

# 2025

## Annual Report



SHIRE OF  
**CHRISTMAS ISLAND**

## Contents

ELECTED MEMBERS 2024.....	i
PRESIDENT’S REPORT .....	ii
CHIEF EXECUTIVE OFFICER’S REPORT .....	vii
SECTION REPORT.....	x
Finance and Administration (Corporate Services) .....	x
WORKS, SERVICES & WASTE .....	xiii
COMMUNITY SERVICES, RECREATION & TRAINING.....	xiv
PLANNING, GOVERNANCE & POLICY .....	xxii
FINANCIAL REPORT.....	1
STATEMENT BY CHIEF EXECUTIVE OFFICER .....	2
STATEMENT OF COMPREHENSIVE INCOME .....	3
STATEMENT OF FINANCIAL POSITION .....	4
STATEMENT OF CHANGES IN EQUITY .....	5
STATEMENT OF CASH FLOWS .....	6
STATEMENT OF FINANCIAL ACTIVITY .....	7
INDEX OF NOTES TO THE FINANCIAL REPORT .....	8
INDEPENDENT AUDITOR’S REPORT .....	35

## ELECTED MEMBERS 2024



Cr Gordon Thomson  
Shire President  
Retiring 2025



Cr Azmi Yon  
Deputy President  
Retiring 2027



Cr Kee Heng Foo  
Retiring 2025



Cr Vincent Saw  
Retiring 2025



Cr Philip Woo  
Retiring 2025



Cr Kelvin Lee  
Retiring 2027



Cr Hafiz Masila  
Retiring 2025



Cr Steve Pereira  
Retiring 2027



Cr Swee Tung  
Retiring 2027

## PRESIDENT'S REPORT

On behalf of the Council of the Shire of Christmas Island, I present the Shire of Christmas Island Annual Report for the period 1 July 2024 to 30 June 2025.

### Shire Operations

This Annual Report has been prepared by the section managers of the Shire, with the oversight of the Chief Executive Officer (CEO). The Councillors thank our Shire staff for preparing this report for our Council and our community. We thank our Shire managers and staff for the support that they have given the Councillors throughout the year. In particular we commend our CEO David Price for his vitality and leadership of the Shire team and the excellent relationship he enjoys with the Councillors which together make for the maximum benefits to our community of the Shire's work.

The Office of the Auditor General has contracted RSM to conduct the audit of the Shire's Financial Report for the year ended 30 June 2025. Again, I congratulate our CEO and financial management team on their achievement of an unqualified Audit Report on our Shire's operations.

Our Shire workers have continued their good works for our community by their dedication to their work on: the unending tasks of roads, building, parks and gardens maintenance; rubbish collections and waste management at the tip; managing health and hygiene programmes; improving the safety of the community with the start on rebuilding of the walking paths at Lily Beach; the restoration of the popular community amenities at the Foreshore Padang that were damaged in the storm in March; efficient management of financial and administrative functions and the demanding tasks of compliance with local government regulations and maintaining the highest standards of governance of the Shire; providing community services for seniors, activities for children, library users, citizenship ceremonies and assistance on immigration matters, and organisation of community celebrations and events; particularly Territory Week and the Christmas Island Marathon.

The Commonwealth's awarding of \$739,000 to the Shire to create a plan for new housing is most significant for our community. The Council thanks our planning consultant Herve Calmy for his ongoing work to develop the plan in consultation with the community. The community consultations were concluded this year. I thank the many Islanders who have participated in the community consultations. This is a long term plan and it is critically important that our community is shaping of our housing future.

The Shire continues excellent collaborations with the Community Resource Centre, Chinese Literary Association, the Christmas Island Women's Association, the Health Service, the Islamic Council and Malay Association. Our roads programme is developed in collaboration with WA Department of Main Roads, the Indian Ocean Territories Administration, Parks Australia and CIP. We have implemented the road sealing programme: the sealing of North- South Baseline Road to the East-West Baseline Road and we look forward to working with Parks Australia to seal the Parks roads on East-West Baseline Road to North-West Point Road and Murray Road, starting in April 2026.

### **Economy, Housing, Education, Health, Social**

Councillors have been heavily engaged in advocacy with the Commonwealth Ministers and the Department, about the economic future of the Island. Many of the issues arising from discussions in Council, our Fisheries Management Committee and the Community Consultative Committee meetings become the subject of our submissions to government about services and facilities for our community.

- Christmas Island Applied Laws Amendment (Fish Resources Management) Ordinance 2022
- Christmas Island Strategic Assessment (CISA) under the Environmental Protection and Biodiversity Conservation Act 1999 , paused by Minister Kristy McBain on 13 June 2023
- Review of our Local Planning Strategy was completed and forwarded to the WA Planning Commission for certification
- Land and Economic Futures Charter
- Christmas Island – Singapore Strategy – reviewed in 2023
- Aged Care Services
- Settlement Sports Hall Redevelopment – reviewed in 2023 and retitled Christmas Island Sustainability Hub
- Social Infrastructure including rent to buy arrangements for public housing
- Setting aside Crown land for new housing and new industries

## **Christmas Island- Singapore Strategy 2023**

The Shire provided practical support to the MINTOPE (Mining to Plant Enterprises) Project over 9 years. The MINTOPE project provided the basis for the evolution of the Indian Ocean Learning Communities (IOLC), a collaboration of Singapore's Temasek Polytechnic, the Harry Butler Institute and Murdoch University Campuses in Singapore and Perth. The IOLC project is to bring students from Singapore and Australia for field studies and research into food production on Christmas Island. The IOLC has opened the Island to the real possibilities of ongoing tertiary educational and research programmes through Murdoch University and other regional universities in the fields of: bio-security, bio-prospecting, ecological diversity monitoring, intensive agriculture/urban farming, brewing and distillation, mining land rehabilitation, sustainable mine closure, forestry management, environmental land management, small business development, food security and marine science. All of these courses could be activated on Christmas Island with appropriate stewardship and advocacy. This work is ongoing and is attracting interest from several public Tertiary Institutions and charitable trusts that support scientific research in our region.

## **Governance**

We continue our advocacy for a say in the government of the Island that is consistent with the democratic institutions and rights applying to mainland Australian citizens and the requirements of international covenants on the administration of non-self-governing Territories. We are requesting proper consultation between the community and the Commonwealth Government about the application of WA law and the making of the SDAs (Service Delivery Arrangements) that provide state type services on the Island.

Our advocacy has achieved the making of the Christmas Island Applied Laws Amendment (Fish Resources Management) Ordinance 2022 and Minister Kristy McBain's appointment of the members of the Shire's Fisheries Management Committee to the Minister's Fisheries Advisory Committee.

The process of integrating work on the Department's Christmas Island Strategic Assessment (CISA) Plan and the Shire's LPS has involved the WA Department of Planning providing advice on land use and management, such as the release of Crown Land for development and the exercise of the Shire's statutory responsibilities for planning.

The CISA was to provide a 30 year Plan for our future. If and when the CISA is completed it will be the first time in our history that the Commonwealth and the people of Christmas Island have come together to produce a plan for our future. It is a matter of great regret that the Commonwealth paused the CISA in June 2023. Our Council's hope is that the Commonwealth will return to the task of working with our community to deliver on the promise for our future that the CISA offers.

---

---

In the meantime the Council carries on the task of promoting options for future investment in our economy through our Christmas Island - Singapore Strategy 2023 and direct approaches to the Commonwealth for funds to develop our Sustainability Hub, implementation of Commonwealth policies to reduce carbon emissions through renewable energy projects, meeting the needs of our community for housing, the proper maintenance of social infrastructure, job security, measures to counteract the increasingly burdensome cost of living, and certainty of operations of the port and airport infrastructure necessary to the development of our current and future industries.

Over several years our representations to the Ministers for Territories have included reference to the provisions of the United Nations Charter relating to non-self-governing territories; the responsibility of the Australian Government to provide for economic, educational and social development and democratic government of the people of the Island. There is a democracy deficit here. We want that addressed by the Commonwealth in consultation with the community.

I can report that there has been very little progress in that direction since the making of the Christmas Island Fisheries Ordinance in 2022. In fact it does appear that in some areas of the Administration of the Territory we are experiencing regression. Our efforts to engage the Commonwealth in developing a housing agreement have been rejected. Our hope is that as the new Government settles more progressive policies for housing the nation, we will return to the collaborative approach to governance that produced the Fisheries Management Ordinance, the co-design of the Christmas Island Marine Park and the years of work on the Christmas Island Strategic Assessment Land Use Plan. The Commonwealth's responsibilities in these matters are set out in the UN Charter.

At the time sovereignty over the British Colony of Christmas Island was passed to the Commonwealth of Australia in 1958, both the United Kingdom and Australia were signatories to the Charter of the United Nations. The UN Charter has a specific provision about how colonies such as the Territory of Christmas Island should be administered. The relevant section is Chapter XI Article 73.

