



Peppermint Grove
The Garden Shire

Annual Report

2024–2025





Acknowledgement of Country

The Shire of Peppermint Grove acknowledges
the Whadjuk Nyoongar people
as the traditional custodians of the lands
and pay our respects to Elders
past, present and emerging.

Contents

| | |
|---|----|
| Introduction to the Shire of Peppermint Grove | 2 |
| The Shire President's message | 4 |
| A message from the Chief Executive Officer | 5 |
| Councillors at 30th June 2025 | 6 |
| Executive Staff Members | 9 |
| Organisation chart | 9 |
| 2021–2031 Strategic Community Plan | 10 |
| 2023–2027 Corporate Business Plan | 11 |
| The Grove Library and Community Centre | 12 |
| Corporate Services | 17 |
| Finance Statistics | 17 |
| Community Services | 21 |
| Community Events | 21 |
| Sustainability | 26 |
| Development Services | 30 |
| Urban Planning | 31 |
| Building Regulation and Asset Management | 35 |
| Environmental Health Services | 36 |
| Ranger Services | 37 |
| Conclusion | 37 |
| Infrastructure Management | 38 |
| Governance | 42 |
| Financial Report for the year ended 30 June 2025 | 47 |
| Independent Auditor's Report 2025 | 48 |
| Certification of Financial Report | 51 |
| Statement of Comprehensive Income | 52 |
| Statement of Financial Position | 53 |
| Statement of Changes in Equity | 54 |
| Statement of Cash Flows | 55 |
| Statement of Financial Activity | 56 |
| Notes to and forming part of the Financial Report | 57 |

“...continued focus
on good governance
and efficient service
to the community ...”



Introduction to the Shire of Peppermint Grove

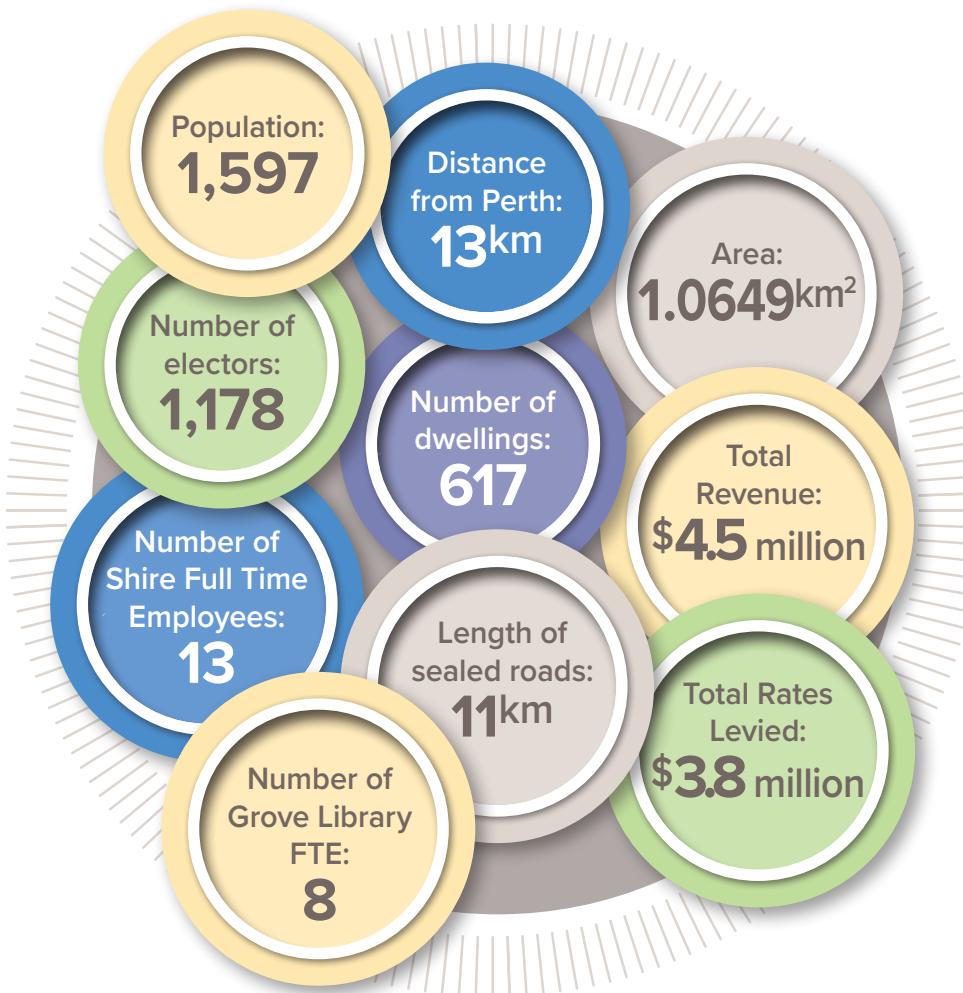
With a rich history dating back to 1832 and the early settlement of the Swan River Colony, the Shire of Peppermint Grove is known for its beauty and heritage boasting large character homes, a stunning river foreshore, beautiful gardens and shady streets lined with peppermint trees.

Many generations of families have lived in Peppermint Grove and there is a strong sense of community often not found in metropolitan communities.

With an area of only 1.0649km², the Shire prides itself on providing personalised services to its 1,597 residents who reside in a predominantly residential community. Considered to be a highly desirable suburb, Peppermint Grove has an above average socio-economic profile. Much of the Shire's activities relate to the development or redevelopment of large residences.

The maintenance of the suburb's amenity, particularly its trees, foreshore and reserves, is a high priority for residents.

Some interesting statistics about the Shire include:





Apart from the peppermint tree lined streets and pristine Freshwater Bay, some attractions in the Shire include:

- Freshwater Bay boating jetty
- Freshwater Bay foreshore beach reserve
- Royal Freshwater Bay Yacht Club
- Keanes Point parkland and barbecue facilities
- Keanes Point children's play equipment
- Manners Hill Park
- Manners Hill Park Pavilion
- Peppermint Grove Heritage Trail
- Whadjuk Trails Network
- Peppermint Grove Tennis Club
- The Grove Library
- The Community Centre
- Cottesloe Central Shopping Centre
- Citizenship Ceremonies and Citizen of the Year Awards
- Carols by Candlelight
- Presbyterian Ladies College
- Cottesloe Primary School
- St Mary Star of the Sea Church
- St Columba's Church
- Freshwaters Café
- Grove Coffee Café (Library).



The Shire President's message

It is my pleasure to present the Annual Report for the Shire of Peppermint Grove for the 2024–2025 financial year.

I'm pleased to report that the Shire completed the financial year with a healthy surplus and a clear audit report. A full set of accounts is included in this report.

The Shire has undertaken a significant amount of work in improving community facilities and amenities. The old playground at Keanes Point Reserve has been replaced with a bigger and brighter marine-themed playground. The final design was developed through a reference group of parents with children who use the playground.

Street trees are another area that the Shire places a significant emphasis on. The Shire has the greatest urban tree canopy in the metropolitan area. Every verge/street/park tree under the Shire's control is recorded in a register. The tree's estimated age, health and GPS location is recorded. This data is used to determine the annual maintenance pruning program and tree removal program. During the year 165 trees were planted, which significantly exceeded the number of old or dead trees removed.

The extensive tree canopy and garden nature of the suburb has reinforced that the original design for the suburb when it was laid out was based on the planning principle of garden suburb, which acknowledges the larger lots with well laid out gardens and significant trees. Council has adopted the tag line "Garden Shire" to reinforce the importance of maintaining an extensive garden layout and tree canopy.

I am pleased to advise that the rollout of FOGO during the year has been very successful, with kitchen and green waste being diverted from landfill and to composting. Council also maintained a weekly 240 litre general waste (red lid bin) service. Most Council's when introducing FOGO went to fortnightly 120 litre bins.



During the year, the Freshwater Memorial was unveiled. Situated on the foreshore near the Scotch College rowing shed, it is a place of peaceful reflection for family members to remember loved ones who have passed.

The State Government is requiring local governments, particularly in the western suburbs, to have more infill. The Shire will be working through this issue in 2025–2026 as part of its Local Planning Strategy review and try and get a balance of infill that meets community expectations and satisfies the State Government targets.

Community events continue to be an important part of life in the Shire. In 2024–2025 these activities included Carols by Candlelight and Seniors' Week. Many other events were held throughout the year in The Grove Library, including book launches, Book Week and extremely popular Cappuccino Concert Series. The Shire, along with the Towns of Mosman Park and Cottesloe support the Westcoast Community Centre, which runs a varied programme of talks, activities and outings for our residents and the wider community and which has its base in The Grove Community Centre.

I thank my Deputy President Patrick Dawkins and my elected members for their support and dedicated input into the running of Council. I also acknowledge and thank CEO Don Burnett, the senior management group and all the staff for their continued focus on good governance and efficient service to the community.

Karen Farley SC
Shire President

A message from the Chief Executive Officer

I am pleased to present the Annual Report, incorporating the financial statements for 2024–2025. The Shire has again received a clear audit report.

Shire President Farley has mentioned in her report the different projects that the Shire completed during the year, along with the importance placed on managing the Shire's tree canopy. Updating Shire amenities and managing assets at the same time as responsible financial management is critical in ensuring Shire rates are responsibly managed.

Another important part of the Shire is the connection with the community. This covers the events the Shire conducts, use of the Grove Library and Community Centre, support for Westcoast Community Centre, regular issues of *Peptalk* and more recently the start of the Shire's Instagram and Facebook pages. Peppermint Grove is a tight-knit community, and it is important that community members feel a sense of connection to their Shire and Councillors.

I thank President Karen Farley and Councillors for their support and strong leadership throughout 2024–2025. I also thank my managers and staff for their professionalism and dedication to the task of providing a high level of service to the residents of the Shire.

Don Burnett
Chief Executive Officer

“...a bigger and brighter marine-themed playground...”

Councillors at 30th June 2025



Shire President
Councillor Karen Farley



Councillor Doug Jackson



Deputy Shire President
Councillor Patrick Dawkins



Councillor Emerald Bond



Councillor Charles Hohnen



Councillor Jessamy Mahony



Councillor Peter Macintosh

Elected Members attendance at meetings 2024–2025

| Register of Councillor Attendance at Meetings (Regulation 19B(f)) | Number of Ordinary Council Meetings Attended (11 meetings held) | Number of Audit, Governance & Risk Management Committee Meetings Attended (3 meetings held) | Number of Annual General Meeting of Electors Attended (1 meeting held) | Number of Special Council Meetings Attended (1 meeting held) |
|---|---|---|--|--|
| Cr Karen Farley SC | 9 | Not a member | 1 | 1 |
| Cr Patrick Dawkins | 10 | 3 | 1 | 1 |
| Cr Charles Hohnen | 11 | 3 | 1 | 1 |
| Cr Peter Macintosh | 9 | 3 | 1 | 1 |
| Cr Doug Jackson | 9 | Not a member | 1 | 1 |
| Cr Emerald Bond | 11 | Not a member | 1 | 1 |
| Cr Jessamy Mahony | 7 | 3 | 1 | 1 |

Training Register 2024–2025

| Councillor Name | Course | Completion Date |
|-----------------|--|-----------------|
| Jessamy Mahony | Planning Practices Advanced | 14/03/25 |
| | Serving on Council | 17/10/24 |
| | Planning Practices—The Essentials | 06/08/24 |
| | Understanding Local Government | 05/08/24 |
| Karen Farley | Serving on Council | 28/10/24 |
| | Meeting Procedures | 19/08/24 |
| | Conflicts of Interest | 19/08/24 |
| | Understanding Local Government | 05/08/24 |
| Patrick Dawkins | Understanding Financial Statements and Budgets | 11/10/24 |
| | Meeting Procedures | 05/08/24 |
| Peter Macintosh | Conflicts of Interest | 24/09/24 |
| | Understanding Financial Statements and Budgets | 23/08/24 |
| | Meeting Procedures | 18/08/24 |
| | Understanding Local Government | 05/08/24 |
| Emerald Bond | Serving on Council | 23/09/24 |
| | Understanding Financial Statements and Budgets | 26/08/24 |
| | Meeting Procedures | 19/08/24 |
| | Conflicts of Interest | 19/08/24 |
| | Understanding Local Government | 05/08/24 |
| Doug Jackson | Meeting Procedures | 07/09/24 |
| | Serving on Council | 07/09/24 |
| | Understanding Financial Statements and Budgets | 26/08/24 |
| Charles Hohnen | Meeting Procedures | 19/08/25 |
| | Understanding Financial Statements and Budgets | 26/08/24 |
| | Conflicts of Interest | 19/08/24 |
| | Serving on Council | 09/08/24 |
| | Understanding Local Government | 05/08/24 |



“...Council has adopted the tag line “Garden Shire” to reinforce the importance of maintaining an extensive garden layout and tree canopy...”

Executive Staff Members



Chief Executive Officer
Don Burnett



Library Co-ordinator
Lance Hopkinson



Manager Infrastructure Services
Donovan Norgard

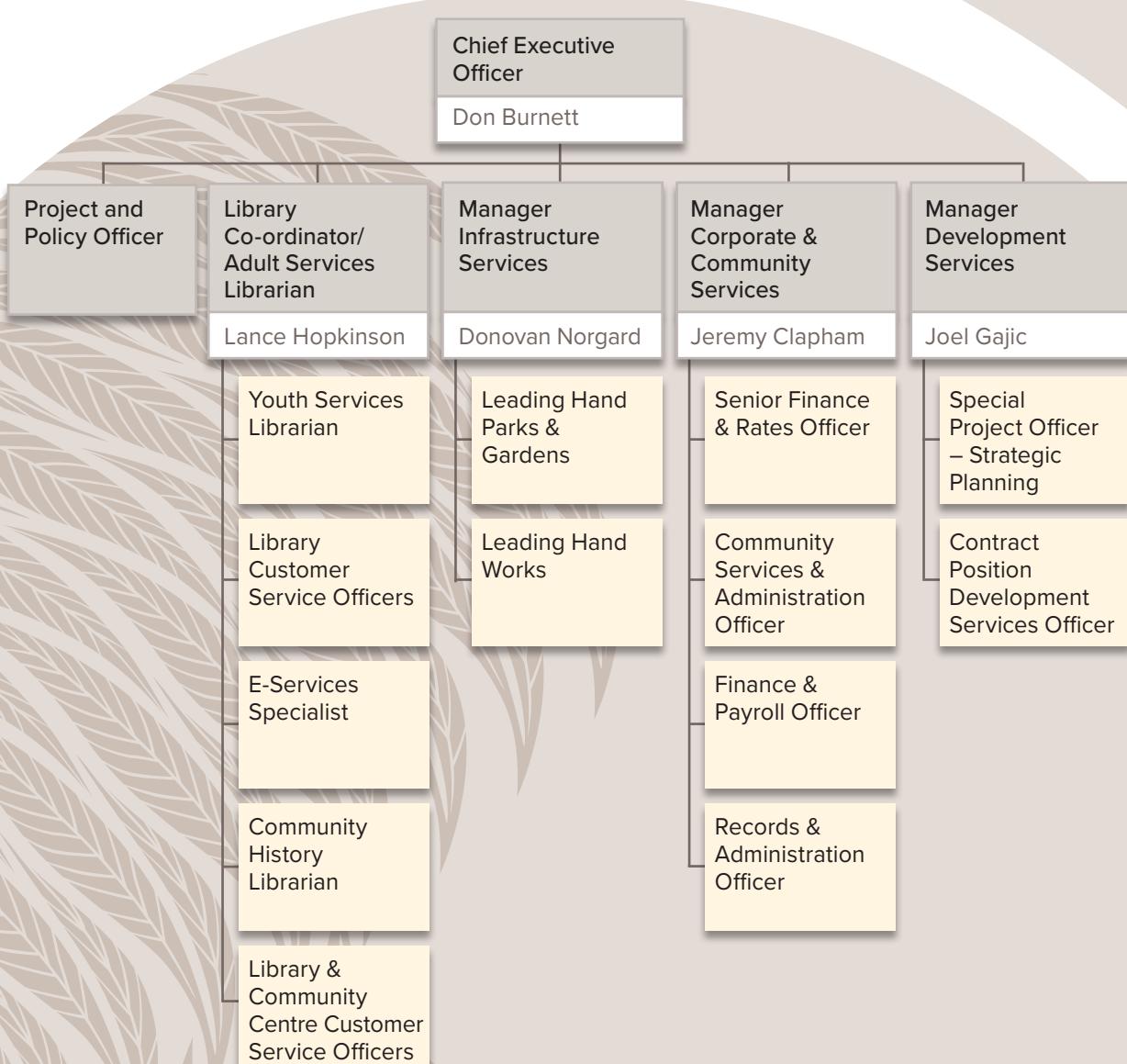


Manager Corporate & Community Services
Jeremy Clapham



Manager Development Services
Joel Gajic

Organisation chart





2021–2031 Strategic Community Plan

Our Strategic Community Plan responds to the community's key areas of interest.

