

Shire of Cocos (Keeling) Islands

AGENDA

Ordinary Meeting of Council Wednesday, 19 August 2026

I hereby give notice that an Ordinary Meeting of Council will be held on

Date: Wednesday, 19 August 2026

Time: 4:00 PM

Location: Council Chambers

Shire Administration

Building Lot 256 Jalan Bunga Melati

Home Island

Matthew Scott
Chief Executive Officer

Disclaimer

Members of the public should note that in any discussion regarding any planning or other application that any statement or intimation of approval made by any member or officer of the Shire during the course of any meeting is not intended to be and is not to be taken as notice of approval from the Shire. No action should be taken on any item discussed at a Council meeting prior to written advice on the resolution of the Council being received. Any plans or documents contained in this document may be subject to copyright law provisions (Copyright Act 1968, as amended) and the express permission of the copyright owner(s) should be sought prior to the reproduction.

OUR VALUES

Service

Provide the best service we can.

We serve the community and each other.

Accountability

We take responsibility for our own actions.

We do what we say we will do.

Mistakes are an opportunity to learn.

Support

We support our team and our community.

Look for opportunities to help each other.

Respect

We respect and value others.

Our interactions are always respectful towards others.

Integrity

We will be honest and transparent with all our dealings.

Maintain confidentiality.

Trust each other.

Achievement

Being proactive and enabling the outcomes.

Be creative and think outside the square.

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- 1 OPENING/ANNOUNCEMENTS OF VISITORS**
- 2 ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE**
- 3 RESPONSES TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**
- 4 PUBLIC QUESTIONS TIME**

In accordance with section 5.24(1) (a) of the Local Government Act 1995, time is allocated for questions to be raised by members of the public, as follows:

(1) The minimum time to be allocated for the asking of and responding to questions raised by members of the public at ordinary meetings of councils and meetings referred to in regulation 5 is 15 minutes.

(2) Once all the questions raised by members of the public have been asked and responded to at a meeting referred to in sub regulation (1), nothing in these regulations prevents the unused part of the minimum question time period from being used for other matters.

Pursuant to regulation 7(4) (a) of the Local Government (Administration) Regulations 1996, questions from the public must relate to a matter affecting the local government.

In accordance with section 5.25 (1)(f) of the Local Government Act 1995 and the Local Government (Administration) Regulations 1996 regulation 11(e) a summary of each question raised by members of the public at the meeting and a summary of the response to the question will be included in the minutes of the meeting.

Where a question is taken on notice at the meeting, a summary of the response to the question will be included in the agenda for the following Council meeting.

5 LEAVE OF ABSENCE

The Local Government Act 1995 (Section 2.25) provides that a Council may, by resolution, grant leave of absence to a member for Ordinary Council Meetings. A member who is absent, without first obtaining leave of the Council, throughout three consecutive Ordinary meetings of the Council is disqualified from continuing his or her membership of the Council. Disqualification from membership of the Council for failure to attend Ordinary Meetings of the Council will be avoided so long as the Council grants leave prior to the member being absent. The leave cannot be granted retrospectively. An apology for non-attendance at a meeting is not an application for leave of absence.

5.1 APPROVED LEAVE OF ABSENCE (PREVIOUSLY APPROVED)

COUNCILLOR	DATE OF LEAVE	APPROVED BY COUNCIL

5.2 APPLICATION FOR LEAVE OF ABSENCE

6 PETITIONS, DEPUTATIONS AND PRESENTATIONS

Nil

7 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

7.1 Ordinary Council Meeting - 29 July 2026

OFFICER RECOMMENDATION – ITEM 7.1

THAT COUNCIL BY SIMPLE MAJORITY, PURSUANT TO SECTIONS 5.22(2) AND 3.18 OF THE *LOCAL GOVERNMENT ACT 1995 (WA)(CKI)*, RESOLVES THAT THE MINUTES OF THE ORDINARY COUNCIL MEETING HELD ON 29 JULY 2026 AS PRESENTED IN ATTACHMENT 7.1 BE CONFIRMED AS A TRUE AND CORRECT RECORD OF PROCEEDINGS.

Shire of Cocos (Keeling) Islands

MINUTES

Ordinary Council Meeting **29 July 2026**

Disclaimer

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Being proactive and enabling the outcomes.

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Order of Business

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	Nil	
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1 Opening/Announcements of visitors

The Presiding Member declared the meeting open at 4:00pm and welcomes Councillors, Officers and Members of the Public.

2 ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

President: Cr Isa Minkom

Councillors: Cr Azah Badlu
Cr Levi Fowler
Cr Signa Knight
Cr Osman Sloan

Officers: Matthew Scott, Chief Executive Officer
Ibrahim Macrae, Manager Governance, Risk and Planning
David Tombs, Manager Finance and Corporate Services
David Basil, Manager Infrastructure
Lanif Yakin, Human Resource (Minute Officer)

Guests: Nil

Public: 1

Apologies: Cr Ayesha Young, Cr Tony Lacy

3 RESPONSES TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

4 PUBLIC QUESTIONS TIME

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Jill Welch – 30 Nelson Mandela Walk, West Island Cocos (Keeling) Islands

Boat Ramp

Question 1: Is there anything in the budget for a compliant safe boat ramp?

CEO Response: *At this stage, there is no specific allocation in the budget for a boat ramp, and we are still working through the balance of priorities and available funding. If Council determines that a compliant and safe boat ramp should be progressed, the matter can be brought back to Council for consideration, including a possible budget variation if required. The Shire is also investigating whether the former boat ramp at the jetty can be rehabilitated as sand is removed for sand bagging for the coastal protection rehabilitation project.*

5 LEAVE OF ABSENCE

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5.1 APPROVED LEAVE OF ABSENCE (PREVIOUSLY APPROVED)

COUNCILLOR	DATE OF LEAVE	APPROVED BY COUNCIL
NIL		

5.2 APPLICATION FOR LEAVE OF ABSENCE

Nil

6 PETITIONS, DEPUTATIONS AND PRESENTATIONS

Nil

7 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

7.1 Ordinary Council Meeting – 17 June 2026

RESOLUTION OCM/26/072

MOVED: CR O SLOAN

SECONDED: CR FOWLER

THAT THE MINUTES OF THE ORDINARY COUNCIL MEETING OF 17 JUNE 2026 COPIES OF WHICH WERE PREVIOUSLY CIRCULATED, ARE HEREBY CONFIRMED AS A TRUE AND CORRECT RECORD OF THE PROCEEDINGS OF THAT MEETING.

THE MOTION WAS PUT AND DECLARED CARRIED (5/0)

FOR: CRS ISA MINKOM, AZAH BADLU, SIGNA KNIGHT, LEVI FOWLER AND OSMAN SLOAN

AGAINST: NIL

8 ANNOUNCEMENTS BY THE PRESIDING MEMBER AND COUNCILLORS

Nil

9 DECLARATION OF INTEREST

Councillors are to complete a Disclosure of Interest Form for each item they are required to disclose an interest in. The Form should be given to the Presiding Member before the meeting commences. After the meeting, the Form is to be provided to the Governance and Risk Coordinator for inclusion in the Disclosures Register.

10 REPORTS FROM COMMITTEES AND OFFICERS

10.1 CHIEF EXECUTIVE OFFICER

10.1.1 COCOS (KEELING) ISLAND COASTAL HAZARD RISK MANAGEMENT AND ADAPTATION PLAN (CHRMAP) - INDEPENDENT REVIEW

FILE NUMBER:

AUTHOR: Matthew Scott, Chief Executive Officer

AUTHORISER: Matthew Scott, Chief Executive Officer

DISCLOSURE(S) OF INTEREST: Author - Nil

Authoriser - Nil

ISLAND: Shire Wide

ATTACHMENTS: 10.1.1.1 - CHRMAP Review - Talis - *Under Separate Cover*

AUTHORITY/DISCRETION

Definition

☒	Advocacy	<i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
☒	Executive	<i>The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
☐	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
☐	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
☐	Information	<i>Includes items provides to Council for information purposes only</i>

	<i>that do not require a decision of Council (i.e. – for noting).</i>
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REPORT PURPOSE

For Council to consider the independent review of the Cocos (Keeling) Islands Coastal Hazard Risk Management and Adaptation Plan prepared by Talis Consultants and determine the Shire's position regarding the report's findings, current Commonwealth initiatives, future investigations and ongoing engagement with the Australian Government.

BACKGROUND

In 2018, the Australian Government commenced preparation of a Coastal Hazard Risk Management and Adaptation Plan (CHRMAP) for the Cocos (Keeling) Islands.

An earlier draft of the CHRMAP raised significant concerns within the Shire and community, particularly regarding the proposed long-term managed retreat from Home Island and the possibility of permanent off-island relocation.

The Shire made submissions on the draft CHRMAP and subsequently sought further information regarding its technical assumptions, community consultation, assessment of adaptation options and the basis for its proposed long-term pathways.

At that time, there was no clear indication of when the final CHRMAP would be released. The Shire therefore engaged Talis Consultants to undertake an independent review of the draft CHRMAP and its supporting technical documentation.

The final CHRMAP was released in March 2026 while Talis was preparing its review. The engagement was subsequently varied so that Talis could review the final CHRMAP and assess the extent to which the Shire's earlier concerns had been addressed.

The final CHRMAP adopts a more staged approach, defers any final recommendation for permanent off-island relocation and identifies the need for further investigations and community engagement.

The Australian Government completed a Home Island flooding assessment in June 2026. The assessment is not yet publicly available but is expected to be released shortly, subject to confirmation with the Department of Water and Environmental Regulation. Supporting information and community messaging are also being developed due to the technical nature of the assessment.

The Talis review was completed on 14 July 2026 and is attached to this report. It acknowledges the improvements made in the final CHRMAP while identifying matters requiring further investigation before significant long-term adaptation decisions are made.

POLICY AND LEGISLATION IMPLICATIONS

The CHRMAP was prepared with reference to State Planning Policy 2.6 – State Coastal Planning Policy and the associated Coastal Hazard Risk Management and Adaptation Planning Guidelines, which provide the principal Western Australian framework for coastal hazard planning.

The Talis review identifies matters regarding the application of this framework to the Cocos (Keeling) Islands and the suitability of some methodologies for a coral atoll environment. These matters can be considered through the future investigation programme and next CHRMAP review.

The CHRMAP and Talis review are strategic and advisory documents. Any future adaptation works or statutory decisions will require separate consideration under the applicable planning, environmental and legislative requirements.

FINANCIAL IMPLICATIONS

There are no immediate material financial implications associated with receiving the Talis review.

Implementation of the recommended investigations, community engagement, governance arrangements and future CHRMAP review will require substantial funding.

Given the scale and national significance of the work, the Australian Government should remain the principal funding body. Any proposal for the Shire to contribute funding or independently commission additional technical advice should be presented to Council for separate consideration.

STRATEGIC IMPLICATIONS

Theme

- L Leadership
- EN Environmental

Goal

- L1 To be involve, respectful and inclusive and to facilitate diversity and representation within the decision making process.
- EN1 To prioritise the development of coastal management planning in partnership with the Australian Government and the WA State Government.

Strategy

- L1.3 Shire representatives (Councillors and Shire Leadership team) to pro-actively engage, communicate with, and increase visibility within the community.
- EN1.1 Create awareness around and encourage engagement and participation in the final draft CHRMAP process. Final draft of the CHRMAP is being produced by the Commonwealth with no end date proposed

RISK IMPLICATIONS

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Financial	Future investigations or adaptation measures may require expenditure beyond the Shire's available resources.	Moderate	Seek Australian Government funding and refer any proposed Shire contribution to Council for separate consideration.
Reputation	An overly adversarial response may affect the Shire's relationship with the Australian	Moderate	Adopt a balanced position that acknowledges progress while

	Government, while failing to raise legitimate concerns may reduce community confidence.		clearly identifying the need for further work.
Compliance	Future adaptation decisions may not fully address applicable planning, environmental or legislative requirements.	Moderate	Ensure all future proposals are subject to appropriate legal, planning and environmental assessment.
Fraud	No specific fraud risk has been identified in relation to receiving the Talis review.	Low	Apply the Shire's usual procurement, financial management and governance controls to any future investigations or expenditure.

Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

Comment

The Talis review provides an independent assessment of the final CHRMAP, including its technical methodology, supporting information, assessment of adaptation options and recommendations. The review initially commenced as an assessment of the draft CHRMAP and was varied following release of the final document in March 2026.

The final CHRMAP represents a material improvement on the earlier draft. In particular, it defers any final recommendation for permanent off-island relocation, adopts a more staged approach and recognises the need for further technical investigations and community engagement before long-term adaptation pathways are determined.

The Australian Government has also progressed related work, including completion of the Home Island flooding assessment and development of terms of reference for a Community Reference Group. The flooding assessment is not yet publicly available but is expected to be released shortly, subject to confirmation with the Department of Water and Environmental Regulation. Given its technical nature, the Australian Government has indicated that supporting information and coordinated community messaging should accompany its release.

The Australian Government has also indicated that the flooding assessment is expected to be considered through the proposed Community Reference Group and an Implementation Working Group before any decisions are made. The membership, responsibilities and relationship between these groups are still being developed.

Once publicly released, the flooding assessment should be reviewed to determine which matters identified by Talis it addresses and what further groundwater, drainage, terrestrial flooding or coastal inundation investigations remain necessary. These initiatives provide an opportunity for the Shire, community and Australian Government to work collaboratively on the next phase of coastal hazard planning.

The Talis review nevertheless identifies matters requiring further consideration, including:

- the suitability of coastal hazard methodologies developed primarily for mainland coastlines when applied to a coral atoll environment;
- differences between the risk and vulnerability methodology used in the CHRMAP and relevant planning guidance;
- limitations in the assessment and comparison of adaptation options;
- the absence of a completed cost-benefit analysis;
- gaps in environmental baseline information;
- limited consideration of cultural heritage and culturally significant places; and
- the need for clearer governance, funding and community engagement arrangements.

Talis recommends that the future investigation programme include:

- atoll-specific erosion and inundation modelling, including review of the S3 erosion allowance and the use of a range of probability-based storm events;
- review and integration of the Home Island flooding assessment, once publicly released, with any further groundwater, drainage, terrestrial flooding and coastal inundation studies identified as necessary;
- ongoing coastal monitoring and improved collection of bathymetric, reef, shoreline, wave and sediment-transport data;
- investigation of potential sand and sediment sources for nourishment or land-raising options;
- environmental baseline studies covering terrestrial and marine habitats, threatened species, contaminated sites and relevant environmental approval requirements;
- appropriate cultural heritage assessment, including culturally significant places and incorporation of cultural heritage and community values into the assessment of adaptation options;

- engineering feasibility studies and concept designs for protection, accommodation, nourishment, land-raising, reclamation and relocation options;
- assessment of combined adaptation measures, rather than considering each option in isolation;
- a revised multi-criteria assessment incorporating transparent weightings and environmental, cultural, social, legal, economic and strategic considerations;
- a comparative cost-benefit analysis, including capital, maintenance, lifecycle and relocation costs;
- further consideration of funding responsibilities and the distribution of costs and benefits; and
- meaningful and culturally appropriate community engagement throughout the investigation and decision-making process.

The review does not suggest that coastal hazards are insignificant or that adaptation is unnecessary. Rather, it concludes that the evidence base should be strengthened before irreversible long-term decisions are made. Council may receive the report and endorse its principal findings and recommended areas of further investigation without adopting every technical, legal or interpretive statement contained within it, which remains the independent professional opinion of Talis Consultants.

The proposed Community Reference Group is supported in principle. Its final terms of reference should clearly define its purpose, membership, relationship with the project team, the Shire and the Australian Government, and how differing community views will be recorded and considered. It should also provide balanced representation from Home Island and West Island and access to clear, timely and relevant technical information.

Given the consequences of any decision affecting the long-term occupation of Home Island or West Island, it is considered appropriate that Council not support any irreversible long-term adaptation pathway, including permanent off-island relocation, unless and until:

- the required investigations have been completed;
- feasible protection, accommodation and relocation options have been comparatively assessed;
- the environmental, cultural, social and economic implications are sufficiently understood; and
- the community has been meaningfully involved in the decision-making process.

A formal joint governance framework between the Shire and the Australian Government would assist in coordinating the investigation programme and next review of the CHRMAP. This should include joint development of project scopes and priorities, Shire participation in consultant selection and technical review, timely access to relevant models, data and reports, agreed arrangements for the Community Reference Group and broader engagement, clear milestones and funding responsibilities, and formal consideration of Council and community feedback before future recommendations are finalised.

The Australian Government should remain the principal funding body for this work, given its scale and national significance. Any proposal for the Shire to contribute financially or commission further independent advice should be presented to Council for separate consideration.

Council has the following options.

Option 1 – Receive the Talis review without further action

Council could receive the report without endorsing its principal findings or seeking further involvement in the CHRMAP process.

This option would preserve Council's ability to consider future matters as they arise but would provide limited direction regarding the Shire's position or desired role in the next stages of the process.

This option is not recommended.

Option 2 – Receive the review and endorse its principal findings and recommended investigation programme

Council could receive the Talis review, acknowledge the improvements made in the final CHRMAP and endorse the need for further technical, environmental, engineering, economic, cultural heritage and community-based work before irreversible long-term decisions are made.

Council could also seek a formal role in:

- reviewing the completed Home Island flooding assessment once it is publicly available and identifying any remaining information gaps;
- determining the scope and priorities of the additional studies recommended by Talis;
- finalising the Community Reference Group arrangements and ensuring broader, culturally appropriate community engagement;
- reviewing technical information, models and consultant outputs;
- considering the comparative assessment of protection, accommodation and relocation options;
- overseeing the investigation programme through a formal joint governance framework; and
- contributing directly to the next review of the CHRMAP.

This option preserves the independence of the Talis report, provides a balanced Council position and supports constructive engagement with the Australian Government.

This is the recommended option.

Option 3 – Reject the final CHRMAP and request its replacement

Council could reject the final CHRMAP and request that the Australian Government prepare a replacement document.

This option would clearly express Council's concerns but may not recognise the material changes made between the draft and final CHRMAPs or the further work currently being progressed.

A collaborative approach, incorporating the additional investigations recommended by Talis into the next phase of work, is considered more likely to address the outstanding issues while maintaining a productive relationship with the Australian Government.

This option is not recommended.

VOTING REQUIREMENT

Simple Majority

CONCLUSION

The Talis review provides Council with an independent assessment of the final CHRMAP and identifies matters requiring further technical, environmental, engineering, economic, cultural heritage and community-based investigation.

The final CHRMAP represents an improvement on the earlier draft, particularly through its deferral of any final recommendation for permanent off-island relocation and its recognition that further investigation and community engagement are required.

The completed Home Island flooding assessment and proposed Community Reference Group provide an opportunity to progress this work collaboratively. Once publicly released, the flooding assessment should be considered alongside the broader investigations recommended by Talis and supported by clear and accessible community information.

Council may receive the Talis review and endorse its principal findings without adopting every statement contained within it. The recommended approach provides a balanced basis for continued engagement with the Australian Government and supports the Shire seeking a formal role in the investigation programme, community engagement arrangements and next review of the CHRMAP.