---

## **CHAPTER XI: DECLARATION REGARDING NON-SELF-GOVERNING TERRITORIES**

### **Article 73**

---

Members of the United Nations which have or assume responsibilities for the administration of territories whose peoples have not yet attained a full measure of self-government recognize the principle that the interests of the inhabitants of these territories are paramount, and accept as a sacred trust the obligation to promote to the utmost, within the system of international peace and security established by the present Charter, the well-being of the inhabitants of these territories, and, to this end:

1. to ensure, with due respect for the culture of the peoples concerned, their political, economic, social, and educational advancement, their just treatment, and their protection against abuses;
2. to develop self-government, to take due account of the political aspirations of the peoples, and to assist them in the progressive development of their free political institutions, according to the particular circumstances of each territory and its peoples and their varying stages of advancement;
3. to further international peace and security;
4. to promote constructive measures of development, to encourage research, and to co-operate with one another and, when and where appropriate, with specialized international bodies with a view to the practical achievement of the social, economic, and scientific purposes set forth in this Article; and
5. to transmit regularly to the Secretary-General for information purposes, subject to such limitation as security and constitutional considerations may require, statistical and other information of a technical nature relating to economic, social, and educational conditions in the territories for which they are respectively responsible other than those territories to which Chapters XII and XIII apply. The Shire acknowledges the support and assistance that the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (DITRDCA) gives us to provide the multitude of services enjoyed by our community.

The Shire acknowledges the support and assistance that the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (DITRDCA) gives us to provide the multitude of services enjoyed by our community.

Congratulations to all of the Shire's staff on their achievements and continuing commitment to fulfilling our programmes. I commend this report to the community of Christmas Island.

**Gordon Thomson**  
**Councillor**

## CHIEF EXECUTIVE OFFICER'S REPORT



Ratepayers and residents of the Shire of Christmas Island. It is with pleasure that in my capacity as the Chief Executive Officer, I present this report for 24/25.

The 24/25 year has been a busy year for the Shire.

The Shire was rated in the top 20 Shires in Western Australia by the Office of the Auditor General within their auditing processes.

The finalisation of the rebuilding of Foreshore Padang was completed together with the completion of the Lily, Ethel Beach Boardwalk.

The Shire reviewed all its bylaws and purchased a new waste collection truck and negotiated with Parks Australia the resealing of their East/West base line road.

The Shire looks forward to working with the community in 25/26 to meet the challenges and to build on that relationship for the betterment of the community, including engagement on the Town Planning Scheme No3.

That engagement will ensure the Town Planning Scheme No 3 provides a planning process that encourages planning and development to safeguard the wellbeing of the Christmas Island community while facilitating the future economic growth and direction Christmas Island requires.

### Finance and Administration

Members of Council and Management staff were involved in the preparation of Council's annual budget for 25/26 which was adopted at the Ordinary Meeting held 22nd July 2025.

Throughout the year, monthly reports were prepared to enable members and management staff to review Council finances and ensure that expenditure is spent within the budget.

Further information can be found under the Finance and Administration section of the Council operations of the Annual Report.

## **Planning Building and Health**

The Planning, Building & Health Section provides a number of services to the CI community:

Planning & Building Control - Council through its consultants provides an information and assessment role on development and planning matters to SOCI customers who include both the private sector and government agencies.

Environmental Health - Council environmental health personnel carry out periodic inspections of food premises / eating houses, food recall and disposal as per WA Health Department instructions.

Ranger Services/Animal Control - Ranger Services enforce relevant Shire of Christmas Island Local Laws and WA State legislation.

Waste Management Services – Core waste management services provided to the community through this section.

Property Maintenance & Management - Facilities owned by Council, others under its control and Commonwealth owned public amenities which are cleaned and maintained regularly under arrangement.

Further information can be found under the Planning Building and Health section of the Council operations of the Annual Report.

## **Governance and Policy**

Shire's commitment to good governance has consistently been demonstrated by positive auditor reports from our third party auditors RSM Australia Pty Ltd. The 2024/2025 report was an unqualified report. Further information can be found under the Government and Policy section of the Council operations of the Annual Report.

## **Community and Recreation Services**

Community Services –The annual Seniors Week held in August 2025 organized by the Community Services Section was another great success. The Community Services section has responsibility in coordinating meetings with the Senior Citizens Centre Advisory Committee for the management of the Senior Citizens Centre. The Community Services section continues with responsibility for the ongoing implementation of the Council Community Strategic Plan that was formally the CI 2018 Our Future Community Plan.

The Manager of Recreation Services provides the Community Bus Service to the:

- Christmas Island District High School
- Celebrations occasions
- Community Charity organisations and appeals
- For hire services in conjunction to the Shires Community Bus Fees and Charges.

Further information can be found under the Community/Recreation Services and Training section of the Council operations of the Annual Report.

### **Works & Services**

The Civil Works, Special Projects and Parks and Gardens crews have continued during 24/25 to carry our planned and emergency work.

The Shire has also continued to upgrade and replace its plant and equipment.

Details of that work and plant replacement and further information can be found under the Works and Services section of the Council operations of the Annual Report.

### **Human Resources**

As reported in previous Annual Reports, the most significant advancement in the human resources management area was the development and subsequent adoption of Councils Workforce Development Strategic Plan, completed by the CEO and adopted by Council in June 2013. The Workforce Development Strategic Plan is a legislative requirement by Council as part of the overall 'Integrated Planning Framework' that all Councils in Western Australia were required to comply with for implementation in the 2013/14 year. Through our Workforce Development Strategic Plan, Council is focused on attracting and retaining quality people, including trainees, further investing in developing our leaders and recognising and rewarding our high performers and remains an active document for the development of Councils workforce. Council needs to take our people with us to create the 'fit for the future' that we need to deliver our communities' priorities. We need to continue to involve our staff and support them in learning new ways of working. In 24/25 there were 5 employees with a salary over \$100k.



**David Price, Chief Executive Officer**

## SECTION REPORT

### Finance and Administration (Corporate Services)



**Finance & Administration Team**

#### **Finance Section**

The main functions of Finance include Financial Reporting, HR and Payroll, Accounts Payable, Accounts Receivable, Rates and Treasury and banking. During the year the team consulted with ReadyTech (previously IT Vision), the company who provides IT support for corporate finance systems and with their support implemented a new payroll solution. The solution is called Altus – Definitiv and has enabled staff to enter timesheets on an App on their phone or computer/laptop. Timesheet and leave approvals are now an online process. Employees are now able to check their leave balances online through the portal or the electronic copy of their payroll. The finance team also initiated the implementation of electronic journal processing eliminating the manual paper journal process.

#### **Budget**

The council adopted the 2024/25 Budget at its OCM on 23 July 2024. The monthly statement of financial activity is prepared for Council members to ensure that expenditure is within budget. The budget is prepared in conjunction with division managers, and the final Shire budget is worked through with Councilors at Council budget workshops.

#### **Annual Financial Statement**

This is prepared annually in accordance with the LG Act and Regulations and the Australian Accounting Standards ready for the Audit. The finance team worked alongside the Office of Auditor General's contracted auditors to ensure that the Annual Financial Statements are adopted with a clear audit opinion with no significant noncompliance findings. The shire was recognised as one of the top 20 Local Government agencies in best practice for financial reporting and management for the 23/24 financial year, by the Office of the Auditor General. This reflects the efficient and effective Corporate Services team.

#### **Administration Function**

The main functions include Record management, IT, website and customer services.

### **Computer Systems and Software**

Council uses Ready Tech (IT Vision) Synergy soft Financial & Accounting, Payroll, Property and Rates & Records Management.

Microsoft applications are used for on the user end and HP hardware and VM ware applications are used in the Backend of all IT systems and network.

During the 2024/25 financial year the IT section of the Shire of Christmas Island has made strides to fix major issues and update the Shires legacy technology to bring the Shire in line with current technology.

The initial project was to replace our aging, out-of-date and nonrepairable commander phone system with a new Voice Over Internet Phone (VOIP) system, after some research and talking to several different companies about our requirements we found that the solution that CIFI had to offer with the best option for us.

This system would give us flexibility to use the VOIP and the analog copper cable if the internet drops out.

In the process of installing the phone system we found that the Wireless access points would also need to be upgraded to provide the necessary bandwidth due to the current access points being too outdated.

To date the shire is well on the way to completing both projects with the depot wireless access point upgrade complete and George Fam center next to be upgraded before the phone system can be rolled out.

With the new Wireless access points, we have already seen a marked increase in speeds up to 6 times more than the previous setup and far more stability over the system overall.

The Shire's 2024/25 Total Expenditure and Revenue are as follows: -

**Total Expenditure by Program 2024/25**

Program	%
<b>Transport</b> (including local road, foot & bike paths and pavement maintenance, reseal, foreshore works, drainage, line marking, waste and tip)	33.05
<b>Recreation and culture</b> (including parks & garden, sports hall, Community center & library)	23.74
<b>Community amenities</b> (including sanitation, town planning, cemetery)	19.25
<b>Governance</b> (including Council & admin.)	7.42
<b>Other property and services</b>	5.54
<b>Law, order, public safety</b> (ranger services)	5.01
<b>General purpose funding</b> (admin costs)	1.89
<b>Economic services</b> (services to residents)	1.44
<b>Health</b> (public health, food inspections)	1.37
<b>Housing</b> (employee & other housing)	1.37
	<u>100%</u>

**Total Revenue by Nature & Type 2024/25**

Nature & Type	%
Operating grants, subsidies & contributions	60.55%
Rates	14.46%
Fees and charges (including private works)	10.23%
Non-operating grants, subsidies & contributions	8.86%
Interest Earnings	2.62%
Other Revenue	3.28%
	100.0%

**Capital Acquisitions during 2024/25**

Lily Beach Redevelopment	325,818
Foreshore Padang Footpath Extension	110,433
Seven new Shire Work Vehicles	476,554
New Works Machinery	227,752
Lily Beach Boardwalk Replacement	545,361
EW Baseline	380,831
Reseal Abbotts Nets	22,290
Reseal & Kerb Tampa View	76,748
Reseal Kung Wai Lane	37,408
Reseal Taman Sweetland Closed	56,989
Foreshore Padang Bowls Rink Shade & Other Park and Playground Upgrades not finalised	68,178
George Fam Phone Upgrade not finalised	8,856
New Works Machinery not finalised	873,986
CRA & RTR Program Roads Reseal not finalised	205,673

## **WORKS, SERVICES & WASTE**

The Directorate of Works, Services and Waste includes Civil Works, Parks, Operations, Special Projects, Stores and Purchasing, Ranger Services, Health, Waste Management and Building Maintenance. A staff of 44 work across these Sections.

