



ANNUAL REPORT

2024/2025



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Acknowledgement of Country

The Shire of Dardanup acknowledges the Noongar people as the traditional owners of the land upon which the Shire is situated. In doing this, we recognise and respect their continuing culture and contribution they make to the life of this region and pay our respects to their elders, past, present and emerging.

The Shire of Dardanup also respects and celebrates all cultures of all our residents and visitors to our Shire.





It is my privilege to present the Shire of Dardanup's 2024/25 Annual Report.

This year has been one of strong progress, investment and community connection as we continue to plan for a future shaped by growth, opportunity and resilience. As Shire President, I am proud of the leadership Council has shown in advocating for the needs of our community and driving forward the key priorities outlined in our Council Plan 2025-2035.

Our focus on long-term planning and responsible decision-making has supported another year of positive outcomes. The endorsement and update of the Council Plan have ensured our strategic direction remains clear and responsive, particularly as we prepare for significant population growth in areas such as Wanju, Dardanup-Picton East and Eaton.

This year also saw continued recognition of our organisation for excellence in governance and financial management, with the Shire named a Best Practice entity for the second consecutive year in the Office of the Auditor General's Local Government 2023-24 Financial Audit Results. This acknowledgement reflects our commitment to transparency, strong financial stewardship and high-quality reporting.

Council is also proud of the major improvements delivered across our facilities and public spaces over the past year. The Eaton Recreation Centre received important upgrades that strengthen its role as a key hub for health and wellbeing; community events continued to thrive across our towns; and the new mural at the Library, Administration and Community Building is a celebration of culture, creativity and connection.

Our Advocacy Plan and Strategic Community Projects documents have continued to guide meaningful conversations with all levels of government, ensuring the needs of our community remain front and centre as we work to secure investment and deliver the infrastructure required for a growing Shire.

I extend my sincere thanks to our community, Councillors, CEO and dedicated staff for their collaboration and commitment throughout the year. Together we are building a strong, connected and prosperous Shire of Dardanup – one that is well prepared for the opportunities ahead.

Cr Tyrrell Gardiner
Shire President



I am pleased to present the Shire of Dardanup's 2024/25 Annual Report, highlighting a year of steady progress, strong financial governance and continued investment in the services and facilities that support our growing community.

The Shire again demonstrated its commitment to responsible financial management, being recognised as a Best Practice entity for the second consecutive year in the Office of the Auditor General's Local Government Financial Audit Results. This achievement reflects the dedication of our staff and reinforces our organisation's reputation for transparency, quality reporting and professionalism.

Community satisfaction also remained high, with the 2025 MARKYT Community Scorecard placing the Shire second among regional councils in Western Australia and eighth nationally. Nearly 900 residents provided feedback, with strong results across community engagement, planning, town centre development, financial management, youth and seniors' services, libraries, roads and events, demonstrating the community's confidence in the services we deliver.

Throughout the year, we continued to progress essential infrastructure and community-focused initiatives guided by the Council Plan 2025-2035. A major milestone was the adoption of Local Planning Scheme No. 9, providing a contemporary and consistent planning framework to support sustainable growth across the region.

Our economic development priorities advanced with the purchase of Lot 100 Martin Pelusey Road within the Waterloo Industrial Precinct, enhancing the Shire's strategic landholdings alongside Lot 101 and supporting the long-term development of the Open Access Intermodal Terminal.

A key highlight was the commencement of works for the Eaton Fair Expansion by Citygate Properties. The closure of a section of Council Drive enabled demolition of the old Shire administration building and signalled the beginning of a major precinct transformation. Featuring new retail offerings, a cinema, residential apartments and family-friendly spaces, the redevelopment will strengthen Eaton's role as a vibrant town centre and complement the Shire's new Library, Administration and Community Building located at its core.

As I reflect on the past 12 months, I am proud of the dedication shown by our staff, Councillors and community partners. Together, we have continued to build a resilient, future-ready organisation and a thriving Shire for residents, businesses and visitors.

Thank you to our community for your engagement, support and ongoing contribution. I look forward to continuing our work together as we advance our long-term vision for the Shire of Dardanup.

André Schönfeldt

Chief Executive Officer

OUR VISION

The Shire of Dardanup is a healthy, self-sufficient and sustainable community that is connected and inclusive, and where our culture and innovation are celebrated.

OUR VALUES

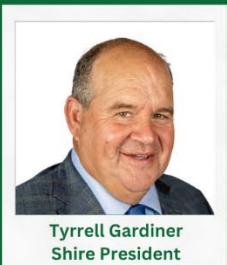
The Shire of Dardanup is building a culture where openness and transparency are the norm, and where we all hold ourselves accountable to deliver excellence for our customers and community.



OUR COUNCIL

The Shire of Dardanup is established under the provisions of the Local Government Act 1995. Council is made up of nine elected members who each serve a four-year term, with elections held every two years. The term for the peer-elected Shire President and Deputy President is two years.

The Shire of Dardanup Council from October 2025:



Tyrrell Gardiner
Shire President



Stacey Gillespie
Deputy President



Luke Davies
Councillor



Mark Hutchinson
Councillor



Tony Jenour
Councillor



Annette Webster
Councillor



Krystal Laurentsch
Councillor



Ruby Trevathan
Councillor



Brad Farrant
Councillor

FUNCTION OF LOCAL GOVERNMENT

The Local Government Act 1995 gives local governments freedom to make decisions for their communities, promotes public participation, and demands accountability, efficiency and effectiveness in local government.

This requires strategic thinking by local government, including how to:

- Best respond to community needs;
- Ensure public participation and accountability in local government processes; and
- Respond to the growing demand for more efficient and effective local government.

In addition to dealing with constantly changing legislative requirements and reforms, local governments are asking themselves, “What is the best way to organise physical, financial and human resources to achieve a competitive and productive organisation that meets the needs and desires of the community we serve?”

In fulfilling its role, Council sets the Shire of Dardanup’s strategic direction, oversees the Council’s finances and resources, determines its policies, and ensures that the Council’s statutory and community responsibilities are performed effectively and efficiently.

OUR COUNCIL

The Shire of Dardanup Council for the 2024-2025 financial year:



Tyrrell Gardiner
Shire President



Ellen Lilly
Deputy President



Taneta Bell
Councillor



Luke Davies
Councillor



Stacey Gillespie
Councillor



Mark Hutchinson
Councillor



Tony Jenour
Councillor



Jack Manoni
Councillor



Annette Webster
Councillor



About Us:

The Shire of Dardanup spans over 526.6 square kilometres comprising of urban areas, commercial and industrial development, townships surrounded by rural farming, vineyards and tourism, and state forest.

The result is a diverse and unique community with varying needs, challenges and opportunities. In recognition of this, the Shire has identified five distinct places:

- Eaton/Millbridge.
- Dardanup.
- Burekup.
- Ferguson Valley and Surrounds, and
- Wanju/Waterloo.

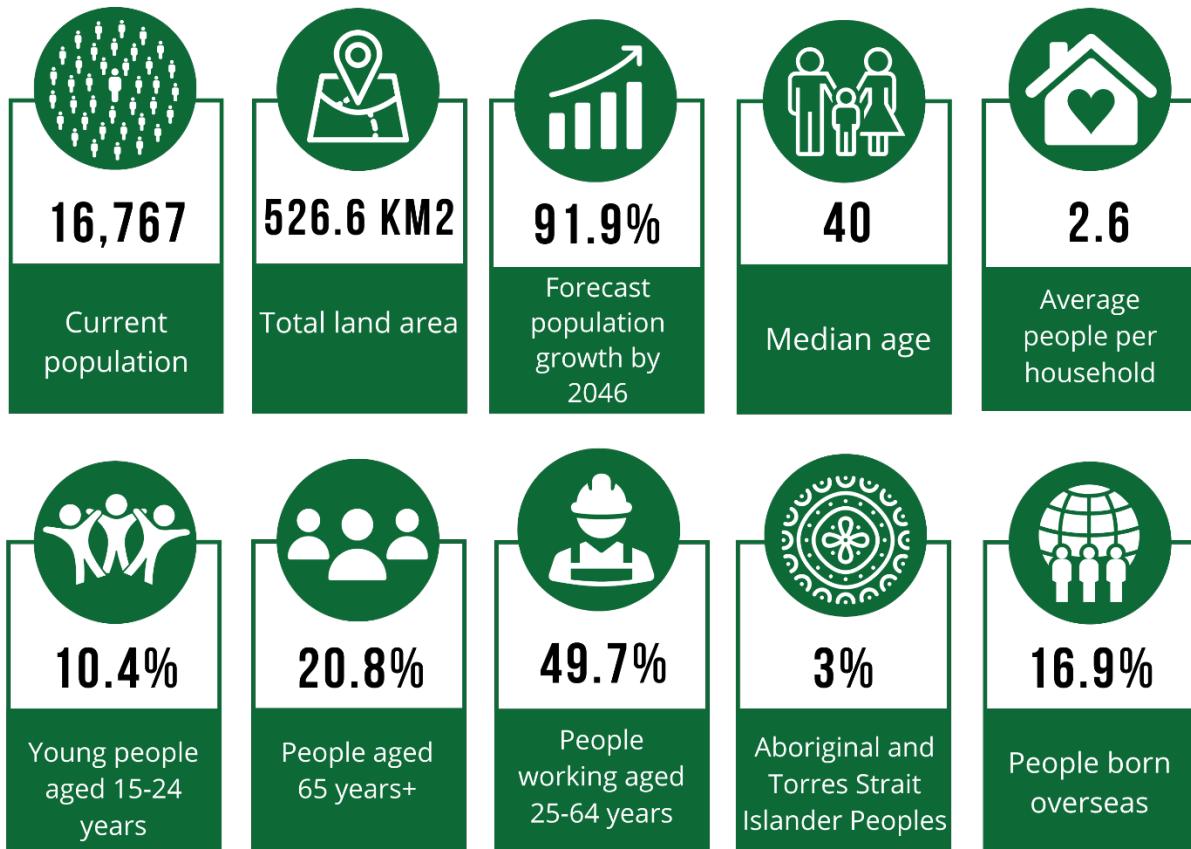
Dardanup has a growing community with an annual growth rate of 2.64% (Forecast ID: Dardanup Population Summary 2021-2046).

Between 2021 and 2046, the population for the Shire of Dardanup is forecast to increase by 14,174 persons (91.84% growth).



The Shire of Dardanup President Cr Tyrrell Gardiner with members of the Youth Advisory Group (YAG).

Our community:



Data source: Australian Bureau of Statistics 2021 Census of Population and Housing and 2025 Forecast id.com.au.

Demographics:

The Shire of Dardanup continues to grow steadily, with the population rising to 16,767 residents and long-term forecasts predicting a 91.9% increase by 2046.

The Shire's median age has risen to 40 years, households average 2.6 people, and the population is becoming older, with 20.8% of residents now aged 65 and over.

The working-age group remains dominant at 49.7%, while young people aged 15-24 make up 10.4%.

Cultural and community diversity remains moderate, with 3% of residents identifying as Aboriginal or Torres Strait Islander and 16.9% born overseas.

Looking ahead, significant growth is expected in key development areas:

- Wanju will drive much of the future population increase, expanding into a major urban centre.
- Dardanup-Picton East and Surrounds is projected to almost double in dwellings.
- Eaton (East) is forecast to grow by over 73%.
- Moderate growth is expected in Millbridge and Burekup, with Eaton (West) remaining largely stable.

Corporate Performance 2024/25



55
Initiatives/projects



**On track or
delivered**



On budget

This Corporate Performance scorecard combines outcomes of initiatives listed in Council's Corporate Business Plan plus Capital and Major Projects listed in the Annual Budget. The organisation completed or is on track with 96% of the initiatives within the Corporate Business Plan and Annual Budget within the intended timeframe.

Some of those reported to be "on hold", "delayed" or "carried forward" are waiting on external approvals, grants or processes which are not within the influence of the Shire.

The Council Plan adopted in May 2025 sets out a total of 55 initiatives/projects, 25 of which were intended to be implemented or progressed to 2024/25. During 2024/25, 24 of the 25 initiatives/projects were either completed or remained on track to be completed within the stipulated timeframe.

The Capital works expenditure of \$5.9 million on roads, paths, buildings and parks was included in the 2024-2025 budget. There were initially 32 projects, three of these were cancelled and four were carried forward. The remaining 25 (86%) of projects were completed in time, out of which (22) 76% of the projects were completed on budget.

\$4.87M

Capital expenditure

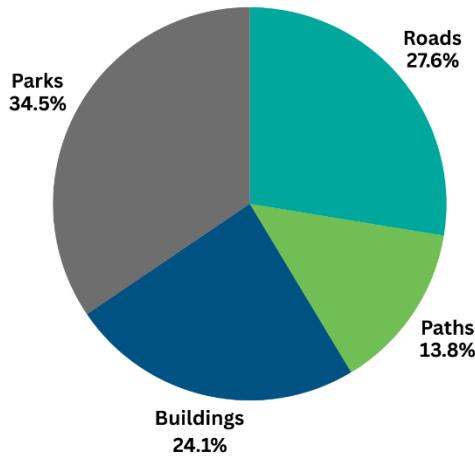
\$0.94M

Capital grants

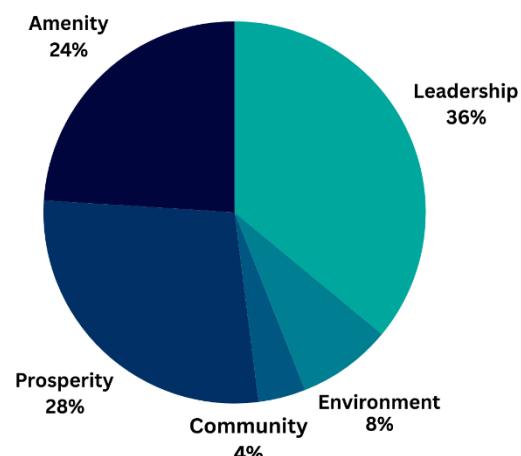
25

Projects

Capital and major projects by type



Corporate Business plan initiatives by objective



Financial snapshot:

The following provides a snapshot of the Council's Operating Income and Expenditure for 2024/25. More detailed information can be found in the Financial Statements at the end of this Annual Report.

