards and program have been delayed until 1 November 2025. While the Act promises improvements such as a new regulatory model, strengthened standards, and better access to services, the lack of timely and detailed information from government departments has made planning difficult.

Offering flexible working arrangements has continued to present challenges throughout the year. While they remain important for staff attraction and retention, they have at times made scheduling more complex, particularly during school holidays and peak periods. This has improved in some areas through targeted recruitment of staff available for weekends and late afternoons, but balancing flexibility with operational needs remains ongoing. We continue to assess this space as our client base grows with services offered from 7am to 7pm.



Home Care staff have been working with the Aged Care Stewardship Team to report on gaps in local services and advocate for information sessions as delivered in larger centres. These have included no options for squalor and hoarding assistance, a lack of aged care specific mental health support and a long waitlist for clients with home modifications and assistive technologies. We continue to advocate for clearer communication for local residents to prepare for the roll out of the new Aged Care Act whilst we ensure that staff are trained, and administrative functions are adjusted in readiness.

The Meals on Wheels service delivered more than 4,500 meals this year, with each meal including soup, a main course, and dessert. Meals are now packaged in sustainable containers that significantly reduce landfill waste, while continuing to support the health, wellbeing, and social connection of senior residents through nutritious meals and regular volunteer visits.

**60-80** Home Care Package Clients

**20** NDIS Participants

**270-310** Commonwealth Home Support Programme Participants

### Hours

**17,944** Delivering Services for Home Care Package Clients

**16,513** Delivering Services under the Commonwealth Home Support Programme

**300-380** Delicious Meals per Month

## Disability Access and Inclusion Plan

Our Disability and Inclusion Plan (DAIP) outlines the actions we are progressing to ensure that community members with disability have equity of access and inclusion to functions, facilities, services and information.

Accessibility and inclusion are always a consideration when discussing building development applications, and parking design projects continue to be assessed to determine ACROD requirements.

Membership on the DAIP Working Group was refreshed this year, and meetings recommenced with the Group's first meeting since 2021/2022 being held in September 2024. The Group maintained momentum with meetings focusing on the review and redevelopment of the Disability Access and Inclusion Plan. A draft DAIP 2025–2030 was developed and circulated to the Group for feedback before being refined through internal workshops and prepared for broader stakeholder consultation, marking a significant milestone in advancing inclusive planning.



# 3. A welcoming, inclusive and connected community

## Community Grants Program

The Community Grants Program is Council's direct investment in local organisations and individuals who enrich the cultural life and wellbeing of our region.

It provides funding to support vibrant, inclusive, and meaningful initiatives that strengthen community connections.

During the 2024/2025 year, 39 small grants totalling \$74,114 and 10 annual grants totalling \$253,371 were approved.

### Small Grants

- Esperance Volunteer Fire and Rescue 60th Anniversary Event
- Esperance STARS Foundation Awards Night
- WA Seabird Rescue Rehabilitation penning
- Aiden Finlay Mulligan Representation
- EDFA Hepburn Medal
- Escare Mental Health Pop Up Café
- Museum Village Markets Live Music at Markets
- Men's Talk Workshops – Living with Teenagers
- Twilight Aerial Gymnastics Academy Gym Classic
- Terri Herbert Representation
- Rotary Club Auspice Deaf Awareness at Lucky Bay
- Esperance Pony Club October Camp
- Esperance Speedway 50th Anniversary
- Newtown Cricket Club Replace Synthetic Pitch
- Esperance Mechanical Restoration Promotion of Collectors Fair
- Esperance Ravensthorpe Leadership Effective Communication Seminar
- Lions Club Auspice Fauna for the Future Humicrib
- Lions Club Carols by Candlelight
- Carta Tawhiao Representation
- CDRA Purchase Playground Equipment
- Esperance Playgroup Bike Track
- Esperance Wildlife Rescue & Rehabilitation First Aid Fauna Station
- Cascades Town Recreation Association Fun Day
- Esperance Clay Target Club 63rd Annual Easter Carnival
- Esperance Equestrian Club Annual Camp
- Esperance Golf Club Esperance Classic
- Esperance Cycling Club Tour de Esperance
- Esperance Bay Historical Society Plaque
- Esperance Baptist Church New Roof
- Esperance Model Aero Club Updated Signage
- Esperance Pistol Club Purchase of New Air Pistols
- Ports Football Club Upgrade to Cricket Pitch Cover
- RSL Celebrating 100 years of the Cenotaph
- Castletown Primary School 2025 NAIDOC Event
- Esperance Aged Care Facility Purchase Mobile Interactive Projector
- Brody Oliver Representation
- Bronte Hennessy Representation
- Esperance Squash Club Yellow Dot Ball
- Men in Sheds CCTV Installation







### Annual Grants

- Cascade Primary School P & C 50th Anniversary Dinner
- Esperance Care Services Waste Recycling and Disposal
- Esperance Tennis Club Upgrade Lights
- Esperance Tjaltjraak Native Title Aboriginal Corp Esperance Wildflower Festival 2024
- Recherche Aged Welfare Committee Replacement of Fencing
- Rotary Club Australia Day event
- Rotary Club New Years Eve event

Council also approved recurrent operational funding for the Esperance Brass Band, Esperance Community Arts and The Cannery Arts Centre which has streamlined this process.

## James Street Cultural Precinct

This year we celebrated our success in securing \$14,903,000 from the Australian Government Growing Regions Program for Stage 1a of the James Street Cultural Precinct.

A tender for the detailed design of the Precinct building and surrounds was advertised in June following receipt of the formal funding agreement.

The concept design incorporates a high level of environmental sustainability, and it is expected this will carry through to the final design, continuing the commitment shown in other Shire buildings.

We continue to actively pursue further funding for future stages of the project.







## Youth

Our Community Development Team continues to offer a variety of opportunities for our Youth.

A diverse range of programs and events were successfully delivered throughout the year, reflecting our strong commitment to community engagement and wellbeing. These included Winter Wonderland, the Esperance NAIDOC Week celebrations, the Wildflower Festival, and TOAST workshops. We also supported the Lexus Melbourne Cup Tour, coordinated Student Exchange activities, and hosted inclusive events like the Shire Family Fun Day, Rockin' Roller-skating, and the One and All Community Programs. Cultural enrichment was further enhanced through Civic Centre performances and the delivery of various seasonal and signature events.

In addition to event delivery, we provided substantial support through funding and development programs. These included the administration of Community Grants, CSRFF funding applications, Club Land support, and KidSport funding, all aimed at strengthening local clubs and community initiatives.

As the year progressed, the Team shifted focus to coordinating several high-profile community events. These included the Sports Star of the Year Awards, Youth Day, the Edge of the Bay Festival, the Seniors Christmas Party, and the Christmas Pageant, all of which were well received and contributed to our vibrant community atmosphere.

Planning for future initiatives also advanced significantly. Notable progress was made on the 2025 Twin Towns Student Exchange program, with three host families already confirmed, and the introduction of a new event for 2025, Neon Showdown – a youth event that has been designed by the Youth of Esperance.

The Team also undertook a review and update of the Community Grants Guidelines and continued to support various partnerships and special projects.

Throughout the year, the team contributed to a wide range of collaborative and cultural initiatives. These included the Esperance Sculpture Trail, a Grant Makers workshop, additional CSRFF applications, and partnerships such as Taste of the World and Activ8 Esperance. Cultural celebrations were further supported through French Week activities, cruise ship coordination, a Gaming Tournament, and various end-of-year celebrations.

Toward the end of the year, several events were delivered to celebrate and engage the community. These included the French Week concert and workshops, the One and All Community Program, the Family Fun Day, the Mother's Day Classic, the Reconciliation Week Walk, and the Taste of the World celebration, all of which fostered inclusivity and community spirit.

In October, the Shire of Esperance hosted a morning tea to celebrate 100 years of the Country Women's Association (CWA) in Western Australia, coinciding with the International Day of Rural Women. CWA members from across the region attended, representing branches in Esperance, Gibson, Munglipup, Condingup, Grass Patch, and Salmon Gums. Shire President Ron Chambers, acknowledged the CWA's enduring legacy, highlighting its contributions to emergency response, youth wellbeing, aged care, education, and community connection.



# Volunteer Resource Centre

This year the Esperance Volunteer Resource Centre continued to strengthen volunteering in our region by supporting local organisations and connecting individuals with meaningful opportunities. We assisted interested community members to find volunteer roles that matched their interests, skills and availability, and supported community organisations with volunteer-related queries, concerns and recruitment.

Our service also provided free equipment hire, reducing costs for community groups, expanding their capacity and cutting down on environmental impact. Items such as marquees, signage and catering supplies were borrowed throughout the year, and with some additional funding we added new popular items including event chairs, festoon lights, a binding machine and a megaphone.

A major focus this year was a film-based project made possible through Volunteering WA's Volunteer Management Activity grant, funded by the Australian Government's Department of Social Services. Working with local videographer Rosie Henderson, we created and released seven short videos exploring volunteering topics and showcasing the contributions of local people. The final documentary-style instalment profiled five diverse Esperance volunteers, offering insight into their motivations and experiences. These videos can be viewed on our website or the Shire of Esperance YouTube channel.

We also secured an increase in core funding from the Department of Communities to continue two initiatives piloted last year. Goodwill Globe Trotters helps organisations create flexible, short-term and corporate volunteering opportunities to suit modern lifestyles. Out of the Box Volunteering supports organisations to engage people who may not have traditionally volunteered, including young people, First Nations people, migrants, transient workers, people with disability or mental health challenges, and vulnerable women. Both programs build inclusivity and ensure every volunteer feels welcome and valued.

Promoting and celebrating volunteering remains central to our work. In December more than 70 volunteers from over 50 organisations joined us for a Thank a Volunteer Day morning tea and bingo celebration. In May, nearly 50 volunteers from 40 organisations attended a National Volunteer Week sundowner featuring a screening of our new videos, interactive art activities and conversation cards.

Looking ahead, we are excited to deliver a co-designed youth-focused volunteering program in partnership with local organisations, made possible through the 2025/2026 Volunteer Management Activity grant. This project will run until June and aims to spark the next generation of volunteers in our community.

**147** People Assisted

**121** Organisations Assisted





# Museum

During the annual winter closure of the Museum work was undertaken in the Maritime section.

Increased staffing at the Museum saw the opportunity to revisit the opening hours, with feedback suggesting access to the Museum during the week would be favourable.

Visitation numbers showed a modest increase compared to the previous year, supported by improved tracking of entry times. Events during this time included a community access initiative at the Noel White Centre, free screenings of the Esperance Historic Homesteads series, and continued support for the Historical Society's programming. Several school group visits were also facilitated. Works have also been undertaken assessing the collection to gain a better understanding of what is in the Museum to make it more accessible through research, education and display planning.

During the summer holiday period, the Museum operated six days per week, with staff covering weekday shifts and volunteers assisting on weekends. The Museum operated seven days per week during the peak holiday period, marking the first time this level of access had been achieved since the previous operational restructure. Visitor numbers increased by approximately 4.5% compared to the previous summer. Due to ongoing volunteer shortages, staff covered one day per week while volunteers supported operations across three days.

The Museum supported the Esperance Bay Historical Society's 'History Half Hour' event, which attracted strong community interest and attendance. This initiative contributed to ongoing engagement with local heritage and historical storytelling.

The Esperance Museum proudly launched the eBook 'From the Bay to the Battlefields' on 25 April in honour of ANZAC Day, sharing the stories of local servicemen who served in the First World War. Created by volunteer historian Kathy Hine after over a decade of archival research and community engagement, the publication draws on service records, family contributions, and local archives to preserve the lives and legacies of Esperance's war heroes. Supported by the Shire through community grants and Museum assistance, the project reflects a strong commitment to historical preservation and community storytelling. The eBook is available on the Museum's website, and community members are encouraged to contribute additional stories and images to enrich the collection.

The Museum also participated in the 'Hope in the Wind' pop-up art and culture trail, showcasing artworks from a visiting artist and contributing to the region's cultural programming. Additional free screenings of the Esperance Historic Homesteads series were held, continuing to attract strong community interest.

**10,443** Museum Visits



Image Credit: Rosie Henderson



# Esperance Public Library

Our Library Team delivered a dynamic and engaging program of events, community outreach, and service enhancements throughout the year. These initiatives reflected the Library's commitment to accessibility, lifelong learning, and cultural enrichment.

Community engagement was strengthened through Family History workshops and screenings of locally produced Historical Homesteads documentaries. These activities were designed to address digital access barriers and promote local heritage.

The Library hosted a range of events including author visits, parenting workshops, school visits including the Mallee Muster and the Esperance Anglican Community School's Rite Journey Challenge. Outreach efforts extended into the broader community through participation in community events such as Paint Esperance Read, Winter Wonderland, the 'Mental Health Pop-Up Café' and Taste of the World. These activities reinforced the Library's role in promoting literacy and cultural engagement

Popular community initiatives included Library Lovers Day, the Better Beginnings 20th anniversary celebrations and, in partnership with Esperance Community Arts, the Act, Belong, Commit Resilience for Youth through Art Digital storytelling stop-motion workshops. These programs were well received and contributed to the Library's role as a hub for learning and creativity.

A major technological change was the implementation of Radio Frequency Identification (RFID) technology. This project involved the preparation and encoding of over 28,000 items, significantly improving inventory management and service efficiency. The investment in scanning equipment at the service desk, inventory scanning wand and the installation of the automatic returns shelving has vastly improved stock management capability.

Staff undertook professional development in key areas including readers advisory, cataloguing, first aid, manual handling, User Experience (UX) and indigenous cultural intellectual property to support the delivery of high-quality services and enhanced staff capability.

The Library unveiled a refreshed logo featuring the Esperance coastline and Mandooboornup landscape. Facility improvements included the installation of mobile shelving in the children's area, creating a more flexible and engaging space for young patrons. Our collection added Energy Efficiency home testing kits courtesy of a partnership with Switch You're Thinking.

Regular programming was well supported including weekly Storytime and Rhymetime sessions and Home Library delivery service. Tech-education talks were also delivered to local groups, supporting digital literacy and lifelong learning. The Library's vital partnership with the State Library of WA saw the injection of new items into the collection and Library staff re-distributing free family literacy Better Beginnings packs to early years children in the region.

Regular volunteer-led services such as the Esperance Library Friends Bookshop, Justice of the Peace document witnessing and ATO Tax Help service continued to be well patronised, demonstrating the Library's ongoing relevance to the community.

**67,758** People Accessed Library

**57,773** Physical Items Borrowed

**5,494** Tech Education Assists

**5,299** Library Program Participants

**2,682** Volunteer Hours







## Civic Centre

The Esperance Civic Centre continues to be a cornerstone of cultural and community life in our region, offering a diverse array of shows and events. With a total of 180 bookings, the Centre hosted a wide range of activities including stage performances, concerts, school productions, workshops, meetings, church services, graduations, festivals, dance concerts, discos, weddings, and funerals. This variety reflects the Centre's role as a flexible and inclusive venue catering to the needs of the entire community.

Among the bookings, 16 major shows were delivered through venue hire, each requiring substantial support from our dedicated volunteers. In total, 800 volunteer hours were contributed to ensure the success of these events.

This level of commitment underscores the value placed on the Civic Centre by our community and the collaborative spirit that drives its operations.

Looking ahead, the Civic Centre is actively seeking funding to undertake critical upgrades to improve accessibility and functionality. A staged application to Lotterywest is being prepared, with proposed improvements including the replacement of retractable seating, upgrades to toilet facilities, enhancements to the green room and storage areas, and the installation of a lift to provide stage access. These upgrades are essential to ensure the venue remains safe, inclusive, and fit for purpose for years to come.

**16 Shows**

**15 Performances**

**21,897 Attendees**





# Cultural Inclusion

We continued to strengthen our partnership with Esperance Tjaltjraak Native Title Aboriginal Corporation (ETNTAC) through a range of collaborative initiatives and cultural engagement activities, with the Partnership Agreement being formally signed during NAIDOC Week.

Our Community Development Team supported the Kepa Kurl NAIDOC Week celebrations through event planning, grant funding assistance for school-based activities, providing signage such as KEPA KURL lettering and activities equipment for use across events, and hosting official ceremonies, a film screening and community disco event at the Civic Centre.

The Reconciliation Action Plan (RAP) Working Group undertook a comprehensive review of the existing RAP, originally prepared in 2018. The group assessed completed actions, identified areas still in progress, and evaluated outstanding items to ensure alignment with the organisation's current cultural inclusion priorities. Findings from this review highlighted the need to move to an inclusive communities approach, focus is now on developing an Inclusion Plan.

The Working Group participated in an online seminar titled 'Dismantling Systemic Racism – Perspectives from First Nations People', contributing to ongoing professional development and cultural awareness.

Library staff partnered with ETNTAC and local artist Colleen Frost to facilitate the creation of a community sculpture representing a Tjaltjraak tree. The sculpture was designed for display at Lake Monjingup as part of the Boodja Dwardak Wirn community event, which aimed to reconnect with Country and celebrate cultural heritage. Our Community Development Team supported logistical arrangements for the Boodja Dwardak Wirn event, including coordination of a centralised bus pick-up and drop-off point to assist attendees.

Shire staff joined community members, including representatives from Nulsen Primary School, Hope Community Services, and ETNTAC, for a walk along the foreshore in celebration of National Reconciliation Week. The event promoted unity and reflection under the theme 'Bridging Now to Next.'

Key officers from the Shire and ETNTAC convened to discuss progress under the Partnership Agreement. Highlights included environmental restoration at Tjaltjraak Boodja Park, the successful Boodja Lights event, and advancement of the Aquaculture Project. Future collaboration will focus on fire management, development of the Shire's Inclusion Plan, enhancements to Olympian Way Park using State Government funding, and early consultation on the James Street Precinct design to incorporate cultural elements.

Support was also provided for the Esperance Wildflower Festival, including Civic Centre access, signage coordination, and site preparation. Planning assistance was extended for the Monjingup Lake light show, a culturally significant event scheduled for later in the year.

We collaborated with community members on the Dempster Homestead Plaque Project, which acknowledges the contributions of Aboriginal workers who supported the Dempster Brothers during early settlement, with the plaque to be installed at the entrance of the homestead.

We also supported the official opening of the Baarndi Trail, which connects Castletown Quays to Bandy Creek, and ETNTAC shared the cultural significance of the trail with attendees.

In May, Council accepted a donation from the Esperance Chamber of Commerce and Industry of a sculpture piece commissioned by the Mudjar Aboriginal Corporation. The piece is intended for use at Post Office Square to activate the CBD and can be moved for display at other events.







## 4. The natural environment is valued, protected and enjoyed

### Waste Management

Our Sustainability and Resource Recovery Team continued to advance our waste management objectives through a combination of targeted education, operational improvements, and community engagement initiatives.

A key achievement was the development and implementation of the Bin Tagging Program, part funded by the Western Australian Local Government Association (WALGA). This initiative provided direct feedback to residents regarding the contents of their kerbside bins, encouraging correct waste separation and improved recycling practices. The program was successfully delivered across multiple areas within the district and subsequently reviewed to inform future waste education needs for the community.

The Team actively promoted responsible waste behaviours at various community events, including sustainability-themed festivals and public engagement activities, helping to raise awareness of recycling practices and foster a culture of environmental responsibility.

Internally, collaboration with other departments led to improvements in recycling systems within the Administration Building, supporting broader organisational sustainability goals and demonstrated leadership in waste reduction practices.