### **Civil Works**

This Section is responsible for looking after the Shire's roads, paths and drainage networks.

### **Parks**

This Section is responsible for maintaining the Shire's green spaces and playgrounds. They also maintain and install the softfall under playground equipment.

### **Operations**

This Section maintains the Shire's extensive fleet and plant and vehicles.

### **Special Projects**

This Section is responsible for delivering the larger construction projects such as Lily Beach Boardwalk Replacement.

### **Stores and Purchasing**

This Section manages the Shire's small Store and coordinates purchases for staff.

### **Ranger Services**

The Shire's Senior Ranger is responsible for handling enquiries on problem chickens and roosters, and also dealing with the abandoned vehicle problem on the Island.

### **Health**

This is the Regulatory and Inspection side of administering Health Act and Regulations on Christmas Island. This is generally applied through food businesses.

### **Waste Management**

The landfill and the waste collection services are handled in the Section.

### **Building Maintenance**

The Shire's housing stocks and Community Facilities' maintenance is looked after by this Section

## COMMUNITY SERVICES, RECREATION & TRAINING

### Staff

- Director – Olivier Lines
- Seniors Officer – Ron Foo
- Youth Officer – Suzane Chan
- Media Officer – Sofia Ramie
- Librarian – Susan De Cruz



Community Services continues to support the Shires, Local Community & Commonwealth initiatives and programs.

### Youth & Culture

School Holiday Programs were held over the School Holidays. Activities included

- Lego Competitions
- Arts & Crafts
- Police Padang Water Slide
- A minute to Win It
- Pass a Prize
- Kids Breakfast at the Splash Pad



Community Services also provided the Community Bus and driver for a town pick up service to transport kids over the October school holidays to the Recreation Centre for activities.

## Senior Citizens

Community Services continues to organise and support activities for senior citizens.

- Monday -Thursday: Senior Respite Program – Held in collaboration with Ocean Territories Health Services, the 3hr program from 0900am to 12pm, offers carers free time as well as Seniors a wide range of activities from games to arts and crafts and excursions. Community Services staff participate in organising the Centre for activities, providing the Community Bus where required as well as providing staff assisting with programs.
- Fridays: - Stay on Your Feet – The Shire in partnership with Indian IOTHS supports each Friday the Stay on Your Feet program held at the Poon Saan Community Hall. The Shire provides staff for activities including ZUMBA. Tea & coffee facilities are available with participants socialising before and after the activity.



- Harmony Day School Visit – Seniors were taken to the School Harmony Day celebrations on April 4th via the Shire Community Bus.
- Elder Abuse Awareness – Community Services supported an Elders Abuse information Session in conjunction with Elders Abuse Day on June 13th with information, light snacks, interpreter & transport via the Community Bus. The Information session was held at and in partnership with the Community Resource Centre and facilitated by the Department of Communities Senior Officer Chris Foster.
- Seniors Week 21st – 27th July Included activities and excursions over the week culminating in the Grand Dinner on Sunday 27th held at Lucky Ho.
- Seniors Christmas Party Held on the 22nd of November at the Poon Saan Community Hall in partnership with Indian Ocean Territories Health Services with food and fun activities.

## Public Holiday Events

- Australia Day – Organised each year supplying tea, coffee, sausages, eggs bread, erecting marquees and providing tables, urns and organising volunteers including Shire staff.
- ANZAC Day – Held April 25th in coordination with the C.I ANZAC Day committee, Community Services assists by providing wreaths, tea and coffee, hot water urns as well as the Shire Community Bus and driver transporting Senior Citizens to the ceremony site.
- Territory Week – was held from Friday 2nd September with Territory (Cove) Day celebrated on Monday 7th. Territory Week.

## Recreation

### Coach in Residence

Community/ Recreation Services & Training continues to assist in coordinating and providing the Service Delivery Agreement “Coach in Residence” program, in conjunction with the Department of Local Government Sport and Cultural Industries, to Christmas Island.

The Coach in Residence program makes available 5 or more coaches from various sports & athletics backgrounds after receiving feedback from the community, sporting clubs and associations as well as CIDHS, to conduct clinics on both Christmas & Cocos Keeling Islands.

The 2024 / 2025 year delivered Coaching clinics for:

- Rugby
- Basketball
- AFL
- Volleyball
- Golf

Recreation Services also contributed to the Olympics Unleashed program that saw Olympians

Nick Malouf, Australian Rugby 7s & Elise Kellond – Knight from the Australian Women’s soccer team the Matildas, visit Christmas Island running clinics. The program was organised along with the Australian Institute of Sport, the Australian Olympic Committee, the Department of Local Government Sport & Cultural Industries and the Shire.

### **Casino to Cove**

Held as a fun social challenge activity in July, the Casino to Cove is a precursor to the Christmas Island Marathon held in August coinciding along with the Cricket & Sporting Club held Cove to Club.

The Casino to Cove is organised in partnership with the Christmas Island Resource Centre and includes a sausage sizzle after the event.

The Casino to Cove event is a 9.7km activity from the Casino to the Cove which includes walking, bike & running categories with awards for the top three Junior, Adult & Masters contenders.

The Casino to Cove event first held in 2018, attracted 80 participants across all categories and ages and is a popular social event held on a Sunday morning.



### **Christmas Island Marathon**

The Christmas Island Marathon has been held on and off since 1993. In 2012 the Shire commenced running the event realising its social & wellbeing, both mental and health benefits as well as its potential broader offshore calendar event potential attracting competitors and participants.

Since 2012 Community Services have redirected the course to embrace as much of the attractions and vistas as possible for the 42.2km course which now runs through National Parks down to the Cove.

Held each August with categories including 42.2km & 21.1km run & walk events as well as a 5km Dash & 2km family fancy dress stroll, the event offers challenge activities as well as attainable events and

family experiences. The Marathon attracted this year 177 competitors not only from Christmas Island but also participants from Cocos Island and nearly every state in Australia as well as international runners from the USA & Germany.

## **Recreation Facilities**

### **Community Hall:**

The Shire Community Hall is booked through Community Services and has been utilised by:

- Stay on Your Feet Senior Program – Fridays
- Badminton – Monday / Wednesday / Friday
- Christian Fellowship – Sundays

### **Foreshore Recreation Padang:**

The Foreshore recreation area has been completely rebuilt after being decimated cyclone Neville on April 11th 2023. As well as replacing the Skateboard features and ramps secured to the concrete pad the area was reconfigured with additional space. The Foreshore was officially reopened to the community on the 17th May 2025 with a sausage sizzle provided by the Shire.

### **Environment:**

#### **Clean Up & Campaigns**

Community Services supports & assists community groups including Tangaroa Blue as well as organizes community cleanup activities.

- 11th August: Blitz the Streets Urban Clean Campaign / Shire
- 19th August: Greta Beach Removal of rope & large buoy on request by Island Care / Shire
- 8th March: – Greta Beach /Clean Up Australia Day / Island Care
- 18th June: - Great Beach / CIDHS

Clean up equipment is provided by Community Services for use in clean-up campaigns such as gloves, scales, sieves, rubbish bags, tongs etc as well as meeting / conference space including such as the Shire Training Room.

### **Rubbish Bag Stations:**

Community Services continues to do fortnightly checks at rubbish drop-off stations, picking up collected rubbish and replenishing rubbish bags at the following locations:

- Greta Beach
- Ethel Beach
- Dolly Beach
- Flying Fish Cove

### **Western Australia One Use Plastic Ban:**

In conjunction with the Western Australian ban on single use plastics, Community Services together with the Shire Ranger, have been providing the community and businesses information on the WA One Use Plastic Ban which legislation includes Christmas Island by aiding the changeover from single use plastics to Bio friendly and recyclable products.

The One-Use Plastic Legislation, now in its Phase 2 stage, has seen a positive take up by local businesses and the community towards recyclable and bio friendly products. The Shire carries out audits on businesses and food outlets to monitor progress as well as answer queries and provide information on the legislation.

Businesses fully compliant are rewarded with a Thumbs Up sticker on businesses and shop fronts and a congratulatory certificate from the Shire President.

### **Drink Local Water Campaign**

Community Services continues to actively promote the reduction of one-use water bottles through promoting the consumption of local derived water through the Islander Newsletter, the installation of water chillers at various locations around the settled areas of the community and providing a map of locations of all installed chillers and fountains in the community area.