OFFICER RECOMMENDATION – ITEM NO 10.1.1

THAT COUNCIL, BY SIMPLE MAJORITY:

1. RECEIVES THE COCOS (KEELING) ISLANDS CHRMAP REVIEW, PREPARED BY TALIS CONSULTANTS AND DATED 14 JULY 2026.
2. ACKNOWLEDGES THAT THE FINAL COASTAL HAZARD RISK MANAGEMENT AND ADAPTATION PLAN RELEASED IN MARCH 2026 REPRESENTS A MATERIAL IMPROVEMENT ON THE EARLIER DRAFT, INCLUDING BY:
 - A. DEFERRING ANY FINAL RECOMMENDATION FOR PERMANENT OFF-ISLAND RELOCATION;
 - B. RECOGNISING THE NEED FOR FURTHER TECHNICAL INVESTIGATIONS; AND
 - C. IDENTIFYING THE IMPORTANCE OF ONGOING COMMUNITY ENGAGEMENT BEFORE LONG-TERM ADAPTATION PATHWAYS ARE DETERMINED.
3. NOTES THAT:
 - A. THE AUSTRALIAN GOVERNMENT COMPLETED A HOME ISLAND FLOODING

ASSESSMENT IN JUNE 2026, WHICH IS EXPECTED TO BE PUBLICLY RELEASED SHORTLY WITH SUPPORTING COMMUNITY INFORMATION; AND

- B. THE AUSTRALIAN GOVERNMENT IS DEVELOPING TERMS OF REFERENCE FOR A COMMUNITY REFERENCE GROUP AND PROPOSES THAT THE FLOODING ASSESSMENT BE CONSIDERED BY THE COMMUNITY REFERENCE GROUP AND IMPLEMENTATION WORKING GROUP BEFORE DECISIONS ARE MADE.
- 4. NOTES THAT THE TALIS REPORT REPRESENTS THE INDEPENDENT PROFESSIONAL OPINION OF THE CONSULTANT AND THAT COUNCIL'S CONSIDERATION OF THE REPORT DOES NOT CONSTITUTE ENDORSEMENT OF EVERY TECHNICAL, LEGAL OR INTERPRETIVE STATEMENT CONTAINED WITHIN IT.
- 5. ENDORSES THE PRINCIPAL FINDING OF THE TALIS REPORT THAT FURTHER TECHNICAL, ENVIRONMENTAL, ENGINEERING, ECONOMIC AND COMMUNITY-BASED INVESTIGATIONS ARE REQUIRED BEFORE IRREVERSIBLE LONG-TERM ADAPTATION DECISIONS ARE MADE FOR HOME ISLAND OR WEST ISLAND.
- 6. SUPPORTS THE ADDITIONAL WORK RECOMMENDED BY TALIS, INCLUDING:
 - A. ATOLL-SPECIFIC EROSION AND INUNDATION MODELLING;
 - B. REVIEW OF THE S3 EROSION ALLOWANCE AND APPLICATION OF PROBABILITY-BASED STORM EVENTS;
 - C. REVIEW AND INTEGRATION OF THE HOME ISLAND FLOODING ASSESSMENT, ONCE PUBLICLY RELEASED, WITH ANY FURTHER GROUNDWATER, DRAINAGE, TERRESTRIAL FLOODING AND COASTAL INUNDATION STUDIES IDENTIFIED AS NECESSARY;
 - D. IMPROVED BATHYMETRIC, REEF, SHORELINE, WAVE, SEDIMENT-TRANSPORT AND COASTAL MONITORING DATA;
 - E. INVESTIGATION OF POTENTIAL SAND AND SEDIMENT SOURCES;
 - F. ENVIRONMENTAL BASELINE STUDIES, INCLUDING TERRESTRIAL AND MARINE HABITATS, THREATENED SPECIES, CONTAMINATED SITES AND RELEVANT ENVIRONMENTAL APPROVAL REQUIREMENTS;
 - G. APPROPRIATE CULTURAL HERITAGE ASSESSMENTS, INCLUDING CONSIDERATION OF CULTURALLY SIGNIFICANT PLACES, COMMUNITY VALUES AND THE CULTURAL CONNECTION OF THE COCOS MALAY COMMUNITY TO HOME ISLAND;
 - H. ENGINEERING FEASIBILITY STUDIES AND CONCEPT DESIGNS FOR PROTECTION, ACCOMMODATION, NOURISHMENT, LAND-RAISING, RECLAMATION AND RELOCATION OPTIONS;
 - I. ASSESSMENT OF COMBINED ADAPTATION MEASURES;
 - J. A REVISED MULTI-CRITERIA ASSESSMENT INCORPORATING TRANSPARENT WEIGHTINGS AND RELEVANT ENVIRONMENTAL, CULTURAL, SOCIAL, LEGAL, ECONOMIC AND STRATEGIC CONSIDERATIONS;
 - K. A COMPARATIVE COST-BENEFIT ANALYSIS, INCLUDING CAPITAL, MAINTENANCE, LIFECYCLE AND RELOCATION COSTS;
 - L. FURTHER ASSESSMENT OF FUNDING RESPONSIBILITIES AND THE DISTRIBUTION OF COSTS AND BENEFITS; AND
 - M. MEANINGFUL AND CULTURALLY APPROPRIATE COMMUNITY ENGAGEMENT

THROUGHOUT THE INVESTIGATION AND DECISION-MAKING PROCESS.

7. SUPPORTS IN PRINCIPLE THE ESTABLISHMENT OF A COMMUNITY REFERENCE GROUP, SUBJECT TO THE FINAL TERMS OF REFERENCE:
 - A. CLEARLY DEFINING ITS PURPOSE, ROLE AND RELATIONSHIP WITH THE PROJECT TEAM, THE SHIRE AND THE AUSTRALIAN GOVERNMENT;
 - B. PROVIDING BALANCED REPRESENTATION FROM HOME ISLAND AND WEST ISLAND;
 - C. RECOGNISING THAT MEMBERS MAY HOLD DIFFERING VIEWS AND ARE NOT EXPECTED TO REPRESENT A SINGLE COMMUNITY POSITION;
 - D. PROVIDING ACCESS TO CLEAR, TIMELY AND RELEVANT TECHNICAL INFORMATION; AND
 - E. ENSURING THAT THE GROUP'S ADVICE IS TRANSPARENTLY RECORDED AND CONSIDERED.
8. CONFIRMS THAT COUNCIL DOES NOT SUPPORT ANY IRREVERSIBLE LONG-TERM ADAPTATION PATHWAY, INCLUDING PERMANENT OFF-ISLAND RELOCATION, UNLESS AND UNTIL:
 - A. THE REQUIRED INVESTIGATIONS HAVE BEEN COMPLETED;
 - B. FEASIBLE PROTECTION, ACCOMMODATION AND RELOCATION OPTIONS HAVE BEEN COMPARATIVELY ASSESSED;
 - C. THE ENVIRONMENTAL, CULTURAL, SOCIAL AND ECONOMIC IMPLICATIONS ARE SUFFICIENTLY UNDERSTOOD; AND
 - D. THE COMMUNITY HAS BEEN MEANINGFULLY INVOLVED IN THE DECISION-MAKING PROCESS.
9. REQUESTS THE AUSTRALIAN GOVERNMENT TO ESTABLISH AND FUND A FORMAL JOINT GOVERNANCE FRAMEWORK WITH THE SHIRE TO OVERSEE THE INVESTIGATION PROGRAMME AND NEXT REVIEW OF THE CHRMAP, INCLUDING:
 - A. JOINT DEVELOPMENT OF PROJECT SCOPES AND PRIORITIES;
 - B. SHIRE PARTICIPATION IN CONSULTANT SELECTION AND TECHNICAL REVIEW;
 - C. TIMELY ACCESS TO RELEVANT MODELS, DATA AND REPORTS, INCLUDING THE HOME ISLAND FLOODING ASSESSMENT AND SUPPORTING TECHNICAL INFORMATION;
 - D. AGREED ARRANGEMENTS FOR THE COMMUNITY REFERENCE GROUP AND BROADER COMMUNITY ENGAGEMENT;
 - E. CLEAR PROJECT MILESTONES AND FUNDING RESPONSIBILITIES; AND
 - F. FORMAL CONSIDERATION OF COUNCIL AND COMMUNITY FEEDBACK BEFORE FUTURE RECOMMENDATIONS ARE FINALISED.
10. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO PROVIDE THE TALIS REPORT AND COUNCIL'S RESOLUTION TO THE AUSTRALIAN GOVERNMENT AND RELEVANT AGENCIES, AND TO CONTINUE DISCUSSIONS REGARDING THE RECOMMENDED INVESTIGATIONS, RELEASE AND CONSIDERATION OF THE HOME ISLAND FLOODING ASSESSMENT, THE COMMUNITY REFERENCE GROUP, IMPLEMENTATION WORKING GROUP, GOVERNANCE ARRANGEMENTS AND FUNDING.
11. REQUESTS THAT THE CHIEF EXECUTIVE OFFICER PROVIDE FURTHER REPORTS TO

COUNCIL AS THE INVESTIGATION PROGRAMME AND ARRANGEMENTS FOR THE FUTURE REVIEW OF THE CHRMAP ARE DEVELOPED.

RESOLUTION - ITEM NO 10.1.1 OCM/26/073**MOVED: CR A BADLU****SECONDED: CR O SLOAN****THAT COUNCIL, BY SIMPLE MAJORITY:**

- 1. RECEIVES THE COCOS (KEELING) ISLANDS CHRMAP REVIEW, PREPARED BY TALIS CONSULTANTS AND DATED 14 JULY 2026.**
- 2. ACKNOWLEDGES THAT THE FINAL COASTAL HAZARD RISK MANAGEMENT AND ADAPTATION PLAN RELEASED IN MARCH 2026 REPRESENTS A MATERIAL IMPROVEMENT ON THE EARLIER DRAFT, INCLUDING BY:**
 - A. DEFERRING ANY FINAL RECOMMENDATION FOR PERMANENT OFF-ISLAND RELOCATION;**
 - B. RECOGNISING THE NEED FOR FURTHER TECHNICAL INVESTIGATIONS; AND**
 - C. IDENTIFYING THE IMPORTANCE OF ONGOING COMMUNITY ENGAGEMENT BEFORE LONG-TERM ADAPTATION PATHWAYS ARE DETERMINED.**
- 3. NOTES THAT:**
 - A. THE AUSTRALIAN GOVERNMENT COMPLETED A HOME ISLAND FLOODING ASSESSMENT IN JUNE 2026, WHICH IS EXPECTED TO BE PUBLICLY RELEASED SHORTLY WITH SUPPORTING COMMUNITY INFORMATION; AND**
 - B. THE AUSTRALIAN GOVERNMENT IS DEVELOPING TERMS OF REFERENCE FOR A COMMUNITY REFERENCE GROUP AND PROPOSES THAT THE FLOODING ASSESSMENT BE CONSIDERED BY THE COMMUNITY REFERENCE GROUP AND IMPLEMENTATION WORKING GROUP BEFORE DECISIONS ARE MADE.**
- 4. NOTES THAT THE TALIS REPORT REPRESENTS THE INDEPENDENT PROFESSIONAL OPINION OF THE CONSULTANT AND THAT COUNCIL'S CONSIDERATION OF THE REPORT DOES NOT CONSTITUTE ENDORSEMENT OF EVERY TECHNICAL, LEGAL OR INTERPRETIVE STATEMENT CONTAINED WITHIN IT.**
- 5. ENDORSES THE PRINCIPAL FINDING OF THE TALIS REPORT THAT FURTHER TECHNICAL, ENVIRONMENTAL, ENGINEERING, ECONOMIC AND COMMUNITY-BASED INVESTIGATIONS ARE REQUIRED BEFORE IRREVERSIBLE LONG-TERM ADAPTATION DECISIONS ARE MADE FOR HOME ISLAND OR WEST ISLAND.**
- 6. SUPPORTS THE ADDITIONAL WORK RECOMMENDED BY TALIS, INCLUDING:**
 - A. ATOLL-SPECIFIC EROSION AND INUNDATION MODELLING;**
 - B. REVIEW OF THE S3 EROSION ALLOWANCE AND APPLICATION OF PROBABILITY-BASED STORM EVENTS;**
 - C. REVIEW AND INTEGRATION OF THE HOME ISLAND FLOODING ASSESSMENT, ONCE PUBLICLY RELEASED, WITH ANY FURTHER GROUNDWATER, DRAINAGE, TERRESTRIAL FLOODING AND COASTAL INUNDATION STUDIES IDENTIFIED AS NECESSARY;**
 - D. IMPROVED BATHYMETRIC, REEF, SHORELINE, WAVE, SEDIMENT-TRANSPORT AND**

COASTAL MONITORING DATA;

- E. INVESTIGATION OF POTENTIAL SAND AND SEDIMENT SOURCES;**
 - F. ENVIRONMENTAL BASELINE STUDIES, INCLUDING TERRESTRIAL AND MARINE HABITATS, THREATENED SPECIES, CONTAMINATED SITES AND RELEVANT ENVIRONMENTAL APPROVAL REQUIREMENTS;**
 - G. APPROPRIATE CULTURAL HERITAGE ASSESSMENTS, INCLUDING CONSIDERATION OF CULTURALLY SIGNIFICANT PLACES, COMMUNITY VALUES AND THE CULTURAL CONNECTION OF THE COCOS MALAY COMMUNITY TO HOME ISLAND;**
 - H. ENGINEERING FEASIBILITY STUDIES AND CONCEPT DESIGNS FOR PROTECTION, ACCOMMODATION, NOURISHMENT, LAND-RAISING, RECLAMATION AND RELOCATION OPTIONS;**
 - I. ASSESSMENT OF COMBINED ADAPTATION MEASURES;**
 - J. A REVISED MULTI-CRITERIA ASSESSMENT INCORPORATING TRANSPARENT WEIGHTINGS AND RELEVANT ENVIRONMENTAL, CULTURAL, SOCIAL, LEGAL, ECONOMIC AND STRATEGIC CONSIDERATIONS;**
 - K. A COMPARATIVE COST-BENEFIT ANALYSIS, INCLUDING CAPITAL, MAINTENANCE, LIFECYCLE AND RELOCATION COSTS;**
 - L. FURTHER ASSESSMENT OF FUNDING RESPONSIBILITIES AND THE DISTRIBUTION OF COSTS AND BENEFITS; AND**
 - M. MEANINGFUL AND CULTURALLY APPROPRIATE COMMUNITY ENGAGEMENT THROUGHOUT THE INVESTIGATION AND DECISION-MAKING PROCESS.**
- 7. SUPPORTS IN PRINCIPLE THE ESTABLISHMENT OF A COMMUNITY REFERENCE GROUP, SUBJECT TO THE FINAL TERMS OF REFERENCE:**
- A. CLEARLY DEFINING ITS PURPOSE, ROLE AND RELATIONSHIP WITH THE PROJECT TEAM, THE SHIRE AND THE AUSTRALIAN GOVERNMENT;**
 - B. PROVIDING BALANCED REPRESENTATION FROM HOME ISLAND AND WEST ISLAND;**
 - C. RECOGNISING THAT MEMBERS MAY HOLD DIFFERING VIEWS AND ARE NOT EXPECTED TO REPRESENT A SINGLE COMMUNITY POSITION;**
 - D. PROVIDING ACCESS TO CLEAR, TIMELY AND RELEVANT TECHNICAL INFORMATION; AND**
 - E. ENSURING THAT THE GROUP'S ADVICE IS TRANSPARENTLY RECORDED AND CONSIDERED.**
- 8. CONFIRMS THAT COUNCIL DOES NOT SUPPORT ANY IRREVERSIBLE LONG-TERM ADAPTATION PATHWAY, INCLUDING PERMANENT OFF-ISLAND RELOCATION, UNLESS AND UNTIL:**
- A. THE REQUIRED INVESTIGATIONS HAVE BEEN COMPLETED;**
 - B. FEASIBLE PROTECTION, ACCOMMODATION AND RELOCATION OPTIONS HAVE BEEN COMPARATIVELY ASSESSED;**
 - C. THE ENVIRONMENTAL, CULTURAL, SOCIAL AND ECONOMIC IMPLICATIONS ARE SUFFICIENTLY UNDERSTOOD; AND**

- D. THE COMMUNITY HAS BEEN MEANINGFULLY INVOLVED IN THE DECISION-MAKING PROCESS.**
- 9. REQUESTS THE AUSTRALIAN GOVERNMENT TO ESTABLISH AND FUND A FORMAL JOINT GOVERNANCE FRAMEWORK WITH THE SHIRE TO OVERSEE THE INVESTIGATION PROGRAMME AND NEXT REVIEW OF THE CHRMAP, INCLUDING:**
- A. JOINT DEVELOPMENT OF PROJECT SCOPES AND PRIORITIES;**
 - B. SHIRE PARTICIPATION IN CONSULTANT SELECTION AND TECHNICAL REVIEW;**
 - C. TIMELY ACCESS TO RELEVANT MODELS, DATA AND REPORTS, INCLUDING THE HOME ISLAND FLOODING ASSESSMENT AND SUPPORTING TECHNICAL INFORMATION;**
 - D. AGREED ARRANGEMENTS FOR THE COMMUNITY REFERENCE GROUP AND BROADER COMMUNITY ENGAGEMENT;**
 - E. CLEAR PROJECT MILESTONES AND FUNDING RESPONSIBILITIES; AND**
 - F. FORMAL CONSIDERATION OF COUNCIL AND COMMUNITY FEEDBACK BEFORE FUTURE RECOMMENDATIONS ARE FINALISED.**
- 10. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO PROVIDE THE TALIS REPORT AND COUNCIL'S RESOLUTION TO THE AUSTRALIAN GOVERNMENT AND RELEVANT AGENCIES, AND TO CONTINUE DISCUSSIONS REGARDING THE RECOMMENDED INVESTIGATIONS, RELEASE AND CONSIDERATION OF THE HOME ISLAND FLOODING ASSESSMENT, THE COMMUNITY REFERENCE GROUP, IMPLEMENTATION WORKING GROUP, GOVERNANCE ARRANGEMENTS AND FUNDING.**
- 11. REQUESTS THAT THE CHIEF EXECUTIVE OFFICER PROVIDE FURTHER REPORTS TO COUNCIL AS THE INVESTIGATION PROGRAMME AND ARRANGEMENTS FOR THE FUTURE REVIEW OF THE CHRMAP ARE DEVELOPED.**

THE MOTION WAS PUT AND DECLARED CARRIED (5/0)

FOR: CRS ISA MINKOM, AZAH BADLU, SIGNA KNIGHT, LEVI FOWLER AND OSMAN SLOAN

AGAINST: NIL

10.2 GOVERNANCE, RISK AND PLANNING

10.2.1 ATTENDANCE AT THE WALGA LOCAL GOVERNMENT CONVENTION 2026

FILE NUMBER:

AUTHOR: Ibrahim Macrae, Manager Governance Risk and Planning

AUTHORISER: Matthew Scott, Chief Executive Officer

DISCLOSURE(S) OF INTEREST: Author - Nil

Authoriser - Nil

ISLAND: Shire Wide

ATTACHMENTS: Nil

AUTHORITY/DISCRETION

Definition

☐	Advocacy	<i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
☒	Executive	<i>The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
☐	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
☐	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
☐	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

REPORT PURPOSE

The purpose of this report is to seek Council approval for nominated Elected Members and officers to attend the 2026 WALGA Local Government Convention, to be held at the Perth Convention and Exhibition Centre from 16 to 18 September 2026.

The report also seeks Council endorsement of two Voting Delegates to represent the Shire of Cocos (Keeling) Islands at the WALGA Annual General Meeting (AGM), which will be held during the Convention.

Approval is also sought for the associated registration, travel, accommodation and other reasonable expenses required to support attendance, in accordance with Council policies and budget provisions.

Participation in the Convention provides an opportunity for Council representatives to undertake professional development, remain informed of current Local Government matters and strengthen relationships with other Local Governments and sector stakeholders.

BACKGROUND

The WALGA Local Government Convention is held annually and provides an opportunity for Local Government representatives from across Western Australia to meet, discuss current sector issues, participate in professional development activities and share experiences.

The 2026 Convention will be held at the Perth Convention and Exhibition Centre from 16 to 18 September 2026 and will focus on the theme **“Tomorrow’s World”**.

The program will consider the changing environment faced by Local Governments, including emerging technologies, evolving community expectations, financial pressures and future approaches to service delivery.

For the Shire of Cocos (Keeling) Islands, attendance at the Convention provides an opportunity to engage with other Local Governments, gain knowledge from shared experiences and identify practical approaches that may assist Council in managing the challenges associated with delivering services within a remote island community.

COMMENTS

Attendance at the WALGA Local Government Convention supports Council’s commitment to good governance, continuous improvement and ensuring Elected Members and officers remain informed of matters affecting the Local Government sector.

The Convention provides opportunities to participate in presentations, workshops and discussions with Local Government representatives, government agencies and industry organisations. The knowledge gained through these activities may assist Council in improving processes, strengthening governance practices and identifying opportunities for improved service delivery.

Due to the Shire’s remote location, maintaining connections with the wider Local Government sector is particularly valuable. The Convention provides an opportunity to discuss common challenges, share experiences and consider solutions that may be applicable to the Cocos (Keeling) Islands community.

The WALGA Annual General Meeting (AGM) will be held in conjunction with the Convention at 2:30pm on Thursday, 17 September 2026 at the Perth Convention and Exhibition Centre.