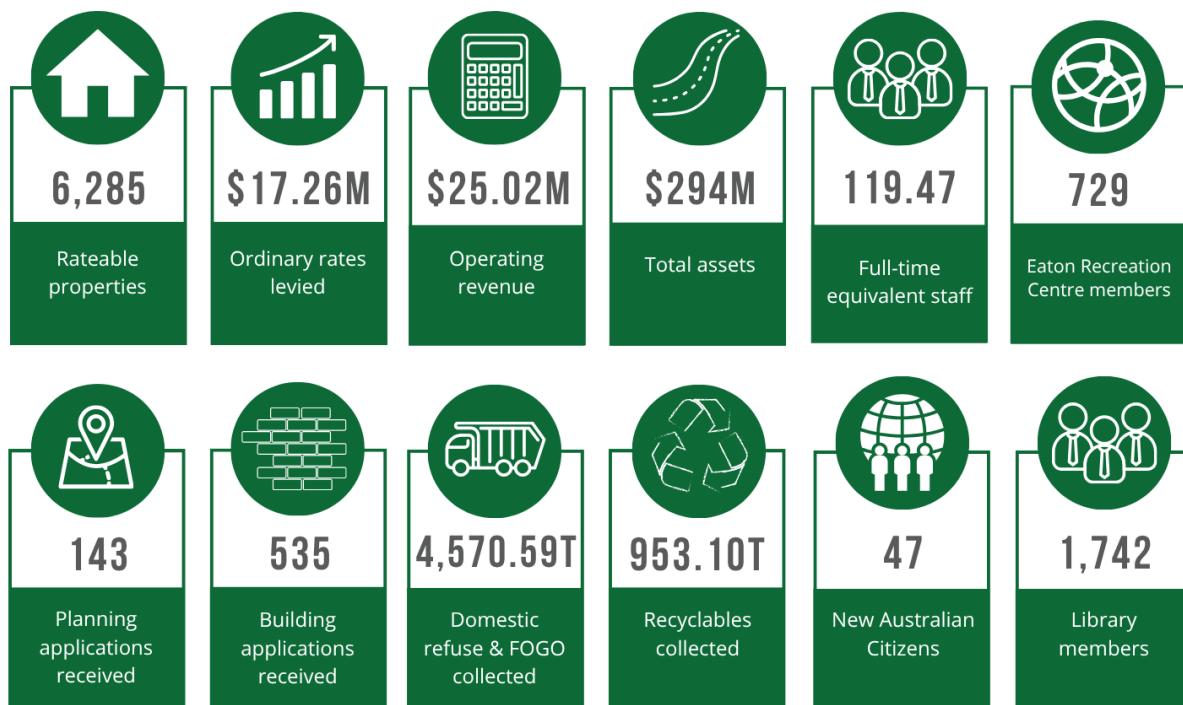
Total operating revenue:

- Rates: \$17,260,271
- Operating Grants and Contributions: \$1,873,915
- Fees and Charges: \$4,656,507
- Interest Revenue: \$1,206,612
- Other Revenue: \$19,602
- Profit on Asset Disposals: \$90,113

Total operating expenditure:

- Employee Costs: \$12,806,181
- Materials and Contracts: \$7,835,573
- Utility Charges: \$679,238
- Depreciation: \$7,183,930
- Finance Costs: \$496,733
- Insurance: \$417,451
- Other Expenditure: \$451,224
- Loss on Asset Disposals: \$71,415

Statistics snapshot:





Infrastructure upgrades:

During the 2024/25 financial year, a number of major and minor capital works projects were commenced or completed, with capital works totaling \$16 million.

This capital expenditure included roads, bridges, paths, buildings and parks, including the Shire's new Library, Administration and Community Building.

Eaton basketball courts

- The basketball courts received new backboards and rings, pothole repairs, updated line marking and a full sweep, improving safety and the overall playing experience.

Eaton Recreation Centre – changeroom upgrades

- Changerooms 1 and 2 were fully refurbished, and the Universal Accessible Toilets were upgraded to allow 24/7 access for gym users, enhancing inclusivity and convenience.

Eaton Recreation Centre – internal and external painting and major works

- Centre-wide painting was completed both inside and outside the facility, funded by the LRCI Grant at a total cost of \$223,120. This work significantly refreshed and modernised the building's appearance.
- Installation of new entry flooring and skirting, and the conversion of an existing meeting room to enhance functionality for community use.

Don Hewison Community Centre – Brick fretting and painting

- Restoration works were carried out to repoint fretting mortar, replace damaged bricks, and repaint internal surfaces, including floors. The timber floor was also sanded and resealed to extend its lifespan.

Dardanup Hall:

- Urgent repairs were completed to address a leaning stage and undertake essential structural works to ensure the hall remains safe and operational.

Transport:

Pratt Road/Eaton Bowling Club access improvements

- Upgrades were completed to improve accessibility and safety, including new pathway connections, ramps, a blister island and a dedicated drop-off/pick-up bay at the Eaton Bowling Club entrance.

Council Drive accessibility and traffic calming works

- New ACROD parking bays and a traffic-calming plateau were installed at the front of the Administration Building, improving safety for pedestrians and visitors. Additional kerb rectification and paving works were also carried out near Recreation Drive.

Crampton Avenue footpath renewal

- The footpath along Crampton Avenue was renewed, improving pedestrian access and connectivity, including safer access to nearby shops.

Golding Crescent/Demarco Road Intersection Upgrade (Picton East)

- Intersection upgrades were completed to improve traffic flow and safety for road users in the Picton East industrial area.



Recreational:

Burekup Oval bollards and chain gates

- New bollards and chain gates were installed around Burekup Oval to prevent unauthorised vehicle access and reduce vandalism.

New bore installation at Eaton Oval

- A new groundwater bore was constructed at Eaton Oval, tapping into the Yarragadee aquifer to secure an additional water allocation for irrigating Eaton Oval and the Eaton Foreshore.

Glen Huon oval protection netting

- Protection netting was installed at the south-east end of Glen Huon Oval to minimise the risk of footballs entering the adjacent pump track and playground, enhancing safety for all users.

Alice Court pathway renewal

- The pathway connecting Alice Court to Millers Creek was renewed, including repairs to the stairway handrail, removal of degraded asphalt and construction of a new link to the main pathway to improve accessibility.

Eaton Recreation Centre operational improvements

- Installation of people counter software to capture Centre visitation and allow for social value and community impact reporting.
- Implementation of new digital Leisure Management Software for improved member, patron and staff experience and efficiencies.
- Implementation of new digital fitness software for improved member journey and fitness outcomes.
- Marketing and branding review – colours, graphics, templates and brand.
- New Vacation Care room.



Event highlights:

Through our ongoing program of free community events, programs, workshops and activities held in locations throughout the Shire, 586 initiatives were completed in the 2024/25 financial year. Some of the highlights included:

- Christmas in the Park – Burekup.
- Summer Serenade – Dardanup.
- Movies by Moonlight – Eaton.
- Tronox Spring Out Festival.
- Digital Connection Program.
- Storytime in the Park.
- Scouts Family Fun Day.
- Youth Week: YouthFest.
- Crafternoons at the Library.
- Author Talks.
- Seniors Day Morning Tea.
- Teddy Bears' Picnic; and
- Whitey's Family Fishing Clinic.



Achievements:

The Shire of Dardanup's Council Plan 2024/2034 was endorsed by Council in July 2024, and combines Council's 10-year Strategic Community Plan and four-year Corporate Business Plan.

The Shire updated the Council Plan 2025/2035 in May 2025.

The Council Plan sets out objectives in the following key performance areas:

- ✓ Leadership
- ✓ Environment
- ✓ Community
- ✓ Prosperity
- ✓ Amenity



Council Plan:

Objective 1: Community

We have a safe and vibrant community that is inclusive and welcoming for all ages and interests.

Summer in Your Park Series brings communities together

The 2024/2025 Summer in Your Park Series returned to the Shire of Dardanup.

Parks came to life in summer with exciting free family-friendly events in outdoor locations across the shire.

In total there were 23 events held, including Christmas in the Park (Burekup), Movies by Moonlight (Eaton) and Summer Serenade (Dardanup).

These events were further enriched by collaborative programs delivered by the Library and Eaton Recreation Centre (ERC), working in partnership with local businesses and community groups such as Whitey's Tackle and Camping, the Leschenault Scout Group, and X5 Academy.

The event series was funded by Council, Umbrella Realty, Southern Ports Authority, J&P Group, and Doral.



Tronox Spring Out Festival transforms Eaton Foreshore

The Tronox Spring Out Festival returned to the Eaton Foreshore on Sunday, 20 October 2024, celebrating its ninth year with a record attendance of approximately 6,500 people.

Held in conjunction with National Children's Week, the free community event continued to strengthen its reputation as one of the region's largest and most engaging family festivals.

The 2024 program featured an extensive range of free amusements and activities, including miniature train rides, a 40-metre inflatable obstacle course, climbing challenges, sensory play zones, craft activities, and a Highland cow meet-and-greet. A strong entertainment lineup included Bluey and Bingo meet-and-greet sessions, Eco Faeries roving performers, cultural performances, dance showcases, and live local music.



A new artisanal market area proved highly popular, complementing a busy selection of food trucks, many of which sold out due to strong demand. Local early years providers, emergency services, and community organisations contributed interactive displays and information stalls.

Both the Carey Park and Leschenault Scout Groups benefited from increased visibility, securing new member sign-ups on the day. Members of the Shire's Youth Advisory Group also supported the event by assisting with MC duties.

The festival's continued growth reflects the significant planning and collaboration of Shire staff across multiple teams, supported by dedicated volunteers and community partners.



Celebrating Seniors Week with creativity, connection and community spirit

The Shire of Dardanup marked Seniors Week 2024 with a warm and welcoming celebration at the Eaton Community Library on 13 November.

The free morning tea and Christmas card, making workshop brought seniors together to recognise their contributions and enjoy a morning of creativity, conversation and connection.



A total of 41 community members attended the event, filling the library with festive spirit as they crafted handmade Christmas cards while sharing morning tea. Laughter, stories and new friendships flowed easily, highlighting the important role events like these play in supporting social connection and celebrating the wisdom and experience seniors bring to the Shire.

The celebration formed part of Seniors Week WA, held from 10-17 November 2024, an annual initiative acknowledging the significant role older people play in families, workplaces and communities across the state.

A second Seniors Celebration Day was also held later that month at the Dardanup Hall on 29 November, offering another opportunity for seniors to come together. The event featured a morning tea, a lively performance from the Dardanup Social Dance Group and a screening of the iconic 1939 film *The Wizard of Oz*. Families and grandchildren joined in, helping make the day a warm and memorable community gathering.

Together, these events highlighted the Shire's ongoing commitment to celebrating and supporting its senior community.

Eaton Recreation Centre: a busy year of growth, activity and community use

The Eaton Recreation Centre began the year strongly, reaching a record 1,126 members in January. Membership declined to 729 by June following the arrival of low-cost fitness provider - Revo Fitness in April.

Court utilisation remained at capacity in peak times, driven by strong growth in the Eaton Basketball Association and high demand for court space across the South West.



The Centre again hosted key annual events including Elite Eisteddfod, Top Jazz, School Sport WA days, NBL1 West South West Slammers home games and WABL competitions. Netball activity remained strong with SouWest Jets, SWNFL, and the Eaton Netball Association using the venue throughout the year.

Children's programs performed well, with 2,840 Vacation Care attendances over 56 days (averaging 50 per day) supporting families in the school holidays and getting kids active. 2,553 Creche visits were recorded across the year (213 per month) allowing parents in the community some down time and enabling participation and health outcomes.

Group Fitness saw 17,943 attendances for the year (1,495 per month), while gym visitation, impacted by refurbishment access issues, is estimated at over 25,000 for the year.

Social sport participation remained steady, welcoming 1,078 Pickleball players and 140 Badminton players in the morning programs, and hosting 93 Basketball and 30 Netball teams in evening competitions.

Visitation tracking improved with the installation of a people counter on the main entry doors in November, recording 150,075 visits in eight months. Extrapolated across the year, visitation is estimated at 225,000, excluding about 15,000 Eaton Community College student visits via the east entry and separate gym data. The Centre also hosted 11 NBL1 Slammers home games and 16 WABL event days.

More accurate annual visitation reporting is expected next year as full-year data becomes available through the new counting system.



New library location offers huge range of programs, events and services

This year saw the library settle into the new space, continue to build offerings and strive to meet the needs of the community. In response to community feedback, the library space was enhanced with new blinds to reduce heat and glare against the summer sun and acoustic paneling in three areas to reduce echo, reverberation and ambient noise to provide a quieter, more comfortable space for everyone.

Over the course of the year, the library has been re-arranged to better accommodate the growing numbers of patrons accessing library services and programs with 1742 active members. A highlight of the year was the delivery of the Cards and Cake event for Seniors Week and accessible art workshops to celebrate International Day of People with Disability.

Additionally, school holiday programs continue to draw increase visitors to the library, with activities such as Mario Kart challenges, themed treasure hunts, tactile play sessions and engaging workshops.

The library continued to provide access to library materials and service for our community members who cannot visit one of our libraries in person due to illness, disability or limited mobility. Our library team work hard to match library materials with members preferences and ensure that these community members remain connected.

The Mick Bennett Make-It Space has continued to grow and evolve over the course of the year, building membership and equipment. Program offerings in the Space continue to develop and our Maker Lab sessions saw community members making innovative and creative projects.

As we move into another year, we are excited to continue to grow our program and service offerings within the Mick Bennett Make-It Space to encourage more of our community to engage in innovative, creative projects and skills building. We also look forward to integrating program offerings across the Mick Bennett Make-It Space and the library to encourage community members to access a broader range of offerings.

For the Shire of Dardanup libraries, we aim to continue to respond to community feedback and provide a welcoming, safe community hub for all members of our community. Our goals for the upcoming year include increasing our special events, such as author talks, and continuing to build programming that creates connection, fosters community, supports lifelong learning, promotes literacy, and strives for equitable access to information and resources for all.



Council Plan:

Objective 2: Environment

There is a healthy and balanced respect for the environment, while retaining our lifestyle values, community spirit and identity.

Free guide to our local native plants launched

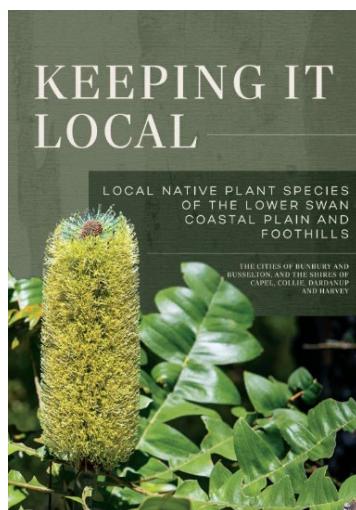
A new community resource aimed at supporting local biodiversity was launched this year, with the *Keeping it Local* booklet offering practical guidance for residents on incorporating local native plants into their gardens.

Developed collaboratively with the Cities of Bunbury and Busselton and the Shires of Capel, Collie and Harvey, the booklet helps gardeners select species suited to their location, soil type and desired environmental outcomes.

The concept was championed by the Shire of Dardanup's Coordinator of Environment and Waste, Eliza-Jane Jacques, and delivered in partnership with the Leschenault Catchment Council.

The guide features native species from the lower Swan Coastal Plain and Foothills, with clear icons showing suitability for each participating Local Government Area, along with plant tolerances and characteristics. All species listed are readily available through local nurseries.