Our Goal and Objectives for each strategic priority area over the next 10 years are as follows:

| Strategic Priority | Objectives |
|--|--|
| 1. Social | |
| Goal: “A community enjoying high levels of wellbeing and safety” | <ul style="list-style-type: none">1.1 Maintain/increase actual and perceived safety and security.1.2 Facilitate age-appropriate services, particularly for seniors and youth.1.3 Preserve and promote local history and heritage.1.4 Promote community connection and activation. |
| 2. Economic | |
| Goal: “Diverse and flourishing local economy” | <ul style="list-style-type: none">2.1 Improved local business centres.2.2 Facilitate options for customers and visitors.2.3 Effective relationships with local businesses. |
| 3. Built Environment | |
| Goal: “Perpetual character and inviting, accessible and connected amenities” | <ul style="list-style-type: none">3.1 Perpetual character of Peppermint Grove.3.2 Inviting, accessible and connected Shire. |
| 4. Natural Environment | |
| Goal: “Preserved natural environment and minimised environmental impact” | <ul style="list-style-type: none">4.1 Protect and enhance Peppermint Grove’s natural environment and biodiversity.4.2 Maintain a clean, healthy and sustainable environment.4.3 Protect our natural resources for future generations. |
| 5. Governance | |
| Goal: “Aligned and accountable Council and Community Leadership” | <ul style="list-style-type: none">5.1 Provide accountable and transparent leadership.5.2 Engage, communicate and consult with our community and stakeholders.5.3 Advocate to reflect the community’s Vision.5.4 Sustainable and optimal use of Shire resources. |

2023–2027 Corporate Business Plan

The Corporate Business Plan outlines the Shire's key priorities and actions for a 4-year period.

The plan is informed by the Strategic Community Plan and aims to integrate the community's aspirations into the Shire's operations.

The Strategic Community Plan and the Corporate Business Plan form part of the WA Governments Integrated Planning and Reporting Framework.

The 2024–2025 Annual Report provides information on the activities and projects that have been undertaken to achieve the objectives contained in the 2023–2027 Corporate Business Plan.

“...The Shire has the greatest urban tree canopy in the metropolitan area...”



The Grove Library and Community Centre

The Grove Library and Community Centre functions as a central hub for residents of all ages, providing access to physical and digital reading materials, dedicated study spaces, and a range of activities. It facilitates participation in workshops and recreational programs that promote lifelong learning, personal development, and strengthened community connections.

- The past year has seen a slight increase in the number of items loaned. The increase, driven by improvements in the use of the Junior fiction/Kindy and Adult fiction/non-fiction collections, have seen book loans increase by 2.8% to 245,809.
- The biannual Grove Classics concert series continued to receive strong support from the local community, drawing an average of 80 attendees per performance.
- The Grove Library supports seven local book groups by providing spaces and resources.
- In October/November, the library extended hours during the Exam Study period for students from Years 11, 12 and University only.
- The library was happy to host a number of events and exhibitions for local residents and groups. These included a book launch

for local author Margaret Thomas and an exhibition for the WA Women's Hall of Fame, which highlighted the work of several local women.

- Each year the Shire of Peppermint Grove sponsors a series of youth events called "Have a Go with Peppy Grove". This year's events consisted of a Chinese calligraphy workshop, Creating a graphic novel with graphic novelist Aska, and local children's author Gabriel Evans returning for another of his wonderful drawing workshops.
- Children's Book Week 2024 was a highly successful event, engaging children across all age groups—including pre-schoolers, kindergarteners, and school-aged students—through a variety of library-based activities throughout the week.



From top: Blowing bubbles at Storytime at the River; and a session at "Have a Go with Peppy Grove"

Onsite attendance was 736 students with another 90 students attending outreach sessions.

- In collaboration with Community Nurses from Child and Adolescent Community Health and in support of the Better Beginnings program, the Youth Services Librarian delivers monthly sessions for new parents. These sessions introduce parents to library resources, highlight the importance of early literacy for infants, and provide information on programs available for babies. Over the past year, more than 132 new parents have participated in these sessions.
- In 2024–2025, the Community Centre continued to serve as a hub for a diverse range of community groups, including the Westcoast Community Centre Inc, as well as the Men’s and Women’s Probus Clubs and U3A. The Centre also collaborated with local councils to host events such as WMRC’s Sustainable Clothes Swap and a variety of environmental workshops. These programs provided residents with valuable opportunities to connect, learn, and engage in a supportive and inclusive environment.

Right from top: Participating in a Minecraft Workshop; and an attentive audience at Storytime at the River

Below: An outreach session during Children’s Book Week





The North Cottesloe Primary Art Exhibition celebrated past and present prominent residents

Community History

The Grove's Community History Library collects and curates the history of Peppermint Grove, Cottesloe and Mosman Park with the emphasis on digital preservation and dissemination. Community History continues to build the profile of The Grove Community History Photographic and Archival Record Collection.

This year the Heritage Festival came to The Grove and an Art Exhibition featuring portraits of prominent residents from the past and present drew significant visitors to the library. The works were produced by students from North Cottesloe Primary who delivered exceptional, inspiring works.

The Community History librarian continues to manage a team of regular volunteers, who assist with the volume of materials to be digitised and uploaded to the archive.

Several oral histories have been undertaken and used in conjunction with the photographic exhibition put on by the Local History Librarian.

Community History logged over 300 family history, and property inquiries in person or via email during the last year.

Library E-Services

E-Services at The Grove Library, which has a focus on digital inclusion and digital literacy, continue to be very popular with a high degree of participation:

- The Friday drop-in tech sessions continued through 2024–2025, supported by a volunteer who fields questions on anything and everything to do with phones, computers and tablets.
- One on One Tech Help with Geoff on Tuesdays and Thursdays continued to be booked out well in advance.

This year saw a large number of upgrades undertaken to best support both library patrons and staff:

- Library Wi-Fi printing required a change to a new platform that has proven to be much better than the previous one.
- Changing the library's Booking and Event system was necessary as the old system was no longer supported.
- New printers/copiers were installed in the Library and Shire when the previous lease expired.
- Successfully replaced the Library Community History data repository with a modernised system featuring enhanced storage capacity and backup safeguards.
- There's a new provider for Internet and phones for Library and Shire, resulting in much improved internet and data services, though the phones have been problematic.
- There was a major upgrade to the Library Management System, moving to Spydus 11.



Masterpieces in the making
during school holiday craft sessions





Competitors and spectators at a Family Gaming afternoon; and (below) a vibrant display of Easter egg artwork at The Grove





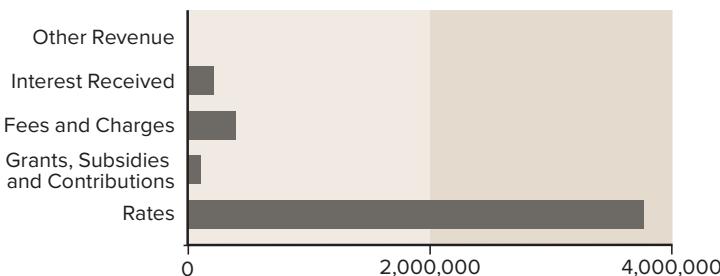
Corporate Services

Finance Statistics

Revenue

The Shire of Peppermint Grove had a total revenue of \$4,470M for the 2024–2025 financial year.

The Shire does not receive much in the way of grants and relies heavily on Rates revenue to fund the various activities of the Shire. Rates revenue accounted for 84% of the total revenue for 2024–2025. Fees and Charges accounted for 8%, Interest Received accounted for 5%, Grants, Subsidies and Contributions (including a Capital Grant of \$50k) accounted for 3% and Other Revenue accounted for 0% of total revenue.

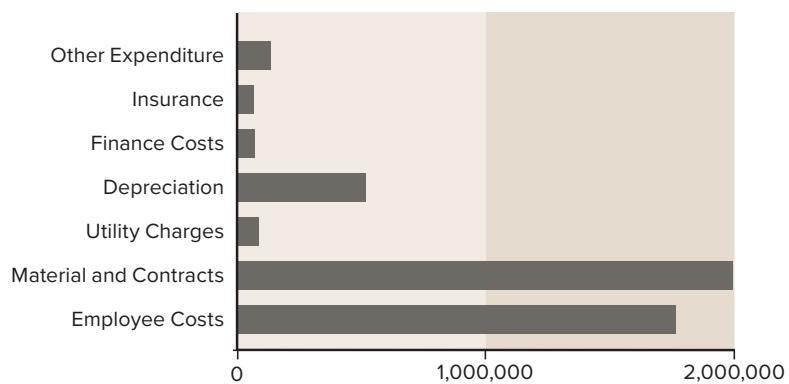


Above: During the year, the Shire purchased fixed assets including the new colourful playground at Keanes Point Reserve.



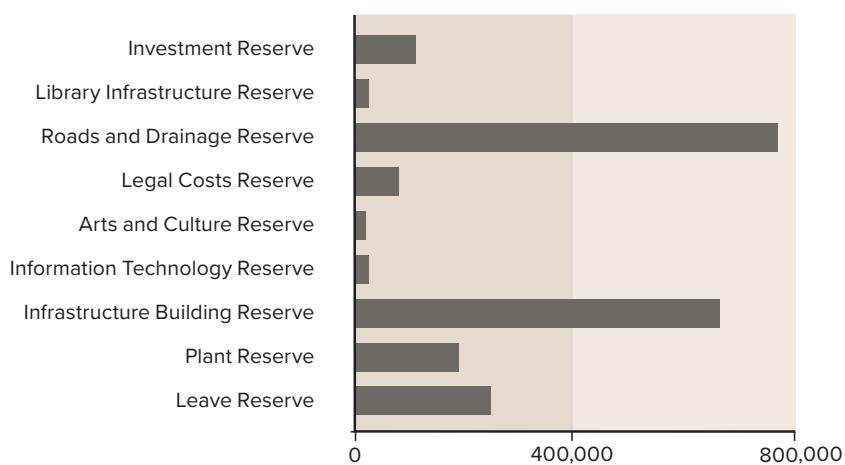
Expenditure

In order to maintain the high level of service expected by the residents of Peppermint Grove, the Shire has to incur significant expenditure, totalling \$4,544M for the 2024–2025 financial year. It is broken down as such: Employee Costs 39%, Materials and Contracts 44%, Depreciation 11% (depreciation gets written back in the calculation of the Shire's surplus as it is not a cash item), Utility Charges 2% and other expenses 4%.



Reserve Funds

The Shire transferred a total of \$465,862 to Reserves and an amount of \$443,000 from Reserves for the financial year 2024–2025. Included in the transfers to Reserves was an amount of \$148,562 to the Infrastructure Building Reserve and \$154,000 to the Road and Drainage Reserve. This has resulted in the total Reserves balance being \$2,148,466.

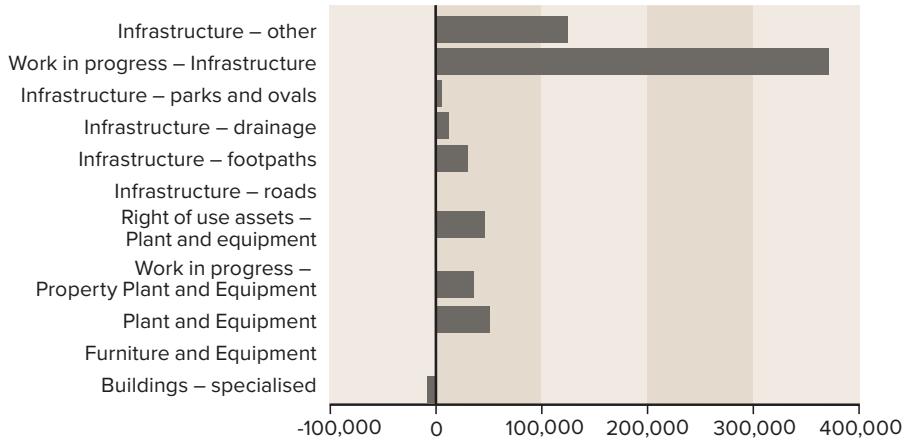


Loan Liability

The Shire has one loan which was previously raised for The Grove facility. The Shire has been servicing the loan since March 2010 at an interest rate of 6.9% per annum and it is due to be paid off in December 2034. The balance at 30 June 2025 is \$574,191.

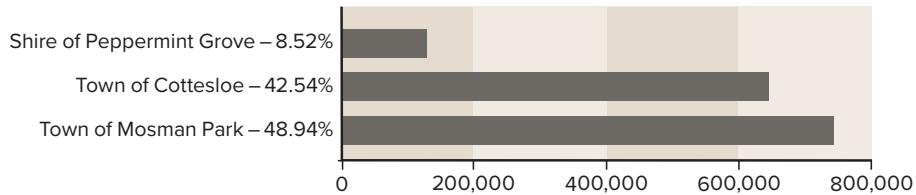
Purchase of Fixed Assets

The Shire purchased fixed assets in the amount of \$674,022 for the financial year 2024–2025. \$373,169 was spent on upgrading the playground at Keanes Point Reserve, \$43,500 was spent on a new parking sign at the Shire office and \$84,451 was spent on the Memorial Wall on the foreshore.



Joint Arrangements

The Shire continues to manage the Grove Library on behalf of the Towns of Mosman Park and Cottesloe and the Shire of Peppermint Grove. The Shire currently has a share of 8.52% in this arrangement, based on the current population. For the financial year, the Shire contributed \$129,366 of a total of \$1,518,382 to the running of the Grove Library.



Investment in Associates

The Shire has a 3.37% investment in WMRC (Western Metropolitan Regional Council), together with the Towns of Mosman Park, Cottesloe and Claremont and the City of Subiaco. The WMRC provides waste and recycling services to its member and participating Councils. At 30 June 2025 the value of the Shire's investment was \$143,402 (2024–2025 \$130,973).

Operating Surplus

The Shire achieved an Operating Surplus of \$528,946 (Budget \$80,318) for the financial year 2024–2025. The main reason for the variance was the underspend in capital acquisitions, due to major projects being deferred to 2025–2026, such as: the parking and drainage project at Manners Hill Park, the completion of the playground at Keanes Point Reserve and the jetty refurbishment project.

Audit

An unqualified audit report was received for the 2024–2025 financial year. The Financial Report for the Year Ended 30 June 2025 follows at the end of the Annual Report.

“...a place of peaceful reflection
for family members to remember
loved ones who have passed...”





Community Services

The aim of Council's Community Services is to bring people together, for them to engage through events and workshops and provide opportunities to participate with other local governments, for organisations to deliver community programs, support for community groups, senior care, networking, advice and skills workshops and to generally improve the quality of life of Peppermint Grove residents.

During 2024–2025, Council supported various community events as listed below.

Community Events

Seniors Week | 11–15 November 2024

Seniors Week encourages people of all ages to acknowledge and celebrate the contributions and achievements of seniors in our community. Designed to connect seniors with community, each year in November events are held all over WA with high teas, dances, intergenerational activities, and creative workshops.

The combined Councils of Shire of Peppermint Grove and Towns of Mosman Park and Cottesloe put their heads together to create an incredible week full of diverse activities worthy for seniors. The week consisted of various workshops, Bones 'n' Balance Classes,

High tea with entertainment, Active Aging Workshops, Prime Movers Exercise Class, *The Sapphires* movie screening, Community Group get-togethers, Improve your Health, Foot Assessments, Zumba® Gold classes, Hearing Tests and a Sundowner Social.

Seniors Morning Tea | 11 November

In celebration of Seniors Week the three councils held the annual 'high tea' from 11 am until 1pm at Mosman Park Bowling Club. The event was well attended and all those who participated enjoyed the morning.