The success of these initiatives reflects the Team's strong commitment to embedding sustainability principles across our operations and supporting the objectives outlined in the Waste Management Policy.

### South Coast Marine Park

The South Coast Marine Park (SCMP) was established by the WA State Government in November 2024, with management plans and outer boundaries activated. We have actively advocated for our community throughout the planning and announcement phases. Engagement with key stakeholders, including the Department of Biodiversity, Conservation and Attractions, the Department of Primary Industries and Regional Development, the Goldfields–Esperance Development Commission, and Esperance Tjaltjraak Native Title Aboriginal Corporation, ensured that local concerns and opportunities were communicated.

Following the gazettal of the SCMP, we met with Ministers to advocate for an independent Opportunity Analysis Report to identify potential benefits for Esperance during the transition and implementation phases. Ongoing correspondence and meetings have reinforced our commitment to ensuring the SCMP delivers positive and sustainable outcomes for the local community.



# Waste Revolution

The appointment of a dedicated Sustainability and Resource Recovery Education Officer significantly enhanced our capacity to deliver targeted waste education and community engagement initiatives across the Esperance region.

Key programs included the delivery of Waste Sorted messaging at major community events, including the Agricultural Show, and the successful promotion of initiatives such as the Garage Sale Trail and the Waste Reduction Trail at Edge of the Bay and Winter Wonderland.

These activities encouraged residents to adopt more sustainable waste practices and supported broader waste diversion goals.

Educational outreach was expanded through talks and activities relating to recycling and waste reduction at Youth Leaders Day and a school-wide waste audit conducted at Nulsen Primary School,

providing students with hands-on learning about waste management.

The Sustainability and Resource Recovery Education Team have also worked closely with local schools in gaining Waste Sorted accreditation.

Guided tours of the Wylie Bay Waste Management Facility have been extensively promoted and made available to schools, businesses and community groups. The External Services Team also visited this year, enhancing internal understanding of operational processes and waste minimisation opportunities for organisations.

These initiatives have strengthened community awareness around waste diversion and laid the foundation for future programs.

## Coastal Projects

Progress on the development of the Coastal Hazard Risk Management Adaptation Plan (CHRMAP) for West Beach has been put on hold due to funding limitations.

The review of the Coastal Management Plan has continued, with the Environmental Services Team actively assessing and refining proposed management actions. This process ensures alignment with current environmental conditions and community expectations and will guide the sustainable use and protection of our coastal assets into the future.

Implementation of the Dempster Head Management Plan progressed steadily, with key maintenance works completed to enhance public safety and access. Repairs to stairs and boardwalks were undertaken, supporting the long-term preservation of the area's natural and recreational values and ensuring Dempster

Head remains a well-managed and accessible coastal reserve.

A new walking trail has been constructed to Hammer Head East Beach following the closure of degraded and dieback-affected 4WD tracks, ensuring continued safe access to this pristine coastal area. The 60-metre trail begins at the end of the 4WD-only access track from Nares Road and leads through bushland to open granite, followed by a 310-metre walk across granite to the beach. Delivered as part of Stage 3 of the Coastwest-funded 'Protecting Tjaltjraak Boodja Park' project, the trail balances accessibility with environmental preservation, offering a car-free experience that protects the coastline while allowing the community to enjoy one of Esperance's most stunning natural assets.





## Parks & Environment

Throughout the financial year, Parks and Reserves maintenance programs were consistently delivered in alignment with established schedules, budgets, and priorities. Staff demonstrated strong commitment by maintaining public open spaces, natural reserves, and associated infrastructure during peak periods, including Christmas, New Year and Easter.

Notably, turf renovation programs were successfully completed, contributing to the overall upkeep and presentation of community spaces, sporting fields and ovals.

Ongoing maintenance and environmental management activities were carried out at Lake Monjigup Reserve. A highlight included a community

planting day, reinforcing our commitment to ecological restoration and community engagement.

Development of a new Weed Management Strategy has commenced. The Environmental Services Team have continued to add to the Esperance Weeds Action Group (2020) GIS dataset, and completing weed mapping on Shire Reserves, including collecting treatment GIS data from contractors. This mapping project is the first stage that needs to be completed before a new Weed Management Strategy is written.

## Environmental Services

Our Environmental Services Team wrote 14 reserve reports of biological surveys completed through funding provided under the Western Australian Local Government Association (WALGA) 'Local Biodiversity and Native Vegetation Management Project', funded by the State Natural Resource Management (NRM) Program to gather baseline biodiversity data on local government area reserves throughout the state. These surveys will assist in the long-term planning for the retention, protection and management of local biodiversity across the Esperance Shire. The Environmental Services Team is planning on continuing these surveys in other Shire managed reserves that lack baseline biological data.

Students from Condingup Primary School supported the Environmental Services Team and ETNTAC in a coastal restoration planting initiative.

This activity aimed to address environmental degradation, reduce the spread of dieback, mitigate coastal erosion, and protect culturally significant sites at Tjaltjraak Boodja park. More than 1,455 seedlings were planted in the sand dunes, demonstrating strong community involvement in environmental stewardship. Other planting projects included Lotteries Urban Greening project and ongoing planting by the parks and reserves team in town reserves, Circle Valley, Pink Lake and Parmango road.

**2,400** Seedlings planted by  
Environmental Services

## Myrup Waste Management Facility

Council has committed to the \$26 million Myrup Waste Management Facility Project, securing long-term waste management for the region as the Wylie Bay Landfill nears closure. Following years of planning, research, and financial assessment, the project has reached a significant milestone with the near completion of designs for the Community Drop-Off and Transfer Station and commencement of bulk earthworks.

Tenders have been awarded for major building construction, recycling equipment, waste compactor, site electrical works and trailers. The facility will include a modern Community Drop-Off area, Waste

Transfer Station, relocated Materials Recovery Facility, and existing Truck Wash and Liquid Waste Facility, with compacted waste to be transported to Coolgardie. Stage 2 will incorporate a Food Organics Garden Organics (FOGO) component. Designed to accommodate a 50% increase in future waste tonnages, the facility is future-proofed to serve the community for over 30 years, reflecting Council's commitment to financial accountability, environmental sustainability, and essential service delivery.



## 5. Shared responsibility for climate action and sustainability

### Regional Climate Alliance

Throughout the financial year, we undertook our annual carbon emissions audit, the finalised figures were incorporated into the Annual Report, providing a comprehensive overview of our organisational emissions profile. This process reflects our ongoing commitment to transparency and environmental accountability and supports informed decision-making around future carbon reduction strategies.

Following the completion of the audit, efforts shifted toward identifying and pursuing emission reduction opportunities. Work began on funding submissions for energy efficiency upgrades, including applications to the Community Energy Upgrades Fund Program and budget preparation. In May, preparations began for the next audit cycle, alongside continued work on funding submissions to support future upgrades.

### Eco-Friendly Vehicles

We continued to trial and transition to more sustainable fleet options this year. A fully electric vehicle in use by the Home Care team has proven highly successful with positive feedback on performance and efficiency.

A broader vehicle replacement program has seen the introduction of hybrid models across several departments, including RAV4 hybrid all-wheel and two-wheel drives, Camrys, and Corolla Cross and hatch vehicles.

In August, a diesel i40 sedan was replaced with a hybrid Camry at Home Care, while Health and Building services transitioned to hybrid RAV4s. These changes reflect a strong commitment to reducing fleet emissions and operating costs while maintaining service reliability.

### Building Efficiencies

We continued to explore and implement renewable energy solutions across council buildings. We have rectified the solar power systems at the Administration Building and the Bay of Isles Leisure Centre (BOILC) due to the feed in management systems malfunctioning, upgrading them to work with Horizon Power's managed solar.

A further grant application was submitted to the Community Energy Upgrades Fund Round 2, covering multiple facilities including rural staff housing, Senior Citizens Centre, Home Care, Depot Administration, Waste Facility, Airport, Coomalbidgup Fire Shed, and further upgrades to the BOILC and Administration systems. We expect to receive the outcome of this application in the coming financial year.

Building energy efficiency continued to be a key consideration in the approvals process, in line with State Government guidelines. Throughout the year, upgrades and modifications to facilities were assessed on a case-by-case basis, considering available budget and emerging opportunities. Notably, improvements to the ceiling at the BOILC enhanced energy efficiency, and further upgrades were made to the photovoltaic (PV) systems at both the BOILC and the Administration Building following Horizon Power's expansion of rooftop solar capacity in Esperance.





Image Credit: Gabi Steindl



## 6. Greater community readiness and resilience to cope with natural disasters and emergencies

### Community Emergency Services

Significant progress has been made in implementing our Bushfire Risk Management Plan. Following the successful acquittal of previous mitigation treatments, we secured \$329,000 in Mitigation Activity Funding to support approved works across priority areas.

Mechanical treatments and hazard reduction burns were carried out in coordination with the Department of Fire and Emergency Services (DFES) and other stakeholders. These efforts ensured that cultural and environmental considerations were appropriately addressed during implementation.

Emergency Services continue to work with agencies, groups, and landholders responsible for bushfire mitigation in the district, supporting bushfire mitigation objectives.

Planning for future mitigation treatments and funding applications is well underway. These efforts are complemented by community education initiatives aimed at increasing awareness and readiness for bushfire events.

The Firebreak Inspection Program was launched, with Rangers actively engaging property owners to support compliance and improve fire preparedness across the district.

Our Bush Fire Brigades had a long and busy 2024/2025 fire season, with a high volume of fire events, several of which were long in duration and required evacuation procedures to be enacted. We acknowledge the service of our Bush Fire Brigade members, our Emergency Services staff, the assistance of supporting agencies, and all of Esperance's emergency services volunteers.







## Coastal Safety

The Coastal Safety Working Group (Group) continued to make strong progress in enhancing coastal safety across the Shire.

A seasonal Communication and Action plan was developed and implemented, incorporating a range of communication and advocacy strategies including print, web, and cinema advertising to deliver consistent and accessible safety messaging to the public.

Major achievements included successful advocacy for the replacement of Shark Warning System Towers and collaboration with the Department of Primary Industries and Regional Development (DPIRD) on tower installation and signage.

The Group also successfully advocated for a fully funded repeater station at Salmon Beach to address telecommunications black spots and improve emergency response capabilities and increased telecommunications coverage across the coast.

The Group engaged with Council and presented a range of potential Coastal Safety initiatives based on the research and expertise of members. The Group considered other regulatory coastal hazard mitigation strategies and additional service provision, such as a professional lifeguard service at Twilight Beach.

Key service delivery outcomes included increased ranger patrols during peak visitation periods and the development of targeted safety infrastructure at high-risk coastal locations, such as Salmon Beach. These efforts were undertaken in partnership with Council and aimed at improving public safety and education.

In recognition of its commitment to public safety and injury prevention, the Group was nominated as a finalist in the Injury Matters Awards. This acknowledgement reflects the Group's proactive and strategic efforts to improve coastal safety outcomes for the Esperance community.





# PLACE

## 7. Responsible Planning & Development

### Utilities and Communications

Consistent progress has been made in advocating for improved utilities and communications across the Esperance region. We submitted a formal contribution to the Federal Government's Regional Telecommunications Review, reinforcing the region's infrastructure needs and highlighting service gaps.

Funding was received via the Surf Beaches Mobile Coverage Grants Program to cover sites identified by the Department of Primary Industries and Regional Development (DPIRD) and Surfing WA for the installation of a cell repeater system at Salmon Beach. This initiative will enhance mobile coverage in a known telecommunications black spot and improve public safety and connectivity.

Ongoing engagement with Telstra resulted in the installation of central mobile towers targeted at Observatory Beach to 11 Mile Beach, Alexander Bay and Wharton Beach, contributing to improved mobile network performance across the district.

Many of the selected locations are already equipped with beach emergency number signs, which combined with improved mobile coverage will allow for faster and more effective communication during an incident.

Collaboration with NBN Co. and Regional Development Australia (RDA) led to the development of a Regional Digital Plan. This Plan was informed by community consultation and aims to guide future investment in digital infrastructure and connectivity.

Further meetings were held with Horizon Power and the Department of Water to address service delivery challenges, drought resilience, and the need for upgraded water infrastructure. Discussions included the potential development of a modernised sewerage treatment plant to support long-term regional growth and sustainability.

### Cemetery

The development of an Esperance Cemetery Master Plan is continuing with the Cemetery Working Group.

The Master Plan will then guide a landscaping and implementation plan.

### Planning Services

Our Planning Team continues to provide planning services to the Shire of Ravensthorpe under an established service agreement. Throughout the reporting period, 47 development applications were received and processed, reflecting ongoing

collaboration and regional support in planning service delivery.

**273 Applications Processed**



## Sand Backpassing

Significant progress has been made on the Sand Backpassing Project, with construction of the pipeline now complete and the operational manual finalised. In partnership with the Department of Transport (DoT), the coordinated Bandy Creek Boat Harbor dredging and sand backpassing commenced in April 2025 with the aim to pump 42,500 cubic meters of sand, which will, in normal conditions, be enough to nourish the erosion area for two years.

## Farm Stay Accommodation

Following community consultation in June, we adopted our new Farm Stay Accommodation Local Planning Policy at the September Council Meeting. The Policy is now in effect and provides a framework to support rural tourism and diversify accommodation options across the region.

Community feedback highlighted concerns regarding the proposed minimum property size of 50 hectares. In response, the policy was amended to reduce the minimum lot size to 20 hectares, enabling a broader range of landowners to consider farm stay ventures.

The Policy aligns with the Esperance Tourism Strategy, which identified the need to increase accommodation diversity, particularly during peak tourism seasons. It offers rural landowners an opportunity to generate additional income while contributing to the region's visitor economy.

Discussions with the DoT and other stakeholders have continued regarding booster pump options. Feasibility assessments will be undertaken in the coming year to evaluate both electric and contractor-based solutions, ensuring the most effective and sustainable approach is identified.

Key benefits of the Policy include -

- Safe and secure accommodation that offers unique farm stay experiences while maintaining health and safety standards.
- Preservation of rural land use, ensuring farm stay operations complement rather than dominate agricultural activity.
- Environmental protection, with development required to avoid harm to natural resources and landscapes.

The Policy also provides clear guidance for applicants and outlines assessment criteria to ensure consistency and transparency in decision-making.

## Graham Mackenzie Stadium Project

The redevelopment of Graham 'Macka' Mackenzie Stadium (GMS) commenced, marking a significant milestone in the enhancement of local sports infrastructure. The project forms part of the Greater Sports Ground Redevelopment Masterplan, which guides the future development and use of the precinct through collaboration with user groups and stakeholders.

Commencement of the construction was delayed by six months due to the Esperance Indoor Stadium flooring being replaced, however design work continued, with all approvals now finalised.

Preparatory works have begun, including the installation of demolition site fencing and the transition to construction setup. The estimated construction period is 12 months, during which access to the Greater Sports Ground will be maintained, with some temporary closures in place to support safe and efficient project delivery.

This redevelopment represents a key action within the Masterplan and complements other completed

and ongoing projects, including the construction of new outdoor netball courts and the closure of the road between the playground and Ports Oval.

We remain committed to delivering high-quality recreational infrastructure that meets the needs of the community and supports long-term sporting development in the region.





# Fleet

We have continued to address the maintenance backlog within our fleet operations, which was primarily caused by previous staff shortages. This has been achieved through the engagement of contractor staff, enabling steady progress in restoring service levels and operational efficiency.

No major equipment maintenance issues have been reported, indicating that core fleet assets remain in sound working condition. Routine servicing and responsive maintenance have supported the reliability of essential machinery.

An improvement plan for fleet maintenance systems is currently under development, and aims to enhance scheduling, reporting, and overall management

of fleet operations, contributing to long-term sustainability and performance.

A new Workshop Supervisor commenced, bringing additional management and leadership to the team. This appointment supports the implementation of the improvement plan and strengthens operational capacity.

Numerous issues with loaders have been resolved, with contractor support continuing to assist in reducing the maintenance backlog. This work remains ongoing, with efforts focused on ensuring all equipment is maintained to a high standard and ready for operational deployment.



# Building Services

The capacity of our Building Services Team has increased this year with our Cadet Building Surveyor progressing in their studies and our Senior Building Surveyor transferring from casual to permanent employment.

**301 Building Applications Received**

CLASS	NUMBER	VALUE (\$)
1A	81	25,901,126
2	0	-
3	0	-
4	0	-
5	4	157,078
6	6	7,996,775
7	38	5,316,338
8	8	924,200
9	12	14,679,368
10	138	5,737,979



## 8. Access to adequate, safe and affordable housing for everyone

### Flinders Estate Subdivision

Flinders Estate subdivision – Stage 3, includes 36 new lots, has been put on hold due to the cost of developing the lots not currently being financially viable. Applications for assistance to make the project viable were unsuccessful.

A reassessment of the subdivision has seen the Flinders Estate redesign continue with numerous meetings held between staff and relevant parties to move on to the next phase, Aboriginal Heritage Survey. Applications for this next phase proved fruitful, with funding being granted by Department Planning, Lands and Heritage.

## 9. Attractive and welcoming places

### Streetscaping

Implementation of the CBD Concept Landscaping Design progressed steadily throughout the 2024/2025 financial year. Winter and infill planting programs were completed by August and maintained through to February, contributing to the overall enhancement of the CBD's visual appeal.

Street furniture installation was completed by December, with new seating installed across the area.

From March to June, the Parks and Reserves Team shifted focus to planning further CBD upgrades during the quieter winter period, aiming to minimise disruption to the public while continuing improvements.

### Public Open Space Strategy

Implementation of the Playgrounds and Public Open Space Strategic Plan 2015–2025 has continued steadily over the past year.

Significant upgrades have been completed at Gibson Community Park, with the bike jump track, playground, and basketball court now fully open to the public.

Adventureland Park has also seen enhancements, including the installation of additional sensory play items and a concept design for new bike facilities at Lalor Park is currently in development.

Looking ahead, the draft 10-year Playgrounds and Public Open Space Strategic Plan 2025–2035 has been presented to Council and will soon be released for public consultation and feedback.





## Entrance to Town

Following the adoption of the budget, funding was allocated for the Esperance Town Entry signage project. Initial discussions commenced with Main Roads WA regarding a long-term verge maintenance agreement.

Council engaged in ongoing discussions and design refinements for the proposed entry statements

before public consultation was completed, leading to a clear preference for Option C, 'Welcome to Esperance'. Detailed design work began in March before efforts focused on finalising the signage location and layout plans required to seek approval from Main Roads WA for their installation. The new entry statements are planned to be installed in the coming year.



## 10. Safe, affordable, accessible and sustainable transport systems

### Airport

One of our key infrastructure priorities is the reconstruction of the main runway at the Esperance Airport, which has reached the end of its operational life.

To ensure continuity of regular passenger services and aviation operations during the anticipated 12-month closure of the main runway, the gravel cross strip will be sealed to an all-weather standard. A funding application has been submitted under the Remote Airstrip Upgrade Program for the cross strip upgrade.

Detailed design work and cost estimates have been completed, and we are progressing the development of a comprehensive business case. Once the business case reaches final draft stage, it will be presented to Council for review and to determine the preferred option moving forward.

Subject to Council's endorsement of the preferred option and associated costs, we will seek funding support from both Federal and State Governments, with a local funding commitment to be considered as part of the business case discussions.

This project forms a critical component of the broader Airport Masterplan, which aims to enhance aviation infrastructure, support long-term regional growth, meet current and future operational demands, and improve connectivity for the Esperance community.