Each WALGA member Local Government is entitled to appoint two Voting Delegates, with each delegate entitled to one vote at the AGM.

Attendance at the AGM is free for all Local Government Elected Members and officers.

Voting Delegate registrations opened on 23 June 2026 and must be completed by 5:00pm Tuesday, 1 September 2026.

Further information regarding the Convention program, registration process and event details is available via:

[WALGA Local Government Convention 2026 – Program and Registration](#)

POLICY AND LEGISLATION IMPLICATIONS

The attendance of Elected Members and officers at conferences and professional development activities is considered Council business where approved by Council.

Expenditure associated with attendance will be managed in accordance with the requirements of the *Local Government Act 1995*, Council policies, adopted budget provisions and relevant financial management requirements.

FINANCIAL IMPLICATIONS

Funding will be provided from the 2026/27 Budget allocation for Elected Member and employee training and professional development.

STRATEGIC IMPLICATIONS

Theme

L Leadership

Goal

L1 To be involve, respectful and inclusive and to facilitate diveristy and representation within the dcision making process.

Strategy

L1.1 Elected members to become more representative and engage more with Members of Parliament to better understand the dynamics of politics and attitudes of the Commonwealth and West Australian Governments and the Cocos (Keeling) Islands

L1.3 Shire representatives (Councillors and Shire Leadership team) to pro-actively engage, communicate with, and increase visibility within the community.

RISK IMPLICATIONS

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Financial	Attendance costs, including registration, travel and accommodation, may exceed available budget allocations.	Low (2)	Delegate numbers will be approved by Council and expenditure monitored against the adopted budget.
Reputation	Limited participation in sector events may reduce opportunities for the Shire to maintain relationships and remain informed of industry developments.	Low (2)	Attendance supports sector engagement, knowledge sharing and representation of the Shire.
Compliance	Expenses associated with attendance may not be processed in accordance with Council requirements.	Low (1)	All expenditure will be supported by appropriate approvals and documentation.
Fraud	Incorrect claims or inappropriate use of	Low (1)	Existing financial controls, approval

	Council funds associated with attendance expenses.		processes and receipt requirements will apply.
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Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

VOTING REQUIREMENT

Simple Majority

CONCLUSION

Attendance at the 2026 WALGA Local Government Convention provides an opportunity for Council representatives and officers to improve their understanding of current Local Government issues, strengthen professional networks and gain knowledge that may assist the Shire in delivering effective services.

Given the Shire's remote location and unique operating environment, maintaining engagement with the wider Local Government sector provides valuable opportunities to learn from other councils and identify practices that may support improved governance and service delivery.

The financial and operational risks associated with attendance are considered low and can be managed through existing Council approval processes and financial controls.

OFFICER RECOMMENDATION – ITEM NO 10.2.1

THAT COUNCIL, BY SIMPLE MAJORITY:

- APPROVES THE ATTENDANCE OF THE FOLLOWING ELECTED MEMBERS AND OFFICERS AT THE 2026 WALGA LOCAL GOVERNMENT CONVENTION, TO BE HELD FROM 16 TO 18 SEPTEMBER 2026 AT THE PERTH CONVENTION AND EXHIBITION CENTRE:
 - PRESIDENT_____ (IF APPLICABLE)
 - DEPUTY PRESIDENT_____ (IF APPLICABLE)
 - COUNCILLOR_____
 - COUNCILLOR_____
 - CHIEF EXECUTIVE OFFICER
 - MANAGER GOVERNANCE RISK AND PLANNING
- APPOINTS THE FOLLOWING TWO ELECTED MEMBERS AS VOTING DELEGATES FOR THE WALGA ANNUAL GENERAL MEETING, TO BE HELD AT 2:30PM ON THURSDAY, 17 SEPTEMBER 2026 AT THE PERTH CONVENTION AND EXHIBITION CENTRE:

VOTING DELEGATE

VOTING DELEGATE

3. APPROVES EXPENDITURE ASSOCIATED WITH ATTENDANCE, INCLUDING REGISTRATION, TRAVEL, ACCOMMODATION, MEALS AND OTHER APPROVED EXPENSES, FROM THE ADOPTED 2026/27 BUDGET.

RESOLUTION - ITEM NO 10.2.1 OCM/26/074

MOVED: CR FOWLER

SECONDED: CR A BADLU

THAT COUNCIL, BY SIMPLE MAJORITY:

1. APPROVES THE ATTENDANCE OF THE FOLLOWING ELECTED MEMBERS AND OFFICERS AT THE 2026 WALGA LOCAL GOVERNMENT CONVENTION, TO BE HELD FROM 16 TO 18 SEPTEMBER 2026 AT THE PERTH CONVENTION AND EXHIBITION CENTRE:
 - PRESIDENT ISA MINKOM
 - DEPUTY PRESIDENT AYESHA YOUNG
 - COUNCILLOR OSMAN SLOAN
 - COUNCILLOR LEVI FOWLER
 - COUNCILLOR SIGNA KNIGHT
 - COUNCILLOR TONY LACY
 - CHIEF EXECUTIVE OFFICER
 - MANAGER GOVERNANCE RISK AND PLANNING
2. APPOINTS THE FOLLOWING TWO ELECTED MEMBERS AS VOTING DELEGATES FOR THE WALGA ANNUAL GENERAL MEETING, TO BE HELD AT 2:30PM ON THURSDAY, 17 SEPTEMBER 2026 AT THE PERTH CONVENTION AND EXHIBITION CENTRE:

PRESIDENT ISA MINKOM VOTING DELEGATE

COUNCILLOR OSMAN SLOAN VOTING DELEGATE
3. APPROVES EXPENDITURE ASSOCIATED WITH ATTENDANCE, INCLUDING REGISTRATION, TRAVEL, ACCOMMODATION, MEALS AND OTHER APPROVED EXPENSES, FROM THE ADOPTED 2026/27 BUDGET.

THE MOTION WAS PUT AND DECLARED CARRIED (5/0)

FOR: CRS ISA MINKOM, AZAH BADLU, SIGNA KNIGHT, LEVI FOWLER AND OSMAN SLOAN

AGAINST: NIL

10.3 FINANCE AND CORPORATE SERVICES

10.3.1 MONTHLY FINANCIAL REPORT - JUNE 2026

FILE NUMBER:

AUTHOR: David Tombs, Manager Finance and Corporate Services

AUTHORISER: Matthew Scott, Chief Executive Officer

DISCLOSURE(S) OF INTEREST: Author - Nil

Authoriser - Nil

ISLAND: Shire Wide

ATTACHMENTS: 10.3.1.1 - Monthly Finance Report - June 2026

AUTHORITY/DISCRETION

Definition

☐	Advocacy	<i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
☒	Executive	<i>The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
☐	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
☐	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
☐	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

REPORT PURPOSE

The purpose of this report is to provide the monthly and year-to-date financial report for June 2026, which includes rating, investment, reserve, debtor, and general financial information to Elected Members in accordance with Section 6.4 of the *Local Government Act 1995 (WA) (CKI)*.

BACKGROUND

The reporting of monthly financial information is a requirement under section 6.4 of the *Local Government Act 1995 (WA) (CKI)*, and Regulation 34 of the *Local Government (Financial Management) Regulations 1996* and provides oversight of the Shire's finances to Council.

COMMENTS

The period of review is the 12 months ended 30 June 2026.

Income for the year to date is:

• Operating Revenues	\$11.9M
• Capital Revenues	\$0.3M
• Total	\$12.2M

The Income budget for the same period was \$12.9m, resulting in an overall unfavourable Income budget variance of \$0.7m. This variance will become a favourable variance once the financial year end journals are processed (which will include accruing the fourth quarter .CC variable income stream, expected to be around \$1.4m).

Council's expenditure for the period is summarised in the following table:

Type	Actual	Budget	Variance
	\$m	\$m	\$m
Operating Expenditure	\$8.0M	\$10.0M	\$2.0M
Excluding Depreciation	\$6.3M	\$8.3M	\$2.0M
Depreciation	\$1.7M	\$1.7M	(\$0.0M)
Capital Expenditure	\$0.7m	\$2.4m	(\$1.7m)

The YTD Actual Operating Expenditure is expected to increase once the financial year end journals are processed. However Officers still expect the Operating Expenditure to be below Budget.

Details of all material variances against the current budget are provided in the notes to the Monthly Financial Report contained within attachment 10.3.1.1.

POLICY AND LEGISLATION IMPLICATIONS

Regulation 34 of the *Local Government (Financial Management) Regulations 1996* requires all Local Governments to prepare each month a Statement of Financial Activity reporting on the revenue and expenditure for the month.

Financial Management Regulation 34 also requires this statement to be accompanied by:

- An explanation of the composition of the net current assets, less committal assets and restricted assets;
- An explanation of material variances; and
- Such supporting information that is relevant to the Local Government

FINANCIAL IMPLICATIONS

As discussed within the Report and attachments.

STRATEGIC IMPLICATIONS

Theme

L Leadership

Goal

L2 To ensure that Shire resources are utilised in a manner that represents the best interest of the whole community

Strategy

- L2.1 Responsible financial management utilizing resources to meet legislative requirements and community expectations

RISK IMPLICATIONS

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Financial	That budget allocations are significantly exceeded.	Moderate (6)	Variances are monitored and highlighted to Council on a monthly basis for corrective action.
Reputation	The monthly financial statements are open to public scrutiny.	Low (3)	Procedures in place to ensure all expenditure is justifiable.
Compliance	The report is to be presented to Council within two months in order to comply with relevant legislation.	Low (3)	There are processes in place to ensure compliance with legislation.
Fraud	That the report is manipulated.	Low (3)	Interim and end of year audits.

Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

VOTING REQUIREMENT

Simple Majority

CONCLUSION

That the Monthly Financial Report for the period ending 30 June 2026, including explanations of material variances, be received.

OFFICER RECOMMENDATION – ITEM NO 10.3.1

THAT COUNCIL, BY SIMPLE MAJORITY, PURSUANT TO THE *LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996*

1. RECEIVES THE MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDING 30 JUNE 2026, AS CONTAINED IN ATTACHMENT 1 AND
2. ACCEPTS THE EXPLANATIONS FOR MATERIAL VARIANCES FOR THE PERIOD ENDING 30 JUNE 2026, AS CONTAINED IN ATTACHMENT 1.

RESOLUTION - ITEM NO 10.3.1 OCM/26/075

MOVED: CR O SLOAN

SECONDED: CR S KNIGHT

THAT COUNCIL, BY SIMPLE MAJORITY, PURSUANT TO THE *LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996*

1. RECEIVES THE MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDING 30 JUNE 2026, AS CONTAINED IN ATTACHMENT 10.3.1.1 AND
2. ACCEPTS THE EXPLANATIONS FOR MATERIAL VARIANCES FOR THE PERIOD ENDING 30 JUNE 2026, AS CONTAINED IN ATTACHMENT 10.3.1.1.

THE MOTION WAS PUT AND DECLARED CARRIED (5/0)

FOR: CRS ISA MINKOM, AZAH BADLU, SIGNA KNIGHT, LEVI FOWLER AND OSMAN SLOAN

AGAINST: NIL

SHIRE OF (COCOS) KEELING ISLANDS**MONTHLY FINANCIAL REPORT**

**(Containing the required statement of financial activity and statement of financial position)
FOR THE PERIOD ENDED 30 JUNE 2026**

***LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996***

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SHIRE OF (COCOS) KEELING ISLANDS
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2026

	Amended Budget Estimates	YTD Budget Estimates	YTD Actual	Variance* \$	Variance* %	Var.
Note	(a) \$	(b) \$	(c) \$	(c) - (b) \$	((c) - (b))/(b) %	
OPERATING ACTIVITIES						
Revenue from operating activities						
General rates	521,516	521,516	510,336	(11,180)	(2.14%)	
Rates excluding general rates	29,800	29,800	29,800	0	0.00%	
Grants, subsidies and contributions	5,466,923	5,466,923	5,683,944	217,021	3.97%	▲
Fees and charges	745,796	745,796	941,177	195,381	26.20%	▲
Interest revenue	400,000	400,000	487,307	87,307	21.83%	▲
Other revenue	5,528,000	5,528,000	4,266,520	(1,261,480)	(22.82%)	▼
	12,692,035	12,692,035	11,919,084	(772,951)	(6.09%)	
Expenditure from operating activities						
Employee costs	(4,039,210)	(4,039,210)	(3,848,794)	190,416	4.71%	
Materials and contracts	(2,858,550)	(2,858,550)	(1,901,613)	956,937	33.48%	▲
Utility charges	(289,787)	(289,787)	(247,076)	42,711	14.74%	
Depreciation	(1,685,875)	(1,685,875)	(1,749,303)	(63,428)	(3.76%)	
Finance costs	(500)	(500)	0	500	100.00%	
Insurance	(160,324)	(160,324)	(141,466)	18,858	11.76%	
Other expenditure	(1,021,021)	(1,021,021)	(129,972)	891,049	87.27%	▲
	(10,055,267)	(10,055,267)	(8,018,224)	2,037,043	20.26%	
Non cash amounts excluded from operating activities	2(c) 1,651,519	1,651,519	1,778,011	126,492	7.66%	
Amount attributable to operating activities	4,288,287	4,288,287	5,678,871	1,390,584	32.43%	
INVESTING ACTIVITIES						
Inflows from investing activities						
Proceeds from capital grants, subsidies and contributions	200,000	200,000	286,110	86,110	43.06%	▲
Proceeds from disposal of assets	30,000	30,000	0	(30,000)	(100.00%)	
	230,000	230,000	286,110	56,110	24.40%	
Outflows from investing activities						
Acquisition of property, plant and equipment	(1,683,077)	(1,683,077)	(584,939)	1,098,138	65.25%	▲
Acquisition of infrastructure	(517,420)	(517,420)	(92,617)	424,803	82.10%	▲
Payments for intangible assets	(203,420)	(203,420)	(17,979)	185,441	91.16%	▲
	(2,403,917)	(2,403,917)	(695,535)	1,708,382	71.07%	
Amount attributable to investing activities	(2,173,917)	(2,173,917)	(409,425)	1,764,492	81.17%	
FINANCING ACTIVITIES						
Inflows from financing activities						
Transfer from reserves	3,220,083	0	0	0	0.00%	
	3,220,083	0	0	0	0.00%	
Outflows from financing activities						
Payments for principal portion of lease liabilities	(12,909)	(13,115)	(13,115)	0	0.00%	
Transfer to reserves	(8,147,077)	(32,000)	(386,645)	(354,645)	(1108.27%)	▼
	(8,159,986)	(45,115)	(399,760)	(354,645)	(786.10%)	
Amount attributable to financing activities	(4,939,903)	(45,115)	(399,760)	(354,645)	(786.10%)	
MOVEMENT IN SURPLUS OR DEFICIT						
Surplus or deficit at the start of the financial year	2(a) 2,825,533	2,825,533	2,825,521	(12)	(0.00%)	
Amount attributable to operating activities	4,288,287	4,288,287	5,678,871	1,390,584	32.43%	▲
Amount attributable to investing activities	(2,173,917)	(2,173,917)	(409,425)	1,764,492	81.17%	▲
Amount attributable to financing activities	(4,939,903)	(45,115)	(399,760)	(354,645)	(786.10%)	▼
Surplus or deficit after imposition of general rates	0	4,894,788	7,695,207	2,800,419	57.21%	▲

KEY INFORMATION

- ▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data outside the adopted materiality threshold.
 - ▲ Indicates a variance with a positive impact on the financial position.
 - ▼ Indicates a variance with a negative impact on the financial position.
- Refer to Note 3 for an explanation of the reasons for the variance.

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

SHIRE OF (COCOS) KEELING ISLANDS
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 30 JUNE 2026

	Actual 30 June 2025	Actual as at 30 June 2026
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	10,029,758	16,231,345
Trade and other receivables	4,751,520	5,872,207
Inventories	19,792	67,275
Other assets (accrued income)	44,595	44,595
TOTAL CURRENT ASSETS	14,845,665	22,215,422
NON-CURRENT ASSETS		
Trade and other receivables	11,903,050	11,896,177
Property, plant and equipment	15,383,394	14,886,195
Infrastructure	10,298,039	9,446,077
Right-of-use assets	19,728	0
Intangible assets	3,000	2,000
TOTAL NON-CURRENT ASSETS	37,607,211	36,230,449
TOTAL ASSETS	52,452,876	58,445,871
CURRENT LIABILITIES		
Trade and other payables	715,593	333,565
Contract liabilities	117,991	3,183,660
Lease liabilities	13,229	114
Employee related provisions	512,351	512,351
TOTAL CURRENT LIABILITIES	1,359,164	4,029,690
NON-CURRENT LIABILITIES		
Lease liabilities	5,271	5,271
Employee related provisions	63,852	63,852
TOTAL NON-CURRENT LIABILITIES	69,123	69,123
TOTAL LIABILITIES	1,428,287	4,098,813
NET ASSETS	51,024,589	54,347,058
EQUITY		
Retained surplus	30,425,522	33,361,346
Reserve accounts	11,058,673	11,445,318
Revaluation surplus	9,540,394	9,540,394
TOTAL EQUITY	51,024,589	54,347,058

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

SHIRE OF (COCOS) KEELING ISLANDS
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2026

1 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

BASIS OF PREPARATION

This prescribed financial report has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996*, prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

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

Local Government (Financial Management) Regulations 1996, regulation 34 prescribes contents of the financial report. Supplementary information does not form part of the financial report.

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.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 14 July 2026

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.

MATERIAL ACCOUNTING POLICIES

Material accounting policies utilised in the preparation of these statements are as described within the current Annual Budget. Please refer to the adopted budget document for details of these policies.

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 believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values 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
 - Infrastructure
- Impairment losses of non-financial assets
- Expected credit losses on financial assets
- Assets held for sale
- Investment property
- Estimated useful life of intangible assets
- Measurement of employee benefits
- Measurement of provisions
- Estimation uncertainties and judgements made in relation to lease accounting

SHIRE OF (COCOS) KEELING ISLANDS
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2026

2 NET CURRENT ASSETS INFORMATION

(a) Net current assets used in the Statement of Financial Activity

	Amended Budget Opening 1 July 2025	Actual as at 30 June 2025	Actual as at 30 June 2026
Note	\$	\$	\$
Current assets			
Cash and cash equivalents	11,017,938	10,029,758	16,231,345
Trade and other receivables	1,808,302	4,751,520	5,872,207
Inventories	12,882	19,792	67,275
Other assets	32	44,595	44,595
	<u>12,839,154</u>	<u>14,845,665</u>	<u>22,215,422</u>
Less: current liabilities			
Trade and other payables	(168,600)	(715,593)	(333,565)
Contract liabilities	0	(117,991)	(3,183,660)
Lease liabilities	(5,270)	(13,229)	(114)
Employee related provisions	(498,622)	(512,351)	(512,351)
	<u>(672,492)</u>	<u>(1,359,164)</u>	<u>(4,029,690)</u>
Net current assets	<u>12,166,662</u>	<u>13,486,501</u>	<u>18,185,732</u>
Less: Total adjustments to net current assets	2(b) (14,714,113)	(10,660,980)	(10,461,937)
Under Review			(28,588)
Closing funding surplus / (deficit)	(2,547,451)	2,825,521	7,695,207

(b) Current assets and liabilities excluded from budgeted deficiency

Adjustments to net current assets			
Less: Reserve accounts	(15,064,811)	(11,058,673)	(11,445,318)
Less: Current assets not expected to be received at end of year			
- Current financial assets at amortised cost - self supporting loans			
- Interfund transfer	0	0	570,095
Add: Current liabilities not expected to be cleared at the end of the year			
- Current portion of lease liabilities	5,270	13,229	114
- Current portion of employee benefit provisions held in reserve	345,428	384,464	413,172
Total adjustments to net current assets	2(a) (14,714,113)	(10,660,980)	(10,461,937)

(c) Non-cash amounts excluded from operating activities

	Amended Budget Estimates 30 June 2026	YTD Budget Estimates 30 June 2026	YTD Actual 30 June 2026
	\$	\$	\$
Adjustments to operating activities			
Add: Depreciation	1,685,875	1,685,875	1,749,303
Movement in current contract liabilities associated with restricted cash	(34,356)	(34,356)	28,708
Total non-cash amounts excluded from operating activities	1,651,519	1,651,519	1,778,011

CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the local governments' operational cycle.