The booklet encourages residents to support local wildlife by choosing plants that contribute to healthy habitat and food sources, helping to build more resilient and biodiverse neighbourhoods. Copies of *Keeping it Local* are available on the Shire's website or from the Shire offices.



Wildlife-friendly rodent control a major shift in pest management

This year, the Shire of Dardanup completed a major shift in its pest management approach by phasing out harmful second-generation anticoagulant rodenticides (SGARs) across all Shire-managed facilities. The transition to wildlife-friendly first-generation alternatives (FGARs) responds directly to community feedback and aligns with national advocacy led by BirdLife Australia.



The new approach has been implemented at key sites including the Library, Administration and Community Building, Eaton Recreation Centre, Eaton Foreshore toilets, Shire Depot, Dardanup Office and Dardanup Hall. FGARs break down more quickly in the environment and significantly reduce the risk of secondary poisoning to non-target species such as owls, ospreys, lizards and domestic pets.

This initiative reflects the Shire's commitment to environmental stewardship and responsible pest control practices. It also supports the conservation efforts of BirdLife Bunbury and contributes to protecting local biodiversity. The transition required coordinated changes across multiple service providers and represents an important step in safeguarding native wildlife.

To further support community awareness, the Eaton Community Library hosted an educational Planet Matters session on safe rodent control and the impacts of different baiting methods.



Proactive coastal management and planning

In May 2024, the Shire of Dardanup adopted the Coastal Hazard Risk Management and Adaptation Plan (CHRMAP), marking an important step in addressing long-term coastal hazards and supporting sustainable coastal management.

Developed through the Peron Naturaliste Partnership (PNP), the CHRMAP provides a strategic framework for managing risks associated with coastal hazards and includes practical, evidence-based recommendations to guide future planning and decision-making. The PNP comprises nine local government authorities across the Capel, Leschenault and Greater Bunbury regions, enabling a coordinated response to shared challenges such as erosion, inundation and climate change.

Throughout the year, the Shire continued its involvement with both the PNP and CoastWA, progressing work identified in the CHRMAP. A key action was pursuing funding to review and update the Eaton Foreshore Management Plan, one of the recommendations arising from the CHRMAP. While the grant round was highly competitive and oversubscribed, meaning the Shire was unsuccessful on this occasion, but remains committed to seeking future funding opportunities to advance this important work.

The adoption of the CHRMAP, along with ongoing collaboration and project planning, reflects the Shire's commitment to building resilience and safeguarding the region's coastal environments for generations to come.

Council Plan:

Objective 3: Amenity

Our facilities and infrastructure make the Shire an attractive and desirable place to live, work and visit.

Investing in a healthy, active community at Eaton Recreation Centre

The Shire of Dardanup remains committed to supporting the health and wellbeing of our growing community, with the Eaton Recreation Centre benefiting from a range of significant upgrades throughout 2024-25. These improvements ensure the Centre continues to provide a high-quality, inclusive and modern environment for people of all ages to stay active, connect, and enjoy community life.

This year's works focused on enhancing the comfort, accessibility and overall experience for members and visitors. The refurbishment of the main changerooms and upgrades to the Universal Accessible Toilets, now offering 24/7 access, support the Centre's role as a welcoming and user-friendly space for everyone.

The building also received a major refresh, with internal and external painting funded through the Australian Government's Local Roads and Community Infrastructure Program. These works have revitalised the look and feel of the Centre, creating a brighter and more modern facility for the community.

To meet growing demand and continue improving the user experience, the Centre introduced several operational enhancements. These included a new digital Leisure Management System, digital fitness software, and people-counting technology to better understand visitation and community impact. A new Vacation Care room and the conversion of internal spaces further support the Centre's expanding programs and services.

Together, these upgrades reflect the Shire's ongoing investment in community wellbeing and its commitment to providing a high-quality recreation facility that encourages healthy, active lifestyles, now and into the future.



Local Planning Scheme No. 9 adopted

A significant milestone for the Shire was achieved in 2024-25 with the Western Australian Planning Commission approving Local Planning Scheme No. 9 (LPS9). Published in the Government Gazette on 23 June 2025, LPS9 replaces the Shire's long-standing Town Planning Scheme No. 3, which had guided development since 1979.

The adoption of LPS9 has been a long time coming and reflects several years of dedicated work by Shire officers in close collaboration with State Government agencies.

The new scheme brings the Shire in line with contemporary planning principles and current State policy, providing a clearer and more consistent framework for landowners, developers and the wider community.

LPS9 lays the foundations for well-planned, sustainable growth while protecting the lifestyle, rural character and environmental values that residents strongly identify with. Its implementation marks a major step forward in ensuring the Shire is well positioned to manage future development and support thriving, connected communities.



Council Plan:

Objective 4: Prosperity

The Shire has a vibrant, diversified economy built from our pillars of agriculture, forestry, manufacturing, mining and tourism.

Youth Work experience opportunities a success at the Shire facilities

During the 2024/25 year, the Shire had five students successfully complete work placement programs across a range of Shire Departments. We had students from Eaton Community College, Bunbury Catholic College, Our Lady of Mercy College, and Bunbury Cathedral Grammar School.

This year, our student placement program supported a diverse cohort of learners, ranging from Year 10 students undertaking workplace familiarisation to Year 11 and 12 students completing placements as part of their vocational certificate qualifications. The program provided valuable real-world experience tailored to each student's educational stage and career interests.

Notably, two of our participating students had disabilities, and we worked closely with them and their support networks to ensure inclusive, meaningful, and supportive placement experiences. Their participation highlights our ongoing commitment to fostering an inclusive environment that values and accommodates the needs of all students.

The Shire has also recently joined the new Bunbury Geographe Economic Alliance Student Connect Portal program, a regional initiative designed to strengthen collaboration between education providers and local industry. The portal aims to facilitate meaningful work experience placements by matching students with suitable host organisations, ensuring a positive and productive experience for all parties involved. This strategic move supports the development of a strong local talent pipeline by creating clearer pathways from education to employment.



South-West Designated Area Migration Agreement (DAMA)

The South-West DAMA was signed in December 2021 as a five-year agreement with the Commonwealth to assist South-West businesses to access skilled labour in occupations not ordinarily served by the standard skilled migration program.

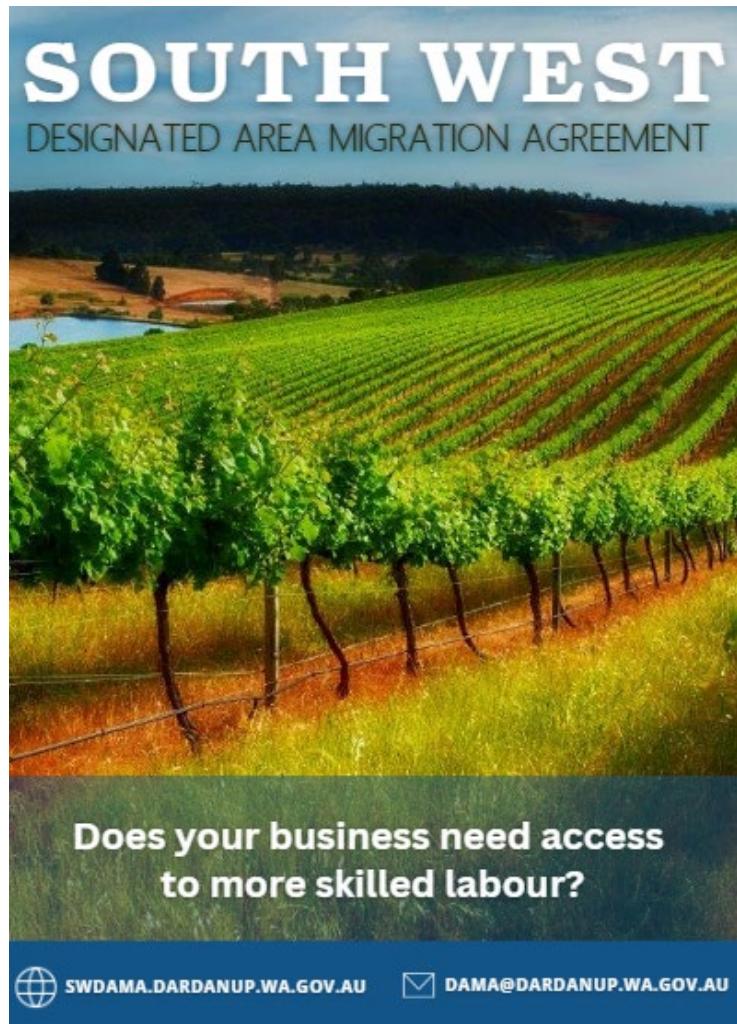
In November 2024, a request to amend the agreement was signed which allowed an expansion of the occupation list and the total number of applicants through the program. The South-West DAMA now covers 126 occupations across the Health Services, Aged Care, Childcare, Hospitality, Construction, Transport and Agriculture industries.

Businesses wishing to access the DAMA can be from any of the following South-West Local Government Areas:

- City of Busselton
- City of Bunbury
- Shire of Capel
- Shire of Collie
- Shire of Augusta-Margaret River
- Shire of Boyup-Brook
- Shire of Bridgetown-Greenbushes
- Shire of Dardanup
- Shire of Donnybrook-Balingup
- Shire of Harvey
- Shire of Manjimup
- Shire of Nannup

Now nearing the end of the fourth year, the South-West DAMA has assisted over 230 businesses in the South-West to sponsor workers through the Labour Agreement framework.

There have been over 700 visa grants for workers and their families since the beginning of the program and all visa applicants having a pathway to permanent residency, ensuring that new migrants have the opportunity to build strong connections in our regional communities.



Council Plan:

Objective 5: Leadership

We have strong civic leadership supported by responsible and transparent corporate governance.

MARKYT Community Scorecard results 2025

The Shire of Dardanup continued its strong performance in the 2025 MARKYT Community Scorecard, with nearly 900 residents providing feedback across key service areas.

The Shire ranked second among regional councils in WA and 8th nationally among more than 70 councils surveyed over the past three years.

Results highlighted high community satisfaction in areas including community engagement, economic development, access and inclusion, youth and seniors' services, ranger services, and local town centre development. Several services scored well above industry averages, including town centre development (+17), planning services (+16), financial management (+9), and strong performance in libraries, local roads, and events.

The survey also identified key community priorities for the coming years, including housing affordability, community safety, and continued focus on roads and waste services.

The 2025 survey was delivered by independent research company CATALYSE®, with participation supported through Shire communication channels.

The full report is available on the Shire's website.



Shire recognised for best-practice financial reporting for second consecutive year

The Shire of Dardanup was recognised by the Department of Local Government, Sport and Cultural Industries as a Best Practice entity for the 2023/24 financial year.

This acknowledgment, detailed in the Office of the Auditor General's *Local Government 2023-24 Financial Audit Results* report, highlights the Shire's continued excellence in financial reporting.

The report reviewed 135 local governments across Western Australia, with the Shire of Dardanup again listed among the top 20 Best Practice entities.

This achievement reflects the organisation's strong commitment to high standards in financial management and reporting, supported by the professionalism and dedication of the Corporate and Governance team.

The evaluation considered key criteria including the timeliness and quality of financial reports, resolution of accounting matters, staff availability during audits, and overall audit outcomes. This marks the second consecutive year the Shire has been recognised for its leadership in financial reporting.

Shire modernising core business systems

During 2024/25 the Shire made strong progress in modernising its core business systems. Throughout the year, staff worked closely with our system provider to prepare for the first stage of the new Enterprise Resource Planning (ERP) system, which replaces the ageing platform identified for renewal in the Shire's ICT Strategic Plan.

This work culminated in the Phase 1 go-live on 1 July 2025, delivering new technology to support the Shire's financial operations, payroll, property and rating services. The introduction of a system of this scale is a major milestone for the organisation and an important step toward improving how we deliver services to the community.

Some early issues have emerged following go-live and the Shire has been working closely with the vendor to resolve these and to support staff as they adapt to the new processes. The new system has already delivered improvements and efficiency in several areas and will continue to improve as refinements are made.

Planning has begun for Phase 2, which will extend the new system into customer service, planning, building, environmental health, and ranger services. This next stage will commence during 2025/26.

The ERP program is laying the foundations for a more modern, connected and digitally capable Shire. As the system matures, it will provide better access to information, more efficient processes, and stronger support for the community as we continue to evolve our services.

Youth Advisory Group celebrates YouthFest

YouthFest 2025 was held in Eaton and incorporated the Make-It Space and Library as part of WA Youth Week celebrations. The event received a \$3,000 grant from the Department of Communities, with a total budget of \$8,000 and actual expenditure of \$8,696.72 (deficit covered by Shire support).

The event aimed to celebrate and empower young people, increase participation, promote local services, and strengthen community connections.



Key outcomes:

- Collaboration with 33 local organisations and businesses.
- Promoted Eaton Library, Make-It Space, and Skate Park to boost engagement.
- Attendance increased from 350 in 2024 to 550 in 2025.

The Youth Advisory Group (YAG) led planning and delivery, taking leadership roles in MC duties, vendor coordination, and risk management. 11 young people involved in planning; 550 attended, including diverse representation.

The event increased awareness of youth issues, strengthened leadership skills, and received positive feedback from attendees and stakeholders.

YouthFest 2025 successfully met its objectives, delivering a vibrant, inclusive event that celebrated young people and strengthened community engagement.

New mural celebrates culture and connection

The Shire of Dardanup is proud to showcase a vibrant new mural on the external wall of its Administration, Library and Community Building. Created by local emerging artist Grace Janowicz, the mural, titled *Wanju* – meaning “welcome” in Noongar language – was commissioned following Grace’s win in the 2024 RCR NAIDOC Week Art Competition.

The project was delivered through a collaboration between RCR Mining Technologies, Check Mate Art Gallery in Bunbury, and the Shire of Dardanup, and brought to life during a week-long live painting session. Grace was selected from a pool of Noongar and non-Indigenous artists, with their design recognised for its bold street-art style and thoughtful reflection of the Shire’s community, culture and environment.

Wanju features vibrant blocks of colour and incorporates traditional symbols, including representations of people, the Collie River, and the Aboriginal flag. The design celebrates the Shire’s inclusive community, connection to country, local sport and events, the Ferguson Valley, and the new library as a central community hub.

RCR Mining Technologies has hosted the NAIDOC Week Art Competition for four years, supporting local talent and fostering connections through art. The mural’s completion highlights the Shire’s commitment to celebrating Aboriginal culture and supporting emerging artists.



Statutory reports:

Disability Access and Inclusion Plan

The Disability Services Act 1993 requires all public authorities to:

- Develop and implement a Disability Access and Inclusion Plan (DAIP).
- Report annually on progress towards achieving the seven DAIP outcomes.