### **Shire Community Bus Service:**

The Shire Community Bus continues to provide ongoing transport support for the school predominantly to the Recreation Centre for physical education & swimming lessons.

The Community Bus continues to be utilised by CIDHS to transport Muslim students to the Mosque for Friday prayers. Other services have included transport for events and activities such as, senior citizen excursions, Junior Ranger activities and ANZAC Day.

The Christmas Island Community Bus is included within the Emergency Response and Recovery Plan as an emergency transport asset. The Community Bus is funded \$30,000 annually by the Department of Infrastructure & Regional Affairs.

### **Shire Library:**

The Shire Library continues to service the community opening Monday to Friday from 12.00pm to 4pm and 10.00am to 12.00pm on Saturdays, with new books received every three months.

The library participates in organising arts and crafts activities during the School Holidays. The Shire Library promotes reading amongst children this year again visiting Tom Patterson Kindergarten handing out free reading beginners packs to school children in class.

### **Media / Citizenship:**

The Community Services Media / Citizenship section continues to collate, produce and print the fortnightly Shire Islander newsletter. There was two Citizenship Ceremonies conducted in the 2024/2025 financial year.



### **Training Section:**

The Training section continues to ensure employees receive the required training to perform duties as well as maintaining National, Western Australian Industry and Local Government policy, standards and regulations in the workplace.

- Allocation of Staff USI numbers. (Unique Student Identification)
- White Card – Construction Site Permit. Renewing of Work Safe Cards
- Working with Children Cards.
- CPR & 1st Aid
- Plant machinery licence renewal and training including Skid Steer and Forklift
- Civil Construction III Courses
- Traffic Management

## PLANNING, GOVERNANCE & POLICY

### Director of Planning, Governance and Policy, Chris Su

The Planning, Governance and Policy desk oversees a range of statutory matters for Council around planning and related aspects such as ensuring that applicable heritage and conservation guidelines are followed across developments on Christmas Island. It also assists other sections when needed in the Finance section around audit and acquittals and the Community Services section for significant community events. Was acting CEO from June to Sept 2025.

A staple in the desk is in the ongoing scanning for grant and funding opportunities to assist in delivery of municipal services on the island. The desk seeks to connect Council's Corporate Business Plan deliverables to grant funding dominantly in the Works and Services and Community Services section. The desk also supports the secretariat function for Council's management committees. The desk is also the contact point for mainland stakeholders seeking Council assistance in a range of matters from marine research, academic support, archival access assistance and cultural investigations.



*The desk assisted Australia Post with the design and cultural workings needed for their 2025 Christmas Island stamp series focusing on local festivals from July to Sept 2024*

### Strategic Government Alignment

The desk also delivers on strategic alignment between Federal Government direction and local deliverables where identified. Council has sought ways to address the housing crunch evident on island as it is in other regional and remote locations on the mainland.

---

---

To this end the desk has done significant work to ensure that the Federal Government’s initiatives through the Housing and Homelessness portfolio filter through to Christmas Island.

The desk was successful in submitting a grant application and the Federal Government’s Housing Support Program Stream One program for the sum of \$738,500 to complete the necessary EPBC Act referrals and submissions to the WA Planning Commission of a Structure Plan approved by local residents and other stakeholders of the underutilized Unallocated Crown Land in the Phosphate Hill and Silver City districts.

Through the desk’s work in the Community Consultative Committee as secretariat and liaison for WA state agencies to Christmas Island, the desk submitted two proposals to the CCC for consideration regarding addressing the housing crisis and financially supporting the CI Daycare. These two proposals involved requesting the Commonwealth to ‘mirror’ two WA state programs on Christmas Island to give them funding effect ‘as if’ we were part of WA. This is the overall benchmark for state level service provision in the Indian Ocean Territories – to deliver the same level of services ‘as if’ we were a township of the same size in regional WA.

The two programs were the Short-Term Rental Accommodation Initiatives from WA Consumer Protection, and the Attraction and Retention Packages for Regional Child Care Workers Program from the WA Dept. of Communities.

The Commonwealth reviewed the CCC’s request and elected to fund these two WA state programs which resulted in four homes on Christmas Island being taken off the short-term accommodation market and into long term rentals, and a \$25,000 grant awarded to CI Daycare Centre to assist with training and employee costs.

The desk also represented the Shire at the Indian Ocean Territories Marine Park Community Reference Group to provide input into the CI Marine Park Management Plan 2025-2035.

## **Grant Writing**

2024/2025 saw the section make several successful applications collectively valued at over \$800,000.

- \$738,500 Housing Support Program Stream One
- \$25,000 Attraction and Retention Packages for Regional Child Care Workers Program
- \$21,560 Festivals Australia (to be delivered in April 2026)
- \$10,000 Australia Day Big Breakfast Grant, National Aus Day Council
- \$40,000 STRA Initiative Grant payments to STRA providers

## **Planning**

Desk made Council's first Crown Land Enquiry Form application following a December 2024 resolution to do so to action the Phosphate Hill and Silver City precinct planning works for housing.

Lodged the SOCI Phosphate Hill Structure Plan and the SOCI Silver City Structure Plan at the end of an 8 month process of development and multiple community engagements as required by the regulations in Sept 2025.

## **Governance**

Reviewed the Shire of Christmas Island policy manual as well as the statutory Local Law review as required by local governments in the 24/25 year. Council adopted both the reviewed local laws and policies over a five-month tranche in 2025.

## **Conference Participation**

Director Su was invited to two conferences in 24/25 to share work Council has completed in the planning, heritage and cultural preservation arenas.



*Director Su was invited to speak at the WA Dept. of Planning, Lands and Heritage annual conference in Fremantle in May 2025 highlighting IOT history on a state platform. This is the first time an IOT Council has been invited as a conference speaker and panel member.*



*Director Su invited to speak at the Indian Ocean Arts Triennial in Sept 2024 at Curtin University on IOT cultural practices. DITRDCA funded the trip.*

## Looking Ahead

The desk will ensure statutory compliance obligations are met in 25/26 as required under the Act. SOCI achieved a top 20 ranking by the WA Office of the Auditor General in 2024/2025 for transparency and quality of audit. Desk aims to assist Council maintain this high standard under the CEO.

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

Statement by CEO	2
Statement of comprehensive income	3
Statement of financial position	4
Statement of changes in equity	5
Statement of cash flows	6
Statement of financial activity	7
Index of notes to the financial report	8
Independent auditor's report	35

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

*Christmas Island - A place for everyone, without exception*

Principal place of business:  
Shire of Christmas Island  
2 Murray Road  
Christmas Island



SHIRE OF CHRISTMAS ISLAND  
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 Christmas Island 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 02 day of DECEMBER 2025

  
\_\_\_\_\_  
CEO

\_\_\_\_\_  
David Price  
Name of CEO



SHIRE OF CHRISTMAS ISLAND  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
<b>Revenue</b>				
Rates	2(a),22	1,905,502	1,904,574	1,849,811
Grants, subsidies and contributions	2(a)	7,978,386	8,681,131	7,961,192
Fees and charges	2(a)	1,348,303	1,221,706	1,591,106
Interest revenue	2(a)	345,232	298,385	337,559
Other revenue	2(a)	432,698	81,475	126,897
		<b>12,010,121</b>	<b>12,187,271</b>	<b>11,866,565</b>
<b>Expenses</b>				
Employee costs	2(b)	(7,493,333)	(7,670,496)	(7,938,745)
Materials and contracts		(2,297,699)	(4,283,327)	(2,027,776)
Utility charges		(60,822)	(128,297)	(87,991)
Depreciation		(1,644,091)	(1,702,000)	(1,537,340)
Insurance		(265,495)	(206,699)	(206,766)
Other expenditure	2(b)	(937,149)	(304,406)	(529,319)
		<b>(12,698,589)</b>	<b>(14,295,225)</b>	<b>(12,327,937)</b>
		<b>(688,468)</b>	<b>(2,107,954)</b>	<b>(461,372)</b>
Capital grants, subsidies and contributions	2(a)	1,167,426	2,465,477	920,069
Profit on asset disposals		115,614	29,499	0
Loss on asset disposals		(5,184)	0	(13,006)
		<b>1,277,856</b>	<b>2,494,976</b>	<b>907,063</b>
<b>Net result for the period</b>		<b>589,388</b>	<b>387,022</b>	<b>445,691</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	14	7,273,337	0	0
<b>Total other comprehensive income for the period</b>	14	<b>7,273,337</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for the period</b>		<b>7,862,725</b>	<b>387,022</b>	<b>445,691</b>

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



SHIRE OF CHRISTMAS ISLAND  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2025