SHIRE OF (COCOS) KEELING ISLANDS
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 30 JUNE 2026

3 EXPLANATION OF MATERIAL VARIANCES

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date actual materially.
The material variance adopted by Council for the 2025-26 year is \$50,000 and 10.00% whichever is the greater.

Description	Var. \$	Var. %	
	\$	%	
Revenue from operating activities			
Grants, subsidies and contributions	217,021	3.97%	▲
<i>Income from MVR (\$92k) and Pest Control (\$50k) over budget</i>			
Fees and charges	195,381	26.20%	▲
<i>Commercial waste fees exceed budget (budget was reduced during MYBR)</i>			
Interest revenue	87,307	21.83%	▲
<i>Budget was set at a conservative level; greater than budget Bank Balances</i>			
Other revenue	(1,261,480)	(22.82%)	▼
<i>Fourth .CC instalment not received until July: will be accrued (and therefore eliminated) in year end financial statements</i>			
Expenditure from operating activities			
Materials and contracts	956,937	33.48%	▲
<i>Range of budget savings, caused by a mix of timing differences and savings. Financial Year End typically reduces the YTD variance.</i>			
Inflows from investing activities			
Proceeds from capital grants, subsidies and contributions	86,110	43.06%	▲
<i>Roads to Recovery 24/25 work program finished and acquitted in 25/26.</i>			
Outflows from investing activities			
Acquisition of property, plant and equipment	1,098,138	65.25%	▲
<i>Timing difference : delay in purchase of Plant items - refer to Note 3</i>			
Acquisition of infrastructure	424,803	82.10%	▲
<i>Deferral of roads maintenance</i>			
Outflows from financing activities			
Transfer to reserves	(354,645)	(1108.27%)	▼
<i>Timing differences - budget was phased to be largely year end journals.</i>			
Surplus or deficit after imposition of general rates	2,800,419	57.21%	▲
<i>Caused by the above variances.</i>			

SHIRE OF (COCOS) KEELING ISLANDS
SUPPLEMENTARY INFORMATION
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SHIRE OF (COCOS) KEELING ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 JUNE 2026

1 CASH AND FINANCIAL ASSETS

Description	Classification	Unrestricted	Reserve Accounts	Total	Institution	Interest Rate	Maturity Date
		\$	\$	\$			
Municipal Fund - 7340 & 5474	Cash and cash equivalents	2,886,659	0	2,886,659	CBA	variable	NA
Term Deposit	Cash and cash equivalents	1,323,462	0	1,323,462	CBA	4.81%	7/07/26
Term Deposit	Cash and cash equivalents	575,906	1,445,318	2,021,224	CBA	4.81%	7/07/26
Term Deposit	Cash and cash equivalents	0	2,000,000	2,000,000	CBA	4.81%	7/07/26
Term Deposit	Cash and cash equivalents	0	8,000,000	8,000,000	Benfigo	5.25%	4/12/26
Total		4,786,027	11,445,318	16,231,345			
Comprising							
Cash and cash equivalents		4,786,027	11,445,318	16,231,345			
		4,786,027	11,445,318	16,231,345			

KEY INFORMATION

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 net current assets.

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

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

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 6 - Other assets.

SHIRE OF (COCOS) KEELING ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 JUNE 2026

2 RESERVE ACCOUNTS

Reserve account name	Budget				Actual			
	Opening Balance	Transfers In (+)	Transfers Out (-)	Closing Balance	Opening Balance	Transfers In (+)	Transfers Out (-)	Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$
Reserve accounts restricted by Council								
Leave Reserve	379,784	11,394	(45,750)	345,428	384,464	28,708	0	413,172
Plant Reserve	1,045,155	573,145	(813,600)	804,700	1,012,696	75,798	0	1,088,494
Building Reserve	1,803,905	336,702	(511,789)	1,628,818	1,787,280	132,555	0	1,919,835
Furniture and Equipment Reserve	(228)	25,761	(7,688)	17,845	55,289	4,006	0	59,295
Self Insurance Reserve	113,838	3,415	0	117,253	116,466	8,696	0	125,162
Community Reserve	541,796	16,254	0	558,050	549,043	40,997	0	590,040
Climate Adaption Reserve	94,301	2,829	0	97,130	96,599	7,213	0	103,812
Land Trust Administration Reserve	84,883	2,546	0	87,429	84,083	1,057	0	85,140
Waste Management Reserve	0	313,800	(313,800)	0	0	0	0	0
IT & Communications Reserve	5,717,683	6,010,530	(1,327,456)	10,400,757	6,619,253	83,173	0	6,702,426
Infrastructure Reserve	356,700	850,701	(200,000)	1,007,401	353,500	4,442	0	357,942
	10,137,817	8,147,077	(3,220,083)	15,064,811	11,058,673	386,645	0	11,445,318

SHIRE OF (COCOS) KEELING ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 JUNE 2026

INVESTING ACTIVITIES

3 CAPITAL ACQUISITIONS

Capital acquisitions	Amended		YTD Actual	YTD Variance
	Budget	YTD Budget		
	\$	\$	\$	\$
Buildings	511,789	511,789	36,098	(475,691)
Plant and equipment	1,171,288	1,171,288	548,842	1,098,138
Acquisition of property, plant and equipment	1,683,077	1,683,077	584,939	622,446
Infrastructure	517,420	517,420	92,617	424,803
Acquisition of infrastructure	517,420	517,420	92,617	424,803
Total of PPE and Infrastructure	2,200,497	2,200,497	677,557	1,047,249
Synergy Upgrades	203,420	203,420	17,979	185,441
Acquisition of intangible asset	203,420	203,420	17,979	185,441
Total capital acquisitions	2,403,917	2,403,917	695,535	1,232,690
Capital Acquisitions Funded By:				
Capital grants and contributions	200,000	200,000	286,110	86,110
Other (disposals & C/Fwd)	30,000	30,000	0	(30,000)
Reserve accounts				
Plant Reserve	813,600	813,600	0	(813,600)
Building Reserve	511,789	511,789	0	(511,789)
Furniture and Equipment Reserve	7,688	7,688	0	(7,688)
IT & Communications Reserve	640,840	640,840	0	(640,840)
Infrastructure Reserve	200,000	200,000	0	(200,000)
Contribution - operations	0	0	409,425	409,425
Capital funding total	2,403,917	2,403,917	695,535	(1,708,382)

KEY INFORMATION

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.

SHIRE OF (COCOS) KEELING ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 JUNE 2026

INVESTING ACTIVITIES

3 CAPITAL ACQUISITIONS (CONTINUED) - DETAILED

		Amended		Variance (Under)/Over
Account Description		Budget	YTD Budget	
		\$	\$	\$
Buildings				
■ C282	Buildings And Minor Structure	511,789	511,789	0
■ C138	Light Industrial Sheds Home Island	0	0	803
■ C142	Hi Cyclone Shelter Upgrades	0	0	7,520
■ C267	Studio Unit Lot198 Hi	0	0	2,059
■ C368	Azmie Zaitu Centre - Capital Works	0	0	25,716
Plant, Furniture and Equipment				
■ C190	Projector Equipment / Screen	7,688	7,688	0
■ C075	Satellite Tv Upgrade	50,000	50,000	0
■ C091	Gym Equipment - Hi	15,000	15,000	16,408
■ C062	2 X Push Mowers	10,000	10,000	0
■ 133460	Capital Works - Buildings - Comm Resource Centre	300,000	300,000	2,427
Motor Vehicles				
■ C213	Mini Excavator	156,250	156,250	66,197
■ C222	Excavator Replacement	102,500	102,500	141,515
■ C224	4 Wheeler Moto Bike	65,600	65,600	0
■ C240	3 New Fleet Utes	153,750	153,750	218,389
■ C241	Plant Replacement - Kubota Mower	112,750	112,750	2,807
■ C242	Kubota Mower Wi	112,750	112,750	87,728
■ C281	Bandit 1890XP mulcher	85,000	85,000	0
■ C257	Replacement Of Buggies	0	0	2,776
■ C280	Outboard Motors	0	0	10,595
■	TOTAL PROPERTY PLANT AND EQUIPMENT	1,683,077	1,683,077	584,939
Roads				
■ 122210	Capital - Roads Renewal & Upgrade	414,920	414,920	0
■ C532	Roadworks - Jalan Kembang Molok - Home Island	0	0	72,217
■ C551	Roadworks - Jalan Masjid - Home Island	0	0	5,804
■ C553	Roadworks - Jalan Bunga Mawar - Home Island	0	0	14,597
Tourism				
■ 131465	Capital Works - Other Infrastructure - Tourism And Area Promotion	102,500	102,500	0
■	TOTAL INFRASTRUCTURE	517,420	517,420	92,617
Intangible Assets				
■ 144410	Capital - It & Communications Equipment	78,420	78,420	17,979
■ 042490	Document Management System	125,000	125,000	0
■	TOTAL INTANGIBLES	203,420	203,420	17,979
TOTAL				
		2,403,917	2,403,917	695,535
				1,708,382

SHIRE OF (COCOS) KEELING ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 JUNE 2026

OPERATING ACTIVITIES

4 DISPOSAL OF ASSETS

Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book Value	Proceeds	Profit	(Loss)	Net Book Value	Proceeds	Profit	(Loss)
		\$	\$	\$	\$	\$	\$	\$	\$
	Plant and equipment	0	30,000	30,000	0	0	0	0	0
		0	30,000	30,000	0	0	0	0	0

SHIRE OF (COCOS) KEELING ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 JUNE 2026

OPERATING ACTIVITIES

5 RECEIVABLES

Rates receivable	30 June 2025	30 Jun 2026
	\$	\$
Opening arrears previous year	140,038	247,557
Levied this year	526,206	540,136
Less - collections to date	(205,837)	(338,739)
Gross rates collectable	460,407	448,954
Allowance for doubtful debts	(212,850)	(16,850)
Net rates collectable	247,557	108,032
% Collected	30.9%	43.0%

Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Rates and statutory receivables	(11,735)	5,176,161	71,384	39,743	231,521	5,507,074
Percentage	(0.2%)	94.0%	1.3%	0.7%	4.2%	
Balance per trial balance						
Rates and statutory receivables						108,032
Waste Debtors						270,710
Trade receivables						5,507,077
GST receivable						3,238
Allowance for credit losses of rates and statutory receivables						(16,850)
Total receivables general outstanding						5,872,207
Amounts shown above include GST (where applicable)						

KEY INFORMATION

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectable amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Classification and subsequent measurement

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

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

SHIRE OF (COCOS) KEELING ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 JUNE 2026

OPERATING ACTIVITIES

6 PAYABLES

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	223,308	0	0	0	223,308
Percentage	0.0%	100.0%	0.0%	0.0%	0.0%	
Balance per trial balance						
Sundry creditors						223,308
Bonds and Deposits held						88,871
Prepaid rates						21,386
Total payables general outstanding						333,565

Amounts shown above include GST (where applicable)

KEY INFORMATION

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the period 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 normally paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

**SHIRE OF (COCOS) KEELING ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 JUNE 2026**

OPERATING ACTIVITIES

7 GRANTS, SUBSIDIES AND CONTRIBUTIONS

Grants, subsidies and contributions revenue			
Provider	Amended Budget Revenue	YTD Budget	YTD Revenue Actual
	\$	\$	\$
Grants and subsidies			
Grants Commission General	4,900,000	5,100,000	5,144,828
Grant Funding (Non-Capital)-Other Culture	0	0	1,100
Mvr - Income	0	0	92,094
Dept Local Government	0	0	5,000
Jobseeker / Apprenticeship Scheme Incentives	40,000	40,000	18,042
	4,940,000	5,140,000	5,261,064
Contributions			
Fisheries Control - Income	515,912	300,912	358,668
Funding Income - Administration	26,011	26,011	0
Other Culture - Income	0	0	14,520
Pest Control - Income	0	0	49,692
	541,923	326,923	422,879
TOTALS	5,481,923	5,466,923	5,683,944

**SHIRE OF COCOS (KEELING) ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 JUNE 2026**

OPERATING AC

8 RATE REVENUE

General rate revenue

RATE TYPE	YTD Actual						Budget
	Rate in \$ (cents)	Number of Properties	Rateable Value	Rate Revenue \$	Interim/Back Rate Revenue \$	Total Revenue \$	Rate Revenue \$
Gross rental value							
General Developed	0.1051	158	3,277,040	344,253	820	345,073	344,253
Vacant	0.2085	10	53,970	11,253	0	11,253	11,253
Business	0.1175	44	1,310,725	154,010		154,010	154,010
Unimproved value							
Sub-Total		212	4,641,735	509,516	820	510,336	509,516
Minimum payment							
Gross rental value							
General Developed	840	3	3,540	2,520	0	2,520	2,520
Vacant	920	5	16,120	4,600	0	4,600	4,600
Business	840	27	77,030	22,680	0	22,680	22,680
Sub-total		35	96,690	29,800	0	29,800	29,800
Gross Total		247	4,738,425	539,316	820	540,136	
Concession / Waiver						0	
Total general rates				539,316	820	540,136	539,316

SHIRE OF (COCOS) KEELING ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 30 JUNE 2026

9 LAND TRUSTS

1979 LAND TRUST

1979 LAND TRUST

	Adopted Budget	Current Budget	YTD Current Budget	YTD Actual	Variance
	\$	\$	\$	\$	\$
Revenue from operating activities					
Fees and charges	222,216	222,216	222,216	501,246	279,030
Other revenue	102,500	102,500	102,500	108,576	6,076
	324,716	324,716	324,716	609,822	285,106
Expenditure from operating activities					
Employee costs	(210,000)	(210,000)	(210,000)	(219,679)	(9,679)
Materials and contracts	(600,000)	(600,000)	(600,000)	(535,949)	64,051
Utility charges	(69,000)	(69,000)	(69,000)	28,910	97,910
Depreciation on non-current assets	(1,700,000)	(1,700,000)	(1,700,000)	(1,690,411)	9,589
Insurance expenses	(317,000)	(317,000)	(317,000)	(312,771)	4,229
	(2,896,000)	(2,896,000)	(2,896,000)	(2,729,900)	166,101
Operating result	(2,571,284)	(2,571,284)	(2,571,284)	(2,120,078)	451,206
Non-cash amounts excluded from operating activities	1,700,000	1,700,000	1,700,000	1,690,411	(9,589)
Amount attributable to operating activities	(871,284)	(871,284)	(871,284)	(429,666)	441,618

1984 LAND TRUST

	Adopted Budget	Current Budget	YTD Current Budget	YTD Actual	Variance
	\$	\$	\$	\$	\$
Revenue from operating activities					
Fees and charges	152,500	152,500	152,500	94,548	(57,952)
	152,500	152,500	152,500	94,548	(57,952)
Expenditure from operating activities					
Employee costs	(79,500)	(79,500)	(79,500)	(101,240)	(21,740)
Materials and contracts	(48,000)	(48,000)	(48,000)	(99,575)	(51,575)
Utility charges	(9,300)	(9,300)	(9,300)	(7,981)	1,319
Depreciation on non-current assets	(267,000)	(267,000)	(267,000)	(267,387)	(387)
Insurance expenses	(47,500)	(47,500)	(47,500)	(26,181)	21,319
	(451,300)	(451,300)	(451,300)	(502,364)	(51,064)
Operating result	(298,800)	(298,800)	(298,800)	(407,816)	(109,016)
Non-cash amounts excluded from operating activities	267,000	267,000	267,000	267,387	387
Amount attributable to operating activities	(31,800)	(31,800)	(31,800)	(140,428)	(108,628)
TOTAL INTERFUND	(903,084)	(903,084)	(903,084)	(570,095)	332,989

10.3.2 SCHEDULE OF ACCOUNTS PAID - JUNE 2026

FILE NUMBER:

AUTHOR: Sally Badlu, Senior Finance Officer

AUTHORISER: David Tombs, Manager Finance and Corporate Services

DISCLOSURE(S) OF INTEREST: Author - Nil

Authoriser - Nil

ISLAND: Shire Wide

ATTACHMENTS: 10.3.2.1 - List of Accounts Paid June 2026
10.3.2.2 - Fuel Transactions June 2026
10.3.2.3 - Credit Cards Transactions June 2026

AUTHORITY/DISCRETION

Definition

☐	Advocacy	<i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
☐	Executive	<i>The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
☒	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
☐	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
☐	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

REPORT PURPOSE

The purpose of this report is to present to Council a list of accounts paid under delegated authority for the month of June 2026, as required by the *Local Government (Financial Management) Regulations 1996*.

BACKGROUND

The exercise of its power to make payments from the Shire's Municipal and Trust funds. In accordance with Regulation 13 of the *Local Government (Financial Management) Regulations 1996* a list of accounts paid is to be provided to Council, where such delegation is made.

COMMENTS

The following table summarises the payments for the period by payment type, with further details of the accounts paid contained within attachment 10.3.2.1.

Payment Type	Amount (\$)
EFT #12397- #12465	\$230,073.97
Cheque # 11793	\$6,169.50
Direct Payment	\$72,786.97
Total	\$309,030.22

Contained within Attachment 10.3.2.2 and 10.3.2.3 is a detailed transaction listing of payments, including credit card expenditure and fuel card expenditure as per the Summary table above.

POLICY AND LEGISLATION IMPLICATIONS

The schedule of accounts paid is submitted in accordance with regulation 13(1) of the *Local Government (Financial Management) Regulations 1996*.

STRATEGIC IMPLICATIONS

Theme

L Leadership

Goal

L2 To ensure that Shire resources are utilised in a manner that represents the best interest of the whole community

Strategy

L2.1 Responsible financial management utilizing resources to meet legislative requirements and community expectations

Theme

L Leadership

Goal

L2 To ensure that Shire resources are utilised in a manner that represents the best interest of the whole community

Strategy

L2.1 Responsible financial management utilizing resources to meet legislative requirements and community expectations

RISK IMPLICATIONS

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Financial	There is a risk that payments may be made for unauthorised purposes or exceed approved budget allocations.	Moderate (8)	All payments are subject to established internal controls, including officer verification, delegated approval, and review against the adopted budget and procurement requirements prior to processing.
Reputation	As the Accounts Paid report is presented to Council and forms part of the public record, any inappropriate expenditure may adversely impact public confidence in the Shire's governance and financial management.	Moderate (8)	Due to above Mitigation Action all payments should be bona-fide and accordingly not generate any reputational damage.
Compliance	Failure to present the Accounts Paid report to Council may result in non-compliance with applicable legislative and governance requirements.	Moderate (8)	The report is prepared and presented to Council in accordance with the Local Government (Financial Management) Regulations 1996 and the Shire's established monthly financial reporting processes.
Fraud	There is a risk that payment records or reporting may be manipulated.	Moderate (8)	Fraud risk is mitigated through segregation of duties, system access controls, payment authorisation limits, reconciliations, and management review prior to presentation to Council.

Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

VOTING REQUIREMENT

Simple Majority

CONCLUSION

It is recommended that Council receives the reports provided for the period June 2026.

OFFICER RECOMMENDATION – ITEM NO 10.3.2

THAT COUNCIL, BY SIMPLE MAJORITY:

1. PURSUANT TO REGULATION 13(1) OF THE LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996 RECEIVES THE REPORT FROM THE CHIEF EXECUTIVE OFFICER ON THE EXERCISE OF DELEGATED AUTHORITY IN RELATION TO PAYMENTS MADE FROM MUNICIPAL OR TRUST FUNDS FOR THE MONTH OF JUNE 2026 TALLING \$309,030.22 AS CONTAINED IN ATTACHMENT 10.3.2.1.
2. RECEIVES THE DETAILED TRANSACTION LISTING OF CREDIT CARD AND FUEL CARD EXPENDITURE FOR THE PERIOD JUNE 2026, AS CONTAINED IN ATTACHMENT 10.3.2.2 AND 10.3.2.3.

RESOLUTION - ITEM NO 10.3.2 OCM/26/076

MOVED: CR FOWLER

SECONDED: CR S KNIGHT

THAT COUNCIL, BY SIMPLE MAJORITY:

1. PURSUANT TO REGULATION 13(1) OF THE LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996 RECEIVES THE REPORT FROM THE CHIEF EXECUTIVE OFFICER ON THE EXERCISE OF DELEGATED AUTHORITY IN RELATION TO PAYMENTS MADE FROM MUNICIPAL OR TRUST FUNDS FOR THE MONTH OF JUNE 2026 TALLING \$309,030.22 AS CONTAINED IN ATTACHMENT 10.3.2.1.
2. RECEIVES THE DETAILED TRANSACTION LISTING OF CREDIT CARD AND FUEL CARD EXPENDITURE FOR THE PERIOD JUNE 2026, AS CONTAINED IN ATTACHMENT 10.3.2.2 AND 10.3.2.3.