The Shire of Dardanup lodged its DAIP with the Department of Communities on 25 August 2023 and published it on the Shire's website on 23 August 2023. The DAIP guides strategies and actions to ensure people with disability have equal access to services, facilities, information, and employment opportunities.

The DAIP identifies seven outcome areas. Progress for 2024–2025 is summarised below:

Outcome 1: Services and events

Inclusive events delivered, including:

- International Day of People with Disability
- Australia Day Breakfast (Auslan interpreter provided)
- Tronox Spring Out Festival (sensory zone included)
- Summer Serenade (sensory zone included)
- Youthfest (sensory zone included)
- Actions in progress:
 - Development of event accessibility checklist.
 - Induction processes for staff and contractors to include DAIP awareness.
 - Sharing service provider information at events.

Outcome 2: Buildings and facilities

- Ongoing disability audits and consultation during planning stages.
- ACROD parking maintained and expanded.
- Pedestrian access improvements and commitment to facilities above minimum standards.

Outcome 3: Information

- DAIP available in accessible formats.
- Website and social media updates to improve accessibility.
- Regular review of documents for plain language and alternative formats.

Outcome 4: Service quality

- Biennial review of Council policies underway.
- Staff training planned but not delivered in 2024–2025.

Outcome 5: Complaints

- Accessible premises for complaint lodgement maintained.
- Promotion of alternative communication methods (interpreters, assistive tech).

Outcome 6: Consultation

- Public meetings held in accessible locations.
- Provision for Auslan interpreters and multiple feedback formats.

Outcome 7: Employment

- Identification of employee needs and compliance with Equal Opportunity and Disability Discrimination legislation.

Achievements

Three notable achievements for 2024-2025:

- 1. New ACROD parking bays and raised pedestrian link – Council Drive**
Installed two ACROD bays and a raised pedestrian crossing to improve safety and accessibility.
- 2. Eaton Recreation Centre – Changeroom and toilet upgrades**
Increased Universal Access Toilets, added automated doors, ambulant toilets, and baby change facilities.
- 3. After-hours library return chute installation**
Provided flexible access for library users, supporting inclusion for those with time or social constraints.

State Records Act

The State Records Act 2000 is the legislation that governs the management of public records by all Western Australian government agencies.

This includes the requirement to have a Record Keeping Plan (RKP) that has been lodged with the State Records Commission. The Act ensures that public records are managed responsibly in order to support accountability, transparency, the preservation of historical items, and the effective provision of services by the Shire.

The RKP governs records creation and maintenance by the Shire, including how they are stored and when they may be disposed. It is the primary means of providing evidence of compliance with the Act and the record keeping practices that have been implemented throughout the organisation. The Shire of Dardanup and all its employees are legally required to comply with the contents of the RKP.

The Shire's Record Keeping Plan (RKP) for the period 2020 to 2025 was approved by the State Records Commission in August 2020 and reflects the Council's ongoing commitment to best practice in records management. THE RKP reflects the Shire's commitment to developing the technologies which will allow it to keep pace with the demands of an ever-increasingly complex information environment.

The Shire's Record Keeping Plan was reviewed in 2025 and areas were identified that required updating. The renewed RKP is currently being drafted by IDS, and will be submitted to the State Records Commission for final approval in early 2026.

Information Document Services

The Shire has developed and implemented a customised SharePoint application (TARDIS) as the approved Shire Electronic Document and Records Management System (EDRMS). The TARDIS system has been in place since 2015.

TARDIS was deployed to support a decentralised records management system, with all Shire officers managing their own information management. TARDIS uses the RecordPoint software to manage compliance with the State Records Act 2000. RecordPoint is managed by the Information Document Services office, a division of Information Services department.

The Information Document Services department continues to place strong emphasis on records training for all new and existing staff members, with the dual objectives of making it easier to effectively use the information management systems and to reduce the incidence of non-compliance with the State Records Act. Record keeping inductions occur for all new staff who will be required to manage their own records.

The training is comprised of two mandatory introductory sessions, with a follow-up session two weeks later. Content includes a written guide to each officer's record keeping responsibilities and the use of the approved record keeping system. Information Document Services staff continue to offer information management support to all staff on request, either in targeted sessions or individually.

Elected members also receive a more concise induction soon after being sworn in. This ensures that Councillors are aware of Shire record keeping processes and their own responsibilities as per the State Records Act.

A major project launched in 2020 to digitise the Shire's paper-based records is ongoing. To date the project has digitised over 6500 items. This project intends to provide Shire officers with quicker access to files, enhanced data searching and to reduce or remove storage of paper-based records.

By reducing reliance on hard copy records the Shire is able to provide a more efficient service to external stakeholders, internal staff, and elected members. Digitisation also reduced the risks associated with the storage of unique and potentially vulnerable paper documents.

The IDS staff are a critical support service to the organisation, evidenced by the fact the TARDIS system is approaching having had over 1.6 million records committed.

The team also manage Freedom of Information applications and assist with preparing the organisation for the implications of the Privacy and Responsible Information Sharing (PRIS) legislation, the main provision of which come into effect in July of 2026.

Register of Minor Complaints

Section 5.121 of the Local Government Act 1995 (Register of certain complaints of minor breaches) requires the Complaints Officer for each local government to maintain a register of complaints which records all complaints that result in action under section 5.110(6)(b) or (c) of the Act (Conduct of Certain Officials).

Section 5.53 (2)(hb) of the Local Government Act 1995 requires that details of entries made under section 5.121 during the financial year in the register of complaints, including —

- I. The number of complaints recorded in the register of complaints; and
- II. How the recorded complaints were dealt with;

be included in the Annual Report of Council.

The Shire of Dardanup Complaints Officer received no Complaints in 2024/25 which required referral to the Standards Panel for the Panel's attention.

Employee Remuneration

In accordance with the *Local Government (Administration) Regulations 1996 (Reg 19B(2))* set out below in bands of \$10,000, is the number of employees that are entitled to an annual Salary of \$130,000 or more.

<u>Salary Range</u>	<u>2024/25 Actual</u>	<u>2023/24 Actual</u>
\$130,000 - \$139,999	5	0
\$140,000 - \$149,999	0	1
\$150,000 - \$159,999	0	0
\$160,000 - \$169,999	2	1
\$170,000 - \$179,999	0	0
\$180,000 - \$189,999	0	1
\$190,000 - \$199,999	1	1
\$200,000 - \$209,999	0	0
\$210,000 - \$219,999	1	1

In accordance with the *Local Government (Administration) Regulations 1996 (Reg 19B(e))*, the remuneration paid to the CEO during 2024/25 was \$274,264.

Public Interest Disclosures

The Director Corporate and Governance is appointed as Council's Public Interest Disclosures Officer under the Public Interest Disclosures Act 2003. This legislation is often referred to as the "whistleblower" Act and provides for the reporting of serious wrongdoing within the State public sector and local government as well as providing the mechanism for responding to reports.

The Shire of Dardanup Public Interest Disclosures Officer did not receive any complaints in 2024/25.

Trading Undertakings and Major Trading Undertakings

In accordance with the *Local Government (Administration) Regulations 1996 (Reg 19BB)*, Council did not participate in any trading undertakings or major trading undertakings during the 2024/25 financial year.

Major Land Transactions

In accordance with the *Local Government (Administration) Regulations 1996 (Reg 19BC)*, Council did not undertake any Major Land Transactions during the 2024/25 financial year.

Capital Grants, Subsidies and Contributions

In accordance with the *Local Government (Administration) Regulations 1996 (Reg 19BE)*, set out below is the amount of all capital grants, subsidies and contributions, for replacing and renewing assets, that were received by the local government during the 2023/24 financial year and the previous 2 financial years:

	Capital Grants	Subsidies	Contributions
2024/25	\$ 911,010	\$0	\$ 29,035
2023/24	\$1,833,820	\$0	\$ 164,679
2022/23	\$2,366,547	\$0	\$2,906,792

President and Council Member fees, expenses, allowances, meeting attendance

In accordance with the *Local Government (Administration) Regulations 1996 (Reg 19B and 19BD)*, set out below are the fees, expenses or allowances paid during the 2024/25 financial year to Council members; the number of Council and committee meetings attended by each Council member during the financial year:

2024-25 PRESIDENT AND COUNCIL MEMBER FEES, EXPENSES, AND MEETING ATTENDANCE 1 July 2024 to 30 June 2025							
Elected Member	Shire President/ Deputy allowance	Meeting attendance fee	Information and communication technology allowance	Travel/childcare reimbursement	Total	Council meeting attendance	Committee meeting attendance
Shire President Cr. Tyrrell Gardiner	\$31,989.96	\$21,940.08	\$2,799.96	-	\$56,730.00	16	15
Deputy Shire President Cr. Ellen Lilly	\$7,998.00	\$14,169.00	\$2,799.96	-	\$24,966.96	12	11
Cr. Stacey Gillespie	-	\$14,169.00	\$2,799.96	\$271.43	\$17,240.39	15	3
Cr. Luke Davies	-	\$14,169.00	\$2,799.96	\$136.99	\$17,105.95	9	2
Cr. Mark Hutchinson	-	\$14,169.00	\$2,799.96	-	\$16,968.96	14	9
Cr. Jack Manoni	-	\$14,169.00	\$2,799.96	\$84.15	\$17,053.11	15	5
Cr. Tony Jenour	-	\$14,169.00	\$2,799.96	-	\$16,968.96	15	5
Cr. Annette Webster	-	\$14,169.00	\$2,799.96	-	\$16,968.96	12	1
Cr. Taneta Bell	-	\$14,169.00	\$2,799.96	-	\$16,968.96	13	3
					\$200,972.25		

Financial reports:

Guide to the financial statements

The 2024/25 financial statements show how the Shire of Dardanup performed during the financial year and the overall position at the end of the financial year, 30 June 2025.

The financial statements are prepared in accordance with the *Australian Accounting Standards* as they apply to local government and in accordance with the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996*. The financial statements must be certified by the Chief Executive Officer, and audited by an independent auditor appointed through the Office of Auditor General.

Financial statements

The financial statements consist of five financial reports, explanatory notes supporting the reports and endorsement from the Chief Executive Officer and the independent auditor's report. The five financial reports are:

- Statement of Comprehensive Income by Nature.
- Statement of Financial Position.
- Statement of Changes in Equity.
- Statement of Cash Flows.
- Statement of Financial Activity.

Statement of comprehensive income by nature or type

The Statement of Comprehensive Income measures the Council's performance over the year. The Statement of Comprehensive Income by Nature or Type provides a breakdown of the operating income and expenditure for the year, excluding the capital costs of buildings or assets. It lists the sources of revenue and expenditure incurred during the financial year in relation to the Council's 'operations'. Expenses do include an item for depreciation which is the value of the assets used up during the year.

Statement of financial position

The Statement of Financial Position shows the assets that the Shire of Dardanup owns and its liabilities (money that the Council owes). It is further broken down into 'Current' and 'Non-current'. Current means those assets and liabilities that are expected to be recouped, consumed or settled within the next 12 months; and Non-Current refers to those assets and liabilities that have an economic life extending beyond 12 months. The calculated difference between 'Assets' less 'Liabilities' is classified as 'Net Assets' or 'Equity'.

Statement of changes in equity

The Statement of Changes in Equity summarises the changes in the Council's equity for the year. A change in equity from the previous year may result from:

- A surplus or deficit from the year's operations;
- Use of money from, or transfer to, the Council's Reserve Accounts; and
- A change in value of non-current assets following a revaluation of a class of assets.

Statement of cash flows

The Statement of Cash Flows summarises the Council's cash payments and receipts for the year, and the level of cash at hand at the end of the financial year. Cash in this statement refers to bank deposits and investments capable of being quickly converted to cash. Cash flow arises from operating activities, investing activities and financing activities.

Statement of financial activity

A statement showing the level of rates raised to finance the delivery of programs and any surplus/deficit at the end of the financial year. This Statement was formerly referred to as the Rate Setting Statement.

Notes to the statements

The Notes to the Statements are an informative section of the report and enable the reader to understand the basis on which the values shown in the statements are established. The Notes also advise if there has been any change to the Accounting Standards, Policy or Legislation that has impacted on the preparation of the statements. Within the five Financial Statements, there is a 'Note' number column to indicate which Note the reader can refer to for additional information.

Financial ratios

Under the *Local Government (Financial Management) Regulations 1996* and the *Local Government (Audit) Regulations 1996*, financial ratios are no longer required to be reported, or audited, in the Annual Financial Report. However, a voluntary disclosure is provided in the Annual Report.

	24/25 Actual	23/24 Actual	22/23 Actual	21/22 Actual
Current ratio	1.346	1.366	1.297	1.328
Asset consumption ratio	0.734	0.748	0.755	0.928
Asset renewal funding ratio	1.000	0.852	0.867	1.271
Asset sustainability ratio	0.406	-0.878	1.287	2.001
Debt service cover ratio	2.664	3.815	8.231	3.892
Operating surplus ratio	-0.208	-0.153	-0.032	-0.182
Own source revenue coverage ratio	0.776	0.793	0.865	0.742

Overall Council is in good financial health, and this is reflected in its financial ratios illustrated above.

Statement by the Chief Executive Officer and Independent Auditor's Report

The Annual Financial Report and supporting notes require certification by the Chief Executive Officer under the *Local Government Act 1995*; as a written declaration that the Statements fairly present the Shire of Dardanup's financial position and performance in compliance with applicable accounting standards and relevant legislation.

The Independent Audit Report provides an external and independent opinion on the Financial Statements. It provides the reader with the scope of audit work undertaken and expresses an audit opinion formed on this basis. The audit opinion relates to the fairness aspects and the statutory compliance of the Financial Statements.

SHIRE OF DARDANUP
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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

The Shire of Dardanup is a healthy, self-sufficient and sustainable community, that is connected and inclusive, and where our culture and innovation are celebrated.