**56,141** Passengers Recorded



# Fisheries Road Reconstruction

The Fisheries Road Project, spanning approximately 60km from Esperance to Condingup, is a major safety upgrade designed to provide a wider and more forgiving road environment for all users. The road features sealed shoulders and audio tactile line marking (rumble strips), significantly improving driver safety.

This project is funded through the State Government's Regional Road Safety Program – Black Spot Mass Action Treatment, which supports low-cost safety upgrades proven to reduce motor vehicle accidents, injuries, and fatalities. Fisheries Road was selected due to its crash history and high usage by both the agricultural sector and tourists.

## Forrest Street Carpark

Works were completed on the dirt area previously used as informal parking across from the Boulevard Shopping Centre, to transform the site into a formalised off-street carpark.

The upgraded facility includes –

- 11 long vehicle bays
- 26 standard car bays, providing mixed-use parking for a variety of vehicle types.

This new carpark enhances access to the CBD and supplements existing long vehicle parking infrastructure, including the town boat ramp carpark.

The design has been extensively workshopped with Councillors, ensuring compliance with Australian Standards, and features a one-way traffic flow for improved safety, kerbing designed to accommodate long vehicle turning movements, and retention of all existing trees.

We are actively engaging with Charter Hall and Woolworths regarding potential improvements to the Boulevard Shopping Centre carpark and entrance, with the new carpark designed to integrate with these future upgrades.



## Cycling Strategy

The completion of the shared path link connecting the end of Castletown Quays to the Bandy Creek Boat Harbour, and onto Newtown Oval and Fisheries Road, was a major priority link identified in the Esperance 2050 Cycling Strategy finalised this year.

In consultation with the Traditional Owners the link has been named "Baarndi Trail" in recognition of the

traditional name for Bandy Creek and the Black Brim that swim in it.

Design negotiations with Main Roads WA have continued, with progress being made to the shared path along Harbour Road and the stretch between Shelden Road and Norseman Road.



## TransWA Bus Stops

On behalf of the Department of Transport, we installed new public transport bus stops throughout the Esperance townsite with nine bays being installed in key locations.

These upgrades aim to improve accessibility and service coverage for our community.

## Transport Corridor Upgrade Plan

Advocacy efforts with Main Roads WA continue for a transport corridor upgrade plan for Harbour Road, including upgrades to the South Coast Highway and Pink Lake Road intersections.

A stakeholder meeting was held in August to discuss potential intersection treatments, with further

updates provided to Council in October, November, and December.

Following the March State election, Main Roads indicated the next phase of the study would commence, but as of June, Main Roads WA has not proceeded to the next stage of public consultation.



Image Credit: Gabi Steindl



# Local Roads

The Shire continued its strong commitment to enhancing local infrastructure through a range of road improvement projects designed to increase safety, accessibility, and long-term resilience. Construction was completed on 9km of Ned’s Corner Road, 5km of River Road, and 6km of Munglinup Beach Road. These works ensure better year-round access for residents, emergency services, and freight operators.

## Reconstruction and Safety Enhancements

Reconstruction of existing sealed roads was carried out on 2km of Fisheries Road, 5km of Parmango Road, and 4km of Cascade Road. These upgrades address wear and tear, improve driving conditions, and extend the lifespan of vital transport links. Additionally, 56 kilometres of Fisheries Road received shoulder sealing and audio tactile line marking, significantly improving road safety by reducing the risk of run-off-road crashes and enhancing driver awareness.

## Resheeting of Unsealed Roads

A major resheeting program was delivered across 13 unsealed roads, covering a total of 85km. Roads included in this program were -

- Daniels Rd, CONDINGUP
- Wittenoom Rd, NERIDUP
- Backman Rd, NERIDUP
- ELD Rd, CONDINGUP
- Blumann Rd, GIBSON,
- Ridgeland Rd, CONDINGUP
- Howick Rd, CONDINGUP
- Kettles Rd, CONDINGUP
- Coramup Rd, GIBSON
- Green Rd, NERIDUP
- Bow Rd, GIBSON
- Ned’s Corner Rd, EAST MUNGLINUP, and
- Patterson Rd, MONJINGUP.

These improvements are integral in providing safer and more reliable access for rural residents, supporting agricultural operations, and reducing maintenance costs over time.

## Urban Road Surface Improvements

To enhance the quality and durability of roads, asphalt overlays were applied to several key streets and roads:

- Tom Starcevich VC Road (50m), GRASS PATCH
- Pink Lake Road (1,040m), ESPERANCE
- Dempster Street (600m), ESPERANCE
- Leake Street (240m), ESPERANCE
- Richmond Place (70m), NULSEN
- Young Place (50m), NULSEN
- Freeman Street (650m), SINCLAIR
- Frederick Street/Blake Street (490m), SINCLAIR and
- George Street (160m), SINCLAIR.

These works improve surface quality, reduce noise, and contribute to a more pleasant and safer driving experience for the community.

## Community Access and Amenity

In addition to roadworks, the Shire completed the construction of several carparks to support local facilities and enhance community access. These included the Forrest Street/Windich Street Carpark, the Salmon Gums Rest Stop Carpark, and the Men in Sheds Carpark. These projects improve parking availability, support local businesses and community groups, and contribute to the overall amenity of public spaces.

3 Roads Re-constructed

13 Roads Re-sheeted

3,350m Asphalt Overlay





# PROSPERITY

## 11. Access to quality education and lifelong learning opportunities

### Esperance Senior High School

Advocacy for the urgent upgrade and rebuild of Esperance Senior High School remained a priority.

The school was formally identified as a key project for the region and included in advocacy efforts for upcoming State Government budget and election considerations.

The importance of the rebuild was reiterated in meetings with elected representatives, and correspondence was sent to newly appointed Ministers to reinforce the need for investment. Despite the absence of funding in the most recent State Budget, planning work is reportedly continuing.

### Advocacy

We continued to advocate for South Regional TAFE (SR TAFE) to develop and promote specialist training programs tailored to the needs of the Esperance region. These efforts focused on aligning course offerings with local workforce requirements and improving access to vocational education.

Engagement with SR TAFE included participation in Regional Coordinating Committee meetings, where local training and development priorities were discussed. Councillors were provided with a list of current course offerings and invited to tour

the campus to better understand barriers to course delivery and identify opportunities for improvement.

We met with the Director General of the Department of Training and Workforce Development to discuss community-relevant training needs, and the challenges associated with engaging unemployed individuals.

As a result of ongoing advocacy, electrical training is now being offered at Esperance TAFE, representing a positive outcome for local education access.

### Regional University Study Hub

Efforts to explore the establishment of a remote student services campus in Esperance are progressing with a feasibility study being developed. The study will seek to assess community demand, infrastructure requirements, and potential operating structures.

The work will provide options and recommendations for establishing a potential Regional Universities Study Hub and if feasible, funding and support will be pursued.

We remain committed to supporting this initiative to improve access to tertiary education in the region.



## 12. A prosperous and diverse economy

### Retail Trading Hours

Council continued to support extended retail trading hours to meet seasonal demand and enhance the visitor experience.

A three-year trial was endorsed to allow Sunday trading from December to January, and public holiday trading from Christmas through to Easter each year.

This initiative aims to support local businesses during peak tourism periods and provide greater flexibility for residents and visitors alike.

### Lifestyle Village Advocacy

Development of a lifestyle village was identified in the Council Plan with the rationale that lifestyle villages are a land efficient way of providing comparatively lower cost housing that caters to middle aged to older residents. Modular housing is used, meaning it is easier to quickly deliver housing. The development of a lifestyle village would support ageing in place and meet the growing demand for senior accommodation.

Unfortunately, after significant work with a Lifestyle Village Operator, the costs to develop such a facility were extremely high and the desired outcome of lower cost housing would not be achieved.

We remain committed to pursuing opportunities to attract investment in this area when market conditions are more favorable to increase the viability of a lifestyle village development.

### Designated Area Migration Agreement (DAMA)

With the State Government progressing the development of a WA-wide DAMA, the future of the Goldfields DAMA is under review, and our current agreement has been extended until 2026.

In partnership with the Esperance Chamber of Commerce and Industry (ECCI), we hosted a DAMA information session and forum to support local employers in understanding the program and its benefits for workforce attraction and retention.

### Economic Development Strategy

We are progressing the development of an Economic Development Strategy as identified in the Council Plan.

Local governments are involved in Economic Development to foster growth, create jobs and improve the communities overall standard of living and wellbeing.

The Strategy will outline our role, focus and priorities in supporting economic development and ensuring

Esperance remains a great place to live work, invest and visit.

The Strategy outlines our priority projects, including advocating for the redevelopment of the Esperance Senior High School, development of the James Street Cultural and Tourism Hub, Esperance Keyworker Accommodation Project, Myrup Waste Transfer Facility and Upgrades to South Coast Highway and Stage 2 of the Port Access Corridor.

### Esperance Key Worker Accommodation Project

We have responded to long-standing community concerns regarding housing shortages by initiating the Esperance Key Worker Accommodation Project. Developed in partnership with stakeholder organisations and informed by specialist data and professional advice, the project aims to address the critical lack of housing for essential workers in the region.

To support the initiative, Council has committed \$2.5 million in land and capital funding and is actively pursuing an additional \$7.73 million in funding from State and Federal Governments. The successful delivery of this project will significantly enhance workforce attraction and retention, supporting the delivery of essential services and enabling further economic development across the district.



## 13. A vibrant and welcoming tourism destination

### Esperance Tourism Strategy

Implementation of the Esperance Tourism Strategy continues to progress successfully, with a strong focus on collaboration, infrastructure development, and brand integration.

In partnership with regional tourism organisation Australia's Golden Outback (AGO), we launched a new destination brand 'Esperance. In Your Element' in September 2024. This milestone was supported by a series of successful brand placemaking workshops, which encouraged local tourism operators and businesses to adopt the brand in their marketing efforts.

A Tourism Industry Group was established to identify sector challenges and opportunities, supported by an industry-wide survey.

Strategic initiatives progressed, including the development of a marketing plan, a signage strategy, and preparations for future events.

Notably, the funding agreement for the James Street Cultural Precinct was signed, with tenders for design work issued and further funding opportunities being explored to support the broader Tourism and Cultural Hub.

### The Esperance Promise

To mark World Tourism Day 2024, we partnered with AGO to launch 'The Esperance Promise', an Australian-first sustainable tourism initiative. This campaign encourages responsible travel behaviour, promoting respect for the natural environment and local community values.

The Promise is supported by a two-minute film that showcases Esperance's stunning landscapes and

biodiversity, reinforcing the importance of preserving these assets for future generations.

The initiative aligns with the global theme of 'Tourism and Peace', highlighting tourism's role in fostering cultural understanding and connection. Businesses and community members are encouraged to promote the Promise, which will be reinforced through signage, digital marketing, and visitor guides.



Image Credit: Tourism Australia

### Short Stay Accommodation Study

Over the past year, we undertook a short stay accommodation study focused on identifying sites including 4-5-star offerings and market sounding regarding the industry's perspective of Esperance and its potential.

Overall, there was a positive response with the core focus on improving the existing offerings with a potential on encouraging redevelopment and refurbishments.

Feedback suggested Esperance is more suited to a 4-star and boutique hotel sector.

These offerings cater to a diverse demographic and can create a unique, personalised experience that differentiates the regions from others.

The report also highlighted challenges in developing a 5-star or luxury offering. Currently there is a lack of supporting tourism products and accessibility to sustain such high-end offerings.

Upgrades to the Airport and development of aligned tourism experiences with the expectations of luxury travellers were key recommendations.



# Infrastructure and Visitor Experience

A \$14.93m grant from the Federal Government for the James Street Cultural and Tourism Hub was a highlight for the year. The funding will allow us to commence Stage 1 of the James Street Precinct which includes a new co-located visitor centre, library and museum, together with a café and other commercial opportunities.

The project is expected to activate this area into a vibrant, thriving community and visitor space.

We also commenced the development of a Tourism Signage Strategy to address entry, directional and wayfinding signage, and are creating a Pedestrian CBD Wayfinding Strategy to compliment this Strategy.

Stage 2 of the RAC Caravan Park was completed in November 2024 and is now fully operational. The redevelopment of the park and the reuse of the Blue Waters Lodge reserve has been a great success story further developing the accommodation offering in Esperance and a win for the town and visitors to the region.

These initiatives reflect a coordinated and strategic approach to tourism development, aimed at enhancing the visitor experience and supporting sustainable growth in the region.

## Visitor Centre

The Esperance Visitor Centre experienced a notable increase in activity from September, coinciding with the Wildflower and Hiking Festivals. In response to heightened visitation, weekday operating hours were extended to better accommodate community and tourist needs.

To support this demand, new casual staff were recruited and underwent induction and training, while permanent staff visited the newly developed RAC park facilities to enhance local product knowledge.

The updated 'Esperance. In Your Element' brand was successfully rolled out across social media platforms, the Visitor Centre website, and souvenir merchandise, including new branded caps.

We continued to support local Short Term Rental Accommodation operators and attended a dedicated webinar to stay informed on industry developments.

Weekend hours were extended from 21 December to cater to peak summer visitation.

Training efforts focused on onboarding new casual staff and a Media Officer.

Due to full occupancy across accommodation providers, staff were unable to conduct familiarisation visits but continued exploring local attractions to maintain destination knowledge.

The Visitor Centre Coordinator represented Esperance at the Perth Caravan and Camping Show, promoting the region and strengthening industry connections.

**99,283 Visitors**

## Overflow Camping

We continued to manage the Overflow Campground located at the Greater Sports Ground on Black Street, providing an accommodation option for visitors when all other commercial caravan parks are fully booked.

This year, the Overflow Campground was open from 18 December 2024 and 30 April 2025.

During the 2024 season an Overflow Camping app was developed rapidly to meet operational needs.

While functional, several issues were identified and our IT Team have redesigned the Overflow Camping app with user interface and workflow enhancements

for efficiency and usability, and implemented error checking to prevent invalid entries, collection of postcode demographics, data storage migration to SharePoint and development of dedicated Power BI dashboard for advanced reporting and analytics.

**6,536 Sites**

**14,379 Campers**





# PERFORMANCE

## 14. Community confidence and trust in Council

### Elected member information

We have Committees and Working Groups in place to provide guidance to Council on a wide variety of areas within the community.

Further information on our Committees and Working Groups is available on our website.

#### Committees

- Audit Committee
- Behaviour Complaints Committee
- Bush Fire Advisory Committee

#### Working Groups

- Esperance Twin Towns Working Group
- Museum Working Group
- Esperance Tourism Stakeholder Working Group
- Cemetery Working Group
- Disability Access and Inclusion Working Group
- Sustainability Working Group

### Demographics

Currently none of our Elected Members identify as Aboriginal or Torres Strait Islander, and all have a linguistic background of English.

Number of Elected Members aged between;	
18 - 24 years	0
25 - 34 years	1
35 - 44 years	1
45 - 54 years	2
55 - 64 years	5
Over the age of 65 years	0



# Meeting Attendance

Council meets weekly on a Tuesday for information sessions and workshops on a variety of topics.

On the third Tuesday of each month, Council attends an Agenda Briefing which is an informal opportunity to ask questions, request further information and discuss the items listed in the Ordinary Council Meeting (OCM) Agenda.

On the fourth Tuesday of each month, Council attend the OCM where decisions are made on all report items in the best interest of the community.

All Council Meetings are open to the public, and everyone is encouraged to attend, or watch the livestream.

Once a year, an OCM is held in one of our satellite towns and at the conclusion, there is a community meeting which provides an opportunity for discussion on local matters with members of the community and Councillors.

In September 2024, this was held in Grass Patch at the Grass Patch Community Hall with 14 members of the public attending.

## Councillor attendance at meetings

Member	OCM (Entitled)	OCM Attended	SCM (Entitled)	SCM Attended	Gender	Country of Birth	Member of Committees (#)	Committee Meetings (Entitled)	Committee Meetings Attended
Pres Ron Chambers	12	10	2	2	Male	Australia	3	12	12
Cr Jennifer Obourne	12	9	2	2	Female	Rhodesia	2	3	3
Cr Wes Graham	12	11	2	0	Male	Australia	1	2	2
Cr Steve McMullen	12	8	2	1	Male	Australia	2	7	4
Cr Leonie De Haas	12	12	2	2	Female	Australia	4	8	8
Cr Shayne Flanagan	12	10	2	2	Male	Australia	1	6	5
Cr Connor Davies	12	9	2	2	Male	Australia	2	1	1
Cr Gemma Johnson	12	9	2	2	Female	Australia	2	4	4
Cr Sam Starcevich	12	12	2	2	Female	Australia	3	2	1

SCM = Special Council Meeting



# Annual Electors Meeting

WA is the only state which requires Annual Electors Meetings to provide an opportunity for members of the public to ask questions of Local Government Members and to approve Annual Reports. We look forward to this meeting each year and encourage our residents to attend.

This year's Annual Electors meeting was held in February at the Civic Centre with 58 community members, eight Councillors and six Shire staff in attendance. The community members in attendance voted to confirm the minutes of the previous meeting and receive the 2023/2024 Annual Report.

At this year's meeting, questions were raised regarding reef creation around the jetty, the Shire's role regarding the State Government's Marine Park, and an article by the ABC regarding Lake Hillier losing its pink colour.

Four of the five motions put forward at the meeting were carried, including requests for Council to –

- commit to landscaping at the cemetery.
- publicly oppose the Marine Park and investigate the community consultation process.
- consider installing additional ablutions at Eleven Mile Beach, and bins along Twilight Beach Road through to Eleven Mile Beach; and
- consider joining the north and south sections of Keenan's Road.

**58 Community Attendees**

**8 Councillors**

**5 Motions**

# Citizenship Ceremonies

The Shire of Esperance works with the Department of Home Affairs to assist people residing in our region to become an Australian Citizen. A list of approved applicants is provided to the Shire and helps us to administer a Citizenship Ceremony and provide people with their Citizenship Certificate.

During 2024/2025, there were nine citizenship ceremonies held, with 51 people becoming an Australian Citizen.





# Council Policies

The Shire has developed policies that guide Administration and Council in the efficient management of resources and effective procedures for daily operations.

Our policies are reviewed regularly to ensure their currency and relevance to the needs and expectations of the community. The following changes were made to council policies during 2024/2025 –

## **Electoral Caretaker Period Policy**

This policy was rescinded following reforms to the Local Government Act, which introduced a statewide caretaker period for local government elections.

## **Risk Management Policy**

Updated the Risk Assessment Criteria within the policy in line with changes to the Work Health and Safety Act and Regulations.

## **Execution of Documents and Common Seal Usage Policy**

Updated to include section (24) relating to facility agreements and variations and amend section (10) to allow Managers to execute service agreements and vendor contracts relevant to their areas.

## **Applications Lodged by Planning Staff, Senior Employees or Elected Members Policy**

Updated following a change to planning exemption resulting in single houses no longer being referred to Council for a decision except on heritage grounds.

# Delegated Authority

The Delegated Authority Register is presented to Council each year for endorsement. The Register provides authority to the CEO and Authorised Officers to use some of the Local Government's powers and discharge its duties under the *Local Government Act 1995*.

Following discussions with WALGA during this year's annual review of the Register, the delegation for Local

Law Administration was removed and replaced with individual local law delegations to provide more clarity for the functions delegated under each local law.