THE MOTION WAS PUT AND DECLARED CARRIED (5/0)

FOR: CRS ISA MINKOM, AZAH BADLU, SIGNA KNIGHT, LEVI FOWLER AND OSMAN SLOAN

AGAINST: NIL

List of Accounts Paid Under Delegated Authority for the Month of June 2026				
Chq/EFT	Date	Name	Description	Amount
11793	24/06/2026	State Revenue Department	Disbursement MVR for May 2026	\$ 6,169.50
		Total Cheque Payment		\$ 6,169.50
EFT12397	09/06/2026	Australian Services Union	Payroll deductions	\$ 26.50
EFT12398	09/06/2026	Australian Taxation Office	Payroll deductions	\$ 27,147.00
EFT12399	10/06/2026	Boc Ltd	Container Service-Daily Tracking period 28.04.2026 to 28.05.2026	\$ 82.43
EFT12400	10/06/2026	Bunnings Group Limited	Purchase Oil Bar Chain Powerfit	\$ 783.90
EFT12401	10/06/2026	Complete Building Supplies Wa	Purchase materials (General Kampong Mtc)	\$ 2,810.00
EFT12402	10/06/2026	Cocos Island Co-Operative Society Limited	7 Invoices :Cleaning Retail Centre (2 months),Shire Offices (2 months), and Machine Transport to DI	\$ 26,385.79
EFT12403	10/06/2026	Christmas Island Removals	Airfreight charges for-Mark Bateup from Cocos (K) Is to Perth	\$ 710.00
EFT12404	10/06/2026	Cocosday	Grant Program Funding (Business Improvement Grant)	\$ 3,000.00
EFT12405	10/06/2026	Pulu Connect	Service:Fixed Data	\$ 825.00
EFT12406	10/06/2026	Corsign (WA) Pty Ltd	Purchase Signs (Sydney Highway)	\$ 694.00
EFT12407	10/06/2026	CPM Licencing	Renewal Registratin Shire vehicle C1483	\$ 103.90
EFT12408	10/06/2026	Dash Digital	Hosting Caretaker-June 2026	\$ 164.00
EFT12409	10/06/2026	Embroidery Plus (Aust)	Purchase Uniforms (Office Staff)	\$ 2,005.00
EFT12410	10/06/2026	Freightshop	Freight charges- Staff	\$ 2,817.47
EFT12411	10/06/2026	Graham & Annelies Flynn	Cut 1 Key for WI Shire Office, Cut 2 Keys for WI Depot	\$ 95.00
EFT12412	10/06/2026	IT Vision	SynergySoft Update	\$ 1,290.00
EFT12413	10/06/2026	McLeods Lawyers Pty Ltd	Employment Issues	\$ 4,138.20
EFT12414	10/06/2026	Multiwave Networks Pty Ltd	NBN Sky Muster Premium month June 2026	\$ 297.00
EFT12415	10/06/2026	Mo Sparks Electrical	Removal/Replace oven install new light above entrance-Bungalow 1	\$ 2,515.00
EFT12416	10/06/2026	Office National Canning Vale	Purchase Stationery	\$ 2,444.45
EFT12417	10/06/2026	Sweet As Makan	Catering for a Function	\$ 1,205.00
EFT12418	10/06/2026	Shaz Contracting	Shire Works-Parks/Garden and Road Maintenance	\$ 11,325.00
EFT12419	10/06/2026	Staff Member	Reimbursement for-Power,Internet,Phone Bill	\$ 3,269.67
EFT12420	10/06/2026	Souce To Sea Pty Ltd	Leaking for Hse 10,Hse12 & Hse 22	\$ 1,190.00
EFT12421	10/06/2026	Subco Pty Ltd	Service 1:Shire Office (Building ID AUCCI0007) 100Mbps	\$ 1,000.00
EFT12422	10/06/2026	Telstra	Telephone charges for month 24.05-24.06.2026	\$ 37.40
EFT12423	10/06/2026	Staff Member	Reimbursement Taxi (Rates Training WALG)	\$ 170.60
EFT12424	10/06/2026	Totally Workwear Distribution Center	Purchase Uniform (Fisheries)	\$ 310.55
EFT12425	10/06/2026	Bob Waddell & Associates Pty Ltd	Advisory Services	\$ 2,992.00
EFT12426	10/06/2026	Wa Rangers Association	Membership Fee for-Jamil Ibram (Senior Ranger)	\$ 120.00
EFT12427	10/06/2026	WA Local Government Association	Training-Shire of Cocos (K) Islands-eLearning Subscription for Councillors	\$ 5,056.00
EFT12428	17/06/2026	Azah Badlu	Travel Allowance for (National General Assembly 2026)	\$ 1,493.60
EFT12429	17/06/2026	Ibrahim Macrae	Travel Allowance for (National General Assembly 2026)	\$ 1,493.60
EFT12430	17/06/2026	Mhd Isa Minkom	Travel Allowance for (National General Assembly 2026)	\$ 1,493.60
EFT12431	17/06/2026	William Matthew Scott	Travel Allowance for (National General Assemble 2026)	\$ 1,573.60
EFT12432	17/06/2026	Staff Member	Salary & Wages for payday 14.06.2026 (Account Issues)	\$ 2,694.73
EFT12433	18/06/2026	Myella Courier Services	Purchase Instant 7.1 Ltr Rio Wide Multi Cooker (Nadya Adim Farewell Gift)	\$ 344.00
EFT12434	22/06/2026	9r Logistics	Purchase Pillows/Curtains for -Hse 16 WI	\$ 665.45
EFT12435	22/06/2026	Atoll Air Conditioning	Purchase 7.1kw split airconditioning unit Home Island Chambers room,Shire Office	\$ 4,600.28
EFT12436	22/06/2026	Aquasports Marine	Purchase Yamaha Service parts for PKI001	\$ 361.78
EFT12437	22/06/2026	Mazuwansha Bentley	Reimbursement annual airfares intitlement	\$ 1,500.00
EFT12438	22/06/2026	Baba Mardo Road Services	Development of Generic TMP	\$ 1,100.00
EFT12439	22/06/2026	Complete Building Supplies Wa	Purchase panic Ext Device (Cyclone Shelter)	\$ 425.00
EFT12440	22/06/2026	Civic Legal	Professional Fees-2026 Commercial Lease Review-Lot 38 Home Island	\$ 28,386.38
EFT12441	22/06/2026	Georgie Clunies-ross	Atoll Distributors month June 2026	\$ 60.00
EFT12442	22/06/2026	Embroidery Plus (Aust)	Supply King Gee Shirts	\$ 560.00
EFT12443	22/06/2026	Focus Networks	Monthly Subscription is per Computer Agent	\$ 7,243.00
EFT12444	22/06/2026	Freightshop	Freight Charges for-Orange Barrier Mesh (RSEA)	\$ 1,587.08
EFT12445	22/06/2026	Fire & Safety Services Co Pty Ltd	Service,Inspection and Maintenance of Fire Detection month May 2026	\$ 4,099.00
EFT12446	22/06/2026	Fulton Hogan	Purchase Ezstreet 20kg Bucket 15kg bag Boiblend (Sydney Highway Road Mtc)	\$ 4,016.00
EFT12447	22/06/2026	Halsall & Associates	Review summary for application and review plans,Telecommunication Tower,Navigation Satellite	\$ 618.75
EFT12448	22/06/2026	Indian Ocean Group Training	First Aid Course 10.06.2026 (S.Bulka,A.Desk,S.Keegan,A.Osman,L.Ston,N.Swinger)	\$ 3,825.00
EFT12449	22/06/2026	Ariella Izzara Mazlan	Atoll Distributors month June 2026	\$ 50.00

EFT12450	22/06/2026	Maritime Construction Pty Ltd	Hire of Forklift, Labour & Plant Operator	\$ 870.00
EFT12451	22/06/2026	Shafina Tun Najah Shakirin	Atoll Distributors month June 2026	\$ 50.00
EFT12452	22/06/2026	Mo Sparks Electrical	Shire Depots quarterly Test & Tag for HI & WI Depot	\$ 11,350.00
EFT12453	22/06/2026	Official CPM	Rent for-Hse 16 West Island month June 2026	\$ 4,652.00
EFT12454	22/06/2026	RSEA Pty Ltd	Purchase Thai Prasit Orange Barrier Mesh	\$ 349.61
EFT12455	22/06/2026	Sweet As Makan	Catering	\$ 1,120.00
EFT12456	22/06/2026	Telstra	Telephone charges for May 26-June 26	\$ 37.40
EFT12457	22/06/2026	Toolmart Belmont	Purchase Blue Venom Multi Function Inverter Welder	\$ 752.00
EFT12458	22/06/2026	Totally Workwear Distribution Center	Purchase Q/Life side boot	\$ 174.96
EFT12459	22/06/2026	Bob Waddell & Associates Pty Ltd	Rates Services	\$ 1,892.00
EFT12460	24/06/2026	Corsign (WA) Pty Ltd	Purchase Street Signs	\$ 2,450.00
EFT12461	24/06/2026	David Gray & Co Pty Ltd	Purchase Bin, Lid 240L	\$ 4,325.05
EFT12462	24/06/2026	Halsall & Associates	Planning Consultancy Services	\$ 742.50
EFT12463	24/06/2026	J Blackwood & Son Ltd	Purchase Coveralls	\$ 571.50
EFT12464	24/06/2026	Sweet As Makan	Catering for Shire Councillors Meeting 17.06.2026	\$ 385.00
EFT12465	24/06/2026	Insurance Commission of Western Australia	Disbursement MVR for May 2026	\$ 27,150.02
		Total Eftpos Payment		\$ 230,073.75
DD12077.1	14/06/2026	Australian Super	Superannuation contributions	\$ 2,152.47
DD12077.2	14/06/2026	GESB Super	Superannuation contributions	\$ 16.80
DD12077.3	14/06/2026	Unisuper	Payroll deductions	\$ 6,525.05
DD12077.4	14/06/2026	AXA Australia	Superannuation contributions	\$ 3,459.30
DD12077.5	14/06/2026	Aware Super	Superannuation contributions	\$ 9,742.96
DD12077.6	14/06/2026	Vision Super	Superannuation contributions	\$ 1,311.54
DD12077.7	14/06/2026	Panorama Super	Superannuation contributions	\$ 1,420.00
DD12077.8	14/06/2026	Commonwealth Life Superannuation Mastertrust	Superannuation contributions	\$ 637.27
DD12077.9	14/06/2026	Rest Superannuation	Superannuation contributions	\$ 1,141.11
DD12094.1	28/06/2026	Australian Super	Superannuation contributions	\$ 1,785.20
DD12094.2	28/06/2026	GESB Super	Superannuation contributions	\$ 67.20
DD12094.3	28/06/2026	Unisuper	Payroll deductions	\$ 6,525.05
DD12094.4	28/06/2026	AXA Australia	Superannuation contributions	\$ 3,441.43
DD12094.5	28/06/2026	Aware Super	Superannuation contributions	\$ 10,038.85
DD12094.6	28/06/2026	Vision Super	Superannuation contributions	\$ 1,311.54
DD12094.7	28/06/2026	Panorama Super	Superannuation contributions	\$ 1,321.95
DD12094.8	28/06/2026	Commonwealth Life Superannuation Mastertrust	Superannuation contributions	\$ 645.27
DD12094.9	28/06/2026	Rest Superannuation	Superannuation contributions	\$ 833.85
DD12119.1	15/06/2026	Viva Energy Australia Ltd	Fuel Purchase May 2026	\$ 7,179.74
DD12121.1	26/06/2026	Mastercard	See Attachments	\$ 4,829.74
DD12124.1	26/06/2026	Mastercard	See Attachments	\$ 5,071.64
DD12128.1	26/06/2026	Mastercard	See Attachments	\$ 676.31
DD12077.10	14/06/2026	Australian Super	Superannuation contributions	\$ 897.32
DD12077.11	14/06/2026	ANZ Smart Choice Super	Superannuation contributions	\$ 337.12
DD12094.10	28/06/2026	Australian Super	Superannuation contributions	\$ 1,081.14
DD12094.11	28/06/2026	ANZ Smart Choice Super	Superannuation contributions	\$ 337.12
		Total Direct Debit Payment		\$ 72,786.97
		Total Transaction for the Month of June 2026		\$ 309,030.22

Detailed Fuel Card Transactions for May 2026 (Paid in June 2026)						
Date	Card Number	Registration	Product	Quantity	Per Litre	Total
28.05.2026	7034303113549169	N/A	DIESEL	150	\$ 3.65	\$ 548.18
28.05.2026	7034301108997898	C1897	DIESEL	59.19	\$ 3.65	\$ 216.31
28.05.2026	7034301108998433	C1454	DIESEL	54.32	\$ 3.65	\$ 198.52
27.05.2026	7034303093122078	N/A	DIESEL	54.29	\$ 3.65	\$ 198.41
26.05.2026	7034301108997906	C1898	DIESEL	64.23	\$ 3.65	\$ 234.73
25.05.2026	7034301108997880	C1895	DIESEL	62.91	\$ 3.65	\$ 229.91
22.05.2026	7034303113549169	N/A	DIESEL	142.54	\$ 3.65	\$ 520.92
18.05.2026	7034301108997898	C1897	DIESEL	57.01	\$ 3.65	\$ 208.35
18.05.2026	7034303113549169	N/A	DIESEL	430.99	\$ 3.65	\$ 1,575.07
15.05.2026	7034303113549169	N/A	DIESEL	73.13	\$ 3.65	\$ 267.25
13.05.2026	7034303113549169	N/A	DIESEL	162.41	\$ 3.65	\$ 593.54
13.05.2026	7034303113549169	N/A	DIESEL	160.48	\$ 3.65	\$ 586.48
11.05.2026	7034301108997906	C1898	DIESEL	57.39	\$ 3.65	\$ 209.74
07.05.2026	7034301108997898	C1897	DIESEL	55.59	\$ 3.65	\$ 203.15
06.05.2026	7034303113549169	N/A	UNLEADED 95	20	\$ 3.08	\$ 61.64
06.05.2026	7034301108997880	C1895	DIESEL	56.12	\$ 3.65	\$ 205.09
05.05.2026	7034303113549169	N/A	DIESEL	212.09	\$ 3.65	\$ 775.09
04.05.2026	7034303113549169	N/A	DIESEL	95.05	\$ 3.65	\$ 347.36
Total				1967.74	\$ 3.65	\$ 7,179.74

Detailed Credit Card Transaction - June 2026			
Date	Name	Description	Amount
Credit Card - Ibrahim Macrae - Manager Governance, Risk and Planning			
28.05.2026	Shamroks Supermarket	Staff Amenities	\$ 55.83
29.05.2026	Cocos Island Co-operative Society	Hardware Store - Fuel	\$ 1,236.80
02.06.2026	Shamroks Supermarket	Staff Amenities	\$ 12.00
03.06.2026	Shamroks Supermarket	Staff Amenities	\$ 10.15
05.06.2026	Cocos Island Co-operative Society	Hardware Store - Fuel	\$ 652.92
11.06.2026	Cocos Island General Agencies	Nadya Farewell Lunch Supplies	\$ 62.00
11.06.2026	Seafont Restaurant	Nadya Farewell Lunch Supplies	\$ 28.42
12.06.2026	Cocos Island Co-operative Society	Hardware Store - Fuel	\$ 86.00
15.06.2026	Pulu Connect	Data Recharge for David Basil	\$ 25.38
15.06.2026	Seafont Restaurant	Staff Amenities	\$ 55.83
17.06.2026	Qantas Airways	Flight cancellation refund for Cr Levi Fowler	-\$ 1,716.26
17.06.2026	Cocos Island Co-operative Society	The Spot and Trannies gas refill for BBQ	\$ 148.50
20.06.2026	Crown Promenade Perth	Crown Promenade Perth - Accommodation for Ibrahim Macrae	\$ 655.45
20.06.2026	Crown Promenade Perth	Crown Promenade Perth - Accommodation for Cr Isa Minkom	\$ 655.45
20.06.2026	Crown Promenade Perth	Crown Promenade Perth - Accommodation for Cr Azah Badliu	\$ 655.45
20.06.2026	Taxi Pay Australia	Taxi Fare	\$ 44.31
21.06.2026	Arif Hu	Taxi Fare	\$ 35.23
21.06.2026	A by Adina Canberra	Accommodation for Ibrahim Macrae	\$ 1,831.72
21.06.2026	Taxi Pay Australia	Taxi Fare	\$ 52.19
23.06.2026	Starlink Australia	Star Link Subscription	\$ 467.00
24.06.2026	AERIAL CG	Taxi Fare	\$ 17.27
Total			\$ 5,071.64
Credit Card - David Tombs-Manager of Finance and Corporate Service			
10.06.2026	Cocos Asian Imports	Office Supplies	\$41.10
10.06.2026	Seafont Restaurant	Staff Functions	\$27.41
11.06.2026	Telstra prepaid	David Tombs	\$44.00
11.06.2026	Seafont Restaurant	Office Supplies	\$51.77
17.06.2026	Qantas Airways	Staff Airfare Entitlement Wedding Rasa	\$1,316.26
17.06.2026	Qantas Airways	Staff Airfare Entitlement Wedding Rasa	\$1,316.26
18.06.2026	Pulu Connect	Data 4G Service for David Tombs	\$50.75
22.06.2026	Cocos Island Co-operative	Hardware Store - Fuel	\$1,945.65
23.06.2026	Seafont Restaurant	Staff Amenities	\$36.54
Total			\$4,829.74
Credit Card - Matthew Scott -Chief Executive Officer			
28.05.2026	Virgin Australia Brisbane	Flight Cancellation Refund - Cr Osmand Sloan	-\$ 1,470.01
28.05.2026	Virgin Australia Brisbane	Flight Cancellation Refund - Additional Charge	-\$ 3.54
28.05.2026	Virgin Australia Brisbane	Flight Cancellation Refund - Additional Charge	-\$ 27.00
28.05.2026	Virgin Australia Brisbane	Flight Cancellation Refund - Cr Levi Fowler	-\$ 1,470.01
28.05.2026	Virgin Australia Brisbane	Flight Cancellation Refund - Additional Charge	-\$ 9.00
28.05.2026	Virgin Australia Brisbane	Flight Cancellation Refund - Additional Charge	-\$ 27.00
10.06.2026	Qantas Airways	Qantas Flight Cancellation Refund - Cr Osman Sloan	-\$ 1,805.26
19.06.2026	Cocos Keeling Islands Home Island Caus	Cocos Keeling Islands Tourism -Cocos Bird Books (NGA)	\$ 162.96
21.06.2026	Act Cab	Taxi Fare	\$ 34.91
21.06.2026	A by Adina Canberra	Accommodation for Matthew Scott	\$ 1,831.72
21.06.2026	A by Adina Canberra	Accommodation for Cr Azah Badliu	\$ 3,094.29
23.06.2026	Taxi Pay	Taxi Fare	\$ 45.29
23.06.2026	Live Payments	Taxi Fare	\$ 28.40
23.06.2026	Act Cab	Taxi Fare	\$ 17.06
23.06.2026	AERIAL CG	Taxi Fare	\$ 25.36
24.06.2026	GM Taxi Pay	Taxi Fare	\$ 31.34
24.06.2026	Act Cab	Taxi Fare	\$ 23.10
24.06.2026	Can Cab	Taxi Fare	\$ 14.12
24.06.2026	AZIMA Restaurant	Azima Restaurant	\$ 179.58
Total			\$ 676.31
Total Credit Card Transaction for the Month Ended June 2026			\$10,577.69

10.4 INFRASTRUCTURE

10.4.1 INFRASTRUCTURE MONTHLY REPORT - JUNE 2026

FILE NUMBER:

AUTHOR: David Basil, Manager Infrastructure

AUTHORISER: Matthew Scott, Chief Executive Officer

DISCLOSURE(S) OF INTEREST: Author - Nil

Authoriser -

ISLAND: Shire Wide

ATTACHMENTS: Nil

AUTHORITY/DISCRETION

Definition

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☐	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
☒	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

REPORT PURPOSE

The purpose of this report is to update Council on maintenance and construction activities undertaken in June 2026 by the infrastructure department.