Caterers, hired for the morning, made delicious sandwiches, home-made quiches, Devonshire Teas and a wonderful array of petit fours.



The annual Seniors Morning Tea was held at the Mosman Park Bowling Club



Students from Iona Presentation College attended and were a huge help, they accompanied our seniors to their seats and served tea and coffee throughout the morning.

Our attendees socialised and enjoyed the food all while listening to a few hours of entertainment beginning with Cottesloe Primary School Choir. Students sang a few songs in chorus as well as a couple of solo performances. After the Choir's performances the raffle was drawn for the door prizes starting with first prize of \$100 gift voucher kindly donated by Woolworths Cottesloe, second prize a Garden Hamper donated by Bunnings Claremont, along with runner-up prizes consisting of a variety of potted plants.

The door prize raffle was followed by Paul Robinson, the entertainer known as 'The Voice of Legends' who was very engaging and sang a wide variety of songs dating back from the 1950s. Some attendees were thrilled to hear the old tunes once again and those that could stand got up from their seats and started dancing around the room while others resorted to a safer lower level of chair dancing.

From top: The Cottesloe Primary School Choir sang, and Paul Robinson entertained, while students from Iona Presentation College served morning tea



“...to bring people together, for them to engage through events and workshops...”

Tuesday 12 November

A full day from 9.30am–4.30pm consisting of Prime Movers exercise class, Improve your Health Workshop and Foot Assessments.

Wednesday 13 November

A full day of back-to-back appointments were organised for Hearing Tests and held in the Flax Room of The Grove Library. Seniors were delighted with this offer and waited patiently for their turn.

Thursday 14 November

On this day Seniors could choose from or, select to attend all of the following activities: Active Aging Workshop, Bones 'n' Balance Class and the film screening of *The Sapphires* at the Heritage Theatre in Cottesloe.

Friday 15 November

Another full day from 9.30am through to 5.00pm starting with the Mosman Park Community Group who met in the morning for a couple of hours and the afternoon consisted of a Zumba® Gold class followed by a Sundowner Social at The Heritage Club Lounge.





Carols by Candlelight 2024

| 8 December 2024

The Shire's annual Carols by Candlelight was held at Manners Hill Park on Sunday 8th December 2024 and was jointly led by The Mighty Camelot Choir and Balga Community Band. This year the pipers were siblings Jasmine Richie from Presbyterian Ladies College (PLC) and Zeke Richie from Scotch College and they started the ball rolling for the evening. Shire President Karen Farley SC said a few words welcoming everyone and gave a special thanks to those who make the evening possible through organisation and participation.

Reverend Sam Song recited a prayer and Jenny Simpson was our incredibly energetic Master of Ceremonies, ensuring everything ran smoothly throughout the evening. Jenny effortlessly managed to rally the crowd with her usual enthusiasm and encouraged all the children to come up to the front near the band and sing Christmas carols as well as assisting to draw the winning raffle tickets.

From top: The crowd enjoying Carols by Candlelight at Manners Hill Park; and the fabulous raffle prizes which were organised by volunteers Janice Rooney and Julia Hayes, pictured on the left with Shire President Karen Farley (centre)

This event always proves to be very popular, attracting in the region of 400–500 people each year.

The occasion provides an opportunity for people to catch up, it unites local residents, friends and family. As has been the tradition for over twenty-five years the Shire supports The Salvation Army Christmas Appeal and all proceeds raised on the night are donated to the Balga Early Learning Centre.

The Centre supports underprivileged children as well as struggling families who are in desperate need of assistance at Christmas. In the months leading up to Carols, our amazing volunteers Janice Rooney and Julia Hayes were hard at work encouraging a multitude of local businesses to donate fabulous prizes for a raffle on the evening to raise funds for this worthy cause. Their efforts paid off once again, resulting in an impressive figure of \$3361 being raised. Jo Ineson, the Child Care Director at the Balga Early Learning Centre, was happy with the result and ensured the funds were bestowed to the children and families most in need.

Dementia Presentation

| 28 January 2025

This presentation was highly anticipated and attended by a varied cross-section of people—some who were concerned about developing dementia themselves and wanted guidance and indicators of things to look out for, while others attended on behalf of friends or family members who had received a recent diagnosis of dementia with the aim to educate and inform themselves to be in a better position to help.

Unfortunately, these days, dementia is a very topical subject, as people are living longer and cognitive impairment affects more people each year. The presentation was provided by Amanda from Absolute Care Therapy – Dementia Consultancy, and it offered clear action plans, gave practical strategies, provided education for carers and support teams, supplied tips to boost brain health as well as assistance to manage complex care needs and changing behaviours, without medication. This was a well-attended presentation and it did not disappoint.



Sustainability

Wardrobe Refreshes for adults and children

The Shire remains supportive of the work done by the Western Metropolitan Regional Council (WMRC) including the courses and workshops which are run at The Grove Community Centre each year. In 2024–2025 the Shire continued to create a sense of community by running a series of Wardrobe Refreshes for adults and children.

Clothing swaps are an excellent way to exchange items you no longer require for items you like or need. They promote slow versus fast fashion and are an environmentally friendly reuse strategy that helps reduce our environmental footprint while supporting a circular economy. Clothes swaps are an eco-friendly and sustainable approach to fresh, interesting, and sustainable wardrobe updates. Swaps encourage reuse; items that an individual has worn only a few times or not at all can be put to use by another person. Exchanges also provide people with a way to recycle and upcycle garments. Upcycling is the process of converting existing materials into something new and different.

The manufacturing of textiles has incredibly harsh impacts on the environment, such as the disposal of large amounts of chemicals, resulting in contamination of water resources or other natural resources that are essential to both human and animal life. Textile production is estimated to be responsible for about 20% of global clean water pollution from dyeing and finishing products.

A single laundry load of polyester clothes can discharge 700,000 microplastic fibres that can end up in the food chain. The majority of microplastics from textiles are released during the first few washes.

Fast fashion is based on mass production, low prices and high sales volumes that promotes many first washes.

Participants and staff at the Kids' Wardrobe Refresh events



Kids' Clothing Exchange

A kids' clothing exchange is a great way to declutter all those clothes that no longer fit and, in exchange, get some 'new' clothes for free. Children grow so quickly that clothes often become too small long before they become too worn. These clothes make perfect hand-me-downs and a clothing swap is a great way to benefit many people all at once. It is also a great way to add new items to a child's wardrobe without spending money.

Kids' Wardrobe Refresh

| 27 July 2024

Overall 246.48kg of children's clothing and accessories were brought in by attendees, while 134.49kg was taken away by attendees and will be reworn and utilised by other families. This left 111.99kg remaining from the morning's Wardrobe Refresh. WMRC took 76.50kg for future swaps.

A total of 86% of the clothing was reused and avoided landfill—a great result.

Kids' Wardrobe Refresh

| 5 October 2024

A total of 155.53kg of children's clothing and accessories were brought in by participants, while 54.84kg were selected and carried away by attendees which will be added to existing wardrobes.

A total of 100.68kg were left over from the morning's Wardrobe Refresh which will be added to further clothing swaps by WMRC.

Overall, 75% of the clothing was reused and avoided landfill—another successful outcome.

Kids' Wardrobe Refresh

| 5 April 2025

Overall, 125.97kg of children's clothing and accessories were brought in by attendees, while 59.54kg was taken away by attendees and will be reworn and utilised by other families. A total of 48.33kg of the remaining clothes were carried forward to the next Kid's Wardrobe Refresh.

It was a very positive outcome with 86% of the clothing reused and not going to landfill.

Textile Trail | 16 November 2024

The Textile Trail was another brainchild of WMRC. This involves workshops and events being held across the western suburbs including Deadly Denim (upcycling denim jackets with Aboriginal designs), turning fabric offcuts into cushions in a sewing class, turning council vinyl banners into beach bags, ragging old T-shirts and making dishcloths, turning wedding dresses into party decorations, introduction to darning techniques, two clothing swaps, sustainable style tours with a personal stylist, repair lab, and a pop-up textile offcut collection at WMRC.

The repair lab and vinyl banner upcycling workshop were held at The Grove.

“... promote community connection and activation ...”

“..the Shire continued to create a sense of community...”

Cook More Waste Less | 26 May and 14 June 2025

The Cook More Waste Less interactive workshops, held in the Community Centre, were supported by WMRC and Foodbank. The multiple workshops catered for a variety of people—those who eat meat and those who do not, young people, adults and the elderly, as well as those who want a gluten free diet.

Attendees were taught how to cook healthy, tasty recipes during the workshop. They then sat down to enjoy their hard work, eating the appetising meal which they had prepared. These classes are great for anyone wanting to improve their cooking skills.

All workshop attendees learnt how to meal plan, sort waste at home, and cook affordable, healthy meals. During this process they gained confidence in how to cook a range of easy, healthy and tasty recipes. They learnt tips about avoiding food waste as well as taking home copies of the easy recipes they learnt in class.

Peppermint Grove residents support Good Sammy

In October the Shire of Peppermint Grove participated in another successful donation collection by iconic WA disability employment and training provider Good Sammy. It was a great outcome—there was an increase to 10.9% of resident participation in 2024 from the previous yellow bag collection in 2023 with 525kg collected.

The donations were of good quality with a very low rubbish percentage, resulting in more than 96% of resaleable pre-loved items. The reuse of these items will result in 8.42 tonnes of carbon dioxide being avoided.

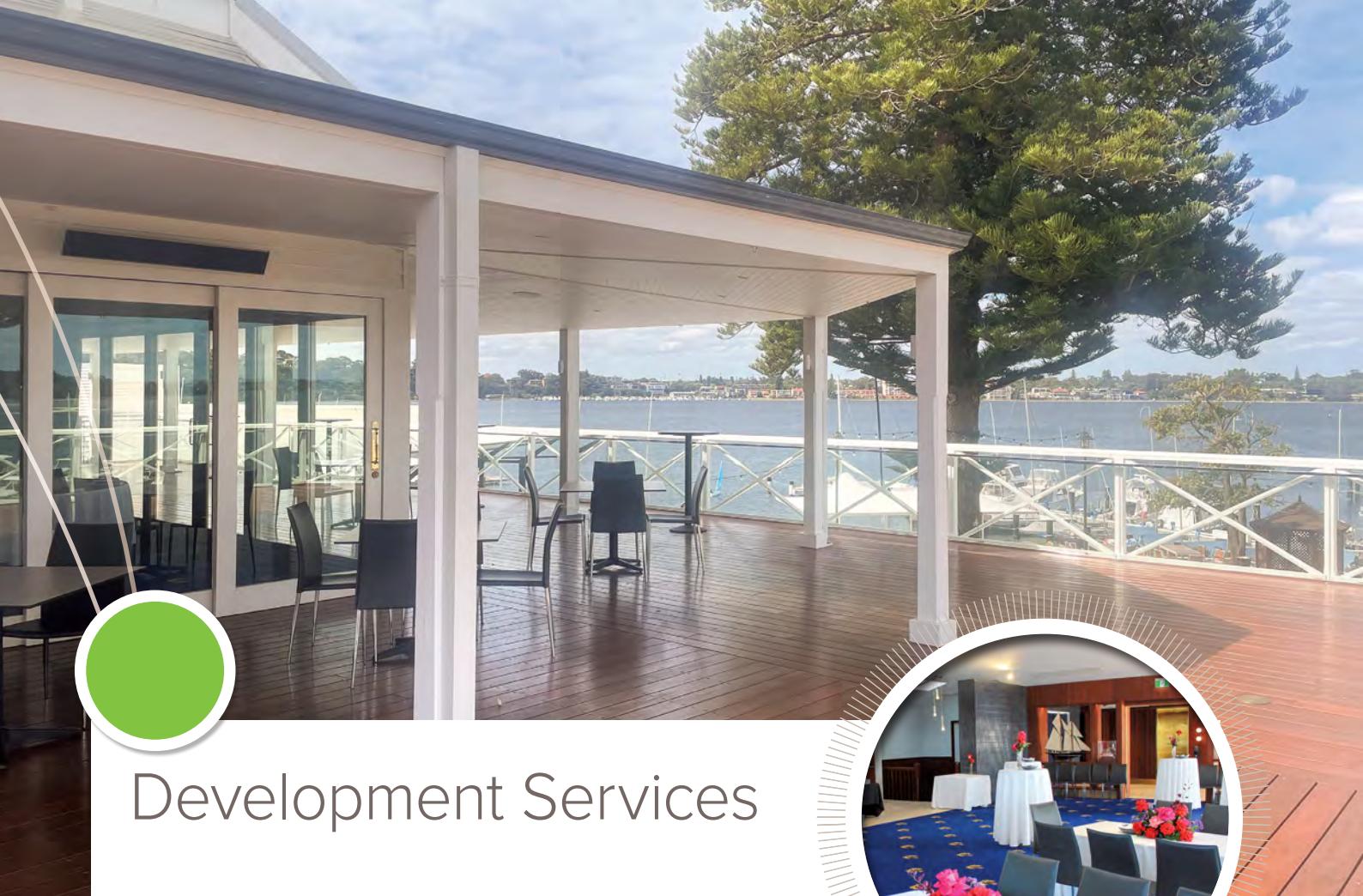
Donations were taken to Good Sammy’s recycling facility for sorting to identify items that could be sold in their Op Shops and online store to help raise funds to support Western Australians with disability.

Good Sammy extended its thanks to the Shire of Peppermint Grove households who generously contributed to the donation drive.

Reusing products is the single best thing to make our society more sustainable. Changing our consumption habits makes an incredibly powerful difference to our environment.

“...provide years of fun, games and physical challenges for children of all ages next to a beautiful riverside setting ...”





Development Services

Services and Staffing

The business activity area combines Urban Planning, Building Regulation and Asset Management, Environmental Health and Ranger Services.

Regulatory services are provided in accordance with Federal and State legislation and are informed by a diverse regulatory framework that includes local laws, technical standards, the Local Planning Scheme and a suite of local planning policies.

The Shire has Service Agreements with other Local Governments and contractors to assist in the delivery of statutory requirements as follows:

- City of Nedlands – Building Certification and Compliance
- City of Nedlands – Swimming Pool Barrier Compliance
- Town of Cottesloe – Rangers
- Food Technology Services – Environmental Health.

Service Agreements are also in place with numerous private asset management contractors and are regularly reviewed to ensure value for money and best practice work health safety (WHS) standards.



Revenue

Whilst revenue generation is not a driver for Development Services, instead, cost recovery is a key consideration when determining non-statutory fees and charges.

Development Services fees and charges are reviewed prior to the commencement of each financial year to ensure that they are consistent with other Local Government Authorities and reflect the actual costs of delivery. Residents, ratepayers and proponents are encouraged to seek the free independent advice of Development Services staff.

Development Services generated \$217,165 in total revenue for the 2024–2025 financial year. This represented an increase of \$60,047 or 38.2% from the previous reporting period. The revenue increase is largely attributed to increased fees from planning and building applications.

Urban Planning

Development trends

The Shire predominantly comprises low density residential land containing single detached houses. Higher density residential development including multiple and grouped dwellings are focused along, or in proximity, to Stirling Highway. Commercial and civic areas are also focused on Stirling Highway and include The Cottesloe Village precinct, and the Cottesloe Central shopping centre.

The increased value of residential building works was influenced by escalating costs of building materials and the availability of tradespeople.

The desire to improve the functionality and amenity of heritage listed places continues to drive innovative conservation works. New homes remained typically contemporary in style.

The local planning policy framework champions the 'Garden Shire' narrative ensuring homes remain set within a generous garden setting and engage with the street. Proponents, where practical, are encouraged to retain significant trees and to retrospectively bring street walls and fences and vehicle sightlines into compliance with local planning policy.

The Shire has a long-standing position to not support battle-axe subdivision.

During the reporting period commercial development was limited to internal alterations, signage and incidental works. Animated signage within the Stirling Highway Regional Road Reservation was approved by the Western Australian Planning Commission (WAPC).

The Cottesloe Village centred on Stirling Highway and Leake/Napoleon Streets is the community hub for shopping, dining and leisure experiences. The activity centre has grown and adapted to lifestyle changes over the past 100 years.



From top: Dwellings at 24 Johnston Street and 37 Leake Street are examples of contrasting architectural styles



The activity centre is transitioning towards larger scale mixed use developments that will deliver housing diversity, increased density, and vibrancy.