Council conditions were also included for delegations under the Building Act to separate duties ensuring that officers do not revoke or give effect to building orders or notices that they have issued.

# Local Laws

Local laws help to establish and maintain the quality of life in line with the expectations of the local community and provide a standard under which businesses, residents and ratepayers must conduct their activities.

In October, Council resolved to undertake to the Joint Standing Committee on Delegated Legislation that some minor changes will be made to the Extractive Industries Local Law 2024 when it is next reviewed.

Reviews of the following local laws have commenced and are expected to be completed in the coming financial year –

- Activities in Thoroughfares and Public Places and Trading Local Law
- Bush Fire Brigades Local Law
- Waste Local Law
- Health Local Law
- Parking and Parking Facilities Local Law



# 15. Operational excellence and financial sustainability

## Our Workforce

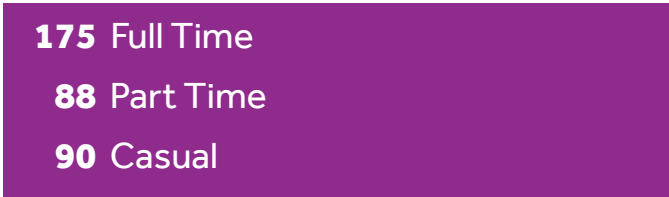
The Shire of Esperance employs 353 workers with 175 permanent full-time, 88 permanent part-time and 90 casual. 40 percent of the workforce is male and 60 percent female, although 59 percent of fulltime workers are male.

Turnover for the year was 24 percent, an increase from the previous year's 19 percent resulting in a spike of recruiting assignments. A shortage of housing within the district has continued to impact our ability to attract staff. To offset this, we have continued to employ Cadets and Trainees who are generally based locally. Over the last four years, four Trainees have been partly funded by Department of Primary Industry and Regional Development Regional Grants. Hybrid work arrangements have also been adopted to fill vacancies. This has seen a drop in full-time workers and an increase in part-time and casual workers.

Training remained a priority with workers attending 531 training courses during the year. We also joined a Partnership Program with the Australian Institute of Management to provide development opportunities to staff with a focus on workers in critical roles. The Partnership Program was a great success and has been retained in the coming year.

During the year we worked with the Western Australian Branch of the Australian Services Union (WASU) and the Local Government, Racing and Cemeteries Employees Union (LGRCEU) to negotiate a new Industrial Agreement. This followed a legislated change from the Federal to State Industrial Relations system. The Shire of Esperance Industrial Agreement 2025 will come into effect from 1 July 2025.

We are implementing a new Work Health and Safety system to improve services and reporting capacity. Working jointly with our IT team, the rollout has commenced with implementation of the first module - Induction. The three modules being implemented cover Induction, Incident Reporting and Learning and Development.



## Transport Licensing

Our Transport Licensing Team continued to deliver essential services throughout the year, navigating staffing changes and legislative updates while maintaining consistent service to the community.

Early in the year, the resignation of a team member created a temporary staffing gap, which was resolved with the recruitment of a new Licensing Officer. Training commenced shortly thereafter, and the officer settled into the role well, contributing to a stable roster following the Christmas period.

Throughout the year, the Team adapted to changes in legislation, with updates communicated internally and reflected in revised signage to ensure compliance and clarity for customers. Licensing operations remained steady, and despite internal movements, the Team maintained service continuity. A new staff member joined in June and is currently being supported by experienced team members to learn the role and integrate into the Team.

## Information Services

Our Information Management and IT Teams continued to deliver essential services throughout the year, maintaining core systems and progressing key infrastructure upgrades despite staffing challenges.

Our IT Team completed several major projects, including the replacement of all network switches and the core server infrastructure, with minimal disruption to operations. These upgrades ensure that critical systems remain under warranty and continue to meet performance standards. The rollout of Windows 11 progressed steadily across the organisation, with only minor issues encountered.

Support for the ESRI GIS project was significantly enhanced by the addition of a GIS Analyst, enabling the development and testing of new features and system improvements.

The Information Management Team experienced periods of reduced capacity due to staff leave and internal movement, but the appointment of a casual Records Officer provided valuable support to maintain business-as-usual operations.

Throughout the year, the Teams remained focused on delivering reliable support, progressing strategic projects, and ensuring our digital infrastructure continues to meet the needs of staff and the community.

**3,082** IT Calls Received

**63,473** Records Captured

**35,409** Received Correspondence

## Financial Services

Our Finance Team delivered a strong year of operational and strategic outcomes, maintaining core financial functions while progressing key projects and supporting organisational planning. The 2023/2024 Financial Statements were completed early in the year and finalised with an unqualified audit opinion, reflecting the Team's commitment to accuracy and compliance.

The Shire of Esperance was recognised as one of Western Australia's top 20 best practice entities by the Office of the Auditor General for the second consecutive year, reflecting our commitment to accuracy and compliance.

Budget planning and review processes were a major focus, with the Mid-Year Review approved by Council and submitted to the Department of Local Government. The Team updated financial reporting to ensure consistent and comparable figures across

statements for end users and began transitioning month-end reporting from paper-based to electronic, improving efficiency and accessibility.

The Procure to Pay Project progressed steadily, with a tentative go-live date set for July 2025. This initiative aims to streamline procurement and payment processes across the organisation. Staffing adjustments were managed effectively, with the Corporate Accountant acting in the Manager Financial Services role during periods of leave.

The Team also came together in September to plan for the financial year ahead, setting a clear direction for major projects and continuous improvement, including the opening of budget bids and endorsement of fees and charges. Budget workshops were held with Council throughout June, to address any queries prior to council scheduling for adoption in the new financial year.





# 16. A well informed & engaged community

## Community Scorecard

Every two years we reach out to the Esperance community for feedback and our 2025 MARKYT Community Scorecard was open for responses during May.

Over 1,502 community members with various connections to the Shire participated, providing valuable insights into local priorities and satisfaction levels. The following areas were highlighted as community priorities through this year's Scorecard –

- Housing
- Aged care and accommodation
- Health and community services
- Main roads
- Telecommunications and internet services
- Local roads
- Town centre development and activation
- Airport facilities and services

Our Marketing and Communications Team supported the project through implementing a communication action plan with targeted engagement opportunities, through website news updates, social media, WhatsApp, online articles in the Shire Flyer, eNewsletters, direct outreach to local high schools, internal communications, radio and print advertising, and seven in-person engagement opportunities at markets, schools, community events and with service providers.

## Marketing and Communications

Our Marketing and Communications Team worked diligently to keep the community informed, engaged, and connected. From emergency updates to tourism campaigns, the Team continued to ensure timely, accurate, and accessible information was shared across multiple platforms.

Throughout the year, we published over 70 news articles, alerts, and public notices across our website, social media, and the Shire Flyer. Topics ranged from bushfire warnings and planning updates to community events and advocacy efforts. Highlights included the launch of the 'Esperance. In Your Element' tourism brand, the introduction of 'The Esperance Promise', and ongoing updates on major projects including the Esperance Indoor Stadium and Sand Backpassing.

Our Shire President continued his regular 'Council Catch-up' segment on Triple M, providing a direct line of communication with residents. The reintroduction of 'Council Connections' in the Esperance Weekender offered a monthly snapshot of Council decisions and community updates, with a six-month trial underway.

131 media enquiries were received throughout the year, with over 380 questions asked. Our Media Officer coordinated 50 interviews and facilitated monthly Media Hub meetings to strengthen relationships with local outlets. Media coverage remained strong, with over 550 stories appearing across print, radio, and online platforms, reaching a combined audience of more than 6.3 million people and generating an editorial media value exceeding \$2.39 million.



# Shire Flyer and eNewsletter

The Shire Flyer continued to be a key communication tool, with 3,639 printed copies distributed to local businesses and Esperance Home Care clients. The eNewsletter version reached 1,253 subscribers each fortnight, ensuring residents had access to timely updates in both digital and print formats.



# Advertising and Public Notices

The Marketing and Communications Team produced over 460 promotional and public notice adverts, published in state newspapers and across the Shire's digital platforms.

These supported everything from community events and public consultations to emergency information and service updates.

# Tourism and Branding

In partnership with Australia's Golden Outback, we launched a refreshed tourism identity 'Esperance. In Your Element' and introduced 'The Esperance Promise', a values-based campaign promoting sustainable tourism.

Our Digital Media Officer coordinated a simultaneous social media release with 12 local businesses, amplifying the campaign's reach and impact.

PLATFORM	FOLLOWERS	POSTS
Facebook	11,587	421
Instagram	2,688	261
Twitter	798	24

9 Media Releases

207 Media Enquiries

123 Latest News





# Statutory Requirements

## CEO Remuneration

The Total Reward Package provided to the CEO of the Shire of Esperance for the 2024/2025 financial year was \$315,311.

This is within the relevant Local Government Band Classification (Band 2 \$206,500 - \$319,752).

The position of CEO at the Shire of Esperance is eligible for a \$25,000 Regional/Location Allowance, awarded at the Shire's discretion, however the Shire chooses not to pay this allowance.

## Employee Salary Bands

Pursuant to Regulation 19B of the *Local Government (Administration) Regulation 1996*, Table 1 sets out, in

bands of \$10,000, the number of Shire employees entitled to an annual salary of \$130,000 or more.

Table 1: Employee Remuneration

SALARY BANDS (\$)	2024/2025	2023/2024
130,000 - 139,999	3	4
140,000 - 149,999	4	4
150,000 - 159,999	1	-
160,000 - 169,999	-	-
170,000 - 179,999	1	1
180,000 - 189,999	2	1
190,000 - 199,999	-	1
200,000 - 209,999	-	-

\*CEO not included



## Complaints and Payments

Section 5.53(2)(hb) of the *Local Government Act 1995* requires the Annual Report to contain details of entries made under section 5.121 during the financial year to the Register of Complaints. The findings of two Minor Complaints where the Minor Breach unit of the Department of Local Government, Sport and Cultural Industries (DLGSC) confirmed the allegations had occurred are included in our Complaints Register for the 2024/2025 financial year. A further four alleged breaches are still under investigation by the DLGSC.

We are required to report any outcomes of reported breaches, where remuneration, allowances or amounts were ordered to be paid under Schedule 5.1 clause 9; Section 5.110(6)(b)(iv), 5.107(1); 5.109(1); or 5.114(1). These clauses deal with remuneration, allowances and amounts ordered to be paid because of complaints against Council Members. There have been no remuneration, allowances or amounts ordered to be paid.

# Freedom of Information Requests

In Western Australia, the *Freedom of Information Act 1992* (FOI Act), gives the public a right to access government documents, subject to some limitations.

The following table outlines the FOI requests received and average processing days taken for the past three financial years.

REQUESTS	2024/2025	2023/2024	2022/2023
FOI Requests Received	7	8	5
Average Processing Time (Days)	65	29	10
Access in Full	1	1	1
Access with Restrictions (Edited)	4	5	-
Access Refused	-	1	-
Withdrawn	-	1	3
Transferred	-	-	1

In accordance with Section 96 and 97 of the FOI Act, the Shire is required to publish an Information Statement which details the process of applying for information under the Act as well as information that

the Shire provides outside the Act. This Information Statement is available on the Shire of Esperance website.

## State Records Act

The *State Records Act 2000* requires us to have an approved Recordkeeping Plan to detail the way we keep our records. This plan is to be reviewed within five years of the approval date.

Following the expiry of our 2017 Recordkeeping Plan, we submitted a Recordkeeping Plan Review Report on 17 March 2025. On 5 April 2022, the State Records Commission of WA approved the continuation of our Recordkeeping Plan for an additional two years, with a new plan to be submitted on or before 17 March 2024. The State Records Office then advised that a 12-month extension would be given to align with the next review of the plan to be submitted on or before 17 March 2025. We submitted a Recordkeeping Plan Review Report on 25 March 2025. On 19 June 2025, the State Records Commission of WA noted our intent to submit an amended plan on or before 17 March 2026.

Our recordkeeping systems are continuously reviewed and developed to improve efficiency, reliability and meet new requirements. A total of 63,473 records were captured into our corporate recordkeeping system during this period.

As part of the Staff Induction Program, employees are informed of their recordkeeping obligations. On average eight staff members per week were provided record keeping awareness training during 2024/2025.

Elected Members receive training in their recordkeeping obligations and the associated process at the commencement of their term of office. Regular updates are provided to Elected Members through their normal communication channels.

## Major Land Transactions and Trading Undertakings

There were no major land transactions or trading undertakings during 2024/2025.





BAND ON THE RUN

BENNY MAYHEM

MONSTER  
MUSIC  
TRUCK

FEED YOUR ADDICTION  
ADDICT  
FISH · SURF · DE



# MEMBER ALLOWANCE 2024 / 2025

	2024/25 Actual	2024/25 Budget	2023/24 Actual
	\$	\$	\$
<b>Councillor Ron Chambers</b>			
President's allowance	42,596	42,596	24,863
President's meeting attendance fees	24,200	24,200	15,854
Deputy President's allowance	-	-	2,754
Meeting attendance fees	-	-	5,748
Annual allowance for ICT expenses	1,644	1,644	1,560
	68,440	68,440	50,779
<b>Councillor Jennifer Obourne</b>			
Deputy President's allowance	10,649	10,649	6,216
Meeting attendance fees	19,788	19,788	18,720
Annual allowance for ICT expenses	1,644	1,644	1,560
	32,081	32,081	26,496
<b>Councillor Steven McMullen</b>			
Meeting attendance fees	19,788	19,788	18,720
Annual allowance for ICT expenses	1,644	1,644	1,560
	21,432	21,432	20,280
<b>Councillor Wes Graham</b>			
Meeting attendance fees	19,788	19,788	18,720
Annual allowance for ICT expenses	1,644	1,644	1,560
	21,432	21,432	20,280
<b>Councillor Shayne Flanagan</b>			
Meeting attendance fees	19,788	19,788	18,720
Annual allowance for ICT expenses	1,644	1,644	1,560
	21,432	21,432	20,280
<b>Councillor Leonie De Haas</b>			
Meeting attendance fees	19,788	19,788	18,720
Annual allowance for ICT expenses	1,644	1,644	1,560
	21,432	21,432	20,280
<b>Councillor Connor Davies</b>			
Meeting attendance fees	19,788	19,788	12,972
Annual allowance for ICT expenses	1,644	1,644	1,081
	21,432	21,432	14,053
<b>Councillor Gemma Johnston</b>			
Meeting attendance fees	19,788	19,788	12,972
Annual allowance for ICT expenses	1,644	1,644	1,081
	21,432	21,432	14,053
<b>Councillor Samantha Starceвич</b>			
Meeting attendance fees	19,788	19,788	12,972
Annual allowance for ICT expenses	1,644	1,644	1,081
	21,432	21,432	14,053
<b>Councillor Ian Mickel</b>			
President's allowance	-	-	11,018
President's meeting attendance fees	-	-	7,025
Annual allowance for ICT expenses	-	-	479
	-	-	18,522
<b>Councillor Jo-Anne O'Donnell</b>			
Meeting attendance fees	-	-	5,748
Annual allowance for ICT expenses	-	-	479
	-	-	6,227
<b>Councillor Rob Horan</b>			
Meeting attendance fees	-	-	5,748
Annual allowance for ICT expenses	-	-	479
	-	-	6,227
<b>Total Council Member Remuneration</b>	<b>250,545</b>	<b>250,545</b>	<b>231,530</b>
President's allowance	42,596	42,596	35,881
President's meeting attendance fees	24,200	24,200	22,879
Deputy President's allowance	10,649	10,649	8,970
Meeting attendance fees	158,300	158,300	149,760
Annual allowance for ICT expenses	14,800	14,800	14,040
	250,545	250,545	231,530









Image Credit: Ascend Films



# Annual Financial Report 2024-2025



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

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

*The Shire of Esperance exists to meet the needs of current and future generations through an integration of environmental protection, social advancement and economic prosperity.*

**Esperance, together we make it happen.**

Principal place of business:  
Administration Offices  
Windich Street  
ESPERANCE WA 6450

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

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

**STATEMENT BY CEO**

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

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

Signed on the 4<sup>th</sup> day of December 2025



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Chief Executive Officer  
**Shane Burge**



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

		2025	2025	2024
	NOTE	Actual	Budget	Restated* Actual
		\$	\$	\$
<b>Revenue</b>				
Rates	2(a),26	26,786,130	26,851,952	25,432,406
Grants, subsidies and contributions	2(a)	12,056,814	9,536,704	13,304,012
Fees and charges	2(a)	11,608,878	11,015,415	11,203,001
Interest revenue	2(a)	2,542,602	1,719,500	2,583,229
Other revenue	2(a)	2,554,364	984,091	982,800
		55,548,788	50,107,662	53,505,448
<b>Expenses</b>				
Employee costs	2(b)	(22,642,749)	(23,271,943)	(21,378,606)
Materials and contracts		(15,579,466)	(17,242,935)	(12,737,703)
Utility charges		(1,410,574)	(1,434,221)	(1,368,941)
Depreciation		(23,376,694)	(23,403,044)	(22,802,226)
Finance costs		(237,249)	(71,182)	(228,465)
Insurance		(790,478)	(988,511)	(887,856)
Other expenditure	2(b)	(768,321)	(786,355)	(1,326,971)
		(64,805,531)	(67,198,191)	(60,730,768)
		(9,256,743)	(17,090,529)	(7,225,320)
Capital grants, subsidies and contributions	2(a)	12,007,869	20,074,997	15,394,282
Profit on asset disposals		73,057	120,940	503,134
Loss on asset disposals		(467,580)	(51,039)	(24,539)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(6,215)	-	-
		11,607,131	20,144,898	15,872,877
<b>Net result for the period</b>	25(b)	<b>2,350,388</b>	<b>3,054,369</b>	<b>8,647,557</b>
<b>Other comprehensive income for the period</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	17	25,840,260	-	-
<b>Total other comprehensive income for the period</b>		<b>25,840,260</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>28,190,648</b>	<b>3,054,369</b>	<b>8,647,557</b>

\*Refer to note 31 for correction of prior year error

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



**SHIRE OF ESPERANCE**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2025**

	NOTE	Actual 2025 \$	Restated* Actual 2024 \$	Restated* Actual 2023 \$
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	3	47,273,666	48,988,393	43,247,389
Trade and other receivables	5	1,268,603	1,410,449	1,597,931
Other financial assets	4(a)	95,696	404,455	4,190,736
Inventories	6	958,802	1,346,117	1,609,486
Other assets	7	317,779	1,146,601	1,418,138
<b>TOTAL CURRENT ASSETS</b>		<b>49,914,546</b>	<b>53,296,015</b>	<b>52,063,680</b>
<b>NON-CURRENT ASSETS</b>				
Trade and other receivables	5	128,148	110,073	101,408
Other financial assets	4(b)	1,034,381	1,136,293	1,537,806
Inventories	6	3,859,610	3,305,969	2,830,744
Property, plant and equipment	8	133,445,206	103,613,524	103,709,727
Infrastructure	9	600,823,099	599,744,237	592,426,725
Right-of-use assets	11(a)	183,082	88,110	8,663
<b>TOTAL NON-CURRENT ASSETS</b>		<b>739,473,526</b>	<b>707,998,206</b>	<b>700,615,073</b>
<b>TOTAL ASSETS</b>		<b>789,388,072</b>	<b>761,294,221</b>	<b>752,678,753</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	12	2,925,803	3,154,396	2,470,313
Contract liabilities	13	2,971,014	2,612,488	3,378,442
Lease liabilities	11(b)	43,013	10,186	8,784
Borrowings	14	155,635	461,774	245,549
Employee related provisions	15	3,750,936	3,784,029	3,733,245
<b>TOTAL CURRENT LIABILITIES</b>		<b>9,846,401</b>	<b>10,022,873</b>	<b>9,836,333</b>
<b>NON-CURRENT LIABILITIES</b>				
Lease liabilities	11(b)	140,084	78,934	-
Borrowings	14	1,398,766	1,554,401	2,016,175
Employee related provisions	15	438,545	411,208	388,124
Other provisions	16	4,885,862	4,739,039	4,597,912
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>6,863,257</b>	<b>6,783,582</b>	<b>7,002,211</b>
<b>TOTAL LIABILITIES</b>		<b>16,709,658</b>	<b>16,806,455</b>	<b>16,838,544</b>
<b>NET ASSETS</b>		<b>772,678,414</b>	<b>744,487,766</b>	<b>735,840,209</b>
<b>EQUITY</b>				
Retained surplus		331,480,201	327,567,285	319,952,343
Reserve accounts	29	38,577,357	40,139,885	39,107,270
Revaluation surplus	17	402,620,856	376,780,596	376,780,596
<b>TOTAL EQUITY</b>		<b>772,678,414</b>	<b>744,487,766</b>	<b>735,840,209</b>