Principal place of business:
Shire of Dardanup
1 Council Drive
EATON WA 6232

**SHIRE OF DARDANUP
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 Dardanup 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 20th day of November 2025



André Schönenfeldt
Chief Executive Officer



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

	Note	2025 Actual	2025 Budget	Restated 2024 Actual
		\$	\$	\$
Revenue				
Rates	2(a),25	17,260,271	17,146,049	16,132,310
Grants, subsidies and contributions	2(a)	1,873,915	2,377,281	2,333,129
Fees and charges	2(a)	4,656,507	4,188,470	4,244,115
Interest revenue	2(a)	1,206,612	884,598	1,243,081
Other revenue	2(a)	19,602	10,914	15,464
		25,016,907	24,607,312	23,968,099
Expenses				
Employee costs	2(b)	(12,806,181)	(13,107,505)	(11,810,080)
Materials and contracts		(7,835,573)	(8,013,850)	(6,733,044)
Utility charges		(679,238)	(690,724)	(646,659)
Depreciation		(7,183,930)	(6,670,135)	(6,769,912)
Finance costs	2(b)	(496,733)	(523,460)	(417,984)
Insurance		(417,451)	(412,418)	(380,356)
Other expenditure		(451,224)	(434,681)	(537,804)
		(29,870,330)	(29,852,773)	(27,295,839)
		(4,853,423)	(5,245,461)	(3,327,740)
Capital grants, subsidies and contributions	2(a)	940,045	2,920,564	1,998,499
Profit on asset disposals		90,113	730,000	22,418
Loss on asset disposals		(71,415)	0	(2,956)
Fair value adjustments to financial assets at fair value through profit or loss	4(a)	(3,551)	0	1,681
		955,192	3,650,564	2,019,642
Net result for the period		(3,898,231)	(1,594,897)	(1,308,098)
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	17	0	0	0
Total other comprehensive income for the period	17	0	0	0
Total comprehensive income for the period		(3,898,231)	(1,594,897)	(1,308,098)

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



SHIRE OF DARDANUP
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025	Restated 2024	Restated 1 July 2023
		\$	\$	\$
CURRENT ASSETS				
Cash and cash equivalents	3	20,641,917	18,240,105	29,585,676
Trade and other receivables	5	937,031	1,028,095	715,261
Inventories	6	7,899	40,325	38,783
Other assets	7	213,788	493,460	334,497
TOTAL CURRENT ASSETS		21,800,635	19,801,985	30,674,217
NON-CURRENT ASSETS				
Trade and other receivables	5	175,846	159,549	139,769
Other financial assets	4(a)	79,620	83,171	81,490
Property, plant and equipment	8	62,493,042	62,105,668	50,025,332
Infrastructure	9	209,836,758	213,570,855	216,430,416
Right-of-use assets	11(a)	9,453	91,431	230,739
TOTAL NON-CURRENT ASSETS		272,594,719	276,010,674	266,907,746
TOTAL ASSETS		294,395,354	295,812,659	297,581,963
CURRENT LIABILITIES				
Trade and other payables	12	3,140,871	2,284,044	3,486,035
Contract liabilities	13	1,426,399	934,065	621,264
Capital grant/contributions liabilities	13	236,625	126,198	314,769
Other liabilities	13	3,173	55,206	28,238
Lease liabilities	11(b)	10,196	84,009	141,270
Borrowings	14	595,179	502,125	456,556
Employee related provisions	15	1,730,189	1,627,182	1,664,462
Other provisions	16	173,565	0	0
TOTAL CURRENT LIABILITIES		7,316,197	5,612,829	6,712,594
NON-CURRENT LIABILITIES				
Other liabilities	13	0	0	261,660
Lease liabilities	11(b)	0	11,724	96,117
Borrowings	14	10,302,629	9,297,809	8,299,934
Employee related provisions	15	200,371	220,180	242,262
Other provisions	16	0	195,729	186,910
TOTAL NON-CURRENT LIABILITIES		10,503,000	9,725,442	9,086,883
TOTAL LIABILITIES		17,819,197	15,338,271	15,799,477
NET ASSETS		276,576,157	280,474,388	281,782,486
EQUITY				
Retained surplus		62,839,109	66,851,884	57,780,725
Reserve accounts	28	14,331,304	14,216,760	24,596,016
Revaluation surplus	17	199,405,744	199,405,744	199,405,745
TOTAL EQUITY		276,576,157	280,474,388	281,782,486

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



SHIRE OF DARDANUP
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		57,684,519	24,596,016	200,201,571	282,482,106
Correction of error	30	96,207	0	(795,827)	(699,620)
Restated balance at the beginning of the financial year		57,780,726	24,596,016	199,405,744	281,782,486
Comprehensive income for the period					
Net result for the period		(1,308,098)	0	0	(1,308,098)
Other comprehensive income for the period	17	0	0	0	0
Total comprehensive income for the period		(1,308,098)	0	0	(1,308,098)
Transfers from reserve accounts	28	17,726,556	(17,726,556)	0	0
Transfers to reserve accounts	28	(7,347,300)	7,347,300	0	0
Restated balance as at 30 June 2024		66,851,884	14,216,760	199,405,744	280,474,388
Comprehensive income for the period					
Net result for the period		(3,898,231)	0	0	(3,898,231)
Other comprehensive income for the period	17	0	0	0	0
Total comprehensive income for the period		(3,898,231)	0	0	(3,898,231)
Transfers from reserve accounts	28	6,622,518	(6,622,518)	0	0
Transfers to reserve accounts	28	(6,737,062)	6,737,062	0	0
Balance as at 30 June 2025		62,839,109	14,331,304	199,405,744	276,576,157

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



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

	Note	2025 Actual	2024 Actual
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		17,356,369	16,275,529
Grants, subsidies and contributions		2,410,531	2,209,878
Fees and charges		4,604,474	4,269,133
Interest revenue		1,206,612	1,243,081
Goods and services tax received		141,154	0
Other revenue		19,602	15,464
		25,738,742	24,013,085
Payments			
Employee costs		(12,658,566)	(11,843,147)
Materials and contracts		(6,827,405)	(8,218,661)
Utility charges		(679,238)	(646,659)
Finance costs		(496,733)	(417,984)
Insurance paid		(417,451)	(380,356)
Goods and services tax paid		0	(253,828)
Other expenditure		(474,154)	(528,985)
		(21,553,547)	(22,289,620)
Net cash provided by operating activities		4,185,195	1,723,465
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a)	(3,496,574)	(13,754,309)
Payments for construction of infrastructure	9(a)	(1,377,453)	(2,190,980)
Proceeds from capital grants, subsidies and contributions		940,045	1,861,069
Proceeds from sale of property, plant & equipment		1,120,940	114,684
Net cash (used in) investing activities		(2,813,042)	(13,969,536)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	27(a)	(502,126)	(456,556)
Payments for principal portion of lease liabilities	27(d)	(68,215)	(142,944)
Proceeds from new borrowings	27(a)	1,600,000	1,500,000
Net cash provided by financing activities		1,029,659	900,500
Net increase (decrease) in cash held		2,401,812	(11,345,571)
Cash at beginning of year		18,240,105	29,585,676
Cash and cash equivalents at the end of the year		20,641,917	18,240,105

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



SHIRE OF DARDANUP
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	25	16,922,394	16,812,163	15,749,930
Rates excluding general rates	25	337,877	333,886	382,380
Grants, subsidies and contributions		1,873,915	2,377,281	2,333,129
Fees and charges		4,656,507	4,188,470	4,244,115
Interest revenue		1,206,612	884,598	1,243,081
Other revenue		19,602	10,914	15,464
Profit on asset disposals		90,113	730,000	22,418
Fair value adjustments to financial assets at fair value through profit or loss	4(a)	0	0	1,681
		25,107,020	25,337,312	23,992,198
Expenditure from operating activities				
Employee costs		(12,806,181)	(13,107,505)	(11,810,080)
Materials and contracts		(7,835,573)	(8,013,850)	(6,733,044)
Utility charges		(679,238)	(690,724)	(646,659)
Depreciation		(7,183,930)	(6,670,135)	(6,769,912)
Finance costs		(496,733)	(523,460)	(417,984)
Insurance		(417,451)	(412,418)	(380,356)
Other expenditure		(451,224)	(434,681)	(537,804)
Loss on asset disposals		(71,415)	0	(2,956)
Fair value adjustments to financial assets at fair value through profit or loss	4(a)	(3,551)	0	0
		(29,945,296)	(29,852,773)	(27,298,795)
Non-cash amounts excluded from operating activities	26(a)	7,048,141	4,869,201	6,265,473
Amount attributable to operating activities		2,209,865	353,740	2,958,876
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		940,045	2,920,564	1,998,499
Proceeds from disposal of assets		1,120,940	1,232,480	114,684
		2,060,985	4,153,044	2,113,183
Outflows from investing activities				
Right of use assets received - non cash		0	(104,356)	0
Acquisition of property, plant and equipment	8(a)	(3,496,574)	(3,435,401)	(13,754,309)
Acquisition of infrastructure	9(a)	(1,377,453)	(4,398,791)	(2,190,980)
		(4,874,027)	(7,938,548)	(15,945,289)
Non-cash amounts excluded from investing activities	26(b)	0	1,175,290	0
Amount attributable to investing activities		(2,813,042)	(2,610,214)	(13,832,106)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	27(a)	1,600,000	1,600,000	1,500,000
Transfers from reserve accounts	28	6,622,518	7,367,765	17,726,556
		8,222,518	8,967,765	19,226,556
Outflows from financing activities				
Repayment of borrowings	27(a)	(502,126)	(541,020)	(456,556)
Payments for principal portion of lease liabilities	27(d)	(68,215)	(104,356)	(142,944)
Transfers to reserve accounts	28	(6,737,062)	(6,212,485)	(7,347,300)
		(7,307,403)	(6,857,861)	(7,946,800)
Amount attributable to financing activities		915,115	2,109,904	11,279,756
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	26(c)	684,593	652,816	278,067
Amount attributable to operating activities		2,209,865	353,740	2,958,876
Amount attributable to investing activities		(2,813,042)	(2,610,214)	(13,832,106)
Amount attributable to financing activities		915,115	2,109,904	11,279,756
Surplus or deficit after imposition of general rates	26(c)	996,531	506,246	684,593

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



SHIRE OF DARDANUP
FOR THE YEAR ENDED 30 JUNE 2025
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SHIRE OF DARDANUP
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 Dardanup which is a Class 3 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the *Local Government Act 1995*, the Australian Accounting Standards.

The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied except for disclosure requirements of:

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

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

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

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

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

Critical accounting estimates and judgements

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

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

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

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

- Fair value measurement of assets carried at reportable value including:
- Property, plant and equipment - note 8
- Infrastructure - note 9
- Expected credit losses on financial assets - note 5
- Impairment losses of non-financial assets - Note 10
- Measurement of employee benefits - note 15
- Measurement of provisions - note 16

Fair value hierarchy information can be found in note 24

The local government reporting entity

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 29 of the financial report.

Initial application of accounting standards

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

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

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

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

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

New accounting standards for application in future years

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

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

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

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

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

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

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

Revenue recognition

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

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

For the year ended 30 June 2025

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	16,922,394	337,877	17,260,271
Grants, subsidies and contributions	1,873,915	0	0	0	1,873,915
Fees and charges	0	0	255,152	4,401,355	4,656,507
Interest revenue	0	0	160,676	1,045,936	1,206,612
Other revenue	19,602	0	0	0	19,602
Capital grants, subsidies and contributions	0	940,045	0	0	940,045
Total	1,893,517	940,045	17,338,222	5,785,168	25,956,952

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	15,749,930	382,380	16,132,310
Grants, subsidies and contributions	2,333,129	0	0	0	2,333,129
Fees and charges	0	0	199,367	4,044,748	4,244,115
Interest revenue	0	0	150,390	1,092,691	1,243,081
Other revenue	15,464	0	0	0	15,464
Capital grants, subsidies and contributions	0	1,998,499	0	0	1,998,499
Total	2,348,593	1,998,499	16,099,687	5,519,819	25,966,598

SHIRE OF DARDANUP
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	581,603	770,515
Trade and other receivables overdue interest	160,676	150,390
Other interest revenue	464,333	322,176
	1,206,612	1,243,081
The 2025 original budget estimate in relation to:		
Trade and other receivables overdue interest	\$147,909	
Fees and charges relating to rates receivable		
Charges on instalment plan	95,880	86,730
The 2025 original budget estimate in relation to:		
Charges on instalment plan	\$88,258	

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report	64,691	60,600
	64,691	60,600

Employee Costs

Employee benefit costs	12,018,391	11,213,340
Other employee costs	787,790	596,740
	12,806,181	11,810,080

Finance costs

Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss	496,733	417,984
	496,733	417,984

SHIRE OF DARDANUP
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	20,641,917	18,240,105
Total cash and cash equivalents	20,641,917	18,240,105
Held as		
- Unrestricted cash and cash equivalents	2,622,248	3,089,280
- Restricted cash and cash equivalents	18,019,669	15,150,825
	20,641,917	18,240,105
18		

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) Non-current assets

Financial assets at fair value through profit or loss

Note	2025	2024
	\$	\$
Financial assets at fair value through profit or loss	79,620	83,171
	79,620	83,171
Financial assets at fair value through profit or loss		
Units in Local Government House Trust - opening balance	83,171	81,490
Movement attributable to fair value increment/(decrement)	(3,551)	1,681
Units in Local Government House Trust - closing balance	79,620	83,171

Fair value of financial assets at fair value through profit or loss is determined from the net assets value of the units held in the Trust at balance date as compiled by WALGA.

MATERIAL ACCOUNTING POLICIES

Financial assets at fair value through profit or loss

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

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

SHIRE OF DARDANUP
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	374,022	373,780
Trade receivables	276,758	207,234
GST receivable	273,090	414,244
Fuel tax credits	3,225	3,518
Pensioner rates rebate	9,936	29,319
	937,031	1,028,095
Non-current		
Pensioner rates and Emergency Services Levy deferred	175,846	159,549
	175,846	159,549

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 classified as non-current assets.