BACKGROUND

During June, the Infrastructure Team continued to deliver essential operational and inspection services, including:

- Mowing, vegetation control, and grounds maintenance across parks, reserves, and public areas on Home, West and Direction Island.
- Asbestos inspections to develop a register of contaminated sites.
- Tree pruning works to address overhanging branches impacting road user visibility and pedestrian safety.

- Building and plumbing maintenance for residents.

1. Routine Operations

(a) Removal of Tennis Court Fence

Maintenance activities included the removal of the fence at the tennis courts on Home Island. The fence was falling and in disrepair. New fence mesh is being ordered, and the tennis courts will shortly be replaced by a new fence (Figure 1).



Figure 1: Removal of tennis court fencing and cleaning of surface.

The cleaning of the court surface has commenced (Figure 2). It is intended to make the tennis courts a multipurpose sports arena to also include a full-size basketball court, hockey pitch and mini soccer field. This will allow for greater utilization of the area.



Figure 2: Cleaning of tennis court surface. Including a full size basket ball court and hockey/mini soccer pitch is being investigated.

(b) Mowing

Mowing activities included both townships and the parks and gardens of Home and West Islands. The full length of Sydney Highway and Ruma Barru was mowed.



Figure 3: Mowing was undertaken in various locations on Home and West Islands.

2. Asbestos Register for Pondoks

The Shire commissioned a contractor to audit and develop a site register for 44 Pondoks and the following sites on the Cocos Keeling Islands:

- Home Island, Cocos Art Centre;
- West Island Toilet Block;
- West Island Yacht Club Facility;
- West Island Scout Park Shelter; and
- Direction Island toilets/Pondoks.

The scope of the audit was also to provide guidance on managing the asbestos. The assessment was conducted between 20th to 25th June, 2026 and found low levels of asbestos. This will need to be collected and disposed. Fortunately, due to the locations being remote and the small amounts, the risk is low and the Shire has some time to develop a plan to manage the asbestos sites.



Figure 4: An audit of 44 Pondoks was undertaken from 20 -25 June 2026 found low levels of asbestos.

3. Building & Plumbing Maintenance

Plumbing and maintenance was undertaken for the following activities:

- House 58 Locate and fixed pipe leak Main water meter
- House 35 Locate and fixed HW pipe leak behind ablution block
- House 31 Basin pipe burst under Vanity
- House 009 Solahart pipe leaking on the roof
- House 76 replaced toilet cistern
- Inspect main water meter for suspected leaks from high water usage readings
- Clear pipe blockages

4. Road Maintenance

Road grading continued in June on South Rd, West Island (Figure 4). Excavations for coral limestone was done to generate materials for pothole repair. The grader will be left on West Island to pothole repair shoulders on Sydney Highway due to the heavy rains experienced in June. Pothole repair using cold mix asphalt was also undertaken on West Island.



Figure 4: An audit of 44 Pondoks was undertaken from 20 -25 June 2026.

5. Waste Services

The Shire commenced clean up activities at its waste transfer stations and the sludge pit at the Elephants Graveyard on West Island because of non-compliance notices given by the Department of Water and Environmental Regulations (DWER). As a result, the green waste drop off area on Home Island was shifted to the transfer station due to public health and safety as it has open sludge pits and the public were using the site unsupervised.



Figure 5: The green waste area has been brought back into the transfer station on Home Island.

6. Fleet, Plant & Equipment

Two mowers and a mini excavator was delivered in June and was awaiting clearance from biosecurity. An aluminium frame for sand bagging was also received.



Figure 6: Two mowers and a mini excavator were received in June.

7. Challenges & Constraints

Increasing limestone coral stockpiles from burrow pits needs to continue in July to have sufficient supply of material for gravel resheeting and pothole patching. Due to the large number of coconut trees in parking areas, road ways and parks and gardens the Shire needs to undertake a de-nutting program. This will require acquiring an Elevated Work Platform (EWP).

STRATEGIC IMPLICATIONS

Theme

L Leadership

Goal

- L1 To be involve, respectful and inclusive and to facilitate diveristy and representation within the dcision making process.
- L2 To ensure that Shire resources are utilised in a manner that represents the best interest of the whole community

Strategy

- L1.3 Shire representatives (Councillors and Shire Leadership team) to pro-actively engage, communicate with, and increase visibility within the community.
- L2.1 Responsible financial management utilizing resources to meet legislative requirements and community expectations

COMMENT

Nil

VOTING REQUIREMENT

Simple Majority

CONCLUSION

The Shire is managing maintenance activities to deliver acceptable services to the community. The asbestos register will help the Shire manage risks which are low. Non-conformance notices received from DWER will be actioned within the given time frames.

OFFICER RECOMMENDATION – ITEM NO 10.4.1

THAT COUNCIL, BY SIMPLE MAJORITY, NOTE AND RECEIVE THE SHIRE'S INFRASTRUCTURE MONTHLY UPDATE FOR JUNE 2026.

RESOLUTION - ITEM NO 10.4.1 OCM/26/077**MOVED: CR A BADLU****SECONDED: CR S KNIGHT**

THAT COUNCIL, BY SIMPLE MAJORITY, NOTE AND RECEIVE THE SHIRE'S INFRASTRUCTURE MONTHLY UPDATE FOR JUNE 2026.

THE MOTION WAS PUT AND DECLARED CARRIED (5/0)

FOR: CRS ISA MINKOM, AZAH BADLU, SIGNA KNIGHT, LEVI FOWLER AND OSMAN SLOAN

AGAINST: NIL

10.4.2 PURCHASE OF ELEVATED WORK PLATFORM (EWP), CONTAINER FORKLIFTS, PLANT SHELTER DOME AND HOIST

FILE NUMBER:

AUTHOR: David Basil, Manager Infrastructure

AUTHORISER: Matthew Scott, Chief Executive Officer

DISCLOSURE(S) OF INTEREST: Author - Nil

Authoriser -

ISLAND: Shire Wide

ATTACHMENTS: Nil

AUTHORITY/DISCRETION

Definition

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☐	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

REPORT PURPOSE

This report seeks Council approval to reallocate the approved \$350,000 capital expenditure budget which originally was budgeted for a Telehandler loader to now be used towards the procurement of a dedicated Elevated Work Platform (EWP), two low-profile container entry forklifts, a plant storage dome shelter, a fleet maintenance hoist with underbody anti-rust equipment, and associated sea freight costs to the islands.

BACKGROUND

The Shire of Cocos (Keeling) Islands maintains essential municipal infrastructure across Home Island and West Island. A key operational challenge is the routine de-nutting of coconut trees in public spaces, including car parks, parks, and tree canopies overhanging roadways, to eliminate severe public safety hazards from falling coconuts. The platform is also required for general municipal tree trimming and structural building works. The adopted capital budget allocated \$350,000 for a Telehandler loader to assist with shipping container loading at the waste transfer stations, serve as back-up for Council's existing three loaders, and undertake tree de-nutting and trimming.

1. Operational & Safety Risk

Following technical evaluation, a Telehandler loader is deemed unsuited and unsafe for de-nutting and tree care activities. Under Work Health & Safety (WHS) regulations, a telehandler must remain stationary while the platform cage is elevated. Moving a telehandler with an elevated platform creates lateral instability and severe tip over risks, placing workers at significant safety risk. Conversely, a dedicated Elevated Work Platform (EWP) is specifically engineered for self-propelled movement while elevated, enabling workers to safely navigate around tree canopies and building structures. In addition, Council's existing fleet of three loaders is sufficient for heavy handling, rendering a fourth loader redundant.

2. Proposed Asset & Freight Package

To address high-risk tree care needs and optimize capital resources within the \$350,000 budget allocation, Infrastructure Services recommends procuring:

- 4WD Rough-Terrain EWP: Dedicated platform providing safe, flexible reach for tree de-nutting, pruning, and building maintenance.
- 2 x Low-Profile Container Entry Forklifts: Low-clearance forklifts assigned to the Home Island and West Island depots respectively to load and unload sea shipping containers.
- Plant Storage Dome Shelter: Heavy-duty dome shelter to protect EWP and plant assets from high tropical rainfall.
- Vehicle Hoist & Anti-Rust Spray Rig: Workshop hoist to facilitate mandatory underbody anti-rust treatment against severe coastal salt corrosion.
- Sea Freight & Logistics: Ocean freight from Perth/Fremantle to Home Island and West Island.

3. Estimated Costs & Financial Implications

The revised capital expenditure plan includes all equipment acquisition costs alongside sea freight charges to the Cocos (Keeling) Islands, remaining fully budget-neutral:

Item / Description	Quantity	Estimated Cost
4WD Rough Terrain EWP Dedicated arborist & building maintenance boom	1 Unit	\$155,000
Low-Profile Container Entry Forklifts 1 Unit for Home Island Depot, 1 Unit for West Island Depot	2 Units	\$80,000
Heavy-Duty Plant Storage Dome Shelter All-weather shelter for island rainfall protection	1 Unit	\$40,000
Vehicle Hoist & Anti-Rust Spraying Setup Workshop hoist for fleet underbody rust protection	1 Unit	\$35,000
Sea Freight & Logistics Allowance Sea transport from Fremantle to Home & West Islands	Lump Sum	\$40,000
Total Reallocated Cost		\$350,000
Approved Telehandler Budget		\$350,000
Net Budget Impact		\$0

4. Risk & Asset Protection Assessment

The Cocos (Keeling) Islands experience high annual rainfall and intense salt air exposure. Storing the EWP and machinery under a specialised shelter dome and applying regular underbody anti-rust treatments will significantly extend asset useful life, safeguarding Council's capital investment.

POLICY AND LEGISLATION IMPLICATIONS

The proposed budget amendments are required to reflect information that was not known when the 2025/26 Budget was developed.

FINANCIAL IMPLICATIONS

The proposed budget amendments have no direct financial implications.

STRATEGIC IMPLICATIONS

Theme

L Leadership

Goal

L2 To ensure that Shire resources are utilised in a manner that represents the best interest of the whole community

Strategy

L2.1 Responsible financial management utilizing resources to meet legislative requirements and community expectations

RISK IMPLICATIONS

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Financial	That budgets do not reflect current events.	Low	Budget amendments
Reputation	That budgets do not reflect current events.	Low	Budget amendments
Compliance	Nil	NA	Nil
Fraud	Nil	NA	Nil

Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

VOTING REQUIREMENT

Absolute Majority

CONCLUSION

Budget amount of \$350,000 can be better utilized to purchase a EWP, two low profile forklifts, plant storage dome and hoist for anti-rust treatment of plant and equipment.

OFFICER RECOMMENDATION – ITEM NO 10.4.2

THAT COUNCIL, BY ABSOLUTE MAJORITY

1. CANCELS THE PROPOSED PROCUREMENT OF THE TELEHANDLER LOADER INCLUDED IN THE CAPITAL WORKS PROGRAM, WITH A BUDGET ALLOCATION OF \$350,000;
2. APPROVES THE REALLOCATION OF THE \$350,000 BUDGET ALLOCATION FOR THE ACQUISITION AND DELIVERY OF THE FOLLOWING PLANT AND EQUIPMENT:
 - a. ONE (1) ROUGH TERRAIN ELEVATED WORK PLATFORM - \$155,000;
 - b. TWO (2) LOW-PROFILE CONTAINER ENTRY FORKLIFTS FOR HOME ISLAND AND WEST ISLAND TRANSFER STATIONS - \$80,000;
 - c. ONE (1) PLANT STORAGE DOME SHELTER - \$40,000;
 - d. ONE (1) FLEET VEHICLE HOIST AND ANTI-RUST SYSTEM - \$35,000; AND
 - e. SEA FREIGHT AND LOGISTICS ALLOWANCE FROM FREMANTLE - \$40,000.

RESOLUTION - ITEM NO 10.4.2 OCM/26/078

MOVED: CR FOWLER

SECONDED: CR O SLOAN

THAT COUNCIL, BY ABSOLUTE MAJORITY

1. CANCELS THE PROPOSED PROCUREMENT OF THE TELEHANDLER LOADER INCLUDED IN THE CAPITAL WORKS PROGRAM, WITH A BUDGET ALLOCATION OF \$350,000;
2. APPROVES THE REALLOCATION OF THE \$350,000 BUDGET ALLOCATION FOR THE ACQUISITION AND DELIVERY OF THE FOLLOWING PLANT AND EQUIPMENT:
 - a. ONE (1) ROUGH TERRAIN ELEVATED WORK PLATFORM - \$155,000;
 - b. TWO (2) LOW-PROFILE CONTAINER ENTRY FORKLIFTS FOR HOME ISLAND AND WEST ISLAND TRANSFER STATIONS - \$80,000;
 - c. ONE (1) PLANT STORAGE DOME SHELTER - \$40,000;
 - d. ONE (1) FLEET VEHICLE HOIST AND ANTI-RUST SYSTEM - \$35,000; AND
 - e. SEA FREIGHT AND LOGISTICS ALLOWANCE FROM FREMANTLE - \$40,000

THE MOTION WAS PUT AND DECLARED CARRIED BY ABSOLUTE MAJORITY (5/0)

FOR: CRS ISA MINKOM, AZAH BADLU, SIGNA KNIGHT, LEVI FOWLER AND OSMAN SLOAN

AGAINST: NIL

10.5 COMMUNITY DEVELOPMENT

10.5.1 COMMUNITY DEVELOPMENT REPORT - JULY 2026

FILE NUMBER:

AUTHOR: Aindil Minkom, Community Development Coordinator

AUTHORISER: Matthew Scott, Chief Executive Officer

DISCLOSURE(S) OF INTEREST: Author - Nil

Authoriser - Nil

ISLAND: Shire Wide

ATTACHMENTS: Nil

AUTHORITY/DISCRETION

Definition

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☒	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

REPORT PURPOSE

To provide Council with an update on Community Development Team programs, projects and events undertaken during July 2026, including upcoming community initiatives.

BACKGROUND

1. Community Development Officer – Culture and Heritage

Current Projects

- Wayang Kulit Puppeteer Visit – Cultural Infusion
- Cerita Seni Pulu Cocos / Cocos Art Stories
- Annual Leave

Wayang Kulit

- Flights and accommodation provided for the Cultural Infusion performers for October.
- The WA Museum team (Tim Eastwood and Ali Porter) will be visiting during this time, and we hope to capture an oral history with the Dalang, Sumardi. We hope to connect with Nadya Adim to deliver this as she has vast experience with delivering oral history interviews.

CITS Strategic Funding

- We will be hosting a visit from Jacky Cheng and Abdul-Rahman Abdullah in October 2026
- This visit will act as a precursor for Cerita Seni Pulu Cocos/Cocos Art Stories project, allowing the artists to visit the islands, speak to community and gain a better understanding of how the community see themselves. These insights will inform the project moving forward.
- The Shire of Cocos Keeling Island will be providing several materials and tools for this project as in-kind support.

Cerita Seni Pulu Cocos / Cocos Art Stories

- We have recently announced our success in the Creative Australia Arts Projects for Organisations round. Our project, Cerita Seni Pulu Cocos was accepted for funding in a round with a 10% acceptance rate.
- The project will lead on from the Batik Revival Project, exploring the communities' interest in textiles, printing and sewing.
- Outcomes from the project will be exhibited at the Indian Ocean Craft Triennial in Perth from October 2027. This is an exciting opportunity to raise the profile of the Cocos Keeling Island creatives and heighten understanding of our unique context to mainland communities.
- We will be working with 6 accomplished artists – Jacky Cheng, Abdul-Rahman Abdullah, Emma Washer, Belinda Cook, Susie Vickery and Melissa Cameron. Each artist brings their own unique skill set to deliver artist talks and workshops in the community, commencing from November. All workshops will be free for the community to attend.
- The project partners with several local organisations.
 - IOGTA will collaborate with the project through their sewing program for job seekers,
 - Cocos Islands District High School will be hosting workshops for the school children
 - The Shire will be hosting community workshops and evening sessions in between visits to continue momentum. We will encourage older (high school aged) youth to partake in community workshops alongside their school opportunities as we had strong interest from this demographic during the Batik Revival Project.
- Cocos Islands District High School and The Shire of Cocos Keeling Islands will be providing materials and tools for their respective workshops, with ordering managed by the Culture and Heritage Officer.
- As the project was conceptual until recent grant approval, the materials and tools are not yet captured in the Community Development budget and will be presented as a variation.

Annual Leave

- Niamh Swingler will be going on leave from Friday 24 July 2026, returning to Island on the 4 September 2026.

2. Youth And Recreation Officer

School Holiday Program – Term 2

This term's school holiday activities clashed with a community wedding. In the past, this have resulted in poor attendance due to whole community involvement in the wedding preparations and celebrations. Unfortunately, it was necessary to cancel some activities.

Term 2 programs consisted of 4 activities between Home Island and West Island. This includes:

- Making Fruit Kebabs
- Creating Paper Chatterboxes
- Creating Marine debris Art
- Volleyball clinics and games

Upcoming Events for August 2026

- Ishar Women's Health 1 – 7 August 2026
- IOT Sports visit – Rugby Coach Jack Rolle 3-7 August 2026

Market Stalls are being planned in the next coming months. We are anticipating on pairing the Market Stalls with twilight games to encourage and attract more attendance and patrons. More information will be provided closer to events.

POLICY AND LEGISLATION IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Theme

S Social

Goal

S4 To support and encourage community events that bring us together.

Strategy

S4.2 Support and advocate for existing events (including sport / community group activities) that encourage inter-island participation. Annual community event supporting integration and inter-island participation include – Australia Day, Act of Self Determination Day, RU Ok Day.

RISK IMPLICATIONS

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Financial	Project costs may exceed current budget allocations.	Moderate (6)	Monitor expenditure and report variations to Council.
Reputation	Community programs and expenditure are subject to public review.	Low (3)	Ensure expenditure is transparent and appropriately justified.
Compliance	Reporting requirements may not be met within required timeframes.	Low (3)	Maintain reporting processes and review deadlines.
Fraud	Risk of inaccurate reporting or manipulation of information.	Low (3)	Internal controls and audit processes are maintained.

Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

VOTING REQUIREMENT

Simple Majority

CONCLUSION

The report is to advise Council of events taken place in July, as well as updating Council on upcoming events in Community Development.

OFFICER RECOMMENDATION – ITEM NO 10.5.1

THAT COUNCIL, BY SIMPLE MAJORITY, NOTE AND RECEIVE THE SHIRE'S COMMUNITY DEVELOPMENT COORDINATOR'S MONTHLY UPDATE FOR JULY 2026.

RESOLUTION - ITEM NO 10.5.1 OCM/26/079

MOVED: CR FOWLER

SECONDED: CR O SLOAN

THAT COUNCIL, BY SIMPLE MAJORITY, NOTE AND RECEIVE THE SHIRE'S COMMUNITY DEVELOPMENT COORDINATOR'S MONTHLY UPDATE FOR JULY 2026.

THE MOTION WAS PUT AND DECLARED CARRIED (5/0)

FOR: CRS ISA MINKOM, AZAH BADLU, SIGNA KNIGHT, LEVI FOWLER AND OSMAN SLOAN

AGAINST: NIL

11 MINUTES TO BE RECEIVED

Nil

12 ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

13 MOTIONS WITHOUT NOTICE WITH LEAVE OF COUNCIL

Nil

MOTION

RESOLUTION OCM/26/080

MOVED: CR A BADLU

SECONDED: CR FOWLER

THAT COUNCIL RESOLVES TO DEFER CONSIDERATION OF THE MATTERS LISTED BEHIND CLOSED DOORS AND PROCEED TO DEAL WITH ITEM 15.2 AND ITEM 16.

THE MOTION WAS PUT AND DECLARED CARRIED (5/0)

FOR: CRS ISA MINKOM, AZAH BADLU, SIGNA KNIGHT, LEVI FOWLER AND OSMAN SLOAN

AGAINST: NIL

Note: Council proceeded to Item 15.2 and Item 16.