\*Refer to note 31 for correction of prior year error

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



**MOORE**



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

	NOTE	RETAINED SURPLUS \$	RESERVE ACCOUNTS \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
<b>Balance as at 30 June 2023</b>		<b>314,079,314</b>	<b>39,107,270</b>	<b>376,780,596</b>	<b>729,967,180</b>
Correction of error		5,873,029	-	-	5,873,029
<b>Restated* Balance as at 01 July 2023</b>		<b>319,952,343</b>	<b>39,107,270</b>	<b>376,780,596</b>	<b>735,840,209</b>
Comprehensive income for the period					
Net result for the period		8,647,557	-	-	8,647,557
Total comprehensive income for the period		8,647,557	-	-	8,647,557
Transfers from reserve accounts	29	12,145,169	(12,145,169)	-	-
Transfers to reserve accounts	29	(13,177,784)	13,177,784	-	-
<b>Restated* Balance as at 30 June 2024</b>		<b>327,567,285</b>	<b>40,139,885</b>	<b>376,780,596</b>	<b>744,487,766</b>
Comprehensive income for the period					
Net result for the period		2,350,388	-	-	2,350,388
Other comprehensive income for the period	17	-	-	25,840,260	25,840,260
Total comprehensive income for the period		2,350,388	-	25,840,260	28,190,648
Transfers from reserve accounts	29	12,548,535	(12,548,535)	-	-
Transfers to reserve accounts	29	(10,986,007)	10,986,007	-	-
<b>Balance as at 30 June 2025</b>		<b>331,480,201</b>	<b>38,577,357</b>	<b>402,620,856</b>	<b>772,678,414</b>

\*Refer to note 31 for correction of prior year error

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



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

	NOTE	2025 Actual \$	2024 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Rates		26,738,292	25,126,236
Grants, subsidies and contributions		12,439,567	12,483,178
Fees and charges		11,724,065	11,528,401
Interest revenue		2,542,602	2,583,229
Goods and services tax received		3,861,837	3,683,641
Other revenue		2,554,364	1,222,155
		59,860,727	56,626,840
<b>Payments</b>			
Employee costs		(22,554,787)	(21,276,132)
Materials and contracts		(14,849,616)	(11,910,443)
Utility charges		(1,410,574)	(1,368,941)
Finance costs		(237,249)	(84,036)
Insurance paid		(790,478)	(887,856)
Goods and services tax paid		(3,932,226)	(3,932,226)
Other expenditure		(645,522)	(998,806)
		(44,420,452)	(40,458,440)
<b>Net cash provided by operating activities</b>	18(b)	15,440,275	16,168,400
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for land held for sale		(42,512)	(475,225)
Payments for purchase of property, plant & equipment	8(a)	(8,261,021)	(4,351,193)
Payments for construction of infrastructure	9(a)	(21,455,491)	(26,254,987)
Proceeds from capital grants, subsidies and contributions		12,007,869	15,394,282
Proceeds for financial assets at amortised cost		-	4,000,000
Proceeds from financial assets at amortised cost - self supporting loans		404,456	190,736
Proceeds for land held for sale		265,181	341,479
Proceeds from financial assets at fair values through profit and loss		-	(2,942)
Proceeds from sale of property, plant & equipment		420,851	994,974
<b>Net cash (used in) investing activities</b>		(16,660,667)	(10,162,876)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings	28(a)	(461,774)	(245,549)
Payments for principal portion of lease liabilities	28(c)	(32,561)	(18,971)
<b>Net cash (used in) financing activities</b>		(494,335)	(264,520)
<b>Net increase (decrease) in cash held</b>		(1,714,727)	5,741,004
Cash at beginning of year		48,988,393	43,247,389
<b>Cash and cash equivalents at the end of the year</b>	18(a)	47,273,666	48,988,393

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





**SHIRE OF ESPERANCE**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE YEAR ENDED 30 JUNE 2025**

		2025	2025	2024
	NOTE	Actual	Budget	Restated*
		\$	\$	Actual
				\$
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from operating activities</b>				
General rates	26	26,359,241	23,802,914	24,891,959
Rates excluding general rates	26	426,889	3,039,038	540,447
Grants, subsidies and contributions		12,056,814	9,536,704	13,304,012
Fees and charges		11,608,878	11,015,415	11,203,001
Interest revenue		2,542,602	1,719,500	2,583,229
Other revenue		2,554,364	984,091	982,800
Profit on asset disposals		73,057	120,940	503,134
		55,621,845	50,218,602	54,008,582
<b>Expenditure from operating activities</b>				
Employee costs		(22,642,749)	(23,271,943)	(21,378,606)
Materials and contracts		(15,579,466)	(17,242,935)	(12,737,703)
Utility charges		(1,410,574)	(1,434,221)	(1,368,941)
Depreciation		(23,376,694)	(23,403,044)	(22,802,226)
Finance costs		(237,249)	(71,182)	(228,465)
Insurance		(790,478)	(988,511)	(887,856)
Other expenditure		(768,321)	(786,355)	(1,326,971)
Loss on asset disposals		(467,580)	(51,039)	(24,539)
		(65,273,111)	(67,249,230)	(60,755,307)
Non cash amounts excluded from operating activities	27(a)	23,839,776	22,146,383	22,424,326
<b>Amount attributable to operating activities</b>		14,188,510	5,115,755	15,677,601
<b>INVESTING ACTIVITIES</b>				
<b>Inflows from investing activities</b>				
Capital grants, subsidies and contributions		12,007,869	20,074,997	15,394,282
Proceeds from disposal of assets		686,032	1,290,500	1,336,453
Proceeds from financial assets at amortised cost - self supporting loans	28(a)	404,456	404,456	190,736
Proceeds from financial assets at fair value through profit and loss - Local Government House Trust		(6,215)	(5,000)	(2,942)
Proceeds on other loans		-	-	-
		13,092,142	21,764,953	16,918,529
<b>Outflows from investing activities</b>				
Right of use assets received - non cash	11(a)	(126,538)	-	(99,307)
Acquisition of property, plant and equipment	8(a)	(8,261,021)	(1,230,000)	(4,351,193)
Acquisition of infrastructure	9(a)	(21,455,491)	(23,705,822)	(26,254,987)
Payments for land held for sale		(42,512)	(23,145,666)	(548,167)
		(29,885,562)	(48,081,488)	(31,253,654)
Non-cash amounts excluded from investing activities	27(b)	126,538	1,500,000	99,307
<b>Amount attributable to investing activities</b>		(16,666,882)	(24,816,535)	(14,235,818)
<b>FINANCING ACTIVITIES</b>				
<b>Inflows from financing activities</b>				
Proceeds from borrowings	28(a)	-	2,434,907	-
Proceeds from new leases - non cash	28(c)	126,538	-	99,307
Transfers from reserve accounts	29	12,548,535	19,311,950	12,145,169
		12,675,073	21,746,857	12,244,476
<b>Outflows from financing activities</b>				
Repayment of borrowings	28(a)	(461,774)	(461,775)	(245,549)
Payments for principal portion of lease liabilities	28(c)	(32,561)	(18,588)	(18,971)
Transfers to reserve accounts	29	(10,986,007)	(4,831,398)	(13,177,784)
		(11,480,342)	(5,311,761)	(13,442,304)
Non-cash amounts excluded from financing activities	27(c)	(126,538)	-	(99,307)
<b>Amount attributable to financing activities</b>		1,068,193	16,435,096	(1,297,135)
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>				
<b>Surplus or deficit at the start of the financial year</b>	27(d)	4,219,909	3,221,226	4,075,261
Amount attributable to operating activities		14,188,510	5,115,755	15,677,601
Amount attributable to investing activities		(16,666,882)	(24,816,535)	(14,235,818)
Amount attributable to financing activities		1,068,193	16,435,096	(1,297,135)
<b>Surplus or deficit after imposition of general rates</b>	27(d)	<b>2,809,730</b>	<b>(44,458)</b>	<b>4,219,909</b>

\*Refer to note 31 for correction of prior year error

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



**MOORE**

**SHIRE OF ESPERANCE  
FOR THE YEAR ENDED 30 JUNE 2025  
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## 1. BASIS OF PREPARATION

The financial report of the Shire of Esperance which is a Class 2 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 Act, 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 where no inconsistencies exist.

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 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
- Expected credit losses on financial assets - Note 5
- Assets held for sale - Note 7
- Impairment losses of non-financial assets - Note 8
- Measurement of employee benefits - Note 15
- Measurement of provisions - Note 16

Fair value hierarchy information can be found in Note 24

### 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. A separate statement of those monies appears at Note 30 of the financial report.

### Initial application of accounting standards

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

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

These amendments 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 certain non-financial assets on revaluation. The impact has not been quantified as it is not considered practicable to determine the amount of the difference in fair value attributable to the change in the standard.

### New accounting standards for application in future years

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

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

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

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

**2. REVENUE AND EXPENSES**

**(a) Revenue**

**Contracts with customers**

Recognition of revenue is 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 - airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges - sale of stock	Aviation fuel, 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**

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.

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

**For the year ended 30 June 2025**

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	-	-	26,786,129	1	26,786,130
Grants, subsidies and contributions	12,056,814	-	-	-	12,056,814
Fees and charges	11,015,743	-	593,135	-	11,608,878
Interest revenue	53,095	-	120,088	2,369,419	2,542,602
Other revenue	2,554,364	-	-	-	2,554,364
Capital grants, subsidies and contributions	-	12,007,869	-	-	12,007,869
<b>Total</b>	<b>25,680,016</b>	<b>12,007,869</b>	<b>27,499,352</b>	<b>2,369,420</b>	<b>67,556,657</b>

**For the year ended 30 June 2024**

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	-	-	25,432,406	-	25,432,406
Grants, subsidies and contributions	13,304,012	-	-	-	13,304,012
Fees and charges	10,687,686	-	515,315	-	11,203,001
Interest revenue	58,467	-	93,707	2,431,055	2,583,229
Other revenue	982,800	-	-	-	982,800
Capital grants, subsidies and contributions	-	15,394,282	-	-	15,394,282
<b>Total</b>	<b>25,032,965</b>	<b>15,394,282</b>	<b>26,041,428</b>	<b>2,431,055</b>	<b>68,899,730</b>



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

**2. REVENUE AND EXPENSES (Continued)**

**(a) Revenue (Continued)**

The Shire utilises volunteer services at the fire station, museum, Homecare and library. Volunteer services are not recognised as revenue as the fair value of the services cannot be reliably estimated.

**Interest revenue**

Financial assets at amortised cost - self supporting loans	49,300	55,658
Interest on reserve account	1,588,485	1,428,847
Trade and other receivables overdue interest	135,028	103,442
Other interest revenue	769,789	995,282
	<u>2,542,602</u>	<u>2,583,229</u>

**Fees and charges relating to rates receivable**

Charges on instalment plan	79,074	65,972
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The 2025 original budget estimate in relation to:  
Charges on instalment plan was \$83,000.

**(b) Expenses**

**Auditors remuneration**

- Audit of the Annual Financial Report	76,000	62,110
- Other services – grant acquittals	8,935	4,160
	<u>84,935</u>	<u>66,270</u>

**Employee Costs**

Employee benefit costs	18,802,652	17,627,468
Other employee costs	3,840,097	3,751,138
	<u>22,642,749</u>	<u>21,378,606</u>

**Finance costs**

Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	231,085	230,937
Lease liabilities	6,164	(2,472)
	<u>237,249</u>	<u>228,465</u>

**Other expenditure**

Impairment losses on rates and statutory receivables	849	
Impairment losses on trade receivables	122,800	325,400
Sundry expenses	644,672	1,001,571
	<u>768,321</u>	<u>1,326,971</u>

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

**3. CASH AND CASH EQUIVALENTS**

Note	2025	2024
	\$	\$
Cash at bank and on hand	21,273,666	37,988,393
Term deposits	26,000,000	11,000,000
<b>Total cash and cash equivalents</b>	<b>47,273,666</b>	<b>48,988,393</b>
Held as		
- Unrestricted cash and cash equivalents	5,725,295	6,236,020
- Restricted cash and cash equivalents	41,548,371	42,752,373
	<b>47,273,666</b>	<b>48,988,393</b>

**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 .



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

**4. OTHER FINANCIAL ASSETS**

**(a) Current assets**

Financial assets at amortised cost

**Other financial assets at amortised cost**

Self supporting loans receivable

Held as

- Unrestricted other financial assets at amortised cost

**(b) Non-current assets**

Financial assets at amortised cost

Financial assets at fair value through profit or loss

**Financial assets at amortised cost**

Self supporting loans receivable

Term deposits

**Financial assets at fair value through profit or loss**

Units in Local Government House Trust - opening balance

Movement attributable to fair value (decrement)/increment

Units in Local Government House Trust - closing balance

Note	2025	2024
	\$	\$
	95,696	404,455
	95,696	404,455
27(d)	95,696	404,455
	95,696	404,455
	95,696	404,455
	95,696	404,455
	895,047	990,744
	139,334	145,549
	1,034,381	1,136,293
	895,048	990,744
	(1)	0
	895,047	990,744
	145,549	142,607
	(6,215)	2,942
	139,334	145,549

**MATERIAL ACCOUNTING POLICIES**

**Other financial assets at amortised cost**

The Shire classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 24 (i)) due to the observable market rates).

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

**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.

**Impairment and risk**

Information regarding impairment and exposure to risk can be found at Note 22.

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

**5. TRADE AND OTHER RECEIVABLES**

**Current**

	Note	2025 \$	2024 \$
Rates and statutory receivables		278,144	228,165
Trade receivables		1,010,535	1,157,562
GST receivable		420,511	350,122
Allowance for credit losses of trade receivables	22(b)	(440,587)	(325,400)
		1,268,603	1,410,449

**Non-current**

Rates and statutory receivables		128,148	110,073
		128,148	110,073

**Disclosure of opening and closing balances related to contracts with customers**

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

	Note	30 June 2025 Actual \$	30 June 2024 Actual \$	1 July 2023 Actual \$
Trade and other receivables from contracts with customers		1,010,535	1,157,562	1,428,082
Contract assets	7	169,983	998,683	1,226,375
Allowance for credit losses of trade receivables	5	(440,587)	(325,400)	-
Total trade and other receivables from contracts with customers		739,931	1,830,845	2,654,457

**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.

**Impairment and risk exposure**

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 22.



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

**6. INVENTORIES**

Note	2025	2024
	\$	\$
<b>Current</b>		
Fuel and materials	49,389	38,527
Road making materials	261,174	399,263
Visitor Centre Stock	132,608	108,327
Land held for resale		
Cost of acquisition	515,631	800,000
	958,802	1,346,117
<b>Non-current</b>		
Land held for resale		
Cost of acquisition	3,859,610	3,305,969
	3,859,610	3,305,969
The following movements in inventories occurred during the year:		
<b>Balance at beginning of year</b>	4,652,086	4,440,230
Inventories expensed during the year	(2,094,731)	(2,073,426)
Additions to inventory	2,261,057	2,285,282
<b>Balance at end of year</b>	4,818,412	4,652,086

**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.

**Land held for resale**

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

**Land held for resale (Continued)**

Borrowing costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed onto the buyer at this point.

Land held for resale is classified as current except where it is held as non-current based on the Shire's intentions to release for sale.

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

**7. OTHER ASSETS**

**Other assets - current**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Accrued income	26,148	25,500
Contract assets	169,983	998,683
Interest Receivable	103,541	108,152
Infringements	18,107	14,266
	<b>317,779</b>	<b>1,146,601</b>

**MATERIAL ACCOUNTING POLICIES**

**Contract assets**

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

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



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

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Assets not subject to operating lease		Total Property				Plant and equipment				Total property, plant and equipment
	Land	Buildings	Land	Buildings	Work in progress	Total Property	Furniture and equipment	Plant and equipment	Motor Vehicles	Roadmaking Plant	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2023</b>	27,305,327	57,196,073	27,305,327	57,196,073	-	84,501,400	675,398	6,031,506	2,945,308	9,556,115	103,709,727
Additions	3,979	1,153,809	3,979	1,153,809	-	1,157,788	112,750	12,073	787,847	2,280,735	4,351,193
Disposals	(57,000)	-	(57,000)	-	-	(57,000)	-	-	(187,229)	(355,510)	(599,739)
Impairment (losses) / reversals *	-	-	-	-	-	-	-	-	-	(2,765)	(2,765)
Depreciation	-	(2,350,540)	-	(2,350,540)	-	(2,350,540)	(122,047)	(597,333)	(411,672)	(1,406,332)	(4,887,924)
Transfers	-	898,292	-	898,292	-	898,292	-	144,740	-	-	1,043,032
<b>Balance at 30 June 2024</b>	27,252,306	56,897,634	27,252,306	56,897,634	-	84,149,940	666,101	5,590,986	3,134,254	10,072,243	103,613,524
<b>Comprises:</b>											
Gross balance amount at 30 June 2024	27,252,306	117,950,602	27,252,306	117,950,602	-	145,202,908	1,709,363	11,917,907	5,628,631	16,070,224	180,529,033
Accumulated depreciation at 30 June 2024	-	(61,052,968)	-	(61,052,968)	-	(61,052,968)	(1,043,262)	(6,326,921)	(2,494,377)	(5,997,981)	(76,915,509)
<b>Balance at 30 June 2024</b>	27,252,306	56,897,634	27,252,306	56,897,634	-	84,149,940	666,101	5,590,986	3,134,254	10,072,243	103,613,524
Additions	-	707,622	-	707,622	4,201,582	4,909,204	278,389	213,936	763,493	2,095,999	8,261,021
Disposals	-	(352,907)	-	(352,907)	-	(352,907)	-	-	(247,292)	(217,601)	(817,800)
Revaluation increments / (decrements) transferred to revaluation surplus	3,079,694	22,760,566	3,079,694	22,760,566	-	25,840,260	-	-	-	-	25,840,260
Assets classified as held for sale	(483,300)	-	(483,300)	-	-	(483,300)	-	-	-	-	(483,300)
Depreciation	-	(2,399,729)	-	(2,399,729)	-	(2,399,729)	(149,305)	(610,759)	(463,214)	(1,472,965)	(5,095,972)
Transfers	-	1,536,667	-	1,536,667	590,806	2,127,473	-	-	-	-	2,127,473
<b>Balance at 30 June 2025</b>	29,848,700	79,149,853	29,848,700	79,149,853	4,792,388	113,790,941	795,185	5,194,163	3,187,241	10,477,676	133,445,206
<b>Comprises:</b>											
Gross balance amount at 30 June 2025	29,848,700	146,181,694	29,848,700	146,181,694	4,792,388	180,822,782	1,982,652	12,131,843	5,930,131	17,358,223	218,225,631
Accumulated depreciation at 30 June 2025	-	(67,031,841)	-	(67,031,841)	-	(67,031,841)	(1,187,467)	(6,937,680)	(2,742,890)	(6,880,547)	(84,780,425)
<b>Balance at 30 June 2025</b>	29,848,700	79,149,853	29,848,700	79,149,853	4,792,388	113,790,941	795,185	5,194,163	3,187,241	10,477,676	133,445,206

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

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Amount Measurements

Asset Class		Carrying amount 2025	Carrying amount 2024	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date								
Land and buildings								
Land - Market Value	8(a)	29,848,700	27,252,306	2	Market approach using recent observable market data for similar properties/income approach using discounted cashflow methodology	Independent registered valuer	June 2025	Price per hectare / market borrowing rate
Total Land		29,848,700	27,252,306					
Buildings - Non Specialised	8(a)	79,149,853	56,897,634	3	Cost approach using depreciated replacement cost	Independent registered valuer	June 2025	Construction costs and current condition (level 2), residual values and remaining useful life assessments (level 3) inputs
Total Buildings		79,149,853	56,897,634					

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.