The Shire and the Town of Cottesloe are seeking to facilitate revitalisation of the activity centre that is sensitive to the Shire's character whilst delivering broader community benefit.

Urban infill and multiple dwelling development in neighbouring Local Government areas continues to increase pressure on the local road network and rights-of-way. Addressing congestion around the Presbyterian Ladies College and rationalising on-street parking controls are key focus areas.

Subdivision applications are determined by the WAPC. The Shire is a referral authority, and its recommendations are not always supported by the WAPC.

Planning Applications and Deemed-to-Comply Checks

Recent changes to planning legislation requires single house development, other than heritage listed places, to be determined by the Shire CEO. To ensure transparency of decision-making, Elected Members are notified of all single house determinations. Community consultation protocols have also been broadened and often require signage to be displayed on site and plans to be published on the Shire's website.

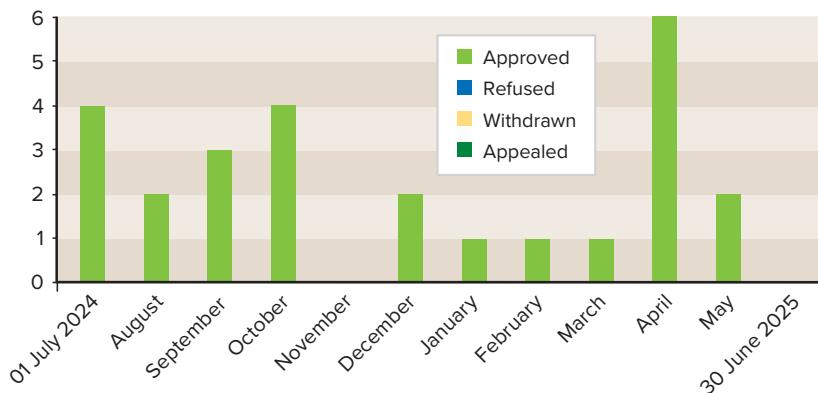
Development not classified as single house development may be determined under delegated authority or by Elected Members. The types of proposals, limitations and protocols for seeking delegated authority are prescribed by the Shire's Delegated Authority Register. Delegation is not sought for proposals which seek significant departures from the planning policy framework, or when valid objections are received, or when refusal is contemplated.

Development Services actively promotes pre-lodgement meetings with proponents to discuss concept designs, identify site constraints, and the likely administrative processes. Early engagement can often speed up approval times and/or reduce the number of potential reviews by the State Administrative Tribunal (SAT). Negotiating design modifications and, where practical, planning conditions can also enable timely approvals and the earlier commencement of building works.

During the reporting period a Planning Application for a single house development in non-compliance with the local planning scheme requirement for plot ratio was appealed at the SAT. The SAT ruled in favour of the Shire which was subsequently appealed and upheld at the Supreme Court. The Shire is appealing this decision at the Court of Appeal.

For the 2024–2025 reporting period the Shire determined twenty-six (26) Planning Applications. A total of \$91,601 in revenue was generated. Whilst the number of applications was lower from the previous reporting period, the estimated value of construction and associated fees significantly increased.

Anecdotally, the availability of trades contributed to increased construction costs. Eleven (11) Planning Applications were amended.



Planning applications determined by month

Deemed-to-Comply Checks are typically sought for more complex residential projects. They enable the Shire to identify the most expedient approval pathway and recommend design changes to better align with the local planning policy framework prior to lodging a formal application for approval.

Strategic Planning

The key strategic initiatives commenced during the reporting period were the preparation of a new Local Planning Strategy, and progression of the Cottesloe Village Precinct Structure Plan.

These strategic projects are undertaken in collaboration with the Town of Cottesloe, the Department of Planning Lands and Heritage and planning consultants.

The draft Cottesloe Village Precinct Structure Plan was finalised during the reporting period and amended at the direction of the state government. It will provide design guidance and inform the new Local Planning Strategy and associated Omnibus Scheme Amendment. Consent to enable community consultation on the Cottesloe Village Precinct Structure Plan remains with the State Government and is anticipated in 2026.

During the reporting period a local planning policy for Tree Retention was adopted making the Shire one of the first local governments in Western Australia to have adopted a policy to guide the extent to which a tree damaging activity requires approval.

Improving the quality of Planning Application submissions remained a focus area. The 'Information Sheet – Residential Development' that captures the nuances of the local planning policy framework was updated to clarify local planning policy interpretation.

A review of the Shire's Heritage Survey 2021 commenced during the reporting period. The Heritage Survey is a living document that seeks to record the built and cultural history of registered places. The review focused on updating and correcting the existing datasheets for those properties for which development works had been approved since 2018. The updates to the Heritage Survey are carried across to the State Heritage Office's Inherit database.

The Minister for Planning approved Scheme Amendment no. 2 to recode lot 24 and lot 26 (no.12) Johnston Street to a higher R80 coding.





The Minister's direction to readvertise the scheme amendment at a density higher than R40 was predicated on the State Government's commitment to increase housing supply through infill development. Through the development of a responsive local planning policy framework and engagement with the private sector and all levels of government agencies, the Shire is advocating a moderate balance of additional infill housing whilst maintaining the established Garden Shire character and amenity. The future delivery of the Local Planning Strategy and associated Omnibus Scheme Amendment by Development Services will enable the Shire's planning policy framework to guide development for the next ten (10) years.

State Government Planning Reform Program

The Western Australian Government has continued to implement its planning reform agenda to modernise the planning system and expedite the delivery of housing and other critical infrastructure. Delivery is being undertaken through legislative, regulatory and policy reforms, and the development of guidance documents. Key initiatives implemented during the reporting period include:

- Changes to the *Planning and Development Amendment Regulations (Review of Planning Instruments)* 2025.
- New development classification thresholds under the Significant Development Pathway.
- The mandatory periodic review of local planning schemes and policies has increased from five (5) years to ten (10) years.
- Introduction of Short Term Rental Accommodation reforms including exemptions from local government approval for unhosted accommodation for up to ninety (90) days per annum.
- Introduction of single house development reforms to mandate the determination pathway.
- Progression of the homogenisation of the structure of local planning policies.

The Shire acknowledges that the changes to the local planning policy framework must support this reform agenda. Notwithstanding, the Shire is committed to work with the Western Australian Local Government Association (WALGA) and other stakeholders to ensure local decision-making powers are retained and the character and amenity of the Garden Shire is retained.

“...perpetual character and inviting, accessible and connected amenities...”

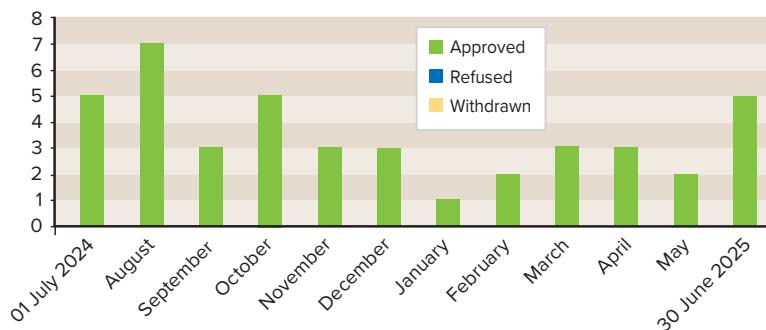
Building Regulation and Asset Management

Building Applications

Most Building Applications lodged are BA1 applications certified by private building surveyors. Building legislation stipulates that building plans must align with those endorsed as part of their respective Planning Applications, and that any pertinent planning conditions are satisfied.

Building Applications meeting this requirement were all determined within statutory processing times. During the 2024–2025 reporting period the Shire issued forty-two (42) Building Permits, four (4) Demolition Permits, and six (6) miscellaneous building approvals which includes amendments and occupancy permits. These applications reflected almost \$45M in building construction and demolition costs. \$79,330 in revenue was generated excluding the Building Services Levy (BSL) and Building and Construction Industry Training Fund (BCITF) levy component.

The significant increase in the value of building activity was largely driven by high value building projects and an increase in the number of Development Approvals issued in the preceding reporting period.



Building applications determined by month

The Shire and swimming pool owners have a legal obligation to ensure that new barriers are compliant, and that existing barriers remain compliant. Across the four-year cycle pool barrier inspections are programmed to be cost-neutral and Pool owners pay a levy as part of their annual rates notice. Under the Service Agreement with the City of Nedlands, twenty-eight (28) properties were inspected to ensure compliant pool barriers are in place as part of a four-year inspection cycle. The comparatively low number of inspections was due to this being the final year of the inspection cycle.

Plan searches

Digitisation of the Shire's property files concluded during the reporting period. Digitisation has preserved the quality of historical records and expedited the delivery of plan search applications. For the 2024–2025 reporting period Development Services performed twenty-nine (29) plan searches which represented a modest increase.



Asset management

The Shire manages The Grove which includes a public library, the Shire administration offices, a community centre, café, child infant health office, parking station and civic gardens. The library and community centre is shared between the Shire of Peppermint Grove and Towns of Mosman Park and Cottesloe.

Aside from the Shire administration offices, capital improvement and building maintenance costs are shared between the local governments on a per capita basis. The building and grounds have been progressively upgraded to maintain a high standard of amenity and safety for public use.

Environmental Health Services

Food premises inspections

Food Technology Services in collaboration with Development Services administered duties under the *Food Act 2008*, under a Service Agreement which commenced on 1 July 2024.

The objectives of the *Food Act* are to ensure food for sale is both safe and suitable for human consumption, to prevent misleading conduct in connection with the sale of food, and to apply the Food Standards Code. Food premises must be registered and are routinely inspected with the frequency of inspections reflecting their risk classification. Contracted environmental health officers may issue Improvement Notices where standards pertaining to the handling and storage of food, equipment, or transportation are not demonstrated.

As of 30 June 2025, the Shire had nineteen (19) food premises which are inspected at least once per annum. The risk category of the individual premise governs the frequency of inspections. Premises deemed very low risk are inspected every five (5) years to confirm their trading status has not changed.

Public buildings

Public buildings are required to be routinely inspected to ensure compliance with the *Health (Public Buildings) Regulations 1992*.

At the completion of construction or change of building classification, a building will be inspected by an Environmental Health Officer and a Building Inspector prior to a certificate of approval, or a certificate of occupancy being issued.

Premises are subject to routine health inspection to ensure ongoing compliance with the regulations and to ascertain that no hazards are introduced by inappropriate operating procedures. As of 30 June 2025, the Shire inspected seven (7) public buildings.

Noise management

Noise limits are regulated under the *Environmental Protection (Noise) Regulations 1997*, which guide construction hours stipulated in Planning Approvals, Demolition Permits and Building Permits. Proponents must notify nearby noise sensitive properties, such as schools and residences, by way of a letter drop advising the nature and timing of works for which noise levels may be exceeded or nuisance otherwise be caused.

It is not always practical for some construction and maintenance activities to be conducted within usual hours due to the need to shut down power or requirement to close roads and footpaths. A Nightworks Permit must be obtained for out of hours works, or for those that exceed permitted noise levels.

Public Health and Wellbeing Plan

The *Public Health Act 2016* mandates development of a local Public Health Plan that must align with the State Public Health Plan. A Public Health Plan is a strategic document that outlines actions to improve community health and wellbeing. The Shire's draft Public Health and Wellbeing Plan was in development at the conclusion of the reporting period.

“...diverse and flourishing local economy...”

Ranger Services

Parking control

The Town of Cottesloe provides parking inspection functions under a Service Agreement. Ranger patrols focused on school zones and the Freshwater Bay foreshore. Whilst compliance is always encouraged, enforcement is often necessary where obstructions to rights-of-way or driveways are observed or otherwise brought to the Shire's attention.

For the 2024–2025 reporting period eighteen (18) parking infringements were issued. Half of these were issued in the month of February and were school zone related.

Residential Parking Permits are available upon application for vehicles registered to owners with a residential address fronting a street subject to parking restrictions. Parking permits are not available for non-residents, visitors or contractors.

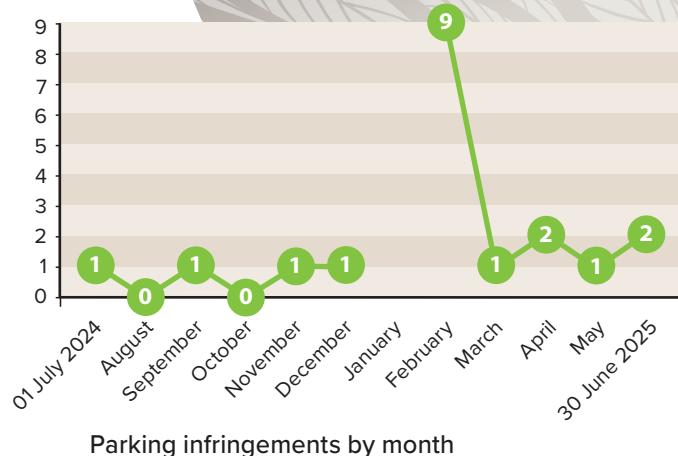
Animal control

The Town of Cottesloe provides animal control functions under a Service Agreement. For the 2024–2025 reporting period 1 dog infringement was issued.

All cats and dogs must be registered. As of 30 June 2025, there were 48 registered cats, and 257 registered dogs. The registration year commences on the 1st of November each year and expires on 31 October the following year. Where evidence of a complaint about an animal such as nuisance barking or a dog off its leash along the foreshore, the Rangers will investigate and seek a resolution.

The *Cat Act 2011* seeks to ensure responsible pet ownership by reducing the number of unwanted cats that are euthanised each year. All cats must be sterilised/desexed before they reach six (6) months of age. All kittens should be sterilised around three months of age before they reach sexual maturity.

The *Dog Act 1976* seeks the control and registration of dogs, the ownership and keeping of dogs, and the obligations and rights of dog owners and others. All dogs must be registered before they reach three (3) months of age.



Conclusion

Development Services is committed to retaining the established character and amenity of the Garden Shire. To achieve this, it works closely with proponents, the community, Elected Members and a diverse network of stakeholders in the pursuit of sustainable development.

Strategic and operational policy is continuously reviewed and for the reporting period has focused on preserving the Garden Shire character and amenity of the Shire. The preparation of a new Local Planning Strategy that will inform an Omnibus Scheme Amendment has commenced in tandem with further development of the Cottesloe Village Precinct Structure Plan.

The State Government commitment to infill housing will continue to be a challenge in the coming years in the pursuit of retaining the established character and high residential amenity of the Garden Shire.



Infrastructure Management

The ongoing maintenance and renewal of the Shire's assets was a priority for the Infrastructure Team in 2024–2025.

Some key achievements include:

Keanes Point Playground Renewal Project

The ageing play equipment at Keanes Point was replaced with a new, larger combined playground. After consulting with a working group consisting primarily of parents who regularly use the park, a design with a distinct maritime theme was settled on that should provide years of fun, games and physical challenges for children of all ages next to a beautiful riverside setting.

Manners Hill Park 'Cockitrough' Project

A 'Cockitrough' bird waterer was installed in the north-eastern corner of Manners Hill Park. This innovative unit provides a consistent source of fresh water for native birds and is designed specifically for the needs of Black Cockatoos in WA.

From top: The new Keanes Point playground complete with shady seating areas; the playground under construction; and the 'Cockitrough' water station for birds

Memorial Wall Project

Over the years, the Shire has received numerous community enquiries from residents seeking personal commemorative plaques, shrines, and benches. However, the volume of requests would eventually exceed the available space—an issue already encountered by other local governments. In response, the Shire established a dedicated Memorial Wall along the river walk near the Scotch College Boatshed at Freshwater Bay, creating a serene place where loved ones can sit peacefully, take in the view, and remember those who have passed.

The Memorial Wall features a unique design, and its quiet riverside setting offers a meaningful place of reflection and remembrance for families, friends and the broader community. Family members may request the installation of individual memorial plaques on the structure.

The Memorial Wall was officially opened on Thursday, 14 November 2024. Shire President Karen Farley SC marked the occasion by cutting the ribbon, joined by Shire resident Sacha Chiaramonte, who first proposed the idea in memory of his daughter Olympia.

Right: At the opening ceremony of the Memorial Wall

Below: The Memorial Wall area features benches with a river view and access via a new walkway along the foreshore

Shire of Peppermint Grove

Freshwater Memorial Wall

This riverside memorial wall has been installed by the Shire as a place of peaceful reflection to remember your loved ones.