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

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

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

6. INVENTORIES

	Note	2025	2024
		\$	\$
Current			
Materials - depot		0	32,002
Trading stock - Eaton Recreation Centre		7,899	8,323
		7,899	40,325
Balance at beginning of year		40,325	38,783
Additions to inventory		(32,426)	1,542
Balance at end of year		7,899	40,325

The following movements in inventories occurred during the year:

MATERIAL ACCOUNTING POLICIES

General

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

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

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

7. OTHER ASSETS

	2025	2024
	\$	\$
Other assets - current		
Prepayments	125,522	176,567
Accrued income	34,915	71,326
Contract assets	53,351	245,567
	213,788	493,460

MATERIAL ACCOUNTING POLICIES

Other current assets

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

Contract assets

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

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

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

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in balances

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

Note	Assets not subject to operating lease				Plant and equipment			Total property, plant and equipment	
	Buildings - work in progress			Total property	Furniture and equipment	Plant and equipment	Motor Vehicles		
	Land	Buildings							
Balance at 1 July 2023	8,406,000	30,359,502	7,859,409	46,624,911	294,239	401,091	2,705,091	50,025,332	
Additions	0	13,203,242	50,749	13,253,991	129,995	11,079	359,244	13,754,309	
Disposals	0	0	0	0	0	0	(92,266)	(92,266)	
Depreciation	0	(1,192,796)	0	(1,192,796)	(87,484)	(52,571)	(248,856)	(1,581,707)	
Transfers	0	7,854,829	(7,854,829)	0	0	0	0	0	
Balance at 30 June 2024	8,406,000	50,224,777	55,329	58,686,106	336,750	359,599	2,723,213	62,105,668	
Comprises:									
Gross balance amount at 30 June 2024	8,406,000	70,623,945	55,329	79,085,274	1,856,902	609,738	5,421,206	86,973,120	
Accumulated depreciation at 30 June 2024	0	(20,399,168)	0	(20,399,168)	(1,520,152)	(250,139)	(2,697,993)	(24,867,452)	
Balance at 30 June 2024	8(b)	8,406,000	50,224,777	55,329	58,686,106	336,750	359,599	2,723,213	62,105,668
Additions	1,200,000	921,043	9,723	2,130,766	171,367	124,784	1,069,657	3,496,574	
Disposals	(420,000)	(424,817)	0	(844,817)	(3,191)	0	(244,313)	(1,092,321)	
Depreciation	0	(1,592,723)	0	(1,592,723)	(115,974)	(50,823)	(257,359)	(2,016,879)	
Transfers	0	55,329	(55,329)	0	0	0	0	0	
Balance at 30 June 2025	8(b)	9,186,000	49,183,609	9,723	58,379,332	388,952	433,560	3,291,198	62,493,042
Comprises:									
Gross balance amount at 30 June 2025	9,186,000	70,326,317	9,723	79,522,040	1,956,931	734,522	5,826,858	88,040,351	
Accumulated depreciation at 30 June 2025	0	(21,142,708)	0	(21,142,708)	(1,567,979)	(300,962)	(2,535,660)	(25,547,309)	
Balance at 30 June 2025	8(b)	9,186,000	49,183,609	9,723	58,379,332	388,952	433,560	3,291,198	62,493,042

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

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying amount measurements

Asset class	Note	Carrying amount 2025	Carrying amount 2024	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date								
Land and buildings								
Land - market value		9,186,000	8,406,000	2	Market approach using recent observable market data for similar properties	Independent registered valuer	June 2021	Price per hectare / market borrowing rate
Total land	8(a)	9,186,000	8,406,000					
Buildings		49,183,609	50,224,777	3	Market approach using recent observable market data for properties	Independent registered valuer	June 2021	Construction costs and current condition, residual values and remaining useful life assessments inputs
Total buildings	8(a)	49,183,609	50,224,777					

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

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

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

9. INFRASTRUCTURE

(a) Movements in balances

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

	Infrastructure - roads	Infrastructure - footpaths	Infrastructure - drainage	Infrastructure - parks and ovals	Infrastructure - bridges	Infrastructure - car parks	Infrastructure - lighting	Roads - work in progress	Footpaths - work in progress	Drainage - work in progress	Parks and ovals - work in progress	Total infrastructure
Restated balance at 1 July 2023	140,999,477	13,480,232	22,527,178	10,408,676	23,269,167	1,995,760	2,561,672	945,777	31,065	13,349	198,063	216,430,416
Additions	1,222,757	93,086	29,089	105,043	324,000	0	0	305,989	2,230	0	108,786	2,190,980
(Disposals)	0	0	0	0	0	0	0	0	(2,956)	0	0	(2,956)
Restated depreciation*	(2,961,727)	(460,365)	(420,208)	(533,442)	(427,207)	(78,285)	(166,351)	0	0	0	0	(5,047,585)
Transfers	937,977	28,110	13,349	160,295	0	0	0	(937,977)	(28,110)	(13,349)	(160,295)	0
Restated balance at 30 June 2024	140,198,484	13,141,063	22,149,408	10,140,572	23,165,960	1,917,475	2,395,321	313,789	2,229	0	146,554	213,570,855
Comprises:												
Gross balance at 30 June 2024	167,700,911	19,367,243	31,684,633	16,217,543	38,891,885	3,979,893	3,327,011	313,789	2,229	0	146,554	281,631,691
Accumulated depreciation at 30 June 2024	(27,502,427)	(6,226,180)	(9,535,225)	(6,076,971)	(15,725,925)	(2,062,418)	(931,690)	0	0	0	0	(68,060,836)
Restated balance at 30 June 2024	140,198,484	13,141,063	22,149,408	10,140,572	23,165,960	1,917,475	2,395,321	313,789	2,229	0	146,554	213,570,855
Additions	496,805	106,020	0	107,157	0	0	0	223,048	3,140	0	441,283	1,377,453
(Disposals)	0	0	0	0	0	(6,796)	0	0	0	0	(3,125)	(9,921)
Depreciation	(3,000,405)	(463,264)	(420,772)	(542,315)	(430,447)	(78,076)	(166,350)	0	0	0	0	(5,101,629)
Transfers	313,789	2,229	0	73,578	0	0	0	(313,789)	(2,229)	0	(73,578)	0
Balance at 30 June 2025	138,008,673	12,786,048	21,728,636	9,778,992	22,735,513	1,832,603	2,228,971	223,048	3,140	0	511,134	209,836,758
Comprises:												
Gross balance at 30 June 2025	168,511,505	19,475,492	31,684,633	16,398,278	38,891,885	3,965,746	3,327,011	223,048	3,140	0	511,134	282,991,872
Accumulated depreciation at 30 June 2025	(30,502,832)	(6,689,444)	(9,955,997)	(6,619,286)	(16,156,372)	(2,133,143)	(1,098,040)	0	0	0	0	(73,155,114)
Balance at 30 June 2025	138,008,673	12,786,048	21,728,636	9,778,992	22,735,513	1,832,603	2,228,971	223,048	3,140	0	511,134	209,836,758

* Infrastructure - bridges opening and closing balances for FY 2023-24 have been restated as a result of correction of a material historical misstatement. Refer to Note 30 - Correction of Error for further details.

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

9. INFRASTRUCTURE (Continued)

(b) Carrying amount measurements

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date					
Infrastructure - roads	3	Cost approach using current replacement cost	Management valuation	June 2022	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - footpaths	3	Cost approach using current replacement cost	Management valuation	June 2022	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - drainage	3	Cost approach using current replacement cost	Management valuation	June 2022	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - parks and ovals	3	Cost approach using current replacement cost	Management valuation	June 2022	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - bridges	3	Cost approach using current replacement cost	Independent valuation	June 2021	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - car parks	3	Cost approach using current replacement cost	Management valuation	June 2022	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - lighting	3	Cost approach using current replacement cost	Management valuation	June 2022	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

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

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

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

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

Asset class	Useful life
Buildings - non-specialised	
- sub-structure	18 to 90 years
- super-structure	15 to 75 years
- roof	14 to 68 years
- finishing & fittings	8 to 38 years
- services	11 to 53 years
- site surround works	30 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets	
- earthwork	Not depreciated
- pavement	30 to 80 years
- seal: bitumen	20 years
- seal: asphalt	40 years
- seal: brick paving	40 years
- kerbing	60 years
- drainage	40 years
Gravel Roads	
- earthwork	Not depreciated
- pavement	10 to 20 years
Infrastructure Assets - Pathways	
- concrete	50 years
- limestone	15 years
- paving	25 years
- asphalt	20 years
- timber	30 years
Infrastructure - Stormwater Drainage	50 to 75 years
Infrastructure - Parks and Reserves	
- playgrounds	15 years
- furniture	15 years
- turf	20 years
- gardens	15 years
- irrigation	12 to 40 years
- sporting infrastructure	15 to 25 years
- rubbish bin enclosures	15 years
- marine structures	20 years
- other structures	15 to 80 years
Infrastructure - Bridges	
- timber	80 years
- other	100 years
Infrastructure - Car Parks	
- earthwork	Not depreciated
- pavement	30 to 80 years
- seal: bitumen	20 years
- seal: asphalt	40 years
- seal: brick paving	40 years
- kerbing	60 years
- drainage	40 years
Infrastructure - Lighting	5 to 25 years
Right of use - land	Based on the remaining lease term
Right of use - buildings	Based on the remaining lease term
Right of use - plant and equipment	Based on the remaining lease term
Right of use - furniture and fittings	Based on the remaining lease term
Right of use - motor vehicles	Based on the remaining lease term

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

10. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

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

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

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

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

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

Measurement after recognition

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

Reportable value

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

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

Revaluation

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

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

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

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

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

Depreciation

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

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

Depreciation on revaluation

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

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

Impairment

In accordance with *Local Government (Financial Management) 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.

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

11. LEASES

(a) Right-of-use assets

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

Note	Right-of-use assets - land and buildings	Right-of-use assets - furniture and equipment	Total right-of-use assets
	\$	\$	\$
Balance at 1 July 2023	58,640	172,099	230,739
Gains/(losses) from sale and leaseback transactions	(14)	1,326	1,312
Depreciation	(39,742)	(100,878)	(140,620)
Balance at 30 June 2024	18,884	72,547	91,431
Gross balance amount at 30 June 2024	72,285	357,794	430,079
Accumulated depreciation at 30 June 2024	(53,401)	(285,247)	(338,648)
Balance at 30 June 2024	18,884	72,547	91,431
Gains/(losses) from sale and leaseback transactions	566	(17,122)	(16,556)
Depreciation	(11,677)	(53,745)	(65,422)
Balance at 30 June 2025	7,773	1,680	9,453
Gross balance amount at 30 June 2025	72,851	20,005	92,856
Accumulated depreciation at 30 June 2025	(65,078)	(18,325)	(83,403)
Balance at 30 June 2025	7,773	1,680	9,453

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

	2025 Actual	2024 Actual
	\$	\$
Depreciation on right-of-use assets	(65,422)	(140,620)
Finance charge on lease liabilities	(1,035)	(3,674)
Gains/(losses) from sale and leaseback transactions	(16,556)	1,312
Total amount recognised in the statement of comprehensive income	(83,013)	(142,982)
Total cash outflow from leases	(69,250)	(146,618)

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

11. LEASES (Continued)

(b) Lease liabilities

Current
 Non-current

	2025 Actual	2024 Actual
	\$	\$
27(d)	10,196	84,009
	0	11,724
	10,196	95,733

The Shire has one land lease that has been recognised as a lease liability. The term of the lease is for 10 years. The Shire has one active furniture and equipment lease. The original term of the contract was six years, which is due to come to an end on 30 December 2025

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 27(d).

Right-of-use assets - measurement

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

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

Right-of-use assets - depreciation

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

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

12. TRADE AND OTHER PAYABLES

Current

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

	2025	2024
	\$	\$
Sundry creditors	837,726	445,839
Prepaid rates	1,163,831	1,067,491
Accrued payroll liabilities	304,245	238,712
Statutory liabilities	35,257	36,373
Bonds and deposits held	509,697	362,683
Accrued interest on long term borrowings	113,255	102,280
Accrued expenses	143,678	28,127
Prepaid revenue	33,182	2,539
	3,140,871	2,284,044

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.

Bonds and deposits held

Bonds and deposits are amounts held as security against loss to Shire's assets, and are initially recognised at fair value. These liabilities are derecognised upon refund back to customers or when a legal right to offset the liability against loss to Shire's assets has been established.

Trade and other payables

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

Prepaid rates

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

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

13. OTHER LIABILITIES

	2025	2024
	\$	\$
Current		
Contract liabilities	1,426,399	934,065
Capital grant/contributions liabilities	236,625	126,198
Other Liabilities	3,173	55,206
	<hr/> 1,666,197	<hr/> 1,115,469
Reconciliation of changes in contract liabilities		
Opening balance	934,065	621,264
Additions	1,426,399	934,065
Revenue from contracts with customers included as a contract liability at the start of the period	(934,065)	(621,264)
	<hr/> 1,426,399	<hr/> 934,065
The Shire expects to satisfy the performance obligations from contracts with customers unsatisfied at the end of the reporting period, within the next 12 months.		
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	126,198	576,429
Additions	110,427	9,022
Revenue from capital grant/contributions held as a liability at the start of the period	0	(459,253)
	<hr/> 236,625	<hr/> 126,198
Expected satisfaction of capital grant/contribution liabilities		
Less than 1 year	236,625	126,198

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

MATERIAL ACCOUNTING POLICIES

Contract liabilities

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

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

Capital grant/contribution liabilities

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

SHIRE OF DARDANUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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14. BORROWINGS

	Note	2025			2024		
		Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		595,179	10,302,629	10,897,808	502,125	9,297,809	9,799,934
Total secured borrowings	27(a)	595,179	10,302,629	10,897,808	502,125	9,297,809	9,799,934

Secured liabilities and assets pledged as security

Debentures are secured by a floating charge over the assets of the Shire of Dardanup.

MATERIAL ACCOUNTING POLICIES

Borrowing costs

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

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

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

Risk

Details of individual borrowings required by regulations are provided at Note 27(a).

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

15. EMPLOYEE RELATED PROVISIONS

Employee related provisions

Current provisions

Employee benefit provisions

Annual leave

Long service leave

Other employee leave provisions - rostered days off

Total current employee related provisions

Non-current provisions

Employee benefit provisions

Long service leave

Total non-current employee related provisions

Total employee related provisions

	2025	2024
	\$	\$
Annual leave	790,372	743,610
Long service leave	906,403	853,713
Other employee leave provisions - rostered days off	33,414	29,859
Total current employee related provisions	1,730,189	1,627,182
Long service leave	200,371	220,180
Total non-current employee related provisions	200,371	220,180
Total employee related provisions	1,930,560	1,847,362

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

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

MATERIAL ACCOUNTING POLICIES

Employee benefits

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

Short-term employee benefits

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

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

Other long-term employee benefits

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

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

SHIRE OF DARDANUP
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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16. OTHER PROVISIONS

	Make good provisions- Transfer Station	Total
	\$	\$
Opening balance at 1 July 2024		
Non-current provisions	195,729	195,729
	195,729	195,729
Unused amounts reversed	(22,164)	(22,164)
Balance at 30 June 2025	173,565	173,565
 Comprises		
Current	173,565	173,565
	173,565	173,565

Other provisions

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

MATERIAL ACCOUNTING POLICIES

Provisions

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

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

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

17. REVALUATION SURPLUS

	2025 Opening balance	2025 Closing balance	2024 Opening balance	2024 Closing balance
	\$	\$	\$	\$
Revaluation surplus - Land	5,876,608	5,876,608	5,876,608	5,876,608
Revaluation surplus - Buildings	21,289,894	21,289,894	21,289,894	21,289,894
Revaluation surplus - Furniture and equipment	141,852	141,852	141,852	141,852
Revaluation surplus - Plant and equipment	61,467	61,467	61,467	61,467
Revaluation surplus - Motor Vehicles	308,205	308,205	308,205	308,205
Revaluation surplus - Infrastructure - roads	108,194,691	108,194,691	108,194,691	108,194,691
Revaluation surplus - Infrastructure - footpaths	12,432,829	12,432,829	12,432,829	12,432,829
Revaluation surplus - Infrastructure - drainage	25,129,986	25,129,986	25,129,986	25,129,986
Revaluation surplus - Infrastructure - parks and ovals	4,201,118	4,201,118	4,201,118	4,201,118
Restated revaluation surplus - Infrastructure - bridges*	18,352,056	18,352,056	18,352,056	18,352,056
Revaluation surplus - Infrastructure - car parks	1,289,053	1,289,053	1,289,053	1,289,053
Revaluation surplus - Infrastructure - lighting	2,127,985	2,127,985	2,127,985	2,127,985
	199,405,744	199,405,744	199,405,744	199,405,744

* 2024 Opening balance of revaluation surplus - Infrastructure bridges has been re-stated as a result of correction of a material historical misstatement. Refer to Note 30 - Correction of Error for further details.