(ii) Cost

Furniture and equipment	Cost	Cost	Purchase cost
Plant and equipment	Cost	Cost	Purchase cost
Roadmaking Plant	Cost	Cost	Purchase cost
Motor vehicles - specialised	Cost	Cost	Purchase cost



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

9. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - roads	Infrastructure - footpaths	Infrastructure - drainage	Infrastructure - parks and ovals	Infrastructure - other	Infrastructure - work in progress	Other infrastructure - Pipes & Culverts	Other infrastructure - Airport	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance as at 30 June 2023</b>	474,508,387	19,091,095	27,829,402	15,527,815	28,237,230	1,816,039	12,450,978	8,478,709	587,939,655
Correction of Error	-	-	-	-	4,487,070	-	-	-	4,487,070
<b>Restated* Balance at 1 July 2023</b>	474,508,387	19,091,095	27,829,402	15,527,815	32,724,300	1,816,039	12,450,978	8,478,709	592,426,725
Additions	21,998,177	207,565	62,407	128,656	261,958	3,596,224	-	-	26,254,987
Depreciation (Restated)*	(13,600,879)	(846,237)	(304,507)	(1,537,008)	(1,038,556)	-	(184,815)	(382,441)	(17,894,443)
Transfers	-	-	-	49,059	16,397	(1,108,488)	-	-	(1,043,032)
<b>Restated* Balance at 30 June 2024</b>	482,905,685	18,452,423	27,587,302	14,168,522	31,964,099	4,303,775	12,266,163	8,096,268	599,744,237
<b>Comprises:</b>									
Gross balance at 30 June 2024	595,724,037	27,435,244	32,097,944	26,841,024	39,131,543	4,303,775	18,738,982	11,365,411	755,637,960
Accumulated depreciation at 30 June 2024	(112,818,352)	(8,982,821)	(4,510,642)	(12,672,502)	(7,167,444)	-	(6,472,819)	(3,269,143)	(155,893,723)
<b>Restated* Balance at 30 June 2024</b>	482,905,685	18,452,423	27,587,302	14,168,522	31,964,099	4,303,775	12,266,163	8,096,268	599,744,237
Additions	19,531,290	299,182	59,526	42,059	-	1,523,434	-	-	21,455,491
Depreciation	(14,125,216)	(817,926)	(301,688)	(1,423,951)	(1,013,120)	-	(184,815)	(382,440)	(18,249,156)
Transfers	-	-	-	147,730	15,692	(2,290,895)	-	-	(2,127,473)
<b>Balance at 30 June 2025</b>	488,311,759	17,933,679	27,345,140	12,934,360	30,966,671	3,536,314	12,081,348	7,713,828	600,823,099
<b>Comprises:</b>									
Gross balance at 30 June 2025	615,255,327	27,734,426	32,157,469	27,030,813	39,147,235	3,536,314	18,738,982	11,365,411	774,965,977
Accumulated depreciation at 30 June 2025	(126,943,568)	(9,800,747)	(4,812,329)	(14,096,453)	(8,180,564)	-	(6,657,634)	(3,651,583)	(174,142,878)
<b>Balance at 30 June 2025</b>	488,311,759	17,933,679	27,345,140	12,934,360	30,966,671	3,536,314	12,081,348	7,713,828	600,823,099

\*Refer to note 31 for correction of prior year error

SHIRE OF ESPERANCE  
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FOR THE YEAR ENDED 30 JUNE 2025

9. INFRASTRUCTURE (Continued)

(b) Carrying Amount Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value - as determined at the last valuation date					
Infrastructure - roads	3	Cost approach using depreciated replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - footpaths	3	Cost approach using depreciated replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - drainage	3	Cost approach using depreciated replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - parks and ovals	3	Cost approach using depreciated replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - other	3	Cost approach using depreciated replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Infrastructure - work in progress	3	Cost approach using depreciated replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure - Pipes & Culverts	3	Cost approach using depreciated replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments inputs
Other infrastructure - Airport	3	Cost approach using depreciated replacement cost	Management valuation	June 2023	Construction costs and current condition, residual values and remaining useful life assessments 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 ESPERANCE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**10. FIXED ASSETS**

**(a) Depreciation**

**Depreciation rates**

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

<b>Asset Class</b>	<b>Useful life</b>
Buildings	30 to 100 years
Furniture and equipment	5 to 20 years
Plant and equipment	3 to 15 years
Motor vehicles	5 to 20 years
Road making plant	5 to 12 years
Infrastructure - roads	15 to 60 years
Other infrastructure - drainage	30 to 100 years
Other infrastructure - parks and ovals	10 to 30 years
Other infrastructure - other infrastructure	10 to 70 years
Other infrastructure - culverts and pipes	30 to 100 years
Other infrastructure - Esperance airport	10 to 50 years
Right of use - plant and equipment	Based on the remaining lease

**(b) Fully Depreciated Assets in Use**

The gross carrying amount of assets held by the Shire which are currently in use yet fully depreciated are shown in the table below.

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Buildings	-	83,000
Furniture and equipment	260,136	212,836
Plant and equipment	288,688	159,134
Motor vehicles	1,996,072	928,172
Road making plant	870,500	713,500
	<b>3,415,396</b>	<b>2,096,642</b>

## 10. FIXED ASSETS (Continued)

### MATERIAL ACCOUNTING POLICIES

#### Initial recognition

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

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

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

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

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

#### Measurement after recognition

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

#### Reportable value

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

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

#### Revaluation

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

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

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

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

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

#### Depreciation

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

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

#### Depreciation on revaluation

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

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

#### Impairment

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

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

#### Gains or losses on disposal

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



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

**11. LEASES**

**(a) Right-of-Use Assets**

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.

**Balance at 1 July 2023**

Additions \*

Depreciation

**Balance at 30 June 2024**

Gross balance amount at 30 June 2024

Accumulated depreciation at 30 June 2024

**Balance at 30 June 2024**

Additions \*

Depreciation

**Balance at 30 June 2025**

Gross balance amount at 30 June 2025

Accumulated depreciation at 30 June 2025

**Balance at 30 June 2025**

Note	Right-of-use assets - plant and equipment	Right-of-use assets Total
	\$	\$
	8,663	8,663
	99,307	99,307
	(19,860)	(19,860)
	88,110	88,110
	99,307	99,307
	(11,197)	(11,197)
	88,110	88,110
	126,538	126,538
	(31,566)	(31,566)
	183,082	183,082
	225,845	225,845
	(42,763)	(42,763)
	183,082	183,082

\*Right of use asset additions are non-cash Additions. Refer note 18.(c)

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the Shire is the lessee:

Depreciation on right-of-use assets

Finance charge on lease liabilities

**Total amount recognised in the statement of comprehensive income**

Total cash outflow from leases

	2025 Actual	2024 Actual
	\$	\$
	(31,566)	(19,860)
28(c)	(6,145)	(2,472)
	(37,711)	(22,332)
	(38,706)	(21,443)
	43,013	10,186
	140,084	78,934
28(c)	183,097	89,120

**(b) Lease Liabilities**

Current

Non-current

**Secured liabilities and assets pledged as security**

Lease liabilities are effectively secured, as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

**MATERIAL ACCOUNTING POLICIES**

**Leases**

At inception of a contract, the Shire assesses if the contract contains or is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Shire uses its incremental borrowing rate.

All contracts that are classified as short-term leases (i.e. a lease with a term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Details of individual lease liabilities required by regulations are provided at Note 28(c).

**Right-of-use assets - measurement**

Right-of-use assets are measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not recognised in the Statement of Financial Position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Refer to Note 10 under revaluation for details on the material accounting policies applying to vested improvements.

**Right-of-use assets - depreciation**

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shorter. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Shire anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

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

**11. LEASES (Continued)**

**(c) Lessor - Property, Plant and Equipment Subject to Lease**

The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.

Less than 1 year

1 to 2 years

2 to 3 years

3 to 4 years

4 to 5 years

> 5 years

<b>2025</b>	<b>2024</b>
<b>Actual</b>	<b>Actual</b>
<b>\$</b>	<b>\$</b>
150,000	150,000
300,000	300,000
300,000	300,000
300,000	300,000
300,000	300,000
2,612,500	2,762,500
<b>3,962,500</b>	<b>4,112,500</b>

The Shire has leased the caravan park to RAC for a term of 35 years commencing in 2019-20.

The Shire leased Blue Waters Lodge to RAC for a term of 21 years commencing in 2023-24.

**MATERIAL ACCOUNTING POLICIES**

**The Shire as Lessor**

Upon entering into each contract as a lessor, the Shire assesses if the lease is a finance or operating lease.

The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

Initial direct costs incurred in entering into an operating lease (eg legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

When a contract is determined to include lease and non-lease components, the Shire applies AASB 15 *Revenue from Contracts with Customers* to allocate the consideration under the contract to each component.



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

**12. TRADE AND OTHER PAYABLES**

**Current**

Sundry creditors
Prepaid rates
Accrued payroll liabilities
Bonds and deposits held
Accrued interest on long term borrowings

2025	2024
\$	\$
1,617,189	2,025,697
25,075	4,859
849,969	756,251
423,942	356,906
9,628	10,683
2,925,803	3,154,396

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

**13. OTHER LIABILITIES**

**Current**

Contract liabilities

	2025	2024
	\$	\$
	2,971,014	2,612,488
	2,971,014	2,612,488
<b>Reconciliation of changes in contract liabilities</b>		
Opening balance	2,612,488	3,378,442
Additions	2,971,014	2,612,488
Revenue from contracts with customers included as a contract liability at the start of the period	(2,612,488)	(3,378,442)
	2,971,014	2,612,488

The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$2,971,014 (2024: \$2,612,488)

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.

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.



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

**14. BORROWINGS**

	Note	2025			2024		
		Current	Non-current	Total	Current	Non-current	Total
<b>Unsecured</b>		\$	\$	\$	\$	\$	\$
Other loans		155,635	1,398,766	1,554,401	461,774	1,554,401	2,016,175
<b>Total unsecured borrowings</b>	28(a)	155,635	1,398,766	1,554,401	461,774	1,554,401	2,016,175

**Secured liabilities and assets pledged as security**

Debentures, bank overdrafts and bank loans are secured by a floating charge over the assets of the Shire of Esperance.  
Other loans relate to transferred receivables. Refer to Note 5.

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

**MATERIAL ACCOUNTING POLICIES**

**Borrowing costs**

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

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

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 24(i)) due to the unobservable inputs, including own credit risk.

**Risk**

Information regarding exposure to risk can be found at Note 22.

Details of individual borrowings required by regulations are provided at Note 28(a).

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

**15. EMPLOYEE RELATED PROVISIONS**

**Employee Related Provisions**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<b>Current provisions</b>		
<b>Employee benefit provisions</b>		
Annual leave	2,293,327	2,267,170
Long service leave	1,457,609	1,516,859
	<b>3,750,936</b>	<b>3,784,029</b>
<b>Total current employee related provisions</b>	<b>3,750,936</b>	<b>3,784,029</b>
<b>Non-current provisions</b>		
<b>Employee benefit provisions</b>		
Long service leave	438,545	411,208
	<b>438,545</b>	<b>411,208</b>
<b>Total non-current employee related provisions</b>	<b>438,545</b>	<b>411,208</b>
<b>Total employee related provisions</b>	<b>4,189,481</b>	<b>4,195,237</b>

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. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	<b>Note</b>	<b>2025</b>	<b>2024</b>
		<b>\$</b>	<b>\$</b>
<b>Amounts are expected to be settled on the following basis:</b>			
Less than 12 months after the reporting date		1,653,784	1,399,430
More than 12 months from reporting date		2,535,697	2,795,807
		<b>4,189,481</b>	<b>4,195,237</b>

Expected reimbursements of employee related provisions from other WA local governments included within other receivables

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

**16. OTHER PROVISIONS**

	<b>Make good provisions</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Restated* Opening balance at 1 July 2024</b>		
Restated* non-current provisions	4,739,039	4,739,039
	4,739,039	4,739,039
 Additional provision	 146,823	 146,823
<b>Balance at 30 June 2025</b>	<b>4,885,862</b>	<b>4,885,862</b>
 <b>Comprises</b>		
Non-current	4,885,862	4,885,862
	4,885,862	4,885,862

\*Refer to note 31 for correction of prior year error

**Other provisions**

Amounts which are expected to be paid out within 12 months of the reporting date are classified as current. Exact timing of payment of non-current obligations is unable to be reliably estimated as it is dependent on factors beyond the control of the local government.

**Make good provisions**

Under licence for the operation of Wylie Bay Waste Facility landfill site, the Shire has a legal obligation to restore the site.

The estimated future obligations include the costs of restoring the affected areas and continued monitoring of the site.

The provision for future remediation costs is the best estimate of present value of the expenditure required to settle the remediation obligation at the reporting date.

Future remediation costs are reviewed annually and any changes in the estimate are reflected in the present value of the remediation provision at each reporting date.

**MATERIAL ACCOUNTING POLICIES**

**Provisions**

Provisions are recognised when the Shire has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

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

**17. REVALUATION SURPLUS**

	<b>2025 Opening Balance</b>	<b>Total Movement on Revaluation</b>	<b>2025 Closing Balance</b>	<b>2024 Opening Balance</b>	<b>Total Movement on Revaluation</b>	<b>2024 Closing Balance</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Revaluation surplus - Land and buildings	37,565,324	25,840,260	63,405,584	37,565,324	-	37,565,324
Revaluation surplus - Furniture and equipment	120,357	-	120,357	120,357	-	120,357
Revaluation surplus - Plant and equipment	1,281,689	-	1,281,689	1,281,689	-	1,281,689
Revaluation surplus - Motor Vehicles	786,448	-	786,448	786,448	-	786,448
Revaluation surplus - Roadmaking Plant	668,986	-	668,986	668,986	-	668,986
Revaluation surplus - Infrastructure - roads	264,678,825	-	264,678,825	264,678,825	-	264,678,825
Revaluation surplus - Infrastructure - footpaths	12,602,185	-	12,602,185	12,602,185	-	12,602,185
Revaluation surplus - Infrastructure - drainage	22,057,698	-	22,057,698	22,057,698	-	22,057,698
Revaluation surplus - Infrastructure - parks and ovals	9,660,606	-	9,660,606	9,660,606	-	9,660,606
Revaluation surplus - Infrastructure - other	8,343,371	-	8,343,371	8,343,371	-	8,343,371
Revaluation surplus - Other infrastructure - Pipes & Culverts	13,119,034	-	13,119,034	13,119,034	-	13,119,034
Revaluation surplus - Other infrastructure - Airport	5,896,073	-	5,896,073	5,896,073	-	5,896,073
	<b>376,780,596</b>	<b>25,840,260</b>	<b>402,620,856</b>	<b>376,780,596</b>	<b>-</b>	<b>376,780,596</b>



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

**18. NOTES TO THE STATEMENT OF CASH FLOWS**

**(a) Reconciliation of Cash**

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	<b>Note</b>	<b>2025 Actual \$</b>	<b>2024 Actual \$</b>
Cash and cash equivalents	3	47,273,666	48,988,393
<b>Restrictions</b>			
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	41,548,371	42,752,373
		41,548,371	42,752,373
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	29	38,577,357	40,139,885
Contract liabilities	13	2,971,014	2,612,488
<b>Total restricted financial assets</b>		41,548,371	42,752,373

**(b) Reconciliation of Net Result to Net Cash Provided By Operating Activities**

Net result		2,350,388	8,647,557
Non-cash items:			
Depreciation/amortisation		23,376,694	22,802,226
(Profit)/loss on sale of asset		394,523	(478,595)
Impairment of plant and equipment			2,765
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		123,771	178,817
(Increase)/decrease in other assets		483,422	43,845
(Increase)/decrease in inventories		(380,354)	5,253
(Increase)/decrease in contract assets		828,700	227,693
Increase/(decrease) in trade and other payables		(228,593)	684,083
Increase/(decrease) in employee related provisions		(5,756)	73,865
Increase/(decrease) in other provisions		146,823	141,127
Increase/(decrease) in other liabilities		358,526	(765,954)
Capital grants, subsidies and contributions		(12,007,869)	(15,394,282)
Net cash provided by/(used in) operating activities		15,440,275	16,168,400

**(c) Non-cash investing and financing activities**

Acquisition of right of use assets by means of lease	11(a)	126,538	99,307
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**(d) Undrawn Borrowing Facilities**

**Credit Standby Arrangements**

Bank overdraft limit		200,000	200,000
Bank overdraft at balance date		-	-
Credit card limit		80,000	80,000
Credit card balance at balance date		(8,083)	(7,071)
<b>Total amount of credit unused</b>		271,917	272,929

**Loan facilities**

Loan facilities - current		155,635	461,774
Loan facilities - non-current		1,398,766	1,554,401
<b>Total facilities in use at balance date</b>		1,554,401	2,016,175

**Unused loan facilities at balance date**

NIL

NIL



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

**19. CONTINGENT LIABILITIES**

The Shire of Esperance is unaware of any contingent liabilities to disclose at the current reporting date.

**20. CAPITAL COMMITMENTS**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Contracted for:		
- capital expenditure projects	8,649,532	3,237,082
- plant & equipment purchases	497,475	528,310
	<b>9,147,007</b>	<b>3,765,392</b>
Payable:		
- not later than one year	9,147,007	3,765,392

The capital expenditure projects outstanding at the end of the current reporting period includes but is not limited to the remaining construction of the Graham Mackenzie Stadium, Condingup Bushfire Brigade Shed and completion of four residential units on Voile Lane.

The prior year commitment was largely attributable to the upgrade of the Home Care Day Centre as well as fleet replacements in progress.