What's Good to FOGO?

Food scraps

- eggshells
- meat & bones
- seafood
- fruit & vegetables
- teabags & coffee grounds
- bread
- dairy
- leftovers

Garden organics

- leaves
- lawn clippings
- small branches & prunings

Compostable liners & produce bags

Questions? Call 9384 6711 or visit wmrc.wa.gov.au/fogo-spg

Administration and Library building carpark sign

As part of the Shire's Asset Management Plan, an LED carpark sign was installed at the Leake Street ramp entrance to the underground carpark. This solar powered unit counts and displays the number of parking bays available in real time so Library users can be confident of getting a parking spot before entering the facility.

FOGO rollout

The Shire's weekly FOGO (Food Organics Garden Organics) bin system was rolled out in May 2025. This environmental initiative is designed to convert organic material into compost and divert waste away from landfill, whilst also meeting the State Government compliance requirements.

Street trees

The Shire's tree maintenance and replacement program continued, resulting in over 165 new peppermint and tuart trees being planted on verges and in parks throughout the area. This ongoing process will ensure that Peppermint Grove's extensive urban canopy and beautiful streetscapes will continue to be enjoyed for many years to come.

From top: The LED sign displaying the number of parking bays available in the underground carpark; the leafy streets of Peppermint Grove; FOGO rollout information; and a young street tree near the foreshore

Shire Administration Building and Grove Library

Work continued on landscaping the grounds of the Shire's Administration Building and Grove Library.

Turf replacement

Manners Hill Park and Keanes Point had sections of damaged and compacted turf replaced with new roll-on Kikuyu.

Drainage improvements and maintenance

Work continued on cleaning and maintaining the Shire's stormwater drainage system. New grates and pits are being installed on an ongoing basis with a focus on laneways.

Footpath maintenance

The footpath maintenance and replacement program continued with damaged sections replaced.

Right-of-way maintenance

All the unpaved rights-of-way are being systematically tidied and re-sheeted with recycled road profiling.

“...ensure that Peppermint Grove's extensive urban canopy and beautiful streetscapes will continue to be enjoyed for many years to come...”





Governance

Recordkeeping Plan

The Shire is committed to the reliable and systematic management of government records in accordance with legislative requirements outlined in the *State Records Act 2000* and best practice standards identified in ISO 15489.

The Shire's Recordkeeping Plan was updated in 2023, with a review due in the 2025–2026 financial year.

The objectives of the Recordkeeping Plan are to ensure:

- Compliance with Section 28 of the *State Records Act 2000*;
- Recordkeeping within the Shire is moving towards compliance with State Records Commission Standards and Records Management Standard ISO 15489;
- Processes are in place to facilitate the complete and accurate record of business transactions and decisions;
- Recorded information can be retrieved quickly, accurately and cheaply when required; and the
- Protection and preservation of the Shire's records.



In accordance with Section 17 of the *Local Government Act 1995*, the Shire and all of its employees are legally required to comply with the contents of this plan. Induction and training programs are in place to ensure recordkeeping obligations are met by employees, elected members, contractors and outsourced services.

National Competition Policy

In the 2024–2025 financial year, the Shire maintained full compliance with its obligations under the National Competition Policy (NCP).

Established by the Council of Australian Governments (COAG) in 1995, the NCP aims to enhance the efficiency and effectiveness of public sector operations by encouraging fair competition.

The policy applies particularly to local governments when they undertake significant business activities that compete, or have the potential to compete, with the private sector. It also requires review of local laws that may restrict competition.

During the reporting period, the Shire conducted its regular assessment of relevant activities and confirmed compliance, with no complaints or breaches reported. The core objective of the NCP is to ensure that competitive practices are upheld across sectors, supporting innovation, improved service delivery, increased consumer choice, and better value through lower prices and enhanced quality.

Competitive Neutrality

Competitive neutrality principles are intended to ensure that government-owned businesses do not enjoy unfair advantages over their private sector counterparts simply due to public ownership. These principles are established under the Competition Principles Agreement (CPA) and implemented through state-based policies.

Under these principles, local governments are required to apply competitive neutrality to any significant business activity that they own or control, particularly where such activity





generates \$200,000 or more in annual revenue and operates in a market with private competitors. In Western Australia, this threshold is used to identify activities that may impact fair competition.

During the 2024–2025 financial year, the Shire did not conduct or control any business activities that met the criteria for significant business activity and, as such, was not subject to competitive neutrality requirements.

Structural Reform of Public Monopolies

The Shire of Peppermint Grove is not classified as a natural monopoly and does not operate any business activities considered public monopolies.

The Shire does not provide exclusive services where competition is limited, such as waste collection or water supply, that would typically fall under this definition.

Compliance Audit Return

In accordance with Western Australian legislative requirements, the Shire is required to complete and submit an Annual Compliance Return to the Department of Local Government by 31 March each year. This requirement is set out under section 7.13(1)(i) of the *Local Government Act 1995* and regulation 14 of the *Local Government (Audit) Regulations 1996*.

This return assesses the Shire's adherence to key provisions of the *Local Government Act 1995* and associated regulations, ensuring transparency and accountability in governance. The Shire submitted the return in accordance with the required deadline.

Equal Employment Opportunity (EEO) Management Plan

The Shire has developed a Management Plan in accordance with Part IX of the *Equal Opportunity Act 1984 (WA)* and aligned with the EEO and Diversity Outcome Standards Framework issued by the Director of Equal Opportunity in Public Employment.

By promoting an inclusive, respectful, and equitable workplace, the Shire recognises the value of workforce diversity in attracting and retaining skilled employees, fostering innovation, and enhancing the quality of decision-making and service delivery.



“... The Shire is committed to upholding the principles of equity, access, and inclusion...”

Employee Remuneration 2024–2025

In accordance with s19(b) of the *Local Government (Administration) Regulation 1996*, the number of Shire employees entitled to an annual salary of \$130,000 or more during the 2024–2025 year were:

| Salary Range | Number of Employees 2024–2025 |
|------------------------|-------------------------------|
| \$130,000 to \$139,999 | |
| \$140,000 to \$149,999 | 2 |
| \$150,000 to \$159,999 | 1 |
| \$160,000 to \$169,999 | |
| \$170,000 to \$179,999 | |
| \$180,000 to \$189,999 | |
| \$190,000 to \$199,999 | 1 |

The total remuneration for the CEO in 2024–2025 is \$224,221.

This includes salary, allowances, fees, enrolments and benefits.

Freedom of Information

In compliance with sections 96 and 97 of the *Freedom of Information Act 1992*, the Shire is obliged to issue an annual Information Statement outlining the procedure for requesting information under the Act. During the 2024–2025 period, there were two applications under the *Freedom of Information Act*.

Disability and Access Inclusion Plan

The Shire of Peppermint Grove is committed to upholding the principles of equity, access, and inclusion in line with relevant legislation, including the *Disability Discrimination Act 1992* and the *Disability Services Act 1993*. We strive to ensure that all services, events, information, buildings, and facilities under the Shire's control are accessible and inclusive for people of all abilities.

The Shire's Access and Inclusion Plan (2023–2028), which outlines our strategies for improving access and participation in community life, is available on the Shire of Peppermint Grove's website.

Complaints Register

Any breach of the Shire's local laws or the rules of conduct by an Elected Member must be documented in a register, including the outcome of the investigation and any actions taken in response to the complaint.

The Shire confirms that no complaints were received during the 2024/25 financial year, as defined under Section 5.105 of the *Local Government Act 1995*.

Public Interest Disclosures

The Shire of Peppermint Grove is committed to promoting integrity, accountability, and transparency in accordance with the *Public Interest Disclosure Act 2003* (PID Act). The Act provides a legal framework for individuals to report misconduct, corruption, or other improper conduct within the Shire's operations.



The Shire encourage employees, contractors, and members of the community to make disclosures where they reasonably believe wrongdoing has occurred. Disclosures made under the PID Act are protected by law, and the Shire is committed to ensuring such matters are managed fairly, confidentially, and in accordance with legislative requirements.

The PID Act plays a vital role in strengthening public trust by supporting the timely identification and resolution of misconduct in public sector organisations.

Communication

In addition to maintaining its official website, the Shire expanded its digital presence this financial year by actively engaging with the Peppermint Grove community through platforms such as Facebook and Instagram.

These additional channels have enhanced the Shire's ability to communicate effectively, increase transparency, and share relevant information of interest to residents.

External Committees

Two council members are appointed to represent the Shire at the following Committees:

| External Committee | Council Representative 2024–2025 |
|---|----------------------------------|
| WALGA Central Metropolitan Zone Committee | Cr C. Hohnen |
| Western Metropolitan Regional Council | Cr P. Macintosh |

Working Groups

As part of its ongoing commitment to regional collaboration and service efficiency, the Shire has actively engaged in a number of inter-councils working groups alongside other Western Suburbs local governments.

These partnerships are designed to enhance synergies and share best practices in key areas of local government service delivery.

The working groups focus on coordinated approaches to:

- Infrastructure planning and management
- Strategic land use planning
- Procurement practices
- Collective responses to reducing greenhouse gas emissions

Through its membership in the Western Suburbs Alliance, the Shire is working to identify outcomes for the community, achieve greater operational efficiencies, and foster innovation across shared regional priorities.

“...transparent and accountable Council and community leadership...”

Financial Report

for the year ended 30 June 2025

| | |
|--|----|
| Independent Auditor's Report 2025 | 48 |
| Certification of Financial Report | 51 |
| Statement of Comprehensive Income | 52 |
| Statement of Financial Position | 53 |
| Statement of Changes in Equity | 54 |
| Statement of Cash Flows | 55 |
| Statement of Financial Activity | 56 |
| Notes to and forming part of the Financial Report for the year ended 30 June 2025 | 57 |
| Note 1. Basis of Preparation | 57 |
| Note 2. Revenue and Expenses | 58 |
| Note 3. Cash and Cash Equivalents | 60 |
| Note 4. Other Financial Assets | 60 |
| Note 5. Trade and Other Receivables | 61 |
| Note 6. Property, Plant and Equipment | 62 |
| Note 7. Infrastructure | 64 |
| Note 8. Fixed Assets | 66 |
| Note 9. Leases | 68 |
| Note 10. Trade and Other Payables | 70 |
| Note 11. Other Liabilities | 71 |
| Note 12. Borrowings | 72 |
| Note 13. Employee Related Provisions | 73 |
| Note 14. Revaluation Surplus | 74 |
| Note 15. Restrictions Over Financial Assets | 74 |
| Note 16. Undrawn Borrowing Facilities and Credit Standby Arrangements | 74 |
| Note 17. Related Party Transactions | 75 |
| Note 18. Joint Arrangements | 77 |
| Note 19. Investment in Associates | 78 |
| Note 20. Events occurring after the End of the Reporting Period | 79 |
| Note 21. Other Material Accounting Policies | 80 |
| Note 22. Rating Information | 81 |
| Note 23. Determination of Surplus or Deficit | 82 |
| Note 24. Borrowing and Lease Liabilities | 83 |
| Note 25. Reserve Accounts | 84 |

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

A Shire valued for its heritage, sense of community and natural ambience.

Principal place of business

1 Leake Street, Peppermint Grove, Western Australia 6011

Independent Auditor's Report 2025



Auditor General

INDEPENDENT AUDITOR'S REPORT 2025 Shire of Peppermint Grove

To the Council of the Shire of Peppermint Grove

Opinion

I have audited the financial report of the Shire of Peppermint Grove (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.

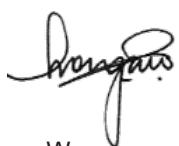
A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

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 Peppermint Grove 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.



Liang Wong
Acting Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
27 November 2025

Certification of Financial Report

**SHIRE OF PEPPERMINT GROVE
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 Peppermint Grove 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 26th day of November 2025



CEO

Don Burnett

Name of CEO

Statement of Comprehensive Income

for the year ended 30 June 2025

| Note | 2025 Actual | 2025 Budget | 2024 Actual |
|---|----------------|--------------------|--------------------|
| | \$ | \$ | \$ |
| Revenue | | | |
| Rates | 2(a),22 | 3,768,005 | 3,754,655 |
| Grants, subsidies and contributions | 2(a) | 59,344 | 1,394,450 |
| Fees and charges | 2(a) | 376,816 | 401,455 |
| Interest revenue | 2(a) | 216,094 | 231,000 |
| Other revenue | 2(a) | 258 | 7,600 |
| | | 4,420,517 | 5,789,160 |
| | | | 4,291,783 |
| Expenses | | | |
| Employee costs | 2(b) | (1,764,213) | (2,621,050) |
| Materials and contracts | | (1,997,112) | (2,665,586) |
| Utility charges | | (66,393) | (117,500) |
| Depreciation | | (503,838) | (468,350) |
| Finance costs | 2(b) | (44,287) | (52,043) |
| Insurance | | (54,660) | (101,150) |
| Other expenditure | 2(b) | (112,608) | (130,100) |
| | | (4,543,111) | (6,155,779) |
| | | | (4,264,661) |
| | | (122,594) | (366,619) |
| | | | 27,122 |
| Capital grants, subsidies and contributions | 2(a) | 49,815 | 49,162 |
| Profit on asset disposals | | 20,932 | 18,000 |
| Loss on asset disposals | | 0 | 0 |
| Fair value adjustments to financial assets at fair value through profit or loss | 4(b) | (888) | 0 |
| Share of net profit of associates accounted for using the equity method | 19(c) | 12,429 | 0 |
| | | 82,288 | 67,162 |
| | | | (80,868) |
| Net result for the period | | (40,306) | (299,457) |
| Other comprehensive income for the period | | | (53,746) |
| <i>Items that will not be reclassified subsequently to profit or loss</i> | | | |
| Changes in asset revaluation surplus | 14 | 0 | 0 |
| Share of other comprehensive income of associates accounted for using the equity method | 14, 19(b) | 0 | 0 |
| Total other comprehensive income for the period | 14 | 0 | (124,448) |
| Total comprehensive income for the period | | (40,306) | (299,457) |
| | | | (178,194) |

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

Statement of Financial Position

as at 30 June 2025

| | Note | 2025 | 2024 |
|--------------------------------------|-------|-------------------|-------------------|
| | | \$ | \$ |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 3 | 808,528 | 896,508 |
| Trade and other receivables | 5 | 159,961 | 338,420 |
| Other financial assets | 4(a) | 2,148,466 | 2,155,390 |
| TOTAL CURRENT ASSETS | | 3,116,955 | 3,390,318 |
| NON-CURRENT ASSETS | | | |
| Trade and other receivables | 5 | 95,767 | 98,195 |
| Other financial assets | 4(b) | 19,905 | 20,793 |
| Investment in associate | 19(a) | 143,402 | 130,973 |
| Property, plant and equipment | 6 | 15,838,470 | 16,060,682 |
| Infrastructure | 7 | 17,155,518 | 16,885,553 |
| Right-of-use assets | 9(a) | 42,778 | 0 |
| TOTAL NON-CURRENT ASSETS | | 33,295,840 | 33,196,196 |
| TOTAL ASSETS | | 36,412,795 | 36,586,514 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 10 | 386,258 | 503,241 |
| Contract liabilities | 11 | 0 | 29,786 |
| Lease liabilities | 9(b) | 11,174 | 3,343 |
| Borrowings | 12 | 41,700 | 41,615 |
| Employee related provisions | 13 | 205,677 | 176,247 |
| TOTAL CURRENT LIABILITIES | | 644,809 | 754,232 |
| NON-CURRENT LIABILITIES | | | |
| Lease liabilities | 9(b) | 28,290 | 6,007 |
| Borrowings | 12 | 532,491 | 574,192 |
| Employee related provisions | 13 | 6,799 | 11,372 |
| TOTAL NON-CURRENT LIABILITIES | | 567,580 | 591,571 |
| TOTAL LIABILITIES | | 1,212,389 | 1,345,803 |
| NET ASSETS | | 35,200,406 | 35,240,711 |
| EQUITY | | | |
| Retained surplus | | 9,610,559 | 9,673,726 |
| Reserve accounts | 25 | 2,148,466 | 2,125,604 |
| Revaluation surplus | 14 | 23,441,381 | 23,441,381 |
| TOTAL EQUITY | | 35,200,406 | 35,240,711 |