	Note	2025	2024
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	2,451,671	2,532,891
Trade and other receivables	5	129,959	234,268
Other financial assets	4(a)	5,126,316	6,241,830
Inventories	6	931,070	47,255
Other assets	7	31,289	4,535
<b>TOTAL CURRENT ASSETS</b>		<b>8,670,305</b>	<b>9,060,779</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	16,890,028	15,299,705
Infrastructure	9	29,430,719	23,005,422
<b>TOTAL NON-CURRENT ASSETS</b>		<b>46,320,747</b>	<b>38,305,127</b>
<b>TOTAL ASSETS</b>		<b>54,991,052</b>	<b>47,365,906</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	666,000	532,033
Contract liabilities	12	29,866	204,747
Capital grant/contributions liabilities	12	574,878	742,303
Employee related provisions	13	2,174,392	2,221,241
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,445,136</b>	<b>3,700,324</b>
<b>NON-CURRENT LIABILITIES</b>			
Employee related provisions	13	26,326	8,717
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>26,326</b>	<b>8,717</b>
<b>TOTAL LIABILITIES</b>		<b>3,471,462</b>	<b>3,709,041</b>
<b>NET ASSETS</b>		<b>51,519,590</b>	<b>43,656,865</b>
<b>EQUITY</b>			
Retained surplus		15,328,697	14,254,427
Reserve accounts	24	5,107,736	5,592,618
Revaluation surplus	14	31,083,157	23,809,820
<b>TOTAL EQUITY</b>		<b>51,519,590</b>	<b>43,656,865</b>

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



SHIRE OF CHRISTMAS ISLAND  
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 1 July 2023</b>		<b>14,516,696</b>	<b>4,884,658</b>	<b>23,809,820</b>	<b>43,211,174</b>
Comprehensive income for the period					
Net result for the period		445,691	0	0	445,691
Total comprehensive income for the period		445,691	0	0	445,691
Transfers from reserve accounts	24	402,000	(402,000)	0	0
Transfers to reserve accounts	24	(1,109,960)	1,109,960	0	0
<b>Balance as at 30 June 2024</b>		<b>14,254,427</b>	<b>5,592,618</b>	<b>23,809,820</b>	<b>43,656,865</b>
Comprehensive income for the period					
Net result for the period		589,388	0	0	589,388
Other comprehensive income for the period	14	0	0	7,273,337	7,273,337
Total comprehensive income for the period		589,388	0	7,273,337	7,862,725
Transfers from reserve accounts	24	717,417	(717,417)	0	0
Transfers to reserve accounts	24	(232,535)	232,535	0	0
<b>Balance as at 30 June 2025</b>		<b>15,328,697</b>	<b>5,107,736</b>	<b>31,083,157</b>	<b>51,519,590</b>

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



SHIRE OF CHRISTMAS ISLAND  
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		1,916,376	1,846,126
Grants, subsidies and contributions		7,870,277	8,639,476
Fees and charges		1,374,966	1,591,106
Interest revenue		345,232	337,559
Other revenue		432,698	126,897
		<u>11,939,549</u>	<u>12,541,164</u>
<b>Payments</b>			
Employee costs		(7,505,711)	(7,736,035)
Materials and contracts		(3,113,354)	(1,525,216)
Utility charges		(60,822)	(87,991)
Insurance paid		(265,495)	(206,766)
Other expenditure		(937,149)	(529,319)
		<u>(11,882,531)</u>	<u>(10,085,327)</u>
<b>Net cash provided by operating activities</b>		<b>57,018</b>	<b>2,455,837</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for purchase of property, plant & equipment	8(a)	(1,165,617)	(1,413,126)
Payments for construction of infrastructure	9(a)	(1,239,419)	(787,018)
Proceeds from capital grants, subsidies and contributions		1,000,001	920,069
Proceeds from financial assets at amortised cost		1,115,514	(795,225)
Proceeds from financial assets at fair values through profit and loss		0	3,531
Proceeds from sale of property, plant & equipment		128,890	0
Proceeds from sale of infrastructure		200	0
<b>Net cash (used in) investing activities</b>		<b>(160,431)</b>	<b>(2,071,769)</b>
<b>Net increase (decrease) in cash held</b>		<b>(103,413)</b>	<b>384,068</b>
Term deposits		0	629,141
Cash at beginning of year		2,532,891	2,148,826
<b>Cash and cash equivalents at the end of the year</b>		<b>2,451,671</b>	<b>3,162,033</b>

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



SHIRE OF CHRISTMAS ISLAND  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE YEAR ENDED 30 JUNE 2025

Note	2025 Actual \$	2025 Budget \$	2024 Actual \$	
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from operating activities</b>				
General rates	22	1,905,502	1,904,574	1,849,811
Grants, subsidies and contributions		7,978,386	8,681,131	7,961,192
Fees and charges		1,348,303	1,221,706	1,591,106
Interest revenue		345,232	298,385	337,559
Other revenue		432,698	81,475	126,897
Profit on asset disposals		115,614	29,499	0
		<u>12,125,735</u>	<u>12,216,770</u>	<u>11,866,565</u>
<b>Expenditure from operating activities</b>				
Employee costs		(7,493,333)	(7,670,496)	(7,938,745)
Materials and contracts		(2,297,699)	(4,283,327)	(2,027,776)
Utility charges		(60,822)	(128,297)	(87,991)
Depreciation		(1,644,091)	(1,702,000)	(1,537,340)
Insurance		(265,495)	(206,699)	(206,766)
Other expenditure		(937,149)	(304,406)	(529,319)
Loss on asset disposals		(5,184)	0	(13,006)
		<u>(12,703,773)</u>	<u>(14,295,225)</u>	<u>(12,340,943)</u>
Non-cash amounts excluded from operating activities	23(a)	1,516,051	1,672,501	1,528,086
<b>Amount attributable to operating activities</b>		<u>938,013</u>	<u>(405,954)</u>	<u>1,053,708</u>
<b>INVESTING ACTIVITIES</b>				
<b>Inflows from investing activities</b>				
Capital grants, subsidies and contributions		1,167,426	2,465,477	920,069
Proceeds from disposal of assets		129,090	0	0
Distributions from investments in associates		0	55,475	0
		<u>1,296,516</u>	<u>2,520,952</u>	<u>920,069</u>
<b>Outflows from investing activities</b>				
Acquisition of property, plant and equipment	8(a)	(1,165,616)	(1,689,172)	(1,413,126)
Acquisition of infrastructure	9(a)	(1,239,419)	(2,421,357)	(787,018)
		<u>(2,405,035)</u>	<u>(4,110,529)</u>	<u>(2,200,144)</u>
<b>Amount attributable to investing activities</b>		<u>(1,108,519)</u>	<u>(1,589,577)</u>	<u>(1,280,075)</u>
<b>FINANCING ACTIVITIES</b>				
<b>Inflows from financing activities</b>				
Transfers from reserve accounts	24	717,417	650,000	402,000
		<u>717,417</u>	<u>650,000</u>	<u>402,000</u>
<b>Outflows from financing activities</b>				
Transfers to reserve accounts	24	(232,535)	(251,711)	(1,109,960)
		<u>(232,535)</u>	<u>(251,711)</u>	<u>(1,109,960)</u>
<b>Amount attributable to financing activities</b>		<u>484,882</u>	<u>398,289</u>	<u>(707,960)</u>
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>				
Surplus or deficit at the start of the financial year	23(b)	1,467,397	1,603,052	2,401,724
Amount attributable to operating activities		938,013	(405,954)	1,053,708
Amount attributable to investing activities		(1,108,519)	(1,589,577)	(1,280,075)
Amount attributable to financing activities		484,882	398,289	(707,960)
<b>Surplus or deficit after imposition of general rates</b>	23(b)	<u>1,784,773</u>	<u>5,810</u>	<u>1,467,397</u>

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



**SHIRE OF CHRISTMAS ISLAND  
FOR THE YEAR ENDED 30 JUNE 2025  
INDEX OF NOTES TO THE FINANCIAL REPORT**

Note 1	Basis of preparation	9
Note 2	Revenue and expenses	10
Note 3	Cash and cash equivalents	12
Note 4	Other financial assets	12
Note 5	Trade and other receivables	13
Note 6	Inventories	13
Note 7	Other assets	14
Note 8	Property, plant and equipment	15
Note 9	Infrastructure	17
Note 10	Fixed assets	19
Note 11	Trade and other payables	21
Note 12	Other liabilities	22
Note 13	Employee related provisions	23
Note 14	Revaluation surplus	24
Note 15	Restrictions over financial assets	25
Note 16	Undrawn borrowing facilities and credit standby arrangements	25
Note 17	Contingent Liabilities	26
Note 18	Capital commitments	26
Note 19	Related party transactions	27
Note 20	Events occurring after the end of the reporting year	29
Note 21	Other material accounting policies	30
<b>Information required by legislation</b>		
Note 22	Rating information	31
Note 23	Determination of surplus or deficit	32
Note 24	Reserve accounts	33
Note 25	Trust funds	34

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

1. BASIS OF PREPARATION

The financial report of the Shire of Christmas Island which is a Class 3 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

**Local Government Act 1995 requirements**

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

- AASB 7 Financial Instruments Disclosures
- AASB 16 Leases paragraph 58
- AASB 101 Presentation of Financial Statements paragraph 61
- AASB 107 Statement of Cash Flows paragraphs 43 and 45
- AASB 116 Property, Plant and Equipment paragraph 79
- AASB 137 Provisions, Contingent Liabilities and Contingent Assets paragraph 85
- AASB 140 Investment Property paragraph 75(f)
- AASB 1052 Disaggregated Disclosures paragraph 11
- AASB 1054 Australian Additional Disclosures paragraph 16

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

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

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

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

**Critical accounting estimates and judgements**

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

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

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

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

- Fair value measurement of assets carried at reportable value including:
  - Property, plant and equipment - note 8
  - Infrastructure - note 9
- Measurement of employee benefits - note 13

Fair value hierarchy information can be found in note 21

**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 25 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

The Shire has applied the requirements of AASB 2022-10 in the valuation of land, buildings and infrastructure which was undertaken by independent valuers at 30 June 2025.