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

**21. RELATED PARTY TRANSACTIONS**

**(a) Council Member Remuneration**

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

Note	2025 Actual	2025 Budget	2024 Actual
	\$	\$	\$
President's annual allowance	42,596	35,880	35,880
President's meeting attendance fees	24,200	22,880	22,880
President's annual allowance for ICT expenses	1,644	1,560	1,560
	68,440	60,320	60,320
Deputy President's annual allowance	10,649	8,970	8,970
Deputy President's meeting attendance fees	19,788	18,720	18,720
Deputy President's annual allowance for ICT expenses	1,644	1,560	1,560
	32,081	29,250	29,250
All other council member's meeting attendance fees	138,513	131,040	131,040
All other council member's annual allowance for ICT expenses	11,511	10,920	10,920
	150,024	141,960	141,960
21(b)	250,545	231,530	231,530

**(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	862,636	891,207
Post-employment benefits	117,340	104,804
Employee - other long-term benefits	36,603	7,635
Council member costs	250,545	231,530
21(a)	1,267,124	1,235,176

*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.

*Council member costs*

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

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

**21. RELATED PARTY TRANSACTIONS (Continued)**

**(c) Transactions with related parties**

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

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

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

	<b>2025 Actual</b>	<b>2024 Actual</b>
	<b>\$</b>	<b>\$</b>
Purchase of goods and services	299,931	268,352
Short term employee benefits - other related parties	214,115	160,008
<b>Amounts outstanding from related parties:</b>		
Trade and other receivables	2,109	815

**(d) Related Parties**

**The Shire's main related parties are as follows:**

*i. Key management personnel*

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

*ii. Other Related Parties*

Short-term employee benefits related to an associate person of the CEO who was employed by the Shire under normal employment terms and conditions.

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

**22. FINANCIAL RISK MANAGEMENT**

This note explains the Shire's exposure to financial risks and how these risks could affect the Shire's future financial performance.

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
<b>Market risk - interest rates</b>	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
<b>Credit risk</b>	Cash and cash equivalents, trade receivables, financial assets and debt investments	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
<b>Liquidity risk</b>	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The Shire does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance department under policies approved by the council. The finance department identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as investment policy.

**(a) Interest rate risk**

**Cash and cash equivalents**

The Shire's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Shire to cash flow interest rate risk. Short term overdraft facilities also have variable interest rates however these are repaid within 12 months, reducing the risk level to minimal.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the Shire to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at 30 June and the weighted average interest rate across all cash and cash equivalents, term deposits, and Treasury bonds held disclosed as financial assets at amortised cost are reflected in the table below.

	<b>Weighted Average Interest Rate</b>	<b>Carrying Amounts</b>	<b>Fixed Interest Rate</b>	<b>Variable Interest Rate</b>	<b>Non Interest Bearing</b>
	<b>%</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>2025</b>					
Cash and cash equivalents	3.70%	47,273,666	26,000,000	21,265,416	8,250
Financial assets at amortised cost - term deposits	0.00%	-	-	-	-
Financial assets at amortised cost - Treasury bonds					
<b>2024</b>					
Cash and cash equivalents	4.22%	48,988,393	11,000,000	37,988,393	-
Financial assets at amortised cost - term deposits	0.00%	-	-	-	-
Financial assets at amortised cost - Treasury bonds					

**Sensitivity**

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Impact of a 1% movement in interest rates on profit or loss and equity*	212,654	379,884

\* Holding all other variables constant

**Borrowings**

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs.

The Shire manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The Shire does not consider there to be any interest rate risk in relation to borrowings.

Details of interest rates applicable to each borrowing may be found at Note 28(a).

**SHIRE OF ESPERANCE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**22. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Credit risk**

**Trade and Other Receivables**

The Shire's major trade and other receivables comprise contractual non-statutory user fees and charges, grants, contributions and reimbursements. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Shire manages this risk by monitoring outstanding debt and employing debt recovery policies.

The level of outstanding receivables is reported to council monthly and benchmarks are set and monitored for acceptable collection performance.

The Shire applies the AASB 9 Financial Instruments simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade and other receivables. To measure the expected credit losses, receivables from grants, contributions and reimbursements are separated from other trade receivables due to the difference in payment terms and security.

The expected loss rates are based on the payment profiles of trade and other receivables over a period of 36 months before 1 July 2024 or 1 July 2025 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of users to settle the receivables.

The loss allowance as at 30 June 2025 and 30 June 2024 was determined as follows for trade and other receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
<b>30 June 2025</b>					
Trade receivables					
Expected credit loss	0.00%	0.00%	0.00%	98.84%	
Gross carrying amount	468,405	95,573	786	445,771	1,010,535
Loss allowance	-	-	-	440,587	440,587
	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
Rates receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	225,809	37,078	9,167	6,090	278,144
Loss allowance	-	-	-	-	-
	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
<b>30 June 2024</b>					
Trade receivables					
Expected credit loss	23.61%	48.84%	0.00%	0.00%	
Gross carrying amount	918,805	222,094	1,544	15,120	1,157,563
Loss allowance	216,930	108,471	-	-	325,401
	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
Rates receivables					
Expected credit loss	0.00%	0.00%	0.00%	0.00%	
Gross carrying amount	213,303	10,387	1,433	3,042	228,165
Loss allowance	-	-	-	-	-



**SHIRE OF ESPERANCE**  
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**22. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Credit risk (Continued)**

The loss allowances for trade, other receivables and contract assets as at 30 June reconcile to the opening loss allowances as follows:

	<b>Trade receivables</b>		<b>Other receivables</b>		<b>Contract Assets</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Opening loss allowance as at 1 July</b>	325,400		-		-	
Increase in loss allowance recognised in profit or loss during the year	115,187	325,400	-	-	-	-
Receivables written off during the year as uncollectible	7,613	-	849	175	-	-
Unused amount reversed	(7,613)	-	(849)	(175)	-	-
<b>Closing loss allowance at 30 June</b>	<b>440,587</b>	<b>325,400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Trade, other receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Shire, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on rates and statutory receivables, trade, other receivables and contract assets are presented as net impairment losses within other expenditure. Subsequent recoveries of amounts previously written off are credited against the same line item.

**Contract Assets**

The Shire's contract assets represent work completed, which have not been invoiced at year end. This is due to the Shire not having met all the performance obligations in the contract which give an unconditional right to receive consideration. The Shire applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all contract assets. To measure the expected credit losses, contract assets have been grouped based on shared credit risk characteristics and the days past due. Contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Shire has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

**SHIRE OF ESPERANCE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**22. FINANCIAL RISK MANAGEMENT (Continued)**

**(c) Liquidity risk**

**Payables and borrowings**

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The Shire manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 18(d).

The contractual undiscounted cash flows of the Shire's payables and borrowings are set out in the liquidity table below. Balances due within 12 months equal their carrying amounts, as the impact of discounting is not significant.

	<b>Due within 1 year</b>	<b>Due between 1 &amp; 5 years</b>	<b>Due after 5 years</b>	<b>Total contractual cash flows</b>	<b>Carrying amount</b>
<b><u>2025</u></b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Trade and other payables	2,925,803	-	-	2,925,803	2,925,803
Borrowings	155,635	845,403	553,363	1,554,401	1,554,401
Lease liabilities	43,056	127,878	11,218	182,152	183,097
	<u>3,124,494</u>	<u>973,281</u>	<u>564,581</u>	<u>4,662,356</u>	<u>4,663,301</u>
<b><u>2024</u></b>					
Trade and other payables	3,154,396	-	-	3,154,396	3,154,396
Borrowings	461,774	832,545	721,856	2,016,175	2,016,175
Lease liabilities	22,292	76,535	-	98,827	89,120
	<u>3,638,462</u>	<u>909,080</u>	<u>721,856</u>	<u>5,269,398</u>	<u>5,259,691</u>



**SHIRE OF ESPERANCE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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**23. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD**

There were no significant events after the end of the reporting period to disclose.

## 24. 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 ESPERANCE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**25. FUNCTION AND ACTIVITY**

**(a) Service objectives and descriptions**

Shire operations as disclosed in this financial report encompass the following service orientated functions and activities.

<b>Objective</b>	<b>Description</b>
<b>Governance</b> To provide a decision making process for the efficient allocation of scarce resources.	Includes the activities of members of Council (Councillors) and the administration support services available to the Council for the provision of governance of the district. Other costs relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific services.
<b>General purpose funding</b> To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
<b>Law, order, public safety</b> To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control and protection of the environment and other aspects of public safety including beaches and emergency services.
<b>Health</b> To provide an operational framework for good community health.	Inspection of food outlets and their control as well as provision of meat inspection services, noise control and waste disposal compliance.
<b>Education and welfare</b> To provide services to disadvantaged persons, the elderly, children and youth.	Maintenance of child minding centre, playgroup centre, senior citizens centre and aged care centre. Provision and maintenance of home and community care programs and youth support services.
<b>Community amenities</b> To provide services required by the community.	Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.
<b>Recreation and culture</b> To establish and effectively manage infrastructure and resources which will help the social well being of the community.	Maintenance of public halls, civic centre, aquatic centre, beaches, recreation centre and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operations of library, museum and other cultural facilities.
<b>Transport</b> To provide safe, effective and efficient transport services to the community.	Construction and maintenance of roads, street, footpaths, depots, cycleways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc. Provision and operation of airport. Provision of licensing facilities.
<b>Economic services</b> To help promote the Shire and its economic well being.	Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control and standpipes. Building control.
<b>Other property and services</b> To monitor and control Council's overheads and operating accounts.	Private works, plant repair and operation costs and engineering operation costs.

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**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**25. FUNCTION AND ACTIVITY (Continued)**

**(b) Income and expenses**

	<b>2025 Actual</b>	<b>Restated* 2024 Actual</b>
	<b>\$</b>	<b>\$</b>
<b>Income excluding grants, subsidies and contributions and capital grants, subsidies and contributions</b>		
Governance	250,834	471,690
General purpose funding	29,289,412	27,970,274
Law, order, public safety	120,820	100,255
Health	112,800	71,595
Education and welfare	780,670	681,990
Community amenities	5,705,394	5,632,763
Recreation and culture	3,954,955	2,546,159
Transport	2,163,507	1,958,332
Economic services	693,053	648,846
Other property and services	493,586	622,666
	<b>43,565,031</b>	<b>40,704,570</b>
<b>Grants, subsidies and contributions and capital grants, subsidies and contributions</b>		
Governance	191,893	81,219
General purpose funding	5,268,888	7,202,385
Law, order, public safety	904,906	847,705
Health	10,965	1,724
Education and welfare	4,836,866	4,720,341
Community amenities	371,493	321,904
Recreation and culture	2,259,823	1,604,774
Transport	9,640,755	13,586,474
Economic services	391,256	72,768
Other property and services	187,838	259,000
	<b>24,064,683</b>	<b>28,698,294</b>
<b>Total Income</b>	<b>67,629,714</b>	<b>69,402,864</b>
<b>Expenses</b>		
Governance	(2,883,534)	(2,468,711)
General purpose funding	(418,398)	(610,204)
Law, order, public safety	(2,986,137)	(2,716,926)
Health	(534,092)	(475,493)
Education and welfare	(5,477,931)	(5,452,415)
Community amenities	(6,484,829)	(6,259,119)
Recreation and culture	(17,655,491)	(15,481,998)
Transport	(25,101,371)	(23,624,788)
Economic services	(2,421,204)	(2,144,727)
Other property and services	(1,316,339)	(1,520,926)
<b>Total expenses</b>	<b>(65,279,326)</b>	<b>(60,755,307)</b>
<b>Net result for the period</b>	<b>2,350,388</b>	<b>8,647,557</b>
*Refer to note 31 for correction of prior year error		

**(c) Total Assets**

Governance	4,701,096	7,191,487
General purpose funding	37,265,894	31,892,370
Law, order, public safety	9,462,230	7,887,566
Health	39,005	0
Education and welfare	10,453,335	8,283,424
Community amenities	25,476,745	22,809,928
Recreation and culture	90,269,862	79,941,186
Transport	580,469,015	573,863,198
Economic services	518,143	235,415
Other property and services	11,637,640	8,494,608
Unallocated	19,095,107	20,695,039
	<b>789,388,072</b>	<b>761,294,221</b>

SHIRE OF ESPERANCE  
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26. RATING INFORMATION

(a) General Rates

RATE TYPE				2024/25	2024/25	2024/25	2024/25	2024/25	2024/25	2023/24
Rate Description	Basis of valuation	Rate in \$	Number of Properties	Actual Rateable Value*	Actual Rate Revenue	Actual Interim Rates	Actual Total Revenue	Budget Rate Revenue	Budget Interim Rate	Actual Total Revenue
GRV Residential	Gross rental valuation	0.094576	4,399	96,148,943	9,093,382	44,682	9,138,064	9,107,421	35,000	7,741,496
GRV - Commercial/Industrial	Gross rental valuation	0.094576	416	32,399,695	3,064,234	(32,864)	3,031,370	3,064,234	-	3,249,134
GRV - Vacant	Gross rental valuation	0.094576	77	1,959,756	185,346	2,654	188,000	251,172	-	175,417
UV - Rural	Unimproved valuation	0.003586	971	3,161,471,000	11,337,035	569	11,337,604	11,345,087	-	10,614,549
<b>Total general rates</b>			5,863	3,291,979,394	23,679,997	15,041	23,695,038	23,767,914	35,000	21,780,596
<b>Minimum payment</b>										
GRV Residential	Gross rental valuation	1,431	974	12,436,841	1,393,794	(118)	1,393,676	1,365,174	-	1,854,341
GRV - Commercial/Industrial	Gross rental valuation	1,431	76	658,420	108,756	(125)	108,631	107,325	-	89,140
GRV - Vacant	Gross rental valuation	1,431	485	2,701,125	694,035	(14,959)	679,076	611,037	-	667,198
UV - Rural	Unimproved valuation	1,464	220	47,020,600	322,080	(850)	321,230	314,760	-	282,436
UV Commercial/Industrial	Unimproved valuation	1,464	3	432,900	4,392	-	4,392	4,392	-	4,125
UV-Mining	Unimproved valuation	1,464	153	3,275,313	223,992	(50,322)	173,670	232,776	-	230,405
<b>Total minimum payments</b>			1,911	66,525,199	2,747,049	(66,374)	2,680,675	2,635,464	-	3,127,645
<b>Total general rates and minimum payments</b>			7,774	3,358,504,593	26,427,046	(51,333)	26,375,713	26,403,378	35,000	24,908,241
<b>Ex-gratia Rates and prepaid rates</b>										
CBH Storage Facilities		N/A	-	-	422,031	-	422,031	420,047	-	397,936
Prepaid Rates		N/A	-	-	4,859	-	4,859	10,000	-	142,511
<b>Total amount raised from rates (excluding general rates)</b>			-	-	426,890	-	426,890	430,047	-	540,447
Discounts							(16,473)		(16,473)	(16,282)
<b>Total Rates</b>							26,786,130		26,851,952	25,432,406

(b) Rates related information

Rates instalment interest	79,074	62,000	65,972
Rates instalment plan charges	-	-	-
Rates overdue interest	41,013	27,735	2,809
Rates written off	849	5,000	175

\*Rateable Value at time of raising of rate.



**SHIRE OF ESPERANCE**  
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**27. DETERMINATION OF SURPLUS OR DEFICIT**

		2024/25 (30 June 2025 Carried Forward)	2024/25 Budget (30 June 2025 Carried Forward)	Restated* 2023/24 (30 June 2024 Carried Forward)
	Note	\$	\$	\$
<b>(a) Non-cash amounts excluded from operating activities</b>				
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> .				
<b>Adjustments to operating activities</b>				
Less: Profit on asset disposals		(73,057)	(120,940)	(503,134)
Less: Movement in liabilities associated with restricted cash		(97,713)	279,652	(56,394)
Add: Loss on disposal of assets		467,580	51,039	24,539
Add: Impairment of Plant and Equipment	8(a)	-	-	2,765
Add: Depreciation	10(a)	23,376,694	23,403,044	22,802,226
Non-cash movements in non-current assets and liabilities:				
Pensioner deferred rates		(18,075)	5,000	(8,665)
Employee benefit provisions		27,337	10,000	32,049
Other provisions		146,823	-	141,127
Lease liabilities		10,187	-	(10,187)
Inventory		-	(1,481,412)	-
<b>Non-cash amounts excluded from operating activities</b>		<b>23,839,776</b>	<b>22,146,383</b>	<b>22,424,326</b>
<b>(b) Non-cash amounts excluded from investing activities</b>				
The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
<b>Adjustments to investing activities</b>				
Right of use assets received - non cash	11(a)	126,538	-	99,307
Movement in current capital expenditure provision associated with restricted cash		-	1,500,000	-
<b>Non-cash amounts excluded from investing activities</b>		<b>126,538</b>	<b>1,500,000</b>	<b>99,307</b>
<b>(c) Non-cash amounts excluded from financing activities</b>				
The following non-cash revenue or expenditure has been excluded from amounts attributable to financing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
<b>Adjustments to financing activities</b>				
Non cash proceeds from new leases	28(c)	(126,538)	-	(99,307)
<b>Non-cash amounts excluded from financing activities</b>		<b>(126,538)</b>	<b>-</b>	<b>(99,307)</b>
<b>(d) Surplus or deficit after imposition of general rates</b>				
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.				
<b>Adjustments to net current assets</b>				
Less: Reserve accounts	29	(38,577,357)	(25,785,167)	(40,139,885)
Less: Financial assets at amortised cost - self supporting loans	4(a)	(95,696)	(404,456)	(404,455)
Less: Financial assets at amortised cost		-	-	-
Less: Current assets not expected to be received at end of year		-	-	-
- Land held for resale	6	(515,631)	(1,518,540)	(800,000)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	14	155,635	230,635	461,774
- Current portion of lease liabilities	11(b)	43,013	8,402	10,186
- Other provisions		-	1,500,000	-
- Employee benefit provisions		1,731,622	1,721,363	1,819,147
<b>Total adjustments to net current assets</b>		<b>(37,258,414)</b>	<b>(24,247,763)</b>	<b>(39,053,233)</b>
<b>Net current assets used in the Statement of Financial Activity</b>				
Total current assets		49,914,546	34,459,909	53,296,015
Less: Total current liabilities		(9,846,401)	(10,256,604)	(10,022,873)
Less: Total adjustments to net current assets		(37,258,414)	(24,247,763)	(39,053,233)
<b>Surplus or deficit after imposition of general rates</b>		<b>2,809,731</b>	<b>(44,458)</b>	<b>4,219,909</b>

\*Refer to note 31 for correction of prior year error

SHIRE OF ESPERANCE  
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28. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual				Budget			
		Principal at 1 July 2023	New Loans During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024	New Loans During 2024-25	Principal Repayments During 2024-25	Principal at 30 June 2025	
		\$	\$	\$	\$	\$	\$	\$	
Shark Lake Industrial Park		675,789	-	(54,813)	620,976	-	(57,319)	563,657	
Graham Mackenzie Stadium		-	-	-	-	-	-	-	
<b>Total</b>		675,789	-	(54,813)	620,976	-	(57,319)	563,657	-
<b>Self Supporting Loans</b>									
Recherche Aged Welfare		184,064	-	(19,810)	164,254	-	(21,098)	143,156	164,255
Esperance Bay Yacht Club		257,982	-	(19,209)	238,773	-	(20,182)	218,591	238,773
Newtown Condungup Football Club		32,265	-	(6,069)	26,196	-	(6,253)	19,943	26,196
Esperance Bay Yacht Club		6,360	-	(6,360)	-	-	-	-	-
Gibson Football Club		41,976	-	(41,975)	1	-	(1)	-	-
Condungup District Recreation Association		356,172	-	(48,813)	307,359	-	(307,359)	-	307,357
Esperance Tennis Club		10,061	-	(5,015)	5,046	-	(5,046)	-	5,046
Esperance Bay Yacht Club		697,055	-	(43,485)	653,570	-	(44,516)	609,054	653,570
<b>Total Self Supporting Loans</b>		1,585,935	-	(190,736)	1,395,199	-	(404,455)	990,744	1,395,197
<b>Total Borrowings</b>	14	2,261,724	-	(245,549)	2,016,175	-	(461,774)	1,554,401	2,016,173
									2,434,907
									(461,775)
									3,989,305

Self supporting loans are financed by payments from third parties. These are shown in Note 4 as other financial assets at amortised cost.