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

18. RESTRICTIONS OVER FINANCIAL ASSETS

	Note	2025 Actual	2024 Actual
		\$	\$
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	3	18,019,669	15,778,688
		18,019,669	15,778,688
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	28	14,331,304	14,216,760
Contract liabilities	13	1,426,399	934,065
Capital grant liabilities	13	236,625	126,198
Unspent loans	27(c)	2,025,341	501,665
Total restricted financial assets		18,019,669	15,778,688
19. UNDRAWN BORROWING FACILITIES AND CREDIT STANDBY ARRANGEMENTS			
Credit standby arrangements			
Bank overdraft limit		0	0
Bank overdraft at balance date		0	0
Credit card limit		15,000	15,000
Credit card balance at balance date		0	0
Total amount of credit unused		15,000	15,000
Loan facilities			
Loan facilities - current		595,179	502,125
Loan facilities - non-current		10,302,629	9,297,809
Total facilities in use at balance date		10,897,808	9,799,934
Unused loan facilities at balance date		Nil	Nil

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

20. CONTINGENT LIABILITIES

The Shire does not have any contingent liabilities at year end.

21. CAPITAL COMMITMENTS

	2025	2024
	\$	\$
Contracted for:		
- capital expenditure projects*	1,801,803	42,130
	<hr/>	<hr/>
Payable:		
- not later than one year	1,801,803	42,130

*Commitments are mainly related to infrastructure construction contracts, in particular Glenhuon Boulevard Traffic Signals and Hands Avenue Intersection works, awarded and in progress.

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

22. 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	31,990	31,990	28,838
President's meeting attendance fees	21,940	21,940	19,778
President's ICT expenses	2,800	2,800	2,625
President's travel and accommodation expenses	0	490	741
	56,730	57,220	51,982
Deputy President's annual allowance	7,998	7,998	7,209
Deputy President's meeting attendance fees	14,169	14,169	12,773
Deputy President's ICT expenses	2,800	2,800	2,625
Deputy President's travel and accommodation expenses	0	490	0
	24,967	25,457	22,607
All other council member's meeting attendance fees	99,183	99,183	85,153
All other council member's child care expenses	166	1,400	1,374
All other council member's All other council member expenses	326	100	0
All other council member's ICT expenses	19,600	19,600	17,500
All other council member's travel and accommodation expenses	0	3,432	0
	119,275	123,715	104,027
22(b)	200,972	206,392	178,616

(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	2,074,170	2,211,578
Post-employment benefits	257,094	274,596
Employee - other long-term benefits	46,996	59,018
Employee - termination benefits	34,546	38,515
Council member costs	200,972	178,616
	2,613,778	2,762,323

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Termination benefits

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

Council member costs

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

(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.

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

23. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

Events may occur between the end of the reporting period and the date when financial statements are verified by the Council. The Shire is not aware of, or in receipt of, any information or events that may impact or lead to any adjustment in the financial statements after the reporting period.

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

24. OTHER MATERIAL ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Interest revenue

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

i) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

j) Impairment of assets

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

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

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

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

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

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

25. RATING INFORMATION

(a) General rates

RATE TYPE Rate description	Basis of valuation
Residential (including residential vacant)	Gross rental valuation
Commercial (including commercial vacant)	Gross rental valuation
Industrial (including industrial vacant)	Gross rental valuation
Rural residential (including rural residential vacant)	Gross rental valuation
Accommodation	Gross rental valuation
UV Rural (including UV1, UV2, UV3 and Mining)	Unimproved valuation
Total general rates	
Minimum payment	
Residential (including residential vacant)	Gross rental valuation
Commercial (including commercial vacant)	Gross rental valuation
Industrial (including industrial vacant)	Gross rental valuation
Rural residential (including rural residential vacant)	Gross rental valuation
Accommodation	Gross rental valuation
UV Rural (including UV1, UV2, UV3 and Mining)	Unimproved valuation
Total minimum payments	
Total general rates and minimum payments	
Specified area rates	
Bulk Waste Collection	Gross rental valuation
Eaton Landscaping	Gross rental valuation
Total amount raised from rates (excluding general rates)	
Discounts	
Concessions	
Total rates	

Rate in \$	Number of properties	2024/25 Actual rateable value*	2024/25 Actual rate revenue	2024/25 Actual interim rates	2024/25 Actual total revenue	2024/25 Budget rate revenue	2024/25 Budget interim rate	2024/25 Budget total revenue	2023/24 Actual total revenue
0.11571	4,473	81,214,396	9,397,317	44,653	9,441,970	9,397,317	163,181	9,560,498	8,847,148
0.11399	60	14,966,396	1,706,019	3,380	1,709,399	1,706,020	0	1,706,020	1,688,444
0.11426	73	10,050,752	1,148,399	24,316	1,172,715	1,148,399	0	1,148,399	1,054,062
0.11527	399	9,394,102	1,082,858	17,070	1,099,928	1,082,858	0	1,082,858	1,004,196
0.11589	2	439,400	50,922	0	50,922	50,922	0	50,922	0
0.005633	507	356,109,893	2,005,967	14,609	2,020,576	2,005,967	0	2,005,967	1,880,201
	5,514	472,174,939	15,391,482	104,028	15,495,510	15,391,483	163,181	15,554,664	14,474,051
Minimum payment									
		\$							
1,625	511	5,114,424	830,375	109,488	939,863	830,375	0	830,375	877,018
1,722	7	46,010	12,054	0	12,054	12,054	0	12,054	13,928
1,722	46	475,350	79,212	0	79,212	79,212	0	79,212	66,542
1,722	79	642,206	136,038	42,998	179,036	136,038	0	136,038	129,767
1,722	0	0	0	0	0	0	0	0	0
1,722	128	19,868,357	220,416	15,858	236,274	220,416	0	220,416	234,922
	771	26,146,347	1,278,095	168,344	1,446,439	1,278,095	0	1,278,095	1,322,177
	6,285	498,321,286	16,669,577	272,372	16,941,949	16,669,578	163,181	16,832,759	15,796,228
Rate in									
		\$							
0.001735	4,850	85,227,089	147,869	2,038	149,907	147,869	0	147,869	111,741
0.002006	4,616	92,730,309	186,017	1,953	187,970	186,017	0	186,017	270,639
	9,466	177,957,398	333,886	3,991	337,877	333,886	0	333,886	382,380
					0		0	0	(1,485)
					(19,555)		(20,596)		(44,813)
					17,260,271		17,146,049		16,132,310

*Rateable Value at time of raising of rate.

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

26. DETERMINATION OF SURPLUS OR DEFICIT

Note	2024/25 (30 June 2025 carried forward)	2024/25 Budget (30 June 2025 carried forward)		2023/24 (30 June 2024 carried forward)
		\$	\$	
(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	(90,113)	(730,000)	(22,418)	
Add/(Less): Movement in liabilities associated with restricted cash	110,427	(598)	(450,231)	
Less: Unspent Borrowings	0	(1,080,000)	0	
Less: Fair value adjustments to financial assets at fair value through profit or loss	3,551	0	(1,681)	
Less: Gains/(losses) from sale and leaseback transactions	766	0	(22)	
Add: Loss on disposal of assets	71,415	0	2,956	
Add: Depreciation	7,183,930	6,670,135	6,769,912	
Non-cash movements in non-current assets and liabilities:				
Pensioner deferred rates	(16,297)	0	(19,780)	
Employee benefit provisions	(19,809)	9,664	(22,082)	
Other provisions	(195,729)	0	8,819	
Non-cash amounts excluded from operating activities	7,048,141	4,869,201	6,265,473	
(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	0	104,356	0	
Movement in current unspent capital grants associated with restricted cash	0	119,281	0	
Movement in current other provision associated with restricted cash	0	951,653	0	
Non-cash amounts excluded from investing activities	0	1,175,290	0	
(c) Surplus or deficit after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserve accounts	28	(14,331,304)	(13,902,925)	(14,216,760)
Less: Financial assets at amortised cost				
Less: Current assets not expected to be received at end of year				
- Contract liabilities - Revenue		0	28,718	0
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	14	595,179	597,706	502,125
- Current portion of contract liability held in reserve		236,625	0	126,198
- Current portion of lease liabilities	11(b)	10,196	12,468	84,009
- Adjustment to current portion of lease liability		1,397	0	(135)
- Current portion of unspent capital grants held in reserve		0	322,015	0
- Current portion of other provision held in reserve		0	1,579,970	0
- Current portion of employee benefit provisions held in reserve		0	290,098	0
Total adjustments to net current assets		(13,487,907)	(11,071,950)	(13,504,563)
Net current assets used in the Statement of financial activity				
Total current assets		21,800,635	18,172,607	19,801,985
Less: Total current liabilities		(7,316,197)	(6,594,411)	(5,612,829)
Less: Total adjustments to net current assets		(13,487,907)	(11,071,950)	(13,504,563)
Surplus or deficit after imposition of general rates		996,531	506,246	684,593

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

27. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual						Budget				
		Principal at 1 July 2023	New loans during 2023-24	Principal repayments during 2023-24	Principal at 30 June 2024	New loans during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025	Principal at 1 July 2024	New loans during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025
Wanju DCP / Waterloo Ind Park		608,486	0	(72,295)	536,191	0	(73,341)	462,850	536,191	0	(73,340)	462,851
Waste Bins (3 Bin System)		276,850	0	(43,977)	232,873	0	(44,822)	188,051	232,872	0	(44,821)	188,051
Glen Huon Oval Club Rooms		837,096	0	(46,151)	790,945	0	(47,940)	743,005	790,945	0	(47,940)	743,005
Eaton Oval Clubrooms		700,000	0	(21,826)	678,174	0	(22,854)	655,320	678,174	0	(22,854)	655,320
Depot Land		319,890	0	(66,161)	253,729	0	(68,881)	184,848	253,729	0	(68,881)	184,848
Gravel Pit Land - Panizza Road		14,168	0	(14,168)	0	0	0	0	1	0	0	1
Library/Admin Centre, Eaton (#1)	6,000,000	0	(191,978)	5,808,022	0	(200,548)	5,607,474	5,808,022	0	(200,548)	5,607,474	
Library/Admin Centre, Eaton (#2)		0	1,500,000	0	1,500,000	0	(43,740)	1,456,260	1,500,000	0	(46,192)	1,453,808
ERP System		0	0	0	0	1,600,000	0	1,600,000	0	1,600,000	(36,444)	1,563,556
Total	14	8,756,490	1,500,000	(456,556)	9,799,934	1,600,000	(502,126)	10,897,808	9,799,934	1,600,000	(541,020)	10,858,914

All loan repayments were financed by general purpose revenue.

Borrowing finance cost payments

Purpose	Loan number	Institution	Interest rate	Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2025	Actual for year ending 30 June 2024
					\$	\$	\$
Wanju DCP / Waterloo Ind Park	70	WATC	1.44%	2/06/2031	(10,959)	(11,149)	(12,525)
Waste Bins (3 Bin System)	71	WATC	1.91%	5/02/2029	(5,309)	(5,476)	(6,480)
Glen Huon Oval Club Rooms	69	WATC	3.84%	9/01/2037	(34,328)	(35,210)	(36,504)
Eaton Oval Clubrooms	72	WATC	4.66%	30/01/2043	(35,494)	(36,048)	(36,742)
Depot Land	66	WATC	4.07%	2/08/2027	(10,213)	(11,379)	(13,401)
Gravel Pit Land - Panizza Road	61	WATC	6.19%	30/10/2023	0	0	(320)
Library/Admin Centre, Eaton (#1)	73	WATC	4.45%	3/04/2043	(294,368)	(294,220)	(302,215)
Library/Admin Centre, Eaton (#2)	74	WATC	5.27%	4/06/2044	(88,793)	(83,501)	(6,123)
ERP System	75	WATC	4.95%	17/04/2040	(16,234)	(40,000)	0
Total finance cost payments					(495,698)	(516,983)	(414,310)

* WA Treasury Corporation

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

27. BORROWING AND LEASE LIABILITIES (Continued)

(b) New borrowings - 2024/25

Particulars/purpose	Institution	Loan type	Term years	Interest rate %	Amount borrowed		Amount (used)		Total interest and charges \$	Actual balance unspent \$
					2025 Actual	2025 Budget	2025 Actual	2025 Budget		
ERP Loan - 75	WATC	Debenture	15 Years	4.95%	\$ 1,600,000	\$ 1,600,000	\$ 0	\$ (520,000)	\$ 16,234	\$ 1,600,000
					1,600,000	1,600,000	0	(520,000)	16,234	1,600,000

* WA Treasury Corporation

(c) Unspent borrowings

Particulars	Institution	Date Borrowed	Unspent balance 1 July 2024	Borrowed during 2024-25	Expended during 2024-25	Unspent balance 30 June 2025
				\$	\$	\$
Wanju Developer Contribution Plan/Waterloo Ind Park - Loan 70	WATC	1/06/2021	501,665	0	(76,324)	425,341
ERP Loan - 75	WATC	17/04/2025	0	1,600,000	0	1,600,000
			501,665	1,600,000	(76,324)	2,025,341

* WA Treasury Corporation

(d) Lease liabilities

Purpose	Note	Actual									Budget			
		Principal at 1 July 2023	New leases during 2023-24	Principal repayments during 2023-24	Adjustment to Lease During 2023-24	Principal at 30 June 2024	New leases during 2024-25	Principal repayments during 2024-25	Adjustment to Lease During 2024-25	Principal at 30 June 2025	Principal at 1 July 2024	New leases during 2024-25	Principal at 30 June 2025	
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Lease of Lot 81 Banksia Road (Transfer Station)		31,860	0	(11,680)	(4)	20,176	0	(12,358)	605	8,423	21,256	0	(12,334)	8,922
ERC Cardio Equipment		93,352	0	(46,159)	(14)	47,179	0	(31,233)	(15,946)	0	45,331	0	(45,331)	0
Transportable Building		28,619	0	(28,619)	0	0	0	0	0	0	0	0	0	0
IT Leases - Consolidated		83,556	0	(56,486)	1,308	28,378	0	(24,624)	(1,981)	1,773	50,237	0	(46,691)	3,546
Total lease liabilities	11(b)	237,387	0	(142,944)	1,290	95,733	0	(68,215)	(17,322)	10,196	116,824	0	(104,356)	12,468