15.2 TRUSTS LEASES

15.2.1 APPLICATION FOR NEW LEASE - TENANCY 5 AT PART LOT 225 AND 227 HOME ISLAND, COMMUNITY RESOURCE CENTRE

FILE NUMBER:

AUTHOR: Suzie Bulka, Leasing and Policy Development Officer

AUTHORISER: Matthew Scott, Chief Executive Officer

DISCLOSURE(S) OF INTEREST: Author - Nil

Authoriser - Nil

ISLAND: Home Island

ATTACHMENTS: 15.2.1.1 - SOCKI - Expression of Interest to Lease Submission

AUTHORITY/DISCRETION

Definition

☐	Advocacy	<i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
☒	Executive	<i>The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing</i>

		<i>operations, setting and amending budgets.</i>
☒	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
☐	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
☐	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

REPORT PURPOSE

To advise Council of the outcome of the Expression of Interest (EOI) process for Tenancy 5 at Part Lot 225 and 227 Home Island (HI), Community Resource Centre (CRC), and to seek approval to give local public notice of the proposed disposal of property by way of lease in accordance with section 3.58 of the Local Government Act 1995 (WA) (CKI).

BACKGROUND

Tenancy 5 at the CRC on HI became available for lease following the expiry of the previous lease arrangements. To ensure transparency and compliance with legislative requirements, the Shire undertook a public EOI for the tenancy.

One submission was received from The State of Western Australia acting through the Department of Communities.

COMMENTS

The Department of Communities plays a vital role particularly in supporting wellbeing of individual, families and communities. Through delivery essential programs and services, the department provides critical assistance to those in need, strengthens and promotes social inclusions. Their continued presence in the community ensures the vulnerable individuals and families have access to the support and resources necessary to improve and achieve positive long-term outcomes.

The continuation of Departments services is of significant benefit to the broader community and its ability to effectively deliver these essential functions is fundamental to the health wellbeing and of the community it serves.

The Department has requested a two (2) years lease with a further two (2) years option and officers support this request.

As outlined in the submission, the Department has requested a licence which the Shire are not supportive of, given the following reasons:

- The Department's use is likely to involve exclusive and ongoing occupation, which is more appropriately documented through a lease.
- A lease provides greater certainty regarding term, rent, maintenance, insurance, alterations, default and termination.

- It offers stronger protection of the Shire's building and clearer responsibility for damage, compliance and reinstatement.
- A licence may create legal ambiguity and could still be treated as a lease based on the actual occupation arrangements.
- A lease provides better governance, transparency and accountability for the use of a public asset.
- It avoids establishing an unsuitable precedent for other long-term occupiers of Shire property.
- A licence is generally better suited to short-term, intermittent or non-exclusive use.

It should also be noted that occupation will commence upon the completion of the flooring upgrade at the CRC building.

POLICY AND LEGISLATION IMPLICATIONS

- Section 3.58, *Local Government Act 1995 (WA) (CKI)*
- Local Government (Functions and General) Regulations 1996

FINANCIAL IMPLICATIONS

Entering into formal lease agreement will generate ongoing revenue for the Shire. Lease conditions include:

- Annual lease payment.
- Annual CPI rent review.
- Market review at the commencement of any further lease.
- One-off lease preparation fee of \$275.00 per lease.

STRATEGIC IMPLICATIONS

Theme

E Economic

Goal

E2 To work alongside local businesses to facilitate employment, growth and development

Strategy

E2.1 Work with community members / businesses to overcome barriers in accessing grant funding, discuss options and provide appropriate assistance (if possible)

RISK IMPLICATIONS

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Reputation	Delays may cause uncertainty for key stakeholders.	Moderate (8)	Progressing as quickly as possible while ensuring compliance.
Service Interruption	Without a lease, a need for this service	Moderate (6)	Process is being expedited while

	may be unmet.		ensuring compliance.
Compliance	Leasing process may not align with legislative requirements.	Low (3)	Report follows legislative guidelines.
Property Use	Misuse of property for unintended purposes.	Low (3)	Annual property inspections to be conducted.

Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

Identified risks relating to compliance, service continuity, and property use can be mitigated through appropriate lease conditions and inspections.

VOTING REQUIREMENT

Absolute Majority

CONCLUSION

As Trustee of the 1979 Land Trust, the Council must ensure decisions benefit and advance the welfare of Kampong residents. Council has undertaken a transparent Expression of Interest process for Tenancy 5 at the CRC Building.

Administration recommends the State of Western Australia acting through the Department of Communities as the preferred proponent and seeks Council approval to commence the statutory public notice process required under section 3.58 of the Local Government Act 1995 prior to entering into the lease.

OFFICER RECOMMENDATION – ITEM NO 15.2.1

THAT COUNCIL, BY ABSOLUTE MAJORITY, ACTING IN ITS CAPACITY AS TRUSTEE OF THE 1979 LAND TRUST DEED:

1. NOTES THAT AN EXPRESSION OF INTEREST PROCESS WAS UNDERTAKEN FOR TENANCY 5 AT THE COMMUNITY RESOURCE CENTRE, PART LOT 225 AND 227 HOME ISLAND.
2. NOTES THAT ONE SUBMISSION WAS RECEIVED THROUGH THE EXPRESSION OF INTEREST PROCESS.
3. ENDORSES THE STATE OF WESTERN AUSTRALIA ACTING THROUGH THE DEPARTMENT OF COMMUNITIES AS THE PREFERRED PROPONENT FOR THE PROPOSED LEASE OF TENANCY 5 AT THE COMMUNITY RESOURCE CENTRE, PART LOT 225 AND 227 HOME ISLAND.
4. AUTHORISES THE CHIEF EXECUTIVE OFFICER, PURSUANT TO SECTION 3.58 OF THE LOCAL GOVERNMENT ACT 1995 (WA) (CKI), TO GIVE LOCAL PUBLIC NOTICE OF COUNCIL'S INTENTION TO DISPOSE OF PROPERTY BY WAY OF LEASE FOR TENANCY 5 AT THE COMMUNITY RESOURCE CENTRE, PART LOT 225 AND 227 HOME ISLAND TO THE STATE OF

WESTERN AUSTRALIA ACTING THROUGH THE DEPARTMENT OF COMMUNITIES AND INVITE PUBLIC SUBMISSIONS.

5. NOTES THAT THE PROPOSED LEASE IS INTENDED TO INCLUDE THE FOLLOWING KEY CONDITIONS:
 - a. LEASE TERM OF TWO (2) YEARS WITH A FURTHER OPTION PERIOD OF TWO (2) YEARS.
 - b. LEASE RENT TO BE DETERMINED PRIOR TO EXECUTION OF THE LEASE HAVING REGARD TO MARKET CONSIDERATIONS.
 - c. ANNUAL CONSUMER PRICE INDEX (CPI) REVIEW.
 - d. MARKET REVIEW AT THE COMMENCEMENT OF ANY FURTHER LEASE TERM.
 - e. ONE-OFF LEASE PREPARATION FEE OF \$275.
 - f. THE LEASE WILL COMMENCE UPON THE COMPLETION OF THE FLOORING UPGRADE TO THE COMMUNITY RESOURCE CENTRE.
6. AUTHORISES THE CHIEF EXECUTIVE OFFICER, FOLLOWING COMPLETION OF THE PUBLIC NOTICE PERIOD AND PROVIDED NO SUBMISSIONS ARE RECEIVED, TO ENTER INTO TAHE LEASE WITH THE STATE OF WESTERN AUSTRALIA ACTING THROUGH THE DEPARTMENT OF COMMUNITIES AND TO FINALISE THE DETAILED TERMS OF THE LEASE, PROVIDED THEY ARE SUBSTANTIALLY CONSISTENT WITH THE KEY CONDITIONS OUTLINED ABOVE.
7. RESOLVES THAT IF SUBMISSIONS ARE RECEIVED DURING THE PUBLIC NOTICE PERIOD, THE MATTER BE RETURNED TO COUNCIL FOR CONSIDERATION.
8. RESOLVES THAT SHOULD THE PREFERRED PROPONENT WITHDRAW FROM THE PROPOSED LEASE PRIOR TO EXECUTION OF THE LEASE AGREEMENT, THE CHIEF EXECUTIVE OFFICER IS AUTHORISED TO NEGOTIATE WITH ANOTHER SUITABLE PROPONENT FROM THE EXPRESSION OF INTEREST PROCESS OR DISCONTINUE THE PROPOSED DISPOSAL AND REPORT BACK TO COUNCIL.
9. AUTHORISES THE CHIEF EXECUTIVE OFFICER AND THE SHIRE PRESIDENT TO SIGN AND AFFIX THE COMMON SEAL OF THE SHIRE OF COCOS (KEELING) ISLANDS TO THE LEASE AGREEMENT.

RESOLUTION - ITEM NO 15.2.1 OCM/26/081

MOVED: CR FOWLER

SECONDED: CR O SLOAN

THAT COUNCIL, BY ABSOLUTE MAJORITY, ACTING IN ITS CAPACITY AS TRUSTEE OF THE 1979 LAND TRUST DEED:

1. **NOTES THAT AN EXPRESSION OF INTEREST PROCESS WAS UNDERTAKEN FOR TENANCY 5 AT THE COMMUNITY RESOURCE CENTRE, PART LOT 225 AND 227 HOME ISLAND.**
2. **NOTES THAT ONE SUBMISSION WAS RECEIVED THROUGH THE EXPRESSION OF INTEREST PROCESS.**
3. **ENDORSES THE STATE OF WESTERN AUSTRALIA ACTING THROUGH THE DEPARTMENT OF COMMUNITIES AS THE PREFERRED PROPONENT FOR THE PROPOSED LEASE OF TENANCY 5 AT THE COMMUNITY RESOURCE CENTRE, PART LOT 225 AND 227 HOME ISLAND.**
4. **AUTHORISES THE CHIEF EXECUTIVE OFFICER, PURSUANT TO SECTION 3.58 OF THE LOCAL GOVERNMENT ACT 1995 (WA) (CKI), TO GIVE LOCAL PUBLIC NOTICE OF COUNCIL'S INTENTION TO DISPOSE OF PROPERTY BY WAY OF LEASE FOR TENANCY 5 AT THE COMMUNITY RESOURCE CENTRE, PART LOT 225 AND 227 HOME ISLAND TO THE**

STATE OF WESTERN AUSTRALIA ACTING THROUGH THE DEPARTMENT OF COMMUNITIES AND INVITE PUBLIC SUBMISSIONS.

- 5. NOTES THAT THE PROPOSED LEASE IS INTENDED TO INCLUDE THE FOLLOWING KEY CONDITIONS:**
- a. LEASE TERM OF TWO (2) YEARS WITH A FURTHER OPTION PERIOD OF TWO (2) YEARS.**
 - b. LEASE RENT TO BE DETERMINED PRIOR TO EXECUTION OF THE LEASE HAVING REGARD TO MARKET CONSIDERATIONS.**
 - c. ANNUAL CONSUMER PRICE INDEX (CPI) REVIEW.**
 - d. MARKET REVIEW AT THE COMMENCEMENT OF ANY FURTHER LEASE TERM.**
 - e. ONE-OFF LEASE PREPARATION FEE OF \$275.**
 - f. THE LEASE WILL COMMENCE UPON THE COMPLETION OF THE FLOORING UPGRADE TO THE COMMUNITY RESOURCE CENTRE.**
- 6. AUTHORISES THE CHIEF EXECUTIVE OFFICER, FOLLOWING COMPLETION OF THE PUBLIC NOTICE PERIOD AND PROVIDED NO SUBMISSIONS ARE RECEIVED, TO ENTER INTO THE LEASE WITH THE STATE OF WESTERN AUSTRALIA ACTING THROUGH THE DEPARTMENT OF COMMUNITIES AND TO FINALISE THE DETAILED TERMS OF THE LEASE, PROVIDED THEY ARE SUBSTANTIALLY CONSISTENT WITH THE KEY CONDITIONS OUTLINED ABOVE.**
- 7. RESOLVES THAT IF SUBMISSIONS ARE RECEIVED DURING THE PUBLIC NOTICE PERIOD, THE MATTER BE RETURNED TO COUNCIL FOR CONSIDERATION.**
- 8. RESOLVES THAT SHOULD THE PREFERRED PROPONENT WITHDRAW FROM THE PROPOSED LEASE PRIOR TO EXECUTION OF THE LEASE AGREEMENT, THE CHIEF EXECUTIVE OFFICER IS AUTHORISED TO NEGOTIATE WITH ANOTHER SUITABLE PROPONENT FROM THE EXPRESSION OF INTEREST PROCESS OR DISCONTINUE THE PROPOSED DISPOSAL AND REPORT BACK TO COUNCIL.**
- 9. AUTHORISES THE CHIEF EXECUTIVE OFFICER AND THE SHIRE PRESIDENT TO SIGN AND AFFIX THE COMMON SEAL OF THE SHIRE OF COCOS (KEELING) ISLANDS TO THE LEASE AGREEMENT.**

THE MOTION WAS PUT AND DECLARED CARRIED BY ABSOLUTE MAJORITY (5/0)

FOR: CRS ISA MINKOM, AZAH BADLU, SIGNA KNIGHT, LEVI FOWLER AND OSMAN SLOAN

AGAINST: NIL



Expression of Interest to Lease

Tenancy 5, CRC Building, Lot 227 Home Island, Cocos (Keeling) Islands

("the Premises")

To: The Shire of Cocos (Keeling) Islands
PO Box 1094
COCOS (KEELING) ISLANDS WA 6799

By email: [REDACTED]

("the Shire")

Recitals

- A. The Shire is the Proprietor of the Land.
- B. The Land is held on trust by the Shire pursuant to a Deed dated 18th September 1984 between the Commonwealth of Australia and the Shire of Cocos (Keeling) Islands.
- C. The Party set out in Item 1 of the Particulars ("**the Tenant**") hereby provides to the Shire this Expression of Interest to lease from the premises described in Item 3 of the Particulars ("**the Premises**") the Shire:
 - 1. on the terms and conditions set out in the Particulars; and
 - 2. subject to the Special Clauses set out in Item 13 of the Particulars.
- D. The Tenant wishes to occupy and trade from the Premises with the usage specified in Item 4(a) of Particulars ("**the Permitted Use**").
- E. If the Expression of Interest meets the Shire's current eligibility criteria, then it will progress the matter with the aim of leasing the Premises to the Tenant.



Particulars

Item 1 Details of Tenant

Tenant Name:

**The State of Western Australia acting
through the Department of
Communities**

ACN/ABN: **Not Applicable**

Name of Trust: **Not Applicable**

*Note: that if the Tenant is a trustee the Tenant must deliver to the Shire with this Expression of Interest
copies of all fully executed and stamped documentation constituting the relevant trust*

Address:

Department of Communities,



Telephone number:



Email Address:





Item 2 Details of Guarantor

Guarantor Name:

Not Applicable

Address:

Telephone number:

Email Address:

Item 3 (a) Land and Address

Tenancy 5, CRC Building, Lot 227 Home Island, Cocos (Keeling) Islands

(b) Premises

Tenancy Number 5 of the Building having an area of approximately 14 square metres or thereabouts.

The whole of the Land and any Building situated thereon.

Item 4 (a) Permitted Use

Office

(b) Trading Name

The Department of Communities

Item 5 Community Benefit and Supporting Information

In Annexure "A" provide:

(i) an evidence-based response to demonstrate how the proposed service or activity will address the purpose of the 1979 Land Trust, 1984 Land Trust or where the property does not belong to either of the Land Trusts, Community Benefit generally including:

- Evidence of demand for the service or activity
- Evidence that the proposed service or activity will effectively address the identified community need and is not duplicating an existing service or activity
- Evidence of consultation with other organisations/agencies and/or the broader community to identify opportunities for collaboration
- An implementation plan to demonstrate how the service or activity will become established and become sustainable

(ii) A response to each issue and query set out in Annexure "A" along with any supporting documentation.

Item 6 Retail Shops Act Applicable to this Expression of Interest

No OR Yes (Tenant to confirm) **Not applicable.**

In the event that the Premises is "a retail shop" under the *Commercial Tenancy (Retail Shops) Agreements Act 1985 (WA)* ("the Retail Shops Act"), the requirements of and



the relevant sections of the Retail Shops Act will apply.

Note: a lease will be a "Retail Shop Lease" where:

- *the business wholly or predominantly involves the sale of goods by retail; or*
- *is a business for dry cleaning, hairdressing, beauty therapy and treatments, shoe repair (which may include key cutting and engraving) or sale or rental of videos tapes, DVDs, electronic games and other similar amusements.*

Item 7 (a) Term

Two (2) years from the Commencement Date and terminating on the day prior to the 2nd* anniversary of the Commencement Date.

Notes:

- *The Shire's Leasing Policy provides for a maximum period of 10 years (including any Further Terms) except in special circumstances.*
- *A Term of at least 5 years (including Further Terms) must be given for a Retail Shop Lease.*

(b) Further Term(s)

Two (2) options of two (2) years each.

(c) Commencement Date

One (1) days after the Handover Date.

(d) Handover Date (What date is the Premises to be given to the Tenant?)

1 July 2026

(e) Fit Out Period (How long will the Tenant have to do their Fit-out?)

Nil.

Item 8 Rent

The Rent for the first year of the Term will be:

- (i) calculated at the rate of THREE THOUSAND SEVERN HUNDERD AND FIFTY DOLLARS (\$3,750.00) plus GST per annum :
- (ii) payable on the 1st day of each month during the Term, *by equal successive calendar monthly instalments* the first of such payment to be made on the Commencement Date.

Item 9 Rent Reviews

Date	Method of Review
On the anniversary of the commencement date in each year of the term	- CPI Review
On the commencement date of each further term	- Market Review
On the anniversary of the Commencement date during each year of the Further Term(s) except where stated above.	- CPI Review

Item 10 Operating Expenses and Other Costs

- (i) The Tenant will pay all Operating Expenses as set out in the Lease Documents including:
 - (A) Rates and Taxes;
 - (B) insurances taken out by the Shire with respect to the Land;
 - (C) maintenance and repair costs (excluding capital and structural costs);
 - (D) gardening and landscaping costs;
 - (E) all costs, charges and fees relating to garbage and waste storage, removal and disposal of any kind; and
 - (F) property inspection and administration fees.
- (ii) The Tenant will pay all Utilities consumed in the Premises including electricity, water, grease traps, telephone, internet or data connection, gas or other utility or service and also including meter rentals and reading charges.
- (iii) The Operating Expenses and Utilities will be payable in the proportion set out in the Lease or in accordance with the Retail Shops Act.

Item 11 (a) Bank Guarantee or Security Deposit

The State Government of Western Australia does not pay bank guarantees

(b) Date Bank Guarantee or Security Deposit must be provided

By the earlier occurring of:

- (i) the day prior to the Commencement Date of the Lease; and
- (ii) the day prior to the day the Tenant take possession of the Premises.

Item 12 Tenant's Works

(a) Date for supply of Tenant's Works Plans to the Shire

Not applicable – no fitout required at this stage.

(a) Tenant's Works

The Tenant's works and fit out generally will be in accordance with the plans to be provided by the Tenant and approved by the Shire and signed by both parties for the purposes of identification.

Item 13 Special Clauses

(a) Not Binding

This Expression of Interest will not constitute a binding agreement on the parties save that:

- (i) the Council of the Shire formally accepts this Expression of Interest; and
- (ii) the parties will negotiate and enter into a written Lease ("**the Lease Documents**") in good faith taking into account the contents of this Expression of Interest.
- (iii) The will only be binding if executed by both parties.

**(b) As Is**

The Premises are provided "as is" except in the case of express agreement by the Shire.

(c) Lease Documents

If the Expression of Interest is approved and accepted by the Shire:

- (i) the Lease Documents will be prepared by the Shire generally in accordance with the provisions of this Expression of Interest and the special clause.
- (ii) The Tenant and the Shire will negotiate the general provisions, terms, covenants and conditions of the Lease Documents in good faith.
- (iii) The Shire may insist that the Lease Documents are signed prior to the Tenant taking possession of the Premises.
- (iv) Each party will pay for its own legal costs associated with the preparation and negotiation of the Lease.

(d) Notices

Any notice:

- (i) must be in writing addressed to each party at its respective address shown in this Expression of Interest or to any other address specified by any party to the sender by notice;
- (ii) must be signed by the sender or an officer of, or under the common seal of, the sender (if a corporation) or in the case of the Shire by the Shire or by its solicitor or agent;
- (iii) is deemed to be given by the sender and received by the addressee:
 - (A) if by delivery in person, when delivered to the addressee;
 - (B) if by post, three (3) Business Days from and including the date of postage to the addressee; and
 - (C) if by email transmission at the time when the electronic communication becomes capable of being retrieved by the addressee at the designated electronic address OR when an electronic delivery receipt or read receipt is provided to the sender.

but if the delivery or receipt is on a day which is not a Business Day or is after 4.00 p.m. (addressee's time) it is deemed to be given at 9.00 a.m. on the succeeding Business Day; and

- (iv) can be relied upon by the addressee, and the addressee is not liable to any other person for any consequences of that reliance if the addressee believes it to be genuine, correct and authorised by the sender.