All other loan repayments were financed by general purpose revenue.

Borrowing Finance Cost Payments

Purpose	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2025	Actual for year ending 30 June 2024
Shark Lake Industrial Park	296	WATC*	4.52%	28/06/2033	\$ (31,695)	\$ (27,428)	\$ (34,545)
<b>Total</b>					(31,695)	(27,428)	(34,545)
<b>Self Supporting Loans Finance Cost Payments</b>							
Recherche Aged Welfare	291	WATC*	6.36%	13/12/2030	(11,095)	(9,950)	(11,833)
Esperance Bay Yacht Club	295	WATC*	5.01%	26/08/2033	(13,016)	(11,713)	(13,245)
Newtown Condungup Football Club	299	WATC*	3.05%	27/06/2028	(944)	(752)	(1,050)
Esperance Bay Yacht Club	300	WATC*	2.63%	04/12/2023	-	-	(64)
Gibson Football Club	301	WATC*	2.47%	23/01/2024	(18)	-	(733)
Condungup District Recreation Association	302	WATC*	0.90%	05/06/2025	(4,683)	(2,662)	(4,316)
Esperance Tennis Club	303	WATC*	0.61%	30/04/2025	(73)	(31)	(92)
Esperance Bay Yacht Club	304	WATC*	2.35%	13/01/2037	(19,275)	(14,942)	(18,158)
<b>Total Self Supporting Loans Finance Cost Payments</b>					(49,104)	(40,050)	(49,491)
<b>Total Finance Cost Payments</b>					(80,799)	(67,478)	(84,036)

\* WA Treasury Corporation

SHIRE OF ESPERANCE  
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28. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2024/25

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2025 Actual	2025 Budget	2025 Actual	2025 Budget		
				%	\$	\$	\$	\$	\$	\$
Graham Mackenzie Stadium	NA	NA	NA		-	2,434,907	-	2,434,907	-	-
					-	2,434,907	-	2,434,907	-	-

\* WA Treasury Corporation

(c) Lease Liabilities

Purpose	Note	Actual							Budget			
		Principal at 1 July 2023	New Leases During 2023-24	Principal Repayments During 2023-24	Principal at 30 June 2024	New Leases During 2024-25	Principal Repayments During 2024-25	Principal at 30 June 2025	Principal at 1 July 2024	New Leases During 2024-25	Principal Repayments During 2024-25	Principal at 30 June 2025
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Motor vehicle		-	-	-	-	126,538	(13,973)	112,565	-	-	-	-
Gym equipment		5,767	-	(5,767)	-	-	-	-	-	-	-	-
Motor vehicle		3,017	-	(3,017)	-	-	-	-	-	-	-	-
Gym Equipment		-	99,307	(10,187)	89,120	-	(18,588)	70,532	89,121	-	(18,588)	70,533
<b>Total Lease Liabilities</b>	11(b)	8,784	99,307	(18,971)	89,120	126,538	(32,561)	183,097	89,121	-	(18,588)	70,533

Lease Finance Cost Payments

Purpose	Lease Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2025	Actual for year ending 30 June 2024	Lease Term
Motor vehicle		Toyota Fleet	4.58%	14/01/2030	\$ (2,441)	\$ -	\$ -	60 months
Gym equipment		Maia Financial	1.40%	31/10/2023	-	-	(14)	60 months
Motor vehicle		Toyota Fleet	1.40%	31/12/2023	-	-	(12)	27 months
Gym Equipment		Maia Financial	4.58%	31/12/2028	(3,704)	(3,704)	(2,446)	60 months
<b>Total Finance Cost Payments</b>					(6,145)	(3,704)	(2,472)	



**SHIRE OF ESPERANCE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**29. RESERVE ACCOUNTS**

	2025 Actual Opening Balance	2025 Actual Transfer to	2025 Actual Transfer (from)	2025 Actual Closing Balance	2025 Budget Opening Balance	2025 Budget Transfer to	2025 Budget Transfer (from)	2025 Budget Closing Balance	2024 Actual Opening Balance	2024 Actual Transfer to	2024 Actual Transfer (from)	2024 Actual Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restricted by council</b>												
(a) Land Purchase and Development	4,040,996	458,634	(1,118,246)	3,381,384	4,040,996	696,939	(3,181,492)	1,556,443	4,753,852	819,955	(1,532,811)	4,040,996
(b) Eastern Suburbs Water Pipeline	41,012	1,963	-	42,975	41,012	984	-	41,996	39,180	1,832	-	41,012
(c) Jetty	472,840	169,636	-	642,476	472,840	158,343	-	631,183	317,976	154,864	-	472,840
(d) Aerodrome	7,149,317	781,100	(510,801)	7,419,616	7,474,716	630,278	(1,069,244)	7,035,750	6,850,889	582,790	(284,362)	7,149,317
(e) Off Street Parking	583,798	27,948	-	611,746	583,798	14,005	-	597,803	557,726	26,072	-	583,798
(f) Sanitation (Rubbish Removal)	12,272,816	2,260,604	(2,256,749)	12,276,671	12,272,816	1,665,175	(5,282,579)	8,655,412	11,259,138	2,191,456	(1,177,778)	12,272,816
(g) Esperance Home Care Fundraising	1,016,734	751,631	-	1,768,365	1,016,734	24,391	-	1,041,125	743,736	272,998	-	1,016,734
(h) Plant Replacement	633,211	30,313	(490,350)	173,174	633,211	116,190	-	749,401	768,104	35,907	(170,800)	633,211
(i) Building Maintenance	2,991,316	595,411	(744,766)	2,841,961	2,991,316	625,686	(2,272,826)	1,344,176	2,086,654	1,108,779	(204,117)	2,991,316
(j) Employee Entitlements Long Service Leave	1,369,474	222,728	-	1,592,202	1,369,474	32,852	-	1,402,326	1,308,314	61,160	-	1,369,474
(k) Governance and Workers Compensation	218,433	210,856	(100,047)	329,242	218,433	205,240	(200,000)	223,673	43,752	182,045	(7,364)	218,433
(l) EHC Asset Replacement	591,602	28,322	(11,105)	608,819	591,602	14,192	(65,111)	540,683	994,990	46,513	(449,901)	591,602
(m) IT System and Process Development	76,583	56,167	-	132,750	76,583	54,337	-	130,920	44,025	52,058	(19,500)	76,583
(n) Esperance Home Care Annual Leave	333,730	15,977	(75,692)	274,015	333,730	8,006	-	341,736	318,826	14,904	-	333,730
(o) Esperance Home Care Long Service Leave	335,332	16,054	(47,434)	303,952	335,332	8,044	-	343,376	311,601	23,731	-	335,332
(p) Priority Projects	834,672	291,378	(15,326)	1,110,724	635,109	267,736	(62,681)	840,164	540,131	424,703	(130,162)	834,672
(q) Community Infrastructure	-	309,000	-	309,000	-	309,000	-	309,000	-	-	-	-
(r) Unspent Grants and Contributions	7,178,019	4,758,285	(7,178,019)	4,758,285	7,178,017	-	(7,178,017)	-	8,168,376	7,178,017	(8,168,374)	7,178,019
	40,139,885	10,986,007	(12,548,535)	38,577,357	40,265,719	4,831,398	(19,311,950)	25,785,167	39,107,270	13,177,784	(12,145,169)	40,139,885

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:

<b>Name of reserve account</b>	<b>Purpose of the reserve account</b>
<b>Restricted by council</b>	
(a) Land Purchase and Development	Established to fund land improvement and sub-division development.
(b) Eastern Suburbs Water Pipeline	Established to provide funds to recycle waste water to recreation grounds. Funded by the proceeds from the sale of water to users.
(c) Jetty	Established to provide funds for maintenance and capital works of the main jetty at the Foreshore Headland. Funded from general purpose income and donations.
(d) Aerodrome	Established to fund future development and upgrades of airport facility. Funded by the annual surplus derived from operations of the airport.
(e) Off Street Parking	Established to provide funds for the future development of central business car parking in order to make provisions for future business expansion of the CBD. Funded by general purpose income and contributions.
(f) Sanitation (Rubbish Removal)	Established to fund the purchase of major sanitation equipment and for the future development of waste disposal facilities. Funded from the annual surplus derived from property rubbish disposal collection fees after expenses.
(g) Esperance Home Care Fundraising	Established for the purpose of holding the net proceeds of volunteer fundraising activities relating to the operation of Esperance Home Care.

**SHIRE OF ESPERANCE**  
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**29. RESERVE ACCOUNTS (Continued)**

(h) Plant Replacement	Established to minimise and if possible eliminate any need to rely upon loan finance or unreasonable rate increases to finance the acquisition of major plant items as per Council Policy. Funding is from general purpose income. Amounts allocated will be re-assessed annually in response to revision of the five year plant replacement program and the associated forward cost estimates.
(i) Building Maintenance	Established to hold unexpended funds from the Building Maintenance Program for the use of building maintenance and refurbishment of Council buildings.
(j) Employee Entitlements Long Service Leave	Established to fund a portion of future commitments for employee entitlements incurred as a result of employing staff and workers in relation to Long Service Leave.
(k) Governance and Workers Compensation	Established for the purpose of future workers compensation insurance costs under the performance based contribution scheme; or cyclical gross rental valuation cost for rating purposes; or unforeseen legal costs.
(l) EHC Asset Replacement	Established for the purpose of Esperance Home Care to hold annual depreciation reserved and surplus cash for the replacement of HACC and other externally funded assets in accordance with HACC guidelines.
(m) IT System and Process Development	Established to finance the acquisition and enhancement of information technology across the Shire. Ongoing appropriations from the Municipal Fund are provided as and when needed.
(n) Esperance Home Care Annual Leave	Established to fund future commitments for annual leave entitlements as a result of employing staff. Funded from external grant funding. Home Care Long Service Leave Reserve specific to Esperance Home Care.
(o) Esperance Home Care Long Service Leave	Established to fund future commitments for long service leave entitlements as a result of employing staff. Funded from external grant funding. Home Care Long Service Leave Reserve specific to Esperance Home Care.
(p) Priority Projects	Established to fund sufficient capacity to assist with the design, construction and operation of priority projects as determined by Council.
(q) Community Infrastructure	Established to provide for future funding of community infrastructure assets.
(r) Unspent Grants and Contributions	Established for the purpose of containing funds that are derived from unspent or prepaid grants and contributions from external parties.

**SHIRE OF ESPERANCE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**30. TRUST FUNDS**

Funds held at balance date which are required to be held in trust and which are not included in the financial statements are as follows:

	<b>1 July 2024</b>	<b>Amounts Received</b>	<b>Amounts Paid</b>	<b>30 June 2025</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Contributions to Public Open Space	212,010	9,029	-	221,039
Other Deposits	1,679	10,457	-	12,136
General Bonds - Interest Bearing	484,970	280,675	-	765,645
	698,659	300,161	-	998,820



**SHIRE OF ESPERANCE**  
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**31. CORRECTION OF PRIOR PERIOD ERROR**

On 30 June 2016, the Shire made the initial recognition of a make good provision for landfill relating to the Shire's waste facility, Wylie Bay. In 2024-25, the Shire carried out a full revaluation of the provision resulting in a material difference in value. During the revaluation it was discovered that the provision had historically been accounted for incorrectly. The Shire is now restating prior periods to reflect the relevant accounting methodology for make good provisions.

As this error was made in a reporting period prior to the comparative period, the Statement of Financial Position balances as at 01 July 2023 were restated as follows:

- Infrastructure increased by \$4,487,070 to record the full value of the landfill asset not previously recorded in the Shire's Statement of Financial Position. This increase to Infrastructure was as follows:
  - Infrastructure - other by \$5,245,815;
  - Accumulated depreciation on infrastructure - other by \$758,745.
- Other provisions were decreased by \$1,385,959.
- Retained surplus increased by \$5,873,029.

In addition, the Statement of Financial Position was still understated as at 30 June 2024, so this error resulted in the restatement of the following balances as at 30 June 2024:

- Infrastructure was increased by \$4,343,170 to record the full value of the landfill asset not previously recorded in the Shire's Statement of Financial Position. This increase to Infrastructure was as follows:
  - Infrastructure - other by \$5,245,815;
  - Accumulated depreciation on infrastructure - other by \$902,645 (\$143,900 for 2024 and \$758,745 for 2023).
- Other provisions decreased by \$1,484,187 (\$98,228 for 2024 and \$1,385,959 for 2023)
- Retained surplus increased by \$5,827,537.
- Materials and contracts expense decreased by \$242,657.
- Depreciation increased by \$143,900.
- Finance costs increased by \$144,429.
- Net result for the period decreased by \$45,672.

The changes in comparative figures have been reported as follows:

Statement of Financial Position (Extract)	30 June 2024 Previous Balance	Increase/ (Decrease)	30 June 2024 (Restated)	30 June 2023 Previous Balance	Increase/ (Decrease)	30 June 2023 (Restated)
	\$	\$	\$	\$	\$	\$
<b>NON-CURRENT ASSETS</b>						
Infrastructure	595,401,067	4,343,170	599,744,237	587,939,655	4,487,070	592,426,725
<b>TOTAL NON-CURRENT ASSETS</b>	703,655,036	4,343,170	707,998,206	696,128,003	4,487,070	700,615,073
<b>TOTAL ASSETS</b>	756,951,051	4,343,170	761,294,221	748,191,683	4,487,070	752,678,753
<b>NON-CURRENT LIABILITIES</b>						
Other Provisions	6,223,226	(1,484,187)	4,739,039	5,983,871	(1,385,959)	4,597,912
<b>TOTAL NON-CURRENT LIABILITIES</b>	8,267,769	(1,484,187)	6,783,582	8,388,170	(1,385,959)	7,002,211
<b>TOTAL LIABILITIES</b>	18,290,642	(1,484,187)	16,806,455	18,224,503	(1,385,959)	16,838,544
<b>NET ASSETS</b>	738,660,409	5,827,357	744,487,766	729,967,180	5,873,029	735,840,209
<b>EQUITY</b>						
Retained surplus	321,739,928	5,827,357	327,567,285	314,079,314	5,873,029	319,952,343
<b>TOTAL EQUITY</b>	738,660,409	5,827,357	744,487,766	729,967,180	5,873,029	735,840,209

**SHIRE OF ESPERANCE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**31. CORRECTION OF PRIOR PERIOD ERROR (Continued)**

<b>Statement of Comprehensive Income</b>	<b>2024</b>	<b>Increase/ (Decrease)</b>	<b>2024 Restated</b>
<b>(Extract)</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Material and Contracts	(12,980,360)	242,657	(12,737,703)
Depreciation	(22,658,326)	(143,900)	(22,802,226)
Finance Costs	(84,036)	(144,429)	(228,465)
Net Result for the Period	8,693,229	(45,672)	8,647,557
<b>Statement of Changes in Equity</b>			
<b>(Extract)</b>			
<b>RETAINED SURPLUS</b>			
Balance as at 30 June 2023	314,079,314	5,873,029	319,952,343
Net Result for the Period	8,693,229	(45,672)	8,647,557
Total comprehensive income for the period	8,693,229	(45,672)	8,647,557
Balance as at 30 June 2024	321,739,928	5,827,357	327,567,285
<b>TOTAL EQUITY</b>			
Balance as at 30 June 2023	729,967,180	5,873,029	735,840,209
Net Result for the Period	8,693,229	(45,672)	8,647,557
Total comprehensive income for the period	8,693,229	(45,672)	8,647,557
Balance as at 30 June 2024	738,660,409	5,827,357	744,487,766
<b>Statement of Financial Activity</b>			
<b>(Extract)</b>			
Material and Contracts	(12,980,360)	242,657	(12,737,703)
Depreciation	(22,658,326)	(143,900)	(22,802,226)
Finance Costs	(84,036)	(144,429)	(228,465)
Non cash amounts excluded from operating activities	22,378,654	45,672	22,424,326
<b>Note 9 (a) - Infrastructure</b>			
<b>(Extract)</b>			
<b>INFRASTRUCTURE OTHER</b>			
Balance at 30 June 2023	28,237,230	4,487,070	32,724,300
Depreciation	(894,656)	(143,900)	(1,038,556)
Balance at 30 June 2024	27,620,929	4,343,170	31,964,099
Gross balance at 30 June 2024	33,885,727	5,245,816	39,131,543
Accumulated depreciation at 30 June 2024	(6,264,798)	(902,646)	(7,167,444)
Balance at 30 June 2024	27,620,929	4,343,170	31,964,099
<b>TOTAL INFRASTRUCTURE</b>			
Balance at 30 June 2023	587,939,655	4,487,070	592,426,725
Depreciation	(17,750,543)	(143,900)	(17,894,443)
Balance at 30 June 2024	595,401,067	4,343,170	599,744,237
Gross balance at 30 June 2024	750,392,144	5,245,816	755,637,960
Accumulated depreciation at 30 June 2024	(154,991,077)	(902,646)	(155,893,723)
Balance at 30 June 2024	595,401,067	4,343,170	599,744,237
<b>Note 16 - Other Provisions</b>			
<b>(Extract)</b>			
Non-Current Provisions	6,223,226	(1,484,187)	4,739,039
<b>Note 25 (b) - Function and Activity</b>			
<b>(Extract)</b>			
Expenses - Community Amenities	(6,213,447)	(45,672)	(6,259,119)
Total expenses	(60,709,635)	(45,672)	(60,755,307)
Net result for the period	8,693,229	(45,672)	8,647,557
<b>Note 27 (a) - Determination of Surplus or Deficit</b>			
<b>(Extract)</b>			
Other Provisions	239,355	(98,228)	141,127
Depreciation	22,658,326	143,900	22,802,226
Non cash amounts excluded from operating activities	22,378,654	45,672	22,424,326



## Auditor General

### INDEPENDENT AUDITOR'S REPORT 2025 Shire of Esperance

To the Council of the Shire of Esperance

#### Opinion

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

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

In my opinion, the financial report :

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

#### Basis for opinion

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

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

#### Other information

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

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

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



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

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

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

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

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

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

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

## **Auditor's responsibilities for the audit of the financial report**

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

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

A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](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 Esperance for the year ended 30 June 2025 included in the annual report on the Shire's website. The Shire's management is responsible for the integrity of the Shire's website. This audit does not provide assurance on the integrity of the Shire's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the Shire to confirm the information contained in the website version.

Carly Meagher  
Senior Director Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
5 December 2025

# Thank you

**Any questions or queries?**

Contact us at (08) 9071 0666 or  
[shire@esperance.wa.gov.au](mailto:shire@esperance.wa.gov.au)

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