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

Statement of Changes in Equity

for the year ended 30 June 2025

| | Note | Retained surplus | Reserve accounts | Revaluation surplus | Total equity |
|---|------|---------------------|---------------------|------------------------|-------------------|
| | | \$ | \$ | \$ | \$ |
| Balance as at 1 July 2023 | | 9,864,517 | 1,988,559 | 23,565,829 | 35,418,905 |
| Comprehensive income for the period | | | | | |
| Net result for the period | | (53,746) | 0 | 0 | (53,746) |
| Other comprehensive income for the period | 14 | 0 | 0 | (124,448) | (124,448) |
| Total comprehensive income for the period | | (53,746) | 0 | (124,448) | (178,194) |
| Transfers from reserve accounts | 25 | 34,872 | (34,872) | 0 | 0 |
| Transfers to reserve accounts | 25 | (171,917) | 171,917 | 0 | 0 |
| Balance as at 30 June 2024 | | 9,673,726 | 2,125,604 | 23,441,381 | 35,240,711 |
| Comprehensive income for the period | | | | | |
| Net result for the period | | (40,306) | 0 | 0 | (40,306) |
| Total comprehensive income for the period | | (40,306) | 0 | 0 | (40,306) |
| Transfers from reserve accounts | 25 | 443,000 | (443,000) | 0 | 0 |
| Transfers to reserve accounts | 25 | (465,862) | 465,862 | 0 | 0 |
| Balance as at 30 June 2025 | | 9,610,559 | 2,148,466 | 23,441,381 | 35,200,406 |

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

Statement of Cash Flows

for the year ended 30 June 2025

| Note | 2025 Actual | 2024 Actual |
|---|--------------------|--------------------|
| | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts | | |
| Rates | 3,821,631 | 3,635,905 |
| Grants, subsidies and contributions | 198,743 | 509,792 |
| Fees and charges | 376,816 | 280,365 |
| Interest revenue | 216,094 | 204,486 |
| Other revenue | 258 | 11,717 |
| | 4,613,542 | 4,642,265 |
| Payments | | |
| Employee costs | (1,739,234) | (1,665,198) |
| Materials and contracts | (2,156,141) | (2,051,666) |
| Utility charges | (66,393) | (78,356) |
| Finance costs | (44,287) | (50,514) |
| Insurance paid | (54,660) | (65,595) |
| Other expenditure | (112,608) | (44,146) |
| | (4,173,323) | (3,955,475) |
| Net cash provided by operating activities | 440,219 | 686,790 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Payments for purchase of property, plant & equipment | 6(a) (80,624) | (101,777) |
| Payments for construction of infrastructure | 7(a) (546,291) | (83,050) |
| Proceeds from capital grants, subsidies and contributions | 49,815 | 10,190 |
| Proceeds for financial assets at amortised cost | 6,924 | |
| Proceeds from sale of property, plant & equipment | 100,586 | 36,651 |
| Net cash (used in) investing activities | (469,590) | (137,986) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Repayment of borrowings | 24(a) (41,616) | (38,886) |
| Payments for principal portion of lease liabilities | 24(b) (16,993) | (8,442) |
| Net cash (used in) financing activities | (58,609) | (47,328) |
| Net increase (decrease) in cash held | (87,980) | 501,476 |
| Cash at beginning of year | | 896,508 |
| Cash and cash equivalents at the end of the year | 808,528 | 896,508 |

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

Statement of Financial Activity

for the year ended 30 June 2025

| | Note | 2025 Actual | 2025 Budget | 2024 Actual |
|---|-------|----------------|----------------|----------------|
| | | \$ | \$ | \$ |
| OPERATING ACTIVITIES | | | | |
| Revenue from operating activities | | | | |
| General rates | 22 | 3,768,005 | 3,754,655 | 3,644,386 |
| Grants, subsidies and contributions | | 59,344 | 1,394,450 | 150,829 |
| Fees and charges | | 376,816 | 401,455 | 280,365 |
| Interest revenue | | 216,094 | 231,000 | 204,486 |
| Other revenue | | 258 | 7,600 | 11,717 |
| Profit on asset disposals | | 20,932 | 18,000 | 13,715 |
| Fair value adjustments to financial assets at fair value through profit or loss | 4(b) | 0 | 0 | 403 |
| Share of net profit of associates accounted for using the equity method | 19(c) | 12,429 | 0 | 9,236 |
| | | 4,453,878 | 5,807,160 | 4,315,137 |
| Expenditure from operating activities | | | | |
| Employee costs | | (1,764,213) | (2,621,050) | (1,636,158) |
| Materials and contracts | | (1,997,112) | (2,665,586) | (1,873,922) |
| Utility charges | | (66,393) | (117,500) | (78,356) |
| Depreciation | | (503,838) | (468,350) | (515,968) |
| Finance costs | | (44,287) | (52,043) | (50,514) |
| Insurance | | (54,660) | (101,150) | (65,596) |
| Other expenditure | | (112,608) | (130,100) | (44,147) |
| Loss on asset disposals | | 0 | 0 | (114,412) |
| Fair value adjustments to financial assets at fair value through profit or loss | 4(b) | (888) | 0 | 0 |
| | | (4,543,999) | (6,155,779) | (4,379,073) |
| Non-cash amounts excluded from operating activities | 23(a) | 459,379 | 450,350 | 577,084 |
| Amount attributable to operating activities | | 369,258 | 101,731 | 513,148 |
| INVESTING ACTIVITIES | | | | |
| Inflows from investing activities | | | | |
| Capital grants, subsidies and contributions | | 49,815 | 49,162 | 10,190 |
| Proceeds from disposal of assets | | 100,586 | 78,000 | 36,651 |
| | | 150,401 | 127,162 | 46,841 |
| Outflows from investing activities | | | | |
| Right of use assets received - non cash | 9(a) | (47,107) | 0 | 0 |
| Acquisition of property, plant and equipment | 6(a) | (80,624) | (469,500) | (101,777) |
| Acquisition of infrastructure | 7(a) | (546,291) | (677,000) | (83,050) |
| | | (674,022) | (1,146,500) | (184,827) |
| Non-cash amounts excluded from investing activities | 23(b) | 47,107 | 0 | 0 |
| Amount attributable to investing activities | | (476,514) | (1,019,338) | (137,986) |
| FINANCING ACTIVITIES | | | | |
| Inflows from financing activities | | | | |
| Proceeds from new leases - non cash | 24(b) | 47,107 | 0 | 0 |
| Transfers from reserve accounts | 25 | 443,000 | 693,000 | 34,872 |
| | | 490,107 | 693,000 | 34,872 |
| Outflows from financing activities | | | | |
| Repayment of borrowings | 24(a) | (41,616) | (38,886) | (38,886) |
| Payments for principal portion of lease liabilities | 24(b) | (16,993) | 0 | (8,442) |
| Transfers to reserve accounts | 25 | (465,862) | (373,862) | (171,917) |
| | | (524,471) | (412,748) | (219,245) |
| Non-cash amounts excluded from financing activities | 23(c) | (47,107) | 0 | 0 |
| Amount attributable to financing activities | | (81,471) | 280,252 | (184,373) |
| MOVEMENT IN SURPLUS OR DEFICIT | | | | |
| Surplus or deficit at the start of the financial year | 23(d) | 717,673 | 717,673 | 526,882 |
| Amount attributable to operating activities | | 369,258 | 101,731 | 513,148 |
| Amount attributable to investing activities | | (476,514) | (1,019,338) | (137,986) |
| Amount attributable to financing activities | | (81,471) | 280,252 | (184,373) |
| Surplus or deficit after imposition of general rates | 23(d) | 528,946 | 80,318 | 717,671 |

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

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 Peppermint Grove which is a Class 4 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

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

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

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

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

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

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

Critical accounting estimates and judgements

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that 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 6
 - Infrastructure - note 7
- Impairment losses of non-financial assets - Note 8
- Measurement of employee benefits - note 13
- Measurement of provisions - 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.

Initial application of accounting standards

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

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

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

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

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

New accounting standards for application in future years

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

- AASB 2014-10 Amendments to Australian Accounting Standards
 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2024-4b Amendments to Australian Accounting Standards
 - Effective Date of Amendments to AASB 10 and AASB 128 [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-9 Amendments to Australian Accounting Standards
 - Insurance Contracts in the Public Sector
- AASB 2023-5 Amendments to Australian Accounting Standards
 - Lack of Exchangeability
- AASB 18 (FP) Presentation and Disclosure in Financial Statements
 - (Appendix D) [for 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.

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 |
|---|--|--------------------------------------|--|---|---|
| Rates | General rates | Over time | Payment date adopted by Council during the year | None | When rates notice is issued |
| Grants, subsidies and contributions | Community events, minor facilities, research, design, planning evaluation and services | Over time | Fixed terms transfer of funds based on agreed milestones and reporting | Contract obligation if project not complete | Output method based on project milestones and/or completion date matched to performance obligations |
| Fees and charges - licences, registrations, approvals | Building, planning, development and animal management. | Single point in time | Full payment prior to issue | None | On payment of the licence, registration or approval |

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

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/contribution | Statutory requirements | Other | Total |
|---|--------------------------|----------------------------|------------------------|----------------|------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Rates | 0 | 0 | 3,768,005 | 0 | 3,768,005 |
| Grants, subsidies and contributions | 59,344 | 0 | 0 | 0 | 59,344 |
| Fees and charges | 169,567 | 0 | 207,249 | 0 | 376,816 |
| Interest revenue | 0 | 0 | 0 | 216,094 | 216,094 |
| Other revenue | 0 | 0 | 0 | 258 | 258 |
| Capital grants, subsidies and contributions | 0 | 49,815 | 0 | 0 | 49,815 |
| Total | 228,911 | 49,815 | 3,975,254 | 216,352 | 4,470,332 |

For the year ended 30 June 2024

| Nature | Contracts with customers | Capital grant/contributions | Statutory requirements | Other | Total |
|---|--------------------------|-----------------------------|------------------------|----------------|------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Rates | 0 | 0 | 3,644,386 | 0 | 3,644,386 |
| Grants, subsidies and contributions | 150,829 | 0 | 0 | 0 | 150,829 |
| Fees and charges | 125,132 | 0 | 155,233 | 0 | 280,365 |
| Interest revenue | 0 | 0 | 0 | 204,486 | 204,486 |
| Other revenue | 0 | 0 | 0 | 11,717 | 11,717 |
| Capital grants, subsidies and contributions | 0 | 10,190 | 0 | 0 | 10,190 |
| Total | 275,961 | 10,190 | 3,799,619 | 216,203 | 4,301,973 |

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

| | Note | 2025 Actual | 2024 Actual |
|--|------|----------------|----------------|
| | | \$ | \$ |
| Interest revenue | | | |
| Interest on reserve account | | 84,408 | 90,090 |
| Trade and other receivables overdue interest | | 29,089 | 26,091 |
| Other interest revenue | | 102,597 | 88,305 |
| | | 216,094 | 204,486 |
| The 2025 original budget estimate in relation to: | | | |
| Trade and other receivables overdue interest was \$24,700 | | | |
| Fees and charges relating to rates receivable | | | |
| Charges on instalment plan | | 6,156 | 6,705 |
| The 2025 original budget estimate in relation to: | | | |
| Charges on instalment plan was \$7,200 | | | |
| (b) Expenses | | | |
| Auditors remuneration | | | |
| - Audit of the Annual Financial Report | | 38,812 | 38,500 |
| - Other services – grant acquittals | | 1,000 | 4,000 |
| | | 39,812 | 42,500 |
| Employee Costs | | | |
| Employee benefit costs | | 1,764,213 | 1,636,158 |
| | | 1,764,213 | 1,636,158 |
| Finance costs | | | |
| Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss | | 44,287 | 50,514 |
| | | 44,287 | 50,514 |
| Other expenditure | | | |
| Sundry expenses | | 112,608 | 44,147 |
| | | 112,608 | 44,147 |

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 | 808,528 | 896,508 |
| Total cash and cash equivalents | 808,528 | 896,508 |
| | | |
| Held as | | |
| - Unrestricted cash and cash equivalents | 808,528 | 896,508 |
| | | |
| | | |

*NOTE

Prior year reclassification

Financial assets at amortised cost - term deposits, have been reclassified. Previously, they were shown under Cash and Cash Equivalents, but as the funds were invested for longer than 3 months, they have been reclassified as Other Financial Assets.

Held as

- Unrestricted cash and cash equivalents

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

Financial assets at amortised cost - term deposits*

| Note | 2025 | 2024 |
|------|------------------|------------------|
| | \$ | \$ |
| | | |
| | 2,148,466 | 2,155,390 |
| | 2,148,466 | 2,155,390 |
| | | |
| | | |
| | | |

*NOTE

Prior year reclassification

Financial assets at amortised cost - term deposits, have been reclassified. Previously, they were shown under Cash and Cash Equivalents, but as the funds were invested for longer than 3 months, they have been reclassified as Other Financial Assets.

Other financial assets at amortised cost

Term deposits

| | | |
|--|------------------|------------------|
| | 2,148,466 | 2,155,390 |
| | 2,148,466 | 2,155,390 |
| | | |
| | | |
| | | |

Held as

- Restricted other financial assets at amortised cost

| | | |
|----|------------------|------------------|
| 15 | 2,148,466 | 2,155,390 |
| | 2,148,466 | 2,155,390 |
| | | |
| | | |
| | | |

(b) Non-current assets

Financial assets at fair value through profit or loss

| | | |
|--|---------------|---------------|
| | 19,905 | 20,793 |
| | 19,905 | 20,793 |
| | | |
| | | |
| | | |

Financial assets at fair value through profit or loss

Units in Local Government House Trust - opening balance

Movement attributable to fair value increment

Units in Local Government House Trust - closing balance

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.

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 | 8,508 | 27,625 |
| Trade receivables | 125,802 | 258,341 |
| Other receivables | 19,856 | 46,659 |
| Lease receivable | 5,795 | 5,795 |
| | 159,961 | 338,420 |
| Non-current | | |
| Rates and statutory receivables | 7,415 | 0 |
| Lease receivable | 69,529 | 75,324 |
| Long service leave - due by other Local Governments | 18,823 | 22,871 |
| | 95,767 | 98,195 |

MATERIAL ACCOUNTING POLICIES

Rates and statutory receivables

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

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

Trade receivables

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

Other receivables

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

Measurement

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

Classification and subsequent measurement

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

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

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

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

6. 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 | \$ | Land | Buildings | \$ | Work in progress | Total property \$ | |
| Balance at 1 July 2023 | | 9,485,000 | 6,634,723 | 9,485,000 | 6,634,723 | | 0 | 16,119,723 | 28,553 | 285,558 |
| Additions | | 0 | 40,879 | | 0 | 40,879 | | 0 | 40,879 | 53,993 |
| Disposals | | 0 | (114,412) | | 0 | (114,412) | | 0 | (114,412) | (22,938) |
| Revaluation increments / (decrements) transferred to revaluation surplus | | 0 | (125,172) | | 0 | (125,172) | | 0 | (125,172) | (137,350) |
| Depreciation | | 0 | (146,517) | | 0 | (146,517) | | 0 | (146,517) | (212,407) |
| Balance at 30 June 2024 | | 9,485,000 | 6,289,501 | 9,485,000 | 6,289,501 | | 0 | 15,774,501 | 30,625 | 255,556 |
| Comprises: | | | | | | | | | | |
| Gross balance amount at 30 June 2024 | | 9,485,000 | 7,171,623 | 9,485,000 | 7,171,623 | | 0 | 16,656,623 | 61,849 | 448,661 |
| Accumulated depreciation at 30 June 2024 | | 0 | (882,122) | 0 | (882,122) | | 0 | (882,122) | (31,224) | (193,105) |
| Balance at 30 June 2024 | | 9,485,000 | 6,289,501 | 9,485,000 | 6,289,501 | | 0 | 15,774,501 | 30,625 | 255,556 |
| Additions | 6(b) | 0 | (7,873) | 0 | (7,873) | 36,180 | 28,307 | 0 | 52,317 | 80,624 |
| Disposals | | | | 0 | 0 | | 0 | 0 | (79,654) | (79,654) |
| Depreciation | | 0 | (140,719) | 0 | (140,719) | | 0 | (140,719) | (3,597) | (60,028) |
| Transfers | | 0 | (2,035) | 0 | (2,035) | | 0 | (2,035) | (16,803) | (18,838) |
| Balance at 30 June 2025 | | 9,485,000 | 6,138,874 | 9,485,000 | 6,138,874 | | 36,180 | 15,660,054 | 10,225 | 168,191 |
| Comprises: | | | | | | | | | | |
| Gross balance amount at 30 June 2025 | | 9,485,000 | 7,161,351 | 9,485,000 | 7,161,351 | | 36,180 | 16,682,531 | 40,428 | 399,409 |
| Accumulated depreciation at 30 June 2025 | | 0 | (1,022,477) | 0 | (1,022,477) | | 0 | (1,022,477) | (30,203) | (231,218) |
| Balance at 30 June 2025 | | 9,485,000 | 6,138,874 | 9,485,000 | 6,138,874 | | 36,180 | 15,660,054 | 10,225 | 168,191 |
| | | | | | | | | | | 15,838,470 |