- 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 CHRISTMAS ISLAND  
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 contribution	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, animal management, health permits.	Single point in time	Full payment prior to issue	None	On payment of licence, registration, permit 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 normal trading terms if credit provided	None	On entry to facility
Other revenue	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

Revenue recognition

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

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

For the year ended 30 June 2025

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,905,502	0	1,905,502
Grants, subsidies and contributions	1,143,601	6,834,785	0	0	7,978,386
Fees and charges	241,132	0	1,107,171	0	1,348,303
Interest revenue	333,685	0	11,547	0	345,232
Other revenue	432,698	0	0	0	432,698
Capital grants, subsidies and contributions	0	1,167,426	0	0	1,167,426
<b>Total</b>	<b>2,151,116</b>	<b>8,002,211</b>	<b>3,024,220</b>	<b>0</b>	<b>13,177,547</b>

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	1,849,811	0	1,849,811
Grants, subsidies and contributions	1,180,722	6,780,470	0	0	7,961,192
Fees and charges	484,974	0	1,106,132	0	1,591,106
Interest revenue	325,667	0	11,892	0	337,559
Other revenue	126,497	0	0	400	126,897
Capital grants, subsidies and contributions	0	920,069	0	0	920,069
<b>Total</b>	<b>2,117,860</b>	<b>7,700,539</b>	<b>2,967,835</b>	<b>400</b>	<b>12,786,634</b>

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

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Note	2025 Actual \$	2024 Actual \$
<b>Interest revenue</b>		
Interest on reserve account	182,539	188,960
Trade and other receivables overdue interest	11,547	0
Other interest revenue	141,146	148,599
	345,232	337,559
The 2025 original budget estimate in relation to: Charges on instalment plan was \$3,000		

(b) Expenses

<b>Auditors remuneration</b>		
- Audit of the Annual Financial Report	92,399	86,500
- Other services – grant acquittals	15,300	3,000
	107,699	89,500
<b>Employee Costs</b>		
Employee benefit costs	7,493,333	7,938,745
	7,493,333	7,938,745
<b>Other expenditure</b>		
Sundry expenses	937,149	529,319
	937,149	529,319

SHIRE OF CHRISTMAS ISLAND  
 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	2,451,671	2,532,891
<b>Total cash and cash equivalents</b>	<b>2,451,671</b>	<b>2,532,891</b>
Held as		
- Unrestricted cash and cash equivalents	1,846,927	1,585,841
- Restricted cash and cash equivalents	604,744	947,050
15	2,451,671	2,532,891

**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.

**Restricted financial assets**

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

4. OTHER FINANCIAL ASSETS

(a) Current assets

Note	2025	2024
	\$	\$
Financial assets at amortised cost	5,107,736	6,221,759
Financial assets at fair value through profit and loss	18,580	20,071
	5,126,316	6,241,830
<b>Other financial assets at amortised cost</b>		
Term deposits	5,107,736	6,221,759
	5,107,736	6,221,759
<b>Financial assets at fair value through profit and loss</b>		
Financial assets at fair value through profit and loss [describe]	18,580	20,071
	18,580	20,071
Held as		
- Unrestricted other financial assets at amortised cost	18,580	20,071
- Restricted other financial assets at amortised cost	5,107,736	6,221,759
15	5,126,316	6,241,830

**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 21 (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 classifies the following financial assets at fair value through profit or loss:

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

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

5. TRADE AND OTHER RECEIVABLES

Note	2025	2024
	\$	\$
Current		
Rates and statutory receivables	107,184	118,058
Trade receivables	49,438	116,210
Allowance for credit losses of rates and statutory receivables	(26,663)	0
	129,959	234,268

**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.

**Measurement**

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

**Classification and subsequent measurement**

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

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

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

6. INVENTORIES

Note	2025	2024
	\$	\$
Current		
Fuel and Materials	931,070	47,255
	931,070	47,255
The following movements in inventories occurred during the year:		
Balance at beginning of year	47,255	441,417
Inventories expensed during the year	(525,330)	(663,999)
Additions to inventory	1,409,145	269,837
Balance at end of year	931,070	47,255

**MATERIAL ACCOUNTING POLICIES**

**General**

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

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

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

7. OTHER ASSETS

	2025	2024
	\$	\$
Other assets - current		
Prepayments	17,787	3,293
Accrued income	13,502	1,242
	<u>31,289</u>	<u>4,535</u>

**MATERIAL ACCOUNTING POLICIES**

**Other current assets**

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

SHIRE OF CHRISTMAS ISLAND  
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	
	Note	Land	Buildings non-specialised	Buildings - specialised	Land	Buildings	Work in progress - property	Total property	Furniture and equipment	Plant and equipment		Work In progress - Other property plant and equipment
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Balance at 1 July 2023		2,978,000	1,403,806	8,070,698	2,978,000	9,474,504	31,858	12,484,362	313,141	1,781,389	151,907	14,730,799
Additions		0	0	0	0	0	276,514	276,514	14,557	558,431	563,624	1,413,126
Disposals		0	0	0	0	0	0	0	(6,324)	0	0	(6,324)
Depreciation		0	(34,662)	(226,727)	0	(261,389)	0	(261,389)	(100,881)	(452,130)	0	(814,400)
Transfers		0	0	0	0	0	(23,496)	(23,496)	(13,000)	164,907	(151,907)	(23,496)
Balance at 30 June 2024		2,978,000	1,369,144	7,843,971	2,978,000	9,213,115	284,876	12,475,991	207,493	2,052,597	563,624	15,299,705
Comprises:												
Gross balance amount at 30 June 2024		2,978,000	1,473,130	8,524,087	2,978,000	9,997,217	284,876	13,260,093	853,351	5,637,261	563,624	20,314,329
Accumulated depreciation at 30 June 2024		0	(103,986)	(680,116)	0	(784,102)	0	(784,102)	(645,858)	(3,584,664)	0	(5,014,624)
Balance at 30 June 2024	8(b)	2,978,000	1,369,144	7,843,971	2,978,000	9,213,115	284,876	12,475,991	207,493	2,052,597	563,624	15,299,705
Additions		0	0	38,696	0	38,696	38,130	76,826	0	140,683	948,108	1,165,617
Disposals		0	0	0	0	0	0	0	0	(18,460)	0	(18,460)
Revaluation increments / (decrements) transferred to revaluation surplus		172,000	230,518	1,057,362	172,000	1,287,880	0	1,459,880	0	0	0	1,459,880
Depreciation		0	(34,662)	(241,269)	0	(275,931)	0	(275,931)	(65,696)	(567,287)	0	(908,914)
Transfers		0	0	177,076	0	177,076	(284,876)	(107,800)	0	563,624	(563,624)	(107,800)
Balance at 30 June 2025		3,150,000	1,565,000	8,875,836	3,150,000	10,440,836	38,130	13,628,966	141,797	2,171,157	948,108	16,890,028
Comprises:												
Gross balance amount at 30 June 2025		3,150,000	1,565,000	8,875,836	3,150,000	10,440,836	38,130	13,628,966	853,351	5,882,568	948,108	21,312,993
Accumulated depreciation at 30 June 2025		0	0	0	0	0	0	0	(711,554)	(3,711,411)	0	(4,422,965)
Balance at 30 June 2025	8(b)	3,150,000	1,565,000	8,875,836	3,150,000	10,440,836	38,130	13,628,966	141,797	2,171,157	948,108	16,890,028

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

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying amount measurements

Asset class	Note	Carrying amount 2025 \$	Carrying amount 2024 \$	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
<b>(i) Fair value - as determined at the last valuation date</b>								
<b>Land and buildings</b>								
Land - market value		3,150,000	2,978,000	2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2025	Market movement (Comparable transaction method)
Total land	8(a)	3,150,000	2,978,000					
Buildings - non specialised		1,565,000	1,369,144	2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 20225	Market movement (Comparable transaction method)
Buildings - specialised		8,875,836	7,843,971	3	Cost to replace asset is calculated and adjusted to account of any obsolescence. Component costing	Independent registered valuers	June 2025	Construction costs and current conditions (Level2). Residual values and remaining useful life assessments (Level3) inputs
Total buildings	8(a)	10,440,836	9,213,115					
<b>(ii) Cost</b>								
Furniture and equipment					Cost			Purchase Cost
Plant and equipment					Cost			Purchase Cost

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.