Lease finance cost payments

Purpose	Lease number	Institution	Interest rate	Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2025	Actual for year ending 30 June 2024	Lease term
					\$	\$	\$	
Lease of Lot 81 Banksia Road (Transfer Station)	2	Simple Leasing	2.00%	16/04/2026	(404)	(1,065)	(710)	120 months
ERC Cardio Equipment	18	Simple Leasing	2.20%	30/06/2025	(371)	(2,409)	(1,580)	60 months
Transportable Building	1/26	Simple Leasing	2.00%	31/03/2024	0	0	(239)	27 months
IT Leases - Consolidated	Various	Simple Leasing	Various	Various	(260)	(3,003)	(1,145)	Various
Total finance cost payments					(1,035)	(6,477)	(3,674)	

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

28. RESERVE ACCOUNTS

Restricted by legislation/agreement

- (a) Burekup Public Open Space Reserve
- (b) Eaton Drive - Access Construction Reserve
- (c) Eaton Drive - Scheme Construction Reserve
- (d) Collie River (Eaton Drive) Bridge Construction Reserve
- (e) Unspent Specified Area Rate - Bulk Waste Collection Reserve
- (f) Unspent Specified Area Rate - Eaton Landscaping Reserve

	2025 Actual opening balance	2025 Actual transfer to	2025 Actual transfer (from)	2025 Actual closing balance	2025 Budget opening balance	2025 Budget transfer to	2025 Budget transfer (from)	2025 Budget closing balance	2024 Actual opening balance	2024 Actual transfer to	2024 Actual transfer (from)	2024 Actual closing balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Restricted by legislation/agreement												
(a) Burekup Public Open Space Reserve	74,734	5,343	0	80,077	75,317	2,596	0	77,913	73,582	1,152	0	74,734
(b) Eaton Drive - Access Construction Reserve	38,613	37,135	(10,605)	65,143	145,922	5,029	0	150,951	144,008	2,254	(107,649)	38,613
(c) Eaton Drive - Scheme Construction Reserve	53,292	67,406	(19,606)	101,092	251,929	8,682	0	260,611	248,625	3,891	(199,224)	53,292
(d) Collie River (Eaton Drive) Bridge Construction Reserve	34,293	50,958	(14,860)	70,391	186,291	6,420	0	192,711	183,796	2,877	(152,380)	34,293
(e) Unspent Specified Area Rate - Bulk Waste Collection Reserve	74,533	5,329	(40,647)	39,215	74,281	2,560	0	76,841	73,385	1,148	0	74,533
(f) Unspent Specified Area Rate - Eaton Landscaping Reserve	449,740	32,156	(437,667)	44,229	453,789	355	(437,667)	16,477	344,351	105,389	0	449,740
	725,205	198,327	(523,385)	400,147	1,187,529	25,642	(437,667)	775,504	1,067,747	116,711	(459,253)	725,205
Restricted by council												
(g) Employee Relief Reserve	283,317	25,257	0	308,574	280,434	14,664	(5,000)	290,098	274,028	9,289	0	283,317
(h) Information Technology Reserve	826,865	409,121	(258,515)	977,471	665,152	372,923	(448,650)	589,425	701,085	360,973	(235,193)	826,865
(i) Road Safety Programs Reserve	32,946	6,256	0	39,202	27,761	957	0	28,718	27,122	5,824	0	32,946
(j) Tourism Reserve	12,115	866	0	12,981	12,209	421	0	12,630	11,928	187	0	12,115
(k) Executive & Compliance Vehicle Reserve	350,573	145,066	(295,822)	199,817	221,922	127,648	(316,101)	33,469	369,044	125,776	(144,247)	350,573
(l) Employee Leave Entitlements Reserve	51,161	8,658	0	59,819	51,563	6,777	0	58,340	49,880	1,281	0	51,161
(m) Refuse Site Environmental Works Reserve	200,179	14,313	0	214,492	191,793	6,610	0	198,403	188,411	11,768	0	200,179
(n) Recycling Education Reserve	58,364	29,174	(24,058)	63,480	57,696	26,988	(25,275)	59,409	54,777	25,857	(22,270)	58,364
(o) Eaton Recreation Centre - Equipment Reserve	327,123	123,390	(31,604)	418,909	294,591	110,153	(111,640)	293,104	327,026	105,117	(105,020)	327,123
(p) Council Land Development Reserve	28,488	12,036	(3,356)	37,168	28,631	10,987	(5,000)	34,618	32,972	516	(5,000)	28,488
(q) Sale of Land Reserve	1,393,130	99,608	(1,200,000)	292,738	1,403,930	48,383	0	1,452,313	1,371,662	21,468	0	1,393,130
(r) Accrued Salaries Reserve	525,096	42,544	0	567,640	524,105	23,062	(5,000)	542,167	512,081	13,015	0	525,096
(s) Carried Forward Projects Reserve	1,438,908	1,017,378	(919,316)	1,536,970	1,825,343	362,325	(1,783,091)	404,577	2,432,628	1,214,001	(2,207,721)	1,438,908
(t) Strategic Planning Studies Reserve	108,107	7,730	0	115,837	108,939	3,754	(1,125)	111,568	108,411	1,696	(2,000)	108,107
(u) Town Planning Consultancy Reserve	61,924	34,427	(27,794)	68,557	62,438	32,151	(71,000)	23,589	31,432	50,492	(20,000)	61,924
(v) Parks & Reserves Upgrades Reserve	178,504	362,764	(129,871)	411,397	99,592	353,432	(134,322)	318,702	157,786	322,390	(301,672)	178,504
(w) Election Expenses Reserve	35,201	42,517	0	77,718	35,466	41,222	0	76,688	36,800	50,576	(52,175)	35,201
(x) Pathways Reserve	225,594	172,070	(228,702)	168,962	202,330	156,973	(235,175)	124,128	199,213	126,504	(100,123)	225,594
(y) Asset / Rates Revaluation Reserve	268,758	89,216	(184,745)	173,229	262,618	85,947	(187,005)	161,560	219,031	73,428	(23,701)	268,758
(z) Refuse & Recycling Bin Replacement Reserve	71,715	10,128	0	81,843	72,300	7,492	0	79,792	65,687	6,028	0	71,715
(aa) Storm Water Reserve	152,278	40,887	0	193,165	131,323	34,526	0	165,849	153,957	27,410	(29,089)	152,278
(ab) Fire Control Reserve	11,926	853	0	12,779	12,019	414	0	12,433	11,742	184	0	11,926
(ac) Contribution to Works Reserve	959,635	93,999	(17,532)	1,036,102	957,384	32,994	(18,255)	972,123	935,140	24,495	0	959,635
(ad) Unspent Grants Reserve	1,664,250	862,401	(1,639,770)	886,881	1,903,784	1,686,617	(1,621,007)	1,969,394	2,116,662	1,404,742	(1,857,154)	1,664,250
(ae) Swimming Pool Inspection Reserve	9,085	649	0	9,734	4,676	161	0	4,837	4,569	4,516	0	9,085
(af) Plant & Engineering Equipment Reserve	806,404	314,158	(193,845)	926,717	635,458	278,400	(488,706)	425,152	661,288	260,350	(115,234)	806,404
(ag) Road Construction and Major Maintenance Reserve	2,223,013	178,981	(761,400)	1,640,594	1,411,470	48,643	(771,126)	688,987	1,338,700	1,339,798	(455,485)	2,223,013
(ah) Building Maintenance Reserve	685,231	794,288	(106,479)	1,373,040	1,757,432	690,566	(32,620)	2,415,378	9,920,895	1,623,903	(10,859,567)	685,231
(ai) Unspent Loan Reserve	501,665	1,600,000	(76,324)	2,025,341	628,317	1,621,653	(670,000)	1,579,970	1,214,312	19,005	(731,652)	501,665
	13,491,555	6,538,735	(6,099,133)	13,931,157	13,870,676	6,186,843	(6,930,098)	13,127,421	23,528,269	7,230,589	(17,267,303)	13,491,555
	14,216,760	6,737,062	(6,622,518)	14,331,304	15,058,205	6,212,485	(7,367,765)	13,902,925	24,596,016	7,347,300	(17,726,556)	14,216,760

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserve accounts.

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

28. RESERVE ACCOUNTS (Continued)

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

Name of reserve account	Purpose of the reserve account
Restricted by legislation/agreement	
(a) Burekup Public Open Space Reserve	Established to account for cash-in-lieu of Public Open Space contributions in Burekup in accordance with the Planning and Development Act 1995.
(b) Eaton Drive - Access Construction Reserve	Established for the construction of Eaton Drive Access Road from developer contributions.
(c) Eaton Drive - Scheme Construction Reserve	Established for the future construction of Eaton Drive from developer contributions.
(d) Collie River (Eaton Drive) Bridge Construction Reserve	Established for the future construction of a bridge over the Collie River and extend Eaton Drive.
(e) Unspent Specified Area Rate - Bulk Waste Collection Reserve	Established to hold unspent specified area rates for bulk waste collection.
(f) Unspent Specified Area Rate - Eaton Landscaping Reserve	Established to hold unspent specified area rates for Eaton landscaping.
Restricted by council	
(g) Employee Relief Reserve	To provide funds for employee related entitlements and relief staff for prolonged employee leave.
(h) Information Technology Reserve	Established for the acquisition or lease of software and computer equipment.
(i) Road Safety Programs Reserve	Established to hold contributions from road transport permits which are to be used for general road safety programs in the Shire.
(j) Tourism Reserve	Established to fund the development of tourism projects including the implementation of works associated with the Gnomesville Master Plan.
(k) Executive & Compliance Vehicle Reserve	To fund the purchase, replacement or lease of Council's executive and compliance vehicles.
(l) Employee Leave Entitlements Reserve	To provide funds for employee purchased leave entitlements under Policy.
(m) Refuse Site Environmental Works Reserve	Established to provide funds for environmental works at the Banksia Road Refuse Site.
(n) Recycling Education Reserve	Unspent recycling education funds for use in special education programs and as a contribution toward the shared Waste Education Officer's salary.
(o) Eaton Recreation Centre - Equipment Reserve	Established for the acquisition, replacement or lease of furniture, fittings, plant or gym equipment at the Eaton Recreation Centre.
(p) Council Land Development Reserve	Established for funding the acquisition or development of Council land for resale.
(q) Sale of Land Reserve	Established to hold funds from the sale of Council land.
(r) Accrued Salaries Reserve	This fund consts of cash backed salaries and wages allocation paid annually into this reserve over a period of 10 financial years to meet the additional cash flow in
(s) Carried Forward Projects Reserve	Established to hold unspent project funds to be carried forward into future financial years. Project funds that are not expended within 2 financial years of their initial
(t) Strategic Planning Studies Reserve	Established for funding strategic studies.
(u) Town Planning Consultancy Reserve	Established to fund the engagement of consultants to undertake Town Planning Studies.
(v) Parks & Reserves Upgrades Reserve	Established to fund the development of Parks and Reserves.
(w) Election Expenses Reserve	Established to fund Council elections.
(x) Pathways Reserve	Established to provide funds for the creation, upgrade and renewal of the Shire's pathway infrastructure.
(y) Asset / Rates Revaluation Reserve	Established to provide funds for asset and rating revaluations.
(z) Refuse & Recycling Bin Replacement Reserve	Established to provide funds for replacement of refuse and recycling bins.
(aa) Storm Water Reserve	Established to ensure preservation of Council's transport storm water infrastructure network independent of grants and contributions.
(ab) Fire Control Reserve	For the purchase, construction and development of fire fighting equipment and buildings.
(ac) Contribution to Works Reserve	Established to account for contributions and donations received from external sources.
(ad) Unspent Grants Reserve	Established to identify unexpended grants and special projects funding.
(ae) Swimming Pool Inspection Reserve	Established to account for unspent Swimming Pool Inspection Levy.
(af) Plant & Engineering Equipment Reserve	To fund the purchase, replacement or lease of Council's heavy plant and engineering equipment.
(ag) Road Construction and Major Maintenance Reserve	Established to provide funds for the upgrade and renewal of the Council's transport infrastructure.
(ah) Building Maintenance Reserve	For the purchase, construction and maintenance of Council buildings.
(ai) Unspent Loan Reserve	Established to hold unspent loan funds.

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

29. TRUST FUNDS

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

	1 July 2024	Amounts received	Amounts paid	30 June 2025
	\$	\$	\$	\$
Eaton POS	147,006	6,153	0	153,159
Dardanup POS	104,084	4,356	0	108,440
Burekup POS	295,239	12,358	0	307,597
Trust Funds for Land Transaction	42,672	1,786	0	44,458
Auspicing Grant	4,764	0	(4,764)	0
	593,765	24,653	(4,764)	613,654

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

30. CORRECTION OF ERROR

The correction of error relates to a historical misstatement of the Bridges - Infrastructure assets, specifically Bridge 5107 - Edwards Road and Bridge 5108 - Offer Road which were incorrectly included in the Shire's fixed assets register. These bridges are owned by Harvey Water and Water Corporation respectively, and the associated risks and rewards of the ownership resides with those entities.

Upon discovery, the management took the necessary steps to remove the assets from the fixed assets register.

As the error originated prior to the 2023-2024 financial year and is considered material, a retrospective correction has been applied in accordance with applicable accounting standards. Consequently, the Statement of Financial Position as at 1 July 2023 and 30 June 2024 have been restated to reflect the correction.

Following the discovery, management conducted a comprehensive review of all Bridges - Infrastructure assets and concluded that the errors were isolated events. Enhancements have since been made to internal control procedures to prevent recurrence of similar errors.

Statement of Financial Position (Extract)	30 June 2024		30 June 2024 (Restated)	30 June 2023		1 July 2023 (Restated)
	\$	\$	\$	\$	\$	\$
Infrastructure	214,260,285	(689,430)	213,570,855	217,130,036	(699,620)	216,430,416
Retained earnings	66,745,487	106,397	66,851,884	57,684,519	96,207	57,780,726
Reserve accounts	14,216,760	0	14,216,760	24,596,016	0	24,596,016
Revaluation surplus	200,201,571	(795,827)	199,405,744	200,201,571	(795,827)	199,405,744
Total equity	281,163,818	(689,430)	280,474,388	282,482,106	(699,620)	281,782,486
 Statement of Comprehensive Income (Extract)						
<i>By Nature:</i>						
Depreciation		(6,780,102)		10,190		(6,769,912)
Net result for the period		(1,318,288)		10,190		(1,308,098)
Total comprehensive income for the period		(1,318,288)		10,190		(1,308,098)



Auditor General

INDEPENDENT AUDITOR'S REPORT

2025

Shire of Dardanup

To the Council of the Shire of Dardanup

Opinion

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

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

In my opinion, the financial report :

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

Basis for opinion

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

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

Emphasis of matter – Restatement of comparative balances

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

Other information

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

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

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

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

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

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

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

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the Shire of Dardanup 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.

Grant Robinson
Assistant Auditor General Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
21 November 2025

CONTACT US

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