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying amount measurements

| Asset class | Note | Carrying amount 2025 \$ | Carrying amount 2024 \$ | Fair value hierarchy | Valuation technique | Basis of valuation | Date of last valuation | Inputs used |
|--|------|-------------------------------|-------------------------------|-------------------------|--------------------------|------------------------------|---------------------------|--|
| <i>(i) Fair value - as determined at the last valuation date</i> | | | | | | | | |
| Land and buildings | | | | | | | | |
| Land | | 9,485,000 | 9,485,000 | Level 3 | Current replacement cost | Independent expert valuer | June 2022 | Current replacement cost/condition assessment (Level 2)/residual values and estimated remaining life (Level 3) |
| Total land | 6(a) | 9,485,000 | 9,485,000 | | | | | |
| Buildings - specialised | | 6,138,874 | 6,289,501 | Level 3 | Current replacement cost | Independent expert valuer | June 2022 | Current replacement cost/condition assessment (Level 2)/residual values and estimated remaining life (Level 3) |
| Total buildings | 6(a) | 6,138,874 | 6,289,501 | | | | | |
| <i>(ii) Cost</i> | | | | | | | | |
| Furniture and equipment | | | | | | | | |
| Plant and equipment | | | | N/A | Cost | N/A | N/A | N/A |
| | | | | N/A | Cost | N/A | N/A | N/A |

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

7. INFRASTRUCTURE

(a) Movements in balances

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

| | Infrastructure - roads | Infrastructure - footpaths | Infrastructure - drainage | Infrastructure - parks and ovals | Infrastructure - other | Work in progress | Total infrastructure |
|--|------------------------|----------------------------|---------------------------|----------------------------------|------------------------|------------------|----------------------|
| Balance at 1 July 2023 | \$ 12,193,300 | \$ 2,208,517 | \$ 1,052,380 | \$ 1,155,811 | \$ 481,010 | 0 | 17,091,018 |
| Additions | 0 | 7,900 | 5,667 | 7,180 | 62,303 | 0 | 83,050 |
| Depreciation | (168,262) | (44,614) | (13,153) | (50,223) | (12,263) | 0 | (288,515) |
| Balance at 30 June 2024 | 12,025,038 | 2,171,803 | 1,044,894 | 1,112,768 | 531,050 | 0 | 16,885,553 |
| Comprises: | | | | | | | |
| Gross balance at 30 June 2024 | 12,193,300 | 2,216,417 | 1,058,047 | 1,162,991 | 543,313 | 0 | 17,174,068 |
| Accumulated depreciation at 30 June 2024 | (168,262) | (44,614) | (13,153) | (50,223) | (12,263) | 0 | (288,515) |
| Balance at 30 June 2024 | 12,025,038 | 2,171,803 | 1,044,894 | 1,112,768 | 531,050 | 0 | 16,885,553 |
| Additions | 0 | 30,888 | 10,996 | 5,321 | 125,917 | 373,169 | 546,291 |
| Depreciation | (169,781) | (44,655) | (13,755) | (50,569) | (16,405) | 0 | (295,165) |
| Transfers | 0 | 0 | 0 | 0 | 18,839 | 0 | 18,839 |
| Balance at 30 June 2025 | 11,855,257 | 2,158,036 | 1,042,135 | 1,067,520 | 659,401 | 373,169 | 17,155,518 |
| Comprises: | | | | | | | |
| Gross balance at 30 June 2025 | 12,193,300 | 2,247,305 | 1,069,043 | 1,168,312 | 693,051 | 373,169 | 17,744,180 |
| Accumulated depreciation at 30 June 2025 | (338,043) | (89,269) | (26,908) | (100,792) | (33,650) | 0 | (588,662) |
| Balance at 30 June 2025 | 11,855,257 | 2,158,036 | 1,042,135 | 1,067,520 | 659,401 | 373,169 | 17,155,518 |

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

7. 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 | Level 3 | Current replacement cost | Independent expert valuer | June 2023 | Current replacement cost value of similar assets adjusted for conditions and comparability | |
| Infrastructure - footpaths | Level 3 | Current replacement cost | Independent expert valuer | June 2023 | Current replacement cost value of similar assets adjusted for conditions and comparability | |
| Infrastructure - drainage | Level 3 | Current replacement cost | Independent expert valuer | June 2023 | Current replacement cost value of similar assets adjusted for conditions and comparability | |
| Infrastructure - parks and ovals | Level 3 | Current replacement cost | Independent expert valuer | June 2023 | Current replacement cost value of similar assets adjusted for conditions and comparability | |
| Infrastructure - other | Level 3 | Current replacement cost | Independent expert valuer | June 2023 | Current replacement cost value of similar assets adjusted for conditions and comparability | |

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

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

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

8. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

| Asset class | Useful life |
|--|-----------------------------------|
| Buildings - specialised | 20 to 50 years |
| Furniture and equipment | 4 to 10 years |
| Plant and equipment | 4 to 10 years |
| Sealed roads and streets | 40 to 75 years |
| Footpaths | 50 years |
| Furniture and equipment | 4 to 10 years |
| Water supply piping and drainage systems | 70 to 80 years |
| Parks and ovals | 3 to 50 years |
| Other infrastructure | 5 to 50 years |
| Right-of-use (plant and equipment) | Based on the remaining lease term |

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

8. 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) Regulation 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.

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

9. LEASES

(a) Right-of-use assets

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

| | Note | Right-of-use assets - plant and equipment | Total right-of-use assets |
|--|------|---|---------------------------|
| | | \$ | \$ |
| Balance at 1 July 2024 | | 15,047 | 15,047 |
| Depreciation | | (15,047) | (15,047) |
| Additions | | 47,107 | 47,107 |
| Depreciation | | (4,329) | (4,329) |
| Balance at 30 June 2025 | | 42,778 | 42,778 |
| Gross balance amount at 30 June 2025 | | 47,107 | 47,107 |
| Accumulated depreciation at 30 June 2025 | | (4,329) | (4,329) |
| Balance at 30 June 2025 | | 42,778 | 42,778 |

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

| | |
|---|--|
| Depreciation on right-of-use assets | |
| Finance charge on lease liabilities | |
| Total amount recognised in the statement of comprehensive income | |

Total cash outflow from leases

| | 2025 Actual | 2024 Actual |
|---|----------------|-----------------|
| | \$ | \$ |
| Depreciation on right-of-use assets | (4,329) | (15,047) |
| Finance charge on lease liabilities | (323) | (1,490) |
| Total amount recognised in the statement of comprehensive income | (4,652) | (16,537) |
| Total cash outflow from leases | (17,316) | (9,932) |

(b) Lease liabilities

| | | |
|--------------|---------------|--------------|
| Current | 11,174 | 3,343 |
| Non-current | 28,290 | 6,007 |
| 24(b) | 39,464 | 9,350 |

Photocopiers leased in October 2024 over a period of 5 years, and telephone equipment leased in June 2025 leased over 3 years.

Secured liabilities and assets pledged as security

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

MATERIAL ACCOUNTING POLICIES

Leases

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

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

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

Details of individual lease liabilities required by regulations are provided at Note 24(b).

Right-of-use assets - measurement

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

Refer to Note 8 under revaluation for details on the material accounting policies applying to vested improvements.

Right-of-use assets - depreciation

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

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

9. LEASES (Continued)

(c) Lessor - property, plant and equipment subject to lease

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

Less than 1 year

1 to 2 years

2 to 3 years

3 to 4 years

4 to 5 years

> 5 years

| | 2025 Actual | 2024 Actual |
|----------------------|----------------|----------------|
| | \$ | \$ |
| Less than 1 year | 5,795 | 5,795 |
| 1 to 2 years | 5,795 | 5,795 |
| 2 to 3 years | 5,795 | 5,795 |
| 3 to 4 years | 5,795 | 5,795 |
| 4 to 5 years | 5,795 | 5,795 |
| > 5 years | 5,795 | 52,144 |
| | 75,324 | 81,119 |
| Rental income | 31,753 | 31,753 |

Amounts recognised in profit or loss for property, plant and equipment subject to lease

Rental income

The Shire leases land under a vesting order approved by the Minister of Lands for the purposes of operating a café for a period of 21 years commencing on 26 October 2017. There was an initial rent free term with a value of \$98,504. determined for this period. This amount was raised as a debtor and is being amortised over the remaining term of the lease at \$5,795 per year.

MATERIAL ACCOUNTING POLICIES

The Shire as lessor

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

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

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

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

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

10. TRADE AND OTHER PAYABLES

| | 2025 | 2024 |
|-------------------------|---------|---------|
| | \$ | \$ |
| Current | | |
| Sundry creditors | 159,364 | 325,909 |
| Prepaid rates | 41,924 | 0 |
| Statutory liabilities | 122 | 0 |
| Bonds and deposits held | 147,600 | 150,600 |
| Building levies | 16,688 | 26,732 |
| Accrued expenses | 13,599 | 0 |
| GST payable | 6,961 | 0 |
| | 386,258 | 503,241 |

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.

Statutory liabilities

Statutory liabilities, are amounts owed to regulatory authorities due to statutory obligations such as FBT and PAYG. GST payable is offset against GST receivable and any net GST payable is included as a statutory liability.

Trade and other payables

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

Prepaid rates

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

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

11. OTHER LIABILITIES

| | 2025 | 2024 |
|---|----------|--------|
| | \$ | \$ |
| Current | | |
| Contract liabilities | 0 | 29,786 |
| | <hr/> | <hr/> |
| | 0 | 29,786 |
| Reconciliation of changes in contract liabilities | | |
| Opening balance | 29,786 | 0 |
| Additions | 0 | 29,786 |
| Revenue from contracts with customers included as a contract liability at the start of the period | <hr/> | <hr/> |
| | (29,786) | 0 |
| | <hr/> | <hr/> |
| | 0 | 29,786 |

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.

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

12. BORROWINGS

| | Note | 2025 | | | 2024 | | |
|---------------------------------|-------|---------|-------------|---------|---------|-------------|---------|
| | | Current | Non-current | Total | Current | Non-current | Total |
| Secured | | \$ | \$ | \$ | \$ | \$ | \$ |
| Debentures | | 41,700 | 532,491 | 574,191 | 41,615 | 574,192 | 615,807 |
| Total secured borrowings | 24(a) | 41,700 | 532,491 | 574,191 | 41,615 | 574,192 | 615,807 |

MATERIAL ACCOUNTING POLICIES

Borrowing costs

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

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature. Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 21(i)) due to the unobservable inputs, including own credit risk.

Risk

Details of individual borrowings required by regulations are provided at Note 24(a).

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

13. EMPLOYEE RELATED PROVISIONS

Employee related provisions

| | 2025 | 2024 |
|--|----------------|----------------|
| | \$ | \$ |
| Current provisions | | |
| Employee benefit provisions | | |
| Annual leave | 128,568 | 109,234 |
| Long service leave | 77,109 | 67,013 |
| | 205,677 | 176,247 |
| Total current employee related provisions | 205,677 | 176,247 |
| Non-current provisions | | |
| Employee benefit provisions | | |
| Long service leave | 6,799 | 11,372 |
| | 6,799 | 11,372 |
| Total non-current employee related provisions | 6,799 | 11,372 |
| Total employee related provisions | 212,476 | 187,619 |

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.

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

14. REVALUATION SURPLUS

| | 2025 Opening balance | 2025 Closing balance | 2024 Opening balance | Total Movement on revaluation | 2024 Closing balance |
|--|----------------------------|----------------------------|----------------------------|-------------------------------------|----------------------------|
| Revaluation surplus - Land | \$ 9,029,050 | \$ 9,029,050 | \$ 9,029,050 | \$ 0 | \$ 9,029,050 |
| Revaluation surplus - Buildings | 342,300 | 342,300 | 467,470 | (125,170) | 342,300 |
| Revaluation surplus - Infrastructure - roads | 11,900,793 | 11,900,793 | 11,900,793 | 0 | 11,900,793 |
| Revaluation surplus - Infrastructure - footpaths | 1,146,350 | 1,146,350 | 1,146,350 | 0 | 1,146,350 |
| Revaluation surplus - Infrastructure - drainage | 782,164 | 782,164 | 782,164 | 0 | 782,164 |
| Revaluation surplus - Infrastructure - parks and ovals | 240,002 | 240,002 | 240,002 | 0 | 240,002 |
| | 23,440,659 | 23,440,659 | 23,565,829 | (125,170) | 23,440,659 |
| Revaluation surplus - Share from investments in associates | 722 | 722 | 0 | 722 | 722 |
| | 23,441,381 | 23,441,381 | 23,565,829 | (124,448) | 23,441,381 |

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: | | |
| - Financial assets at amortised cost | 4 2,148,466 2,148,466 | 2,155,390 2,155,390 |
| The restricted financial assets are a result of the following specific purposes to which the assets may be used: | | |
| Restricted reserve accounts | 25 2,148,466 | 2,125,604 |
| Contract liabilities | 11 0 | 29,786 |
| Total restricted financial assets | 2,148,466 | 2,155,390 |

16. UNDRAWN BORROWING FACILITIES AND CREDIT STANDBY ARRANGEMENTS

| Credit standby arrangements | | |
|--|----------------|----------------|
| Bank overdraft limit | 200,000 | 200,000 |
| Bank overdraft at balance date | 0 | 0 |
| Credit card limit | 50,000 | 50,000 |
| Credit card balance at balance date | 5,696 | 12,255 |
| Total amount of credit unused | 255,696 | 262,255 |
| Loan facilities | | |
| Loan facilities - current | 41,700 | 41,615 |
| Loan facilities - non-current | 532,491 | 574,192 |
| Total facilities in use at balance date | 574,191 | 615,807 |

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

17. 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 | 16,764 | 17,500 | 17,212 |
| President's meeting attendance fees | 19,756 | 20,000 | 17,108 |
| President's annual allowance for ICT expenses | 1,240 | 1,200 | 600 |
| | 37,760 | 38,700 | 34,920 |
| Deputy President's annual allowance | 4,192 | 4,500 | 4,058 |
| Deputy President's meeting attendance fees | 10,124 | 10,000 | 9,780 |
| Deputy President's annual allowance for ICT expenses | 1,240 | 1,200 | 1,200 |
| | 15,556 | 15,700 | 15,038 |
| All other council member's meeting attendance fees | 50,620 | 50,000 | 48,905 |
| All other council member's annual allowance for ICT expenses | 4,960 | 3,600 | 4,569 |
| | 55,580 | 53,600 | 53,474 |
| 17(b) | 108,896 | 108,000 | 103,432 |

(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 | 781,265 | 691,874 |
| Post-employment benefits | 132,823 | 117,619 |
| Employee - other long-term benefits | 92,964 | 31,136 |
| Council member costs | 108,896 | 103,432 |
| | 1,115,948 | 944,061 |

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.

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

17. 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 - Associate, Western Metropolitan Regional Council | 399,912 | 207,093 |
| The following two Local Governments are considered as related parties - | | |
| Town of Mosman Park - Library and Community Centre contribution | 752,894 | 693,389 |
| Town of Cottesloe - Library and Community Centre contribution | 654,436 | 602,713 |
| Investments in associates: | | |
| Share of associates net profit/(loss) for the period | 12,429 | 9,236 |
| Amounts outstanding from related parties: | | |
| Trade and other receivables | 76,567 | 238,017 |
| Amounts payable to related parties: | | |
| Trade and other payables | 2,310 | 11,595 |

(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

Joint arrangements detailed in Note 18 and investment in associates detailed in Note 19.