SHIRE OF CHRISTMAS ISLAND  
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, footpaths & kerbing	Other infrastructure	Other infrastructure - Work in Progress	Total infrastructure
	\$	\$	\$	\$
<b>Balance at 1 July 2023</b>	18,722,893	3,695,304	506,330	22,924,527
Additions	349,066	3,328	434,624	787,018
(Disposals)	0	(6,679)	0	(6,679)
Depreciation	(528,996)	(193,944)	0	(722,940)
Transfers	506,330	23,496	(506,330)	23,496
<b>Balance at 30 June 2024</b>	<b>19,049,293</b>	<b>3,521,505</b>	<b>434,624</b>	<b>23,005,422</b>
<b>Comprises:</b>				
Gross balance at 30 June 2024	27,301,939	4,041,450	434,624	31,778,013
Accumulated depreciation at 30 June 2024	(8,252,646)	(519,945)	0	(8,772,591)
<b>Balance at 30 June 2024</b>	<b>19,049,293</b>	<b>3,521,505</b>	<b>434,624</b>	<b>23,005,422</b>
Additions	533,418	454,352	251,649	1,239,419
(Disposals)	0	(200)	0	(200)
Revaluation increments / (decrements) transferred to revaluation surplus	4,837,227	976,229	0	5,813,456
Depreciation	(546,924)	(188,253)	0	(735,177)
Transfers	40,848	311,489	(244,538)	107,799
<b>Balance at 30 June 2025</b>	<b>23,913,862</b>	<b>5,075,122</b>	<b>441,735</b>	<b>29,430,719</b>
<b>Comprises:</b>				
Gross balance at 30 June 2025	23,915,907	5,079,604	441,735	29,437,246
Accumulated depreciation at 30 June 2025	(2,045)	(4,482)	0	(6,527)
<b>Balance at 30 June 2025</b>	<b>23,913,862</b>	<b>5,075,122</b>	<b>441,735</b>	<b>29,430,719</b>

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

9. INFRASTRUCTURE (Continued)

(b) Carrying amount measurements

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date					
Infrastructure - roads, footpaths & kerbing	3	Cost approach using current replacement cost	Independent registered valuers	June 2025	Construction costs and current conditions (Level2). Residual values and remaining useful life assessments (Level3) inputs
Other infrastructure	3	Cost approach using current replacement cost	Independent registered valuers	June 2025	Construction costs and current conditions (Level2). Residual values and remaining useful life assessments (Level3) inputs
Other infrastructure - Work in Progress		Cost			Cost

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.

**SHIRE OF CHRISTMAS ISLAND  
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>
<b>Road</b>	
Base course	55-150
Bitumen seal	10-30
Concrete	50-120
Earthworks	50-120
Kerbing	55-100
Unsealed	5-15
Footpaths concrete	40-80
Footpaths gravel/chalk	5-40
<b>Drainage</b>	
Culverts (RCBCs)	60-100
Headwalls	50-100
Pipes (concrete)	60-150
Pipes (uPVC)	60-100
Pits and manholes	50-100
<b>Parks</b>	
Fencing and gates	20-35
Park furniture	10-50
Playground equipment	8-35
<b>Buildings</b>	
Electrical	12-50
Fit out and fittings	10-65
Mechanical	3-80
Roof	15-45
Structural	30-150
Substructural	10-90
<b>Furniture and Fittings</b>	5-25
<b>Plant and Equipment</b>	
Heavy plant	5-15
Light commercial	5-10
Light passenger	5-10
Mics plant and equipment	3-20
Mowers	4-15
Trailers	10-15
Trucks	5-20

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

10. FIXED ASSETS (Continued)

**MATERIAL ACCOUNTING POLICIES**

**Initial recognition**

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

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

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

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

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

**Measurement after recognition**

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

**Reportable value**

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

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

**Revaluation**

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

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

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

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

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

**Depreciation**

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

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

**Depreciation on revaluation**

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

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

**Impairment**

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

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

**Gains or losses on disposal**

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

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

**11. TRADE AND OTHER PAYABLES**

**Current**

Sundry creditors  
Accrued payroll liabilities  
Sick leave bonus  
Accrued expenses

2025	2024
\$	\$
327,638	155,219
197,428	158,375
134,043	127,388
6,891	91,051
666,000	532,033

**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.

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

12. OTHER LIABILITIES

	2025	2024
	\$	\$
<b>Current</b>		
Contract liabilities	29,866	204,747
Capital grant/contributions liabilities	574,878	742,303
	<u>604,744</u>	<u>947,050</u>
<b>Reconciliation of changes in contract liabilities</b>		
Opening balance	204,747	286,029
Additions	29,866	204,747
Revenue from contracts with customers included as a contract liability at the start of the period	(204,747)	(286,029)
	<u>29,866</u>	<u>204,747</u>
<b>Reconciliation of changes in capital grant/contribution liabilities</b>		
Opening balance	742,303	0
Additions	(167,425)	742,303
	<u>574,878</u>	<u>742,303</u>

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 assets.

**MATERIAL ACCOUNTING POLICIES**

**Contract liabilities**

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

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

**Capital grant/contribution liabilities**

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

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

**13. EMPLOYEE RELATED PROVISIONS**

**Employee related provisions**

**Current provisions**

**Employee benefit provisions**

Annual leave

Long service leave

	2025	2024
	\$	\$
	1,129,310	1,155,366
	1,045,082	1,065,875
	2,174,392	2,221,241

**Total current employee related provisions**

	2,174,392	2,221,241
--	-----------	-----------

**Non-current provisions**

**Employee benefit provisions**

Long service leave

	26,326	8,717
	26,326	8,717

**Total non-current employee related provisions**

	26,326	8,717
--	--------	-------

**Total employee related provisions**

	2,200,718	2,229,958
--	-----------	-----------

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

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

**MATERIAL ACCOUNTING POLICIES**

**Employee benefits**

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

**Short-term employee benefits**

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

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

**Other long-term employee benefits**

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

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

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

14. REVALUATION SURPLUS

	2025 Opening balance	Total Movement on revaluation	2025 Closing balance	2024 Opening balance	2024 Closing balance
	\$	\$	\$	\$	\$
Revaluation surplus - Land	0	172,000	172,000	0	0
Revaluation surplus - Buildings - non-specialised	8,886,784	1,057,362	9,944,146	8,886,784	8,886,784
Revaluation surplus - Buildings - specialised	0	230,518	230,518	0	0
Revaluation surplus - Furniture and equipment	264,640	0	264,640	264,640	264,640
Revaluation surplus - Plant and equipment	569,828	0	569,828	569,828	569,828
Revaluation surplus - Infrastructure - roads, footpaths & kerbing	14,065,241	4,837,227	18,902,468	14,065,241	14,065,241
Revaluation surplus - Other infrastructure	23,327	976,230	999,557	23,327	23,327
	23,809,820	7,273,337	31,083,157	23,809,820	23,809,820

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

**15. RESTRICTIONS OVER FINANCIAL ASSETS**

	Note	2025 Actual \$	2024 Actual \$
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	604,744	2,532,891
- Financial assets at amortised cost	4	5,107,736	6,221,759
		5,712,480	8,754,650
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	24	5,107,736	5,592,618
Contract liabilities	12	29,866	204,747
Capital grant liabilities	12	574,878	742,303
Term Deposits		0	629,141
<b>Total restricted financial assets</b>		5,712,480	7,168,809
<b>16. UNDRAWN BORROWING FACILITIES AND CREDIT STANDBY ARRANGEMENTS</b>			
<b>Credit standby arrangements</b>			
Bank overdraft limit		500,000	500,000
Bank overdraft at balance date		0	0
Credit card limit		40,000	40,000
Credit card balance at balance date		(25,466)	(33,481)
<b>Total amount of credit unused</b>		514,534	506,519

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

**17. CONTINGENT LIABILITIES**

No contingent liabilities for period ending 30 June 2025

**18. CAPITAL COMMITMENTS**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Contracted for:		
- capital expenditure projects	75,527	102,716
	<u>75,527</u>	<u>102,716</u>
Payable:		
- not later than one year	75,527	102,716

The capital expenditure projects outstanding at period end represents some uncompleted project at Foreshore Padang Bowls Rink and staff houses.

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

19. RELATED PARTY TRANSACTIONS

(a) Council member remuneration

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

Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
President's annual allowance	39,988	39,988	38,450
President's meeting attendance fees	27,425	27,425	26,370
President's travel and accommodation expenses	12,586	16,000	14,083
	<u>79,999</u>	<u>83,413</u>	<u>78,903</u>
Deputy President's annual allowance	9,997	9,997	9,613
Deputy President's meeting attendance fees	17,711	17,711	17,030
Deputy President's travel and accommodation expenses	9,316	10,000	13,071
	<u>37,024</u>	<u>37,708</u>	<u>39,714</u>
All other council member's meeting attendance fees	123,977	123,977	114,918
All other council member's travel and accommodation expenses	41,525	50,000	35,557
	<u>165,502</u>	<u>173,977</u>	<u>150,475</u>
19(b)	<u>282,525</u>	<u>295,098</u>	<u>269,092</u>

(b) Key management personnel (KMP) compensation

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

Short-term employee benefits	935,894	870,955
Post-employment benefits	145,078	127,695
Employee - other long-term benefits	20,022	56,143
Council member costs	282,525	269,092
19(a)	<u>1,383,519</u>	<u>1,323,885</u>

*Short-term employee benefits*

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

*Post-employment benefits*

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

*Other long-term benefits*

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

*Council member costs*

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

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

19. RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with related parties

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

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

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

	2025 Actual	2024 Actual
	\$	\$
Purchase of goods and services	8,158	4,628

(d) Related parties

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

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

**20. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD**

No major events occur after reporting period.

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

21. 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.