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

18. JOINT ARRANGEMENTS

Share of joint operations

The Shire of Peppermint Grove has a 8.52% (2024; 8.52%) share in the Grove Library services to the residents of the Shire of Peppermint Grove, Town Mosman Park and Town of Cottesloe. The voting rights of the Shire is 33.33%. The principal place of business is 1 Leake Street Peppermint Grove WA 6011.

The Shire's interest in the Grove Library is accounted for as a joint operation using the proportional consolidation method in the financial statements. Summarised financial information of the joint operation is based on audited financial statements as at the 30 June 2025 and the year then ended, and adjusted for the Shire's proportional interest (8.52%) is set out below.

| | 2025 Actual | 2024 Actual |
|--|----------------|----------------|
| | \$ | \$ |
| Statement of financial position | | |
| Property Plant & Equipment | 1,079,699 | 1,077,993 |
| Total assets | 1,079,699 | 1,077,993 |
| Employee Related Provisions- Current | (14,916) | (17,393) |
| Net equity | 1,064,783 | 1,060,600 |
| Statement of comprehensive income | | |
| Fees & Charges | 5,521 | 4,011 |
| Other revenue | 0 | 213 |
| Other expense | (134,887) | (124,936) |
| Profit/(loss) for the period | (129,366) | (120,712) |
| Other comprehensive income | 0 | 0 |
| Total comprehensive loss for the period | (129,366) | (120,712) |
| Statement of cash flows | | |
| Revenue | 5,521 | 4,224 |
| Expense | (134,887) | (124,936) |
| Net cash provided by (used in) operating activities | (129,366) | (120,712) |

MATERIAL ACCOUNTING POLICIES

Joint operations

A joint operation is a joint arrangement where the Shire has joint control with two or more parties to the joint arrangement. All parties to joint arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement.

Assets, liabilities, revenues and expenses relating to the Shire's interest in the joint operation are accounted for in accordance with the relevant Australian Accounting Standards.

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

19. INVESTMENT IN ASSOCIATES

(a) Investment in associates

Set out in the table below is the associate of the Shire. The associate is measured using the equity method. Western Australia is the principal place of business for all associates.

| Name of entity | % of ownership interest | | 2025 Actual | 2024 Actual |
|--|-------------------------|-------|----------------|----------------|
| | 2025 | 2024 | | |
| Western Metropolitan Regional Council (WMRC) | 3.37% | 3.69% | 143,402 | 130,973 |
| Total equity-accounted investments | | | 143,402 | 130,973 |

(b) Share of investment

The Shire of Peppermint Grove, together with the Towns of Cottesloe, Claremont and Mosman Park and the City of Subiaco have an interest in the WMRC waste transfer station. The WMRC was established to provide for the efficient treatment and/or disposal of waste. A waste transfer station was constructed from funds provided from constituent Councils. The Shire's interest in the associate is 3.37% (2024: 3.69%).

The Shire has determined it has significant influence over the WMRC despite holding less than 20% interest, as the Shire has representation on the WMRC Council and participates in policy making decisions including the decisions regarding contribution and distribution.

The tables below reflect the summarised financial information of the material investment in the associate based on the audited results of the WMRC. This does not reflect the Shire's share of those amounts. They have been amended to reflect adjustments made by the Shire when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

| Summarised statement of comprehensive income | Note | 2025 Actual | | 2024 Actual |
|--|------|------------------|----|------------------|
| | | \$ | \$ | |
| Revenue | | 10,973,326 | | 9,224,964 |
| Interest revenue | | 88,007 | | 64,357 |
| Finance cost | | (3,225) | | -3,994 |
| Depreciation | | (366,697) | | -396,601 |
| Profit/(loss) from continuing operations | | 725,388 | | 230,718 |
| Profit/(loss) from discontinued operations | | 0 | | 0 |
| Profit/(loss) for the period | | 725,388 | | 230,718 |
| Other comprehensive income | | 0 | | 19,567 |
| Total comprehensive income for the period | | 725,388 | | 250,285 |
| Summarised statement of financial position | | | | |
| Cash and cash equivalents | | 1,858,229 | | 1,266,551 |
| Other current assets | | 1,136,241 | | 841,106 |
| Total current assets | | 2,994,470 | | 2,107,657 |
| Non-current assets | | 2,593,747 | | 2,485,404 |
| Total assets | | 5,588,217 | | 4,593,061 |
| Current financial liabilities | | 1,131,863 | | 755,826 |
| Other current liabilities | | 115,773 | | 232,690 |
| Total current liabilities | | 1,247,636 | | 988,516 |
| Non-current financial liabilities | | 85,340 | | 74,692 |
| Other non-current liabilities | | 85,340 | | 74,692 |
| Total non-current liabilities | | 1,332,976 | | 1,063,208 |
| Net assets | | 4,255,241 | | 3,529,853 |
| Reconciliation to carrying amounts | | | | |
| Opening net assets 1 July | | 3,529,853 | | 3,279,568 |
| Changes in members contributions | | 725,388 | | 230,718 |
| Profit/(Loss) for the period | | 0 | | 19,567 |
| Other comprehensive income | | 4,255,241 | | 3,529,853 |
| Closing net assets 30 June | | 130,973 | | 121,015 |
| Carrying amount at 1 July | | 12,429 | | 9,236 |
| - Share of associates net profit/(loss) for the period | | 0 | | 722 |
| - Share of associates other comprehensive income arising during the period | | 143,402 | | 130,973 |
| Carrying amount at 30 June (Refer to Note 19(a)) | | | | |

MATERIAL ACCOUNTING POLICIES

Investments in associates

An associate is an entity over which the Shire has significant influence, that is it has the power to participate in the financial and operating policy decisions of the investee but not control or joint control of those policies.

Investments in associates are accounted for using the equity method. The equity method of accounting, is whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Shire's share of net assets of the associate. In addition, the Shire's share of the profit or loss of the associate is included in the Shire's profit or loss.

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

19. INVESTMENT IN ASSOCIATES (Continued)

| | 2025 Actual | 2,024 Actual |
|--|----------------|-----------------|
| | \$ | \$ |
| (c) Share of associates net profit/(loss) for the period | | |
| Investment in Western Metropolitan Regional Council (WMRC) | 12,429 | 9,236 |
| | 12,429 | 9,236 |

20. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There were no events occurring after the end of the reporting period.

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.

j) Impairment of assets

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

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

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

These non-financial assets are assessed in accordance with the regulatory framework detailed in Note 8.

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.

22. RATING INFORMATION

(a) General rates

*Rateable Value at time of raising of rate.

(b) Rates related information

- Rates instalment interest
- Rates instalment plan charges
- Rates overdue interest

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 | | 2023/24 (30 June 2024 carried forward) |
|---|---|--|-------------|---|
| | | Budget (30 June 2025 carried forward) | \$ | |
| (a) Non-cash amounts excluded from operating activities | | | | |
| | | | | |
| | The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> . | | | |
| | Adjustments to operating activities | | | |
| | Less: Profit on asset disposals | (20,932) | (18,000) | (13,715) |
| | Less: Fair value adjustments to financial assets at fair value through profit or loss | 888 | 0 | (403) |
| | Less: Share of net profit of associates and joint ventures accounted for using the equity method | (12,427) | 0 | (9,236) |
| | Add: Loss on disposal of assets | 0 | 0 | 114,412 |
| | Add: Depreciation | 503,838 | 468,350 | 515,968 |
| | Non-cash movements in non-current assets and liabilities: | | | |
| | Pensioner deferred rates | (7,415) | 0 | 0 |
| | Employee benefit provisions | (4,573) | 0 | (29,942) |
| | Non-cash amounts excluded from operating activities | 459,379 | 450,350 | 577,084 |
| (b) Non-cash amounts excluded from investing activities | | | | |
| | | | | |
| | The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> . | | | |
| | Adjustments to investing activities | | | |
| | Right of use assets received - non cash | 9(a) 47,107 | 0 | 0 |
| | Non-cash amounts excluded from investing activities | 47,107 | 0 | 0 |
| (c) Non-cash amounts excluded from financing activities | | | | |
| | | | | |
| | The following non-cash revenue or expenditure has been excluded from amounts attributable to financing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> . | | | |
| | Adjustments to financing activities | | | |
| | Non cash proceeds from new leases | 24(b) (47,107) | 0 | 0 |
| | Non-cash amounts excluded from financing activities | (47,107) | 0 | 0 |
| (d) Surplus or deficit after imposition of general rates | | | | |
| | | | | |
| | The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates. | | | |
| | Adjustments to net current assets | | | |
| | Less: Reserve accounts | 25 (2,148,466) | (1,806,466) | (2,125,604) |
| | Add: Current liabilities not expected to be cleared at end of year | | | |
| | - Current portion of borrowings | 12 41,700 | 38,885 | 41,615 |
| | - Current portion of lease liabilities | 9(b) 11,174 | 11,785 | 3,343 |
| | - Employee benefit provisions | 152,392 | 0 | 162,233 |
| | Total adjustments to net current assets | (1,943,200) | (1,755,796) | (1,918,413) |
| | Net current assets used in the Statement of financial activity | | | |
| | Total current assets | 3,116,955 | 2,665,708 | 3,390,318 |
| | Less: Total current liabilities | (644,809) | (829,594) | (754,232) |
| | Less: Total adjustments to net current assets | (1,943,200) | (1,755,796) | (1,918,413) |
| | Surplus or deficit after imposition of general rates | 528,946 | 80,318 | 717,673 |

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

24. BORROWING AND LEASE LIABILITIES

(a) Borrowings

| Purpose | Note | Actual | | | | Budget | | | |
|--|---------|--------------------------|--------------------------|-------------------------------------|---------------------------|-------------------------------------|-------------------------------------|---------------------------|-------------------------------------|
| | | Principal at 1 July 2023 | New loans during 2023-24 | Principal repayments during 2023-24 | Principal at 30 June 2024 | New loans during 2024-25 | Principal repayments during 2024-25 | Principal at 30 June 2025 | Principal repayments during 2024-25 |
| Library and Community Centre | 654,693 | \$ 654,693 | \$ 0 | \$ (38,886) | \$ 615,807 | \$ 0 | \$ (41,616) | \$ 574,191 | \$ 615,807 |
| Total | | 654,693 | 0 | (38,886) | 615,807 | 0 | (41,616) | 574,191 | 615,807 |
| Borrowing finance cost payments | | | | | | | | | |
| Purpose | | Loan number | Institution | Interest rate | Date final payment is due | Actual for year ending 30 June 2025 | Budget for year ending 30 June 2025 | | |
| Library and Community Centre Guarantee fee | 41 | WATC | 6.90% | 28/12/2034 | | \$ (41,785) | \$ (45,142) | \$ (49,024) | \$ (49,024) |
| Total | | | | | | (43,964) | (45,142) | (49,024) | (49,024) |
| Total finance cost payments | | | | | | (43,964) | (45,142) | (49,024) | (49,024) |

* WA Treasury Corporation

(b) Lease liabilities

| Purpose | Note | Actual | | | | Budget | | | | |
|------------------------------------|-------------|--------------------------|---------------------------|---------------------------|---------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|---------------------------|
| | | Principal at 1 July 2023 | New leases during 2023-24 | Principal at 30 June 2024 | New leases during 2024-25 | Principal repayments during 2024-25 | Principal at 30 June 2025 | Principal at 1 July 2024 | New leases during 2024-25 | Principal at 30 June 2025 |
| Photocopier | 17,792 | 0 | 0 | \$ (8,442) | \$ 9,350 | \$ 0 | \$ (9,350) | \$ 9,350 | \$ 0 | \$ 9,350 |
| New photocopies | 0 | 0 | 0 | 0 | 0 | 28,863 | (5,727) | 23,136 | 0 | 0 |
| New phone system | 0 | 0 | 0 | 0 | 0 | 18,244 | (1,916) | 16,328 | 0 | 0 |
| Total lease liabilities | 9(b) | 17,792 | 0 | (8,442) | 9,350 | 47,107 | (16,893) | 39,464 | 9,350 | 0 |
| Lease finance cost payments | | | | | | | | | | |
| Purpose | | Lease number | Institution | Interest rate | Date final payment is due | Actual for year ending 30 June 2025 | Budget for year ending 30 June 2025 | Actual for year ending 30 June 2024 | Budget for year ending 30 June 2024 | Lease term |
| Photocopier | | Fujifilm | 10.00% | 31/10/2024 | | \$ 0 | \$ 0 | \$ (1,490) | \$ (1,490) | 36 months |
| New photocopies | | Fujifilm | 6.00% | 31/10/2029 | | (323) | 0 | 0 | 0 | 60 months |
| Total finance cost payments | | | | | | (323) | 0 | (1,490) | (1,490) | |

Notes to and forming part of the Financial Report

for the year ended 30 June 2025

25. RESERVE ACCOUNTS

| | 2025 | | 2025 | | 2025 | | 2025 | | 2025 | | 2024 | | 2024 | | 2024 | |
|-----------|---------|-----------------|-----------|-------------|---------|-----------------|--------------------|------------------------|------------------------|------------------------|------------------------|--------------------|------------------------|------------------------|------------------------|------------------------|
| | Actual | opening balance | Actual | transfer to | Actual | opening balance | Budget transfer to | Budget transfer (from) | Budget closing balance | Budget closing balance | Actual opening balance | Actual transfer to | Actual transfer (from) | Actual closing balance | Actual closing balance | Actual closing balance |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 210,835 | 37,800 | 0 | 248,635 | 210,835 | 37,800 | 0 | 248,635 | 201,697 | 9,138 | 0 | 210,835 | 0 | 0 | 0 | 0 | 0 |
| 132,031 | 55,000 | 0 | 187,031 | 132,031 | 5,000 | 0 | 137,031 | 126,309 | 5,722 | 0 | 132,031 | 0 | 0 | 0 | 0 | 0 |
| 962,576 | 148,562 | (443,000) | 688,138 | 962,576 | 148,562 | (443,000) | 688,138 | 859,281 | 120,756 | (17,461) | 962,576 | 0 | 0 | 0 | 0 | 0 |
| 26,170 | 1,000 | 0 | 27,170 | 26,170 | 1,000 | 0 | 27,170 | 25,036 | 1,134 | 0 | 26,170 | 0 | 0 | 0 | 0 | 0 |
| 22,023 | 1,000 | 0 | 23,023 | 22,023 | 1,000 | 0 | 23,023 | 25,852 | 1,171 | (5,000) | 22,023 | 0 | 0 | 0 | 0 | 0 |
| 21,617 | 61,000 | 0 | 82,617 | 21,617 | 1,000 | 0 | 22,617 | 26,680 | 937 | 0 | 21,617 | 0 | 0 | 0 | 0 | 0 |
| 620,243 | 154,000 | 0 | 774,243 | 620,243 | 154,000 | (250,000) | 524,243 | 593,360 | 26,883 | 0 | 620,243 | 0 | 0 | 0 | 0 | 0 |
| 25,579 | 2,500 | 0 | 28,079 | 25,579 | 2,500 | 0 | 28,079 | 36,344 | 1,646 | (12,411) | 25,579 | 0 | 0 | 0 | 0 | 0 |
| 104,530 | 5,000 | 0 | 109,530 | 104,530 | 23,000 | 0 | 127,530 | 100,000 | 4,530 | 0 | 104,530 | 0 | 0 | 0 | 0 | 0 |
| 2,125,604 | 465,862 | (443,000) | 2,148,466 | 2,125,604 | 373,862 | (693,000) | 1,860,466 | 1,988,559 | 171,917 | (34,872) | 2,125,604 | 0 | 0 | 0 | 0 | 0 |

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

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

| Name of reserve account | Restricted by council |
|-------------------------------------|-----------------------|
| (a) Leave Reserve | |
| (b) Plant Reserve | |
| (c) Infrastructure Building Reserve | |
| (d) Information Technology Reserve | |
| (e) Arts & Culture Reserve | |
| (f) Legal Costs Reserve | |
| (g) Roads & Drainage Reserve | |
| (h) Library Infrastructure Reserve | |
| (i) Investment Reserve | |

“..protect and enhance
Peppermint Grove’s
natural environment
and biodiversity ...”