**ii) 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 CHRISTMAS ISLAND  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025

22. RATING INFORMATION

(a) General rates

RATE TYPE	Basis of valuation	Rate in \$	Number of properties	2024/25 Actual rateable value*	2024/25 Actual rate revenue	2024/25 Actual interim rates	2024/25 Actual total revenue	2024/25 Budget rate revenue	2024/25 Budget interim rate	2024/25 Budget total revenue	2023/24 Actual total revenue
Resident	Gross rental valuation	0.10752	454	8,786,168	942,641		942,641	942,641	0	942,641	915,182
Commercial	Gross rental valuation	0.10752	89	2,021,562	210,812		210,812	197,963	0	197,963	204,671
DIAC	Gross rental valuation	0	20	1,210,320	0		0	0	0	0	0
Unallocated	Gross rental valuation	0.10752	4	63,960	6,877		6,877	6,877	0	6,877	6,677
Rural	Gross rental valuation	0.10752	2	45,280	4,869		4,869	4,869	0	4,869	4,727
Industrial	Gross rental valuation	0.10752	12	227,160	24,424		24,424	24,424	0	24,424	23,713
Exempt	Gross rental valuation	0	0	0	0		0	12,849	0	12,849	0
Industrial	Unimproved valuation	0.4326	1	940,000	406,644		406,644	406,644	0	406,644	394,800
Mining	Unimproved valuation	0.4326	8	716,577	309,991		309,991	309,991	0	309,991	300,962
<b>Total general rates</b>			590	14,011,027	1,906,258	0	1,906,258	1,906,258	0	1,906,258	1,850,732
<b>Minimum payment</b>											
Resident	Gross rental valuation	649	5		3,245		3,245	3,245	0	3,245	3,150
Commercial	Gross rental valuation	649	16		10,384		10,384	10,384	0	10,384	10,080
Unallocated	Gross rental valuation	649	37		24,013		24,013	24,013	0	24,013	23,310
Rural	Gross rental valuation	649			0		0	0	0	0	0
Industrial	Gross rental valuation	649	5		3,245		3,245	3,245	0	3,245	3,150
Mining	Gross rental valuation	649	1		649		649	649	0	649	630
Industrial	Unimproved valuation	390			0		0	0	0	0	0
Mining	Unimproved valuation	390	2		780		780	780	0	780	758
<b>Total minimum payments</b>			66	0	42,316	0	42,316	42,316	0	42,316	41,078
<b>Total general rates and minimum payments</b>			656	14,011,027	1,948,574	0	1,948,574	1,948,574	0	1,948,574	1,891,810
Discounts							(43,072)			(43,000)	(41,999)
Concessions							0			(1,000)	0
<b>Total rates</b>							1,905,502			1,904,574	1,849,811

(b) Rates related information

Rates instalment interest	0	0	4,050
Rates instalment plan charges	3,978	3,000	0
Rates overdue interest	11,547	5,000	4,493
Rates written off	20	0	0

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

\*Rateable Value at time of raising of rate.

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

23. DETERMINATION OF SURPLUS OR DEFICIT

Note	2024/25 (30 June 2025 carried forward) \$	2024/25 Budget (30 June 2025 carried forward) \$	2023/24 (30 June 2024 carried forward) \$	
<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	(115,614)	(29,499)	0
	Add: Loss on disposal of assets	5,184	0	13,006
10(a)	Add: Depreciation	1,644,091	1,702,000	1,537,340
Non-cash movements in non-current assets and liabilities:				
	Employee benefit provisions	(17,610)	0	(22,260)
	<b>Non-cash amounts excluded from operating activities</b>	<b>1,516,051</b>	<b>1,672,501</b>	<b>1,528,086</b>
<b>(b) 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>				
24	Less: Reserve accounts	(5,107,736)	(5,217,104)	(5,592,618)
	Add: Current liabilities not expected to be cleared at end of year - Employee benefit provisions	1,686,534	1,808,362	1,699,560
	<b>Total adjustments to net current assets</b>	<b>(3,421,202)</b>	<b>(3,408,742)</b>	<b>(3,893,058)</b>
<b>Net current assets used in the Statement of financial activity</b>				
	Total current assets	8,670,305	3,414,552	9,060,779
	Less: Total current liabilities	(3,445,136)	0	(3,700,324)
	Less: Total adjustments to net current assets	(3,421,202)	(3,408,742)	(3,893,058)
	<b>Surplus or deficit after imposition of general rates</b>	<b>1,781,773</b>	<b>5,810</b>	<b>1,467,397</b>

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

**24. 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) Employee benefits	1,998,750	68,542	0	2,067,292	2,006,972	75,693	0	2,082,665	1,731,739	267,011	0	1,998,750
(b) Plant and machinery	945,001	72,406	(400,000)	617,407	949,320	75,773	(400,000)	625,093	909,796	435,205	(400,000)	945,001
(c) Furniture and equipment	802,242	27,511	(120,000)	709,753	805,451	30,384	0	835,835	676,080	126,162	0	802,242
(d) Buildings	745,133	25,553	(99,474)	671,212	748,310	28,215	(200,000)	576,525	669,236	75,897	0	745,133
(e) Welfare fund	88,491	3,784	(1,000)	91,275	88,491	5,929	0	94,420	87,174	3,317	(2,000)	88,491
(f) Recreation services	178,108	6,108	(46,943)	137,273	178,711	5,176	0	183,887	127,186	50,922	0	178,108
(g) Waste management	560,996	19,238	(50,000)	530,234	563,194	8,041	(50,000)	521,235	463,077	97,919	0	560,996
(h) Road works and materials	205,692	7,054	0	212,746	206,427	19,918	0	226,345	154,706	50,986	0	205,692
(i) Parks and gardens	68,205	2,339	0	70,544	68,517	2,582	0	71,099	65,664	2,541	0	68,205
	<b>5,592,618</b>	<b>232,535</b>	<b>(717,417)</b>	<b>5,107,736</b>	<b>5,615,393</b>	<b>251,711</b>	<b>(650,000)</b>	<b>5,217,104</b>	<b>4,884,658</b>	<b>1,109,960</b>	<b>(402,000)</b>	<b>5,592,618</b>

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

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

<b>Name of reserve account</b>	<b>Purpose of the reserve account</b>
<b>Restricted by council</b>	
(a) Employee benefits	to fund annual and long service leave requirements
(b) Plant and machinery	to purchase new and major plant
(c) Furniture and equipment	to purchase new furniture and equipment
(d) Buildings	to upgrade staff housing
(e) Welfare fund	for specific community purpose
(f) Recreation services	for the upgrade of recreation services and purchase of new plant, furniture and equipment
(g) Waste management	to upgrade tipsite and purchase new plant and equipment
(h) Road works and materials	for the purpose of road works and purchase of materials
(i) Parks and gardens	to hold open space contributions as required by the Planning & Development Act 2005

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

**25. 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:

	<u>1 July 2024</u>	<u>Amounts received</u>	<u>Amounts paid</u>	<u>30 June 2025</u>
	\$	\$	\$	\$
Taman Sweetland Reserve (POS)	59,204	2,600	0	61,804
	59,204	2,600	0	61,804



Our Ref: 8259-002

7th Floor, Albert Facey House  
469 Wellington Street, Perth

Mr David Price  
Chief Executive Officer  
Shire of Christmas Island  
George Fam Centre  
2 Murray Road  
CHRISTMAS ISLAND WA 6798

**Mail to:** Perth BC  
PO Box 8489  
PERTH WA 6849

**Tel:** 08 6557 7500  
**Email:** [info@audit.wa.gov.au](mailto:info@audit.wa.gov.au)

Email: [shire.ceo@shire.gov.cx](mailto:shire.ceo@shire.gov.cx)

Dear Mr Price

## **ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2025**

The Office has completed the audit of the annual financial report for your Shire. In accordance with section 7.12AD (2) of the *Local Government Act 1995*, we enclose the Auditor General's auditor's report, together with the audited annual financial report.

We have also forwarded the reports to the President and the Minister for Local Government, as required by the Act. You are required to publish the annual report, including the auditor's report and the audited financial report, on your Shire's official website within 14 days after the annual report has been accepted by your Council.

### **Management control issues**

While the result of the audit was generally satisfactory, I would like to draw your attention to the attached listing of deficiencies in internal control and other matters that were identified during the audit. These matters have been discussed with management and their comments have been included in the attachment.

Please note that the purpose of our audit was to express an opinion on the financial report. The audit included consideration of internal control relevant to the preparation of the financial report in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.

An audit is not designed to identify all internal control deficiencies that may require management attention. The matters being reported are limited to those deficiencies that have been identified during the audit that are of sufficient importance to warrant being reported. It is possible that other irregularities and deficiencies may have occurred and not been identified as a result of our audit.

The date the financial statements submitted by your entity and considered to be of audit ready quality is 10 September 2025. This date will be reported in our local government sector audit results report to be tabled in Parliament. I am providing this date for completeness of our Office's procedural fairness process.

If you have any queries in relation to this date, please contact me on 6557 7763 within 14 days of the date of this letter. If we do not hear from you, we will take this as confirmation of the date.

This letter has been provided for the purposes of the Shire and the Minister for Local Government and may not be suitable for other purposes.

I would like to take this opportunity to thank you, the management and the staff of the Shire for their cooperation with the audit team during our audit.

Yours sincerely

Shellian Cassanova  
Assistant Director  
Financial Audit  
4 December 2025

Attach



# Auditor General

## INDEPENDENT AUDITOR'S REPORT 2025 Shire of Christmas Island

To the Council of the Shire of Christmas Island

### Opinion

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

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