(e) Dispute Resolution

- (i) All disputes, questions or differences arising between the parties concerning this Deed will be negotiated in good faith between the parties.
- (ii) If the parties cannot mutually resolve the dispute, question or difference within 14 days then the matter will be referred to a single arbitrator mutually agreed upon by the parties.



- (iii) If they cannot agree upon an arbitrator then the dispute will be referred to two arbitrators, one to be appointed by each of them, or an umpire to be appointed by the arbitrators before proceeding with the reference.
- (iv) Any reference will be in accordance with the provisions of the *Commercial Arbitration Act 1985 (WA)* and each of them may instruct a legal practitioner to represent it in the proceedings.

(f) Jurisdiction

- (i) This Lease is governed by the Laws of Western Australia as applied by the *Cocos (Keeling) Islands Act 1955* and the *Cocos (Keeling) Islands Applied Laws Ordinance 1992*.
- (ii) The Parties irrevocably submit to the non-exclusive jurisdiction of the courts of the Western Australia.

(g) Licence

The Department of Communities have asked if the document could be written up as a licence instead of a lease for administrative purposes. There will be no change to the the document other than clauses by mutual agreement.

(h) Payment

The Department of Communities have asked if the annual rent plus GST can be made as one payment each financial year with the first payment to be made prior to June 30 2026.



Signing Page

Signed by the Tenant:

By signing this Expression of Interest the Tenant confirms:

- It has have read and understood the conditions of the *Shire of Cocos (Keeling) Islands Leasing Policy*;
- It has the required authorisation from the applying organisation to submit this Expression of Interest;
- The information provided in this document is true and correct at the time of submission.

Signed by
NAME OF PARTY

LINCOLN VERRALL

SIGNATURE

DEPARTMENT OF COMMUNITIES LINCOLN VERRALL

ORGANIZATION

A/ASSISTANT DIRECTOR, STRATEGIC PLANNING & PROJECTS

POSITION IN ORGANISATION

DATE



Annexure “A” – Community Benefit and Supporting Information

Tenant to provide relevant information including:

1. Strategic Documents

Describe how the Tenant's strategic documents align with the Shire's strategies, plans and vision.

Please provide strategic documents referred to.

As per the 'Department of Communities Strategic Direction Statement (2022 -2025)' – The Department of Communities brings together vital services and functions that enable individual, Family and Community wellbeing.

- Vision – *Better lives together through people, place and home.*
- Purpose – *Working together to provide responsive services that build safe, inclusive and empowered communities.*
- Strategic Directions - *Greater self-determination; Earlier intervention and prevention; Continuous improvement in service delivery; Innovative and integrated approaches; A focus on our people and workplace.*

As per 'Our Cocos (Keeling) Islands 2030 Strategic Plan', the following aspects of the 'Our Cocos (Keeling) Islands 2030 Strategic Plan' align with the Department of Communities Strategy:

- Vision – *Harmonious multi-cultural living, Learn, play and work together in a way that celebrates difference through inclusion, Safe, Secure and inclusive lifestyle*
- Our Themes – *Our Community: A well-educated community; A healthy community; Social harmony; safe and secure islands.*
- Strategies – *Increase social harmony through expanded opportunities for inter-island interaction and community engagement, improve health outcomes, Encourage the community to embrace the need for change, Improved support for disabled people, Support physical activities for youth and increase cultural awareness.*

The services that the Department of Communities provide to CKI in line with their Strategic direction and Service Delivery Arrangements include:

CHILD PROTECTION AND FAMILY SUPPORT

The Child Protection and Family Support area supports young people, families and the elderly to meet their full potential, and promote safety in the community. Services include the provision of individual family



support and child protection activities including Mandatory Reporter training and community capacity building.

WORKING WITH CHILDREN SCREENING UNIT

The Working with Children Check Screening unit, provides Working with Children Check (WWC) services to the IOT including processing WWC applications, issuing and ongoing monitoring of WWC cards and providing information and assistance to individuals and organisations.

WA SENIORS CARD

WA Seniors Cards are provided to eligible IOT residents, facilitating member benefits such as concessions on water rates, local government rates, the provision of annual Cost of Living Rebate, and the Safety and Security Rebate.

2. Membership and participant numbers and projections

- (b) *Provide information on the current membership, residential location and participation rates of the organisation and projections over the life of the lease period.*
- (c) *Priority will generally be given to business cases that demonstrate inclusion of, and support to the local residents and community.*

At present, Department of Communities, Child Protection and Family Support engage all local residents and community of CKI in regard to individual and family support, community capacity building, interagency community collaboration and child protection and investigations at a minimum of 1-week duration, over a 4-6-week interval.

With an anticipated increase in placed based resources, services and support to local residents and community in CKI is likely to increase to throughout the entire working week. Due to confidentiality and privacy restrictions, the number of interactions with local residents or the community of CKI cannot be reported.

3. The governance structure and processes of the organisation

Provide details of the organisations constitution and/or similar documents, registration of ACN/ABN, ASIC Registration (details of ownership/Directors)

ABN 41 889 424 592

4. Proposed usage times of the property; historical and projected growth of the organisation

Describe how the property be utilised to its realistic potential? Does the property have the capacity to manage the growth? What are the proposed operating hours?

At present, Department of Communities, Child Protection and Family Support engage all local residents and community of CKI in regard to individual and family support, community capacity building, interagency community collaboration and child protection and investigations at a minimum of 1-week duration, over a 4-6-week interval. With an anticipated increase in placed based resources, services and support to local residents and community in CKI is likely to increase throughout the entire working week operating at a



minimum from 7.5 hours each day i.e. 8.00am – 4.00pm with scope to operate beyond these hours dependent on community engagement activities.

Further growth to the already mentioned resources is not anticipated during the life of the lease.

5. Proposed spaces to be included in arrangement

Does the organisation require exclusive use of the property? Provide details.

Department of Communities, Child Protection and Family Support requires the exclusive use of the property when staff are on CKI, however, in the context of promoting cross-agency collaboration, with due communication and process, there is scope to co-share the space with other business areas in the Department of Communities and external agencies related to Child, Youth and Family Safety, including the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (DITRDCA).

6. Proposed usage available to the wider community and method to manage

Describe how the proposal will address broad community access?

Department of Communities, Child Protection and Family Support services only seeks to serve the local residents and community of CKI in regard to individual and family support, community capacity building, interagency community collaboration and child protection and investigations, therefore, the office will be accessible and made available to the community as much as is needed when they are engaging in any of the services offered by the Department.

7. Financial position of Applicant with the Shire or other Organisations

Provide evidence that the organisation is meeting their financial obligations.

2 Year lease to be paid upfront.

8. Current and proposed fees and charges

Provide information on the proposed fees and charges for the service or activity and how they will be reviewed and over the life of the lease/licenced period.

Service provided by our Senior CSP under the Service Delivery arrangement will be funded by the Commonwealth, no fees/charges will come from community members.

9. Property modifications

Provide details of any property modifications that are required for the proposed service/use and how are modifications proposed to be funded?

N/A – The Department of Communities are not seeking to undertake any property modifications in order to provide the agreed services outlined in the Service Delivery Arrangements. Department of Communities will only be required to source furniture, namely, desk and chairs etc. for the office, as the space is presently unfurnished.

**10. Organisation management structure**

Provide details of how the organisation is positioned with human resources to fulfil its obligations under an occupancy arrangement for the entirety of the arrangement?

11. History of the Organisation (including any financial contributions)

Provide details of the organisations history in relation to the facility, if any? Does the group have a connection with the surrounding area?

Not Applicable for the building. Department of Communities, Child Protection and Family have always worked collaboratively with CKI Australian Federal Police and the IOT Health Service Social Worker who occupy surrounding offices in the complex.

12. Proposed sustainable practices

Describe any impact to the environment. How does the organisation offer an environmentally sustainable service? Include details of proposed waste minimisation and waste management.

Department of Communities promote going paperless, there should be minimal environmental impact from the type of work being held in the office space, any waste that is created will be disposed of in a sustainable manner (recycling, reuse) where possible.

13. Outcome based milestones

List the date/timeframe for key milestones that deliver outcomes, noting that these milestones will be included in the lease as a condition of the lease.

The Department of Communities will continue to provide services to the CKI as per the approved Service Delivery Arrangements.

14. Coastal Hazard Risk Management and Adaptation Plan (CHRMAP) Information (if applicable)

Will this lease have any impact on the CHRMAP

There is potential for the office space to be used at times by additional resources on CKI associated to any initiatives born to support local residents and Community in CKI including CHRMAP, as approved by DITRDCA.

15. Other Information

Provide details of any other information that will support your Expression of Interest/.

15.3 TRUSTS FINANCE

Nil

16 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING (LATE ITEMS)

MOTION

RESOLUTION OCM/26/082

MOVED: CR A BADLU

SECONDED: CR FOWLER

THAT COUNCIL RESOLVES TO ACCEPT THE LATE ITEM FOR CONSIDERATION.

THE MOTION WAS PUT AND DECLARED CARRIED (5/0)

FOR: CRS ISA MINKOM, AZAH BADLU, SIGNA KNIGHT, LEVI FOWLER AND OSMAN SLOAN

AGAINST: NIL

16.1 2024/2025 ANNUAL REPORT AND ANNUAL MEETING OF ELECTORS

FILE NUMBER:

AUTHOR: Matthew Scott, Chief Executive Officer

AUTHORISER: Matthew Scott, Chief Executive Officer

DISCLOSURE(S) OF INTEREST: Author - Nil

Authoriser - Nil

ISLAND: Shire Wide

ATTACHMENTS: 16.1.1 - SOCKI Annual Report 2024-25

AUTHORITY/DISCRETION

Definition

☐	Advocacy	<i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
☐	Executive	<i>The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
☒	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
☐	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>

☐	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>
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REPORT PURPOSE

For Council to:

- consider and accept the Shire’s 2024/25 Annual Report;
- receive the audited Annual Financial Statements, Auditor’s Report and Management Letter;
- endorse the response to the significant audit finding and require that it be reported to the Minister; and
- determine the date, time and location of the Annual General Meeting of Electors.

BACKGROUND

The Shire’s Annual Report for the year ended 30 June 2025 has now been completed following finalisation of the Annual Financial Statements and independent audit.

Completion of the audit was delayed principally due to the valuation and accounting treatment of information technology infrastructure assets, including the gifted 4G telecommunications network infrastructure.

The gifted 4G network infrastructure was initially accounted for in the 2024/25 financial year. During the audit process, it was determined that the original transaction had occurred during the 2023/24 financial year.

As the 2023/24 Annual Financial Statements had already been finalised, amendments were made to the comparative financial information and the matter was disclosed in Note 29 — Prior Period Adjustments in the 2024/25 Annual Financial Statements.

The Auditor’s Report was signed on 10 June 2026 and includes an Emphasis of Matter paragraph relating to the prior-period adjustments. The Emphasis of Matter does not modify the audit opinion, and the Shire received an unmodified, commonly described as clean, audit opinion.

The Auditor’s Management Letter identified four findings:

- one significant finding relating to a prior-year procurement matter; and
- three moderate findings relating to financial reconciliations and accounting procedures, independent review of general journals and the removal of a former employee’s online banking access.

The significant finding related to an information technology service delivery contract being awarded without compliance with the Shire’s competitive tendering requirements. The circumstances included limited notice of the previous provider’s withdrawal and the critical need to maintain uninterrupted information technology services. No current Shire employees were directly involved in the procurement process, the circumstances were subsequently reported to Council, and no further similar breaches have been identified.

The Audit, Risk and Improvement Committee considered the audited Annual Financial Statements, Auditor's Report, Management Letter and management responses at its meeting held on Monday, 27 July 2026.

The Committee adopted the officer recommendations that Council receive the audited Annual Financial Statements, note the reason for the delay in finalising the audit and receive the Auditor's Management Letter.

As the Committee's consideration occurred after the Council agenda had been finalised, this report is presented as a late item.

COMMENT

Annual Report and audit outcome

Section 5.54 of the *Local Government Act 1995* requires Council to accept the Annual Report by absolute majority. Where the Auditor's Report is not available in time for the Annual Report to be accepted by 31 December, Council must accept the Annual Report no later than two months after the Auditor's Report becomes available.

The delay in completing the Annual Report arose from the need to resolve the valuation, timing and accounting treatment of the gifted 4G network infrastructure and associated comparative financial information.

Although these matters delayed completion of the audit, they did not result in a qualified opinion. The Shire received an unmodified audit opinion, with the prior-period adjustment addressed through an Emphasis of Matter paragraph and Note 29 to the Annual Financial Statements.

Audit, Risk and Improvement Committee review

The Audit, Risk and Improvement Committee reviewed the audited Annual Financial Statements, Auditor's Report and Management Letter on 27 July 2026.

The Committee's review provided an opportunity to consider the audit findings, their risk classifications and management's responses before the documents were presented to Council.

The Management Letter recorded that none of the four findings were assessed as having a potential impact on the audit opinion.

Significant audit finding

The significant finding relates to an information technology service delivery contract awarded without following the Shire's competitive tendering requirements.

Management considers the matter to be an isolated incident arising from the combination of limited notice from the previous service provider and the operational need to maintain critical information technology services.

The matter was subsequently reported to and endorsed by Council. No further breaches of the Procurement Policy have been identified.

Management's ongoing response includes:

- reinforcing compliance with procurement policies and statutory tendering requirements;
- ensuring sufficient documentation is maintained for emergency or time-critical procurements;
- obtaining appropriate Council authorisation where required; and
- monitoring procurement activities to reduce the risk of recurrence.

Section 7.12A of the *Local Government Act 1995* requires a local government to consider an audit report and determine whether matters raised require action. Where an audit report identifies a significant matter, the local government must prepare a report stating the action it has taken, or intends to take, and provide that report to the Minister. The report must subsequently be published on the local government's official website.

It is therefore recommended that Council expressly endorses management's response and requires the Chief Executive Officer to prepare and submit the statutory report to the Minister.

Late-item status

The audited financial statements and audit documentation required review by the Audit, Risk and Improvement Committee before being presented to Council.

As the Committee meeting was held on Monday, 27 July 2026, after finalisation of the Council agenda, the matter could not be included in the published agenda.

Given the statutory timeframes associated with accepting the Annual Report, reporting the significant audit finding and convening the Annual General Meeting of Electors, consideration as a late item is preferable to deferring the matter to a subsequent Council meeting.

Annual General Meeting of Electors

Section 5.27(1) of the *Local Government Act 1995* requires a general meeting of electors to be held once in each financial year.

Under section 5.27(2), the meeting must be held on a date selected by the local government, but no more than 56 days after Council accepts the Annual Report for the previous financial year.

Section 5.29(1) requires the Chief Executive Officer to convene the meeting by giving:

- at least 14 days' local public notice; and
- each Council Member at least 14 days' notice,

of the date, time, place and purpose of the meeting.

It is proposed that the Annual General Meeting of Electors be held on **Wednesday, 26 August 2026 at 3:30 pm in the Home Island Council Chambers.**

An Ordinary Council Meeting is scheduled for the same day at 4.00 pm. Holding the meetings consecutively will reduce administrative and travel requirements and allow electors attending the Annual General Meeting of Electors to remain for the Ordinary Council Meeting.

The matters to be discussed at the Annual General Meeting of Electors will include the contents of the 2024/25 Annual Report and any other general business raised by electors in accordance with regulation 15 of the *Local Government (Administration) Regulations 1996*.

POLICY AND LEGISLATION IMPLICATIONS

The relevant legislative provisions include:

- *Local Government Act 1995*, section 5.27 — Electors' general meetings;
- *Local Government Act 1995*, section 5.29 — Convening electors' meetings;
- *Local Government Act 1995*, section 5.53 — Annual reports;
- *Local Government Act 1995*, section 5.54 — Acceptance of annual reports;
- *Local Government Act 1995*, sections 5.55 and 5.55A — Notice and publication of annual reports;
- *Local Government Act 1995*, section 7.12A — Duties of local government with respect to audits;
- *Local Government (Administration) Regulations 1996*, regulation 15 — Matters to be discussed at a general meeting of electors; and
- *Local Government (Audit) Regulations 1996* — audit reporting requirements.

Council's acceptance of the Annual Report requires an absolute majority decision.

Policy Implications

The significant audit finding relates to non-compliance with the Shire's procurement policy and competitive tendering requirements.

Management will continue to reinforce compliance with the Shire's procurement framework and ensure that appropriate approvals and records are maintained for urgent or exceptional procurements.

FINANCIAL IMPLICATIONS

The costs associated with preparing, auditing and publishing the Annual Report, advertising and convening the Annual General Meeting of Electors and preparing the report to the Minister are accommodated within the adopted budget.

The prior-period adjustments concerning the information technology infrastructure assets are reflected in Note 29 of the 2024/25 Annual Financial Statements.

Holding the Annual General Meeting of Electors immediately before the scheduled Ordinary Council Meeting is expected to minimise additional venue, administrative and travel costs.

STRATEGIC IMPLICATIONS

Theme

L Leadership

Goal

L1 To be involve, respectful and inclusive and to facilitate diversity and representation within the decision making process.

Strategy

L1.3 Shire representatives (Councillors and Shire Leadership team) to pro-actively engage, communicate with, and increase visibility within the community.

RISK IMPLICATIONS

Risk Category	Description	Rating (consequence likelihood) x	Mitigation Action
Financial	Internal-control weaknesses identified through the audit process.	High	Implement management responses and maintain appropriate financial systems, controls and procedures.
Reputation	Potential loss of community confidence arising from delayed reporting or governance weaknesses.	Medium	Transparently report the audit outcome, findings and corrective actions.
Compliance	Failure to accept and publish the Annual Report, report the significant audit finding or convene the Annual General Meeting of Electors within the statutory timeframes.	Medium	Adopt the recommendations and complete the required statutory notifications and publication.
Fraud	Limited segregation of duties and independent review processes may increase exposure.	Medium	Maintain multi-person approvals and strengthen review controls where practicable.

Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

VOTING REQUIREMENT

Absolute Majority

CONCLUSION

The 2024/25 Annual Report has been completed following finalisation of the audited Annual Financial Statements. Although the audit process was delayed while the valuation and accounting treatment of information technology infrastructure assets was resolved, the Shire received an unmodified audit opinion.

The Audit, Risk and Improvement Committee has reviewed the audited Annual Financial Statements, Auditor's Report, Management Letter and management responses. The significant audit finding relating to the procurement of an information technology service delivery contract requires Council to endorse the proposed actions and ensure the matter is reported to the Minister in accordance with section 7.12A of the *Local Government Act 1995*.

Council is therefore requested to accept the 2024/25 Annual Report, receive the audit documents, endorse the response to the significant audit finding, authorise the statutory report to the Minister and set the Annual General Meeting of Electors for Wednesday, 26 August 2026 at 3:30 pm in the Home Island Council Chambers.

OFFICER RECOMMENDATION – ITEM NO 16.1

THAT COUNCIL, BY ABSOLUTE MAJORITY

1. NOTES THAT THE AUDIT, RISK AND IMPROVEMENT COMMITTEE, AT ITS MEETING HELD ON MONDAY, 27 JULY 2026:
 - A. REVIEWED THE AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025 AND THE INDEPENDENT AUDITOR'S REPORT;
 - B. REVIEWED THE AUDITOR'S MANAGEMENT LETTER AND MANAGEMENT RESPONSES;
 - C. RECOMMENDED THAT COUNCIL RECEIVE THE AUDITED ANNUAL FINANCIAL STATEMENTS AND NOTE THE REASONS FOR THE DELAY IN FINALISING THE AUDIT; AND
 - D. RECOMMENDED THAT COUNCIL RECEIVE THE AUDITOR'S MANAGEMENT LETTER;
2. RECEIVES THE AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025, THE INDEPENDENT AUDITOR'S REPORT AND THE AUDITOR'S MANAGEMENT LETTER;
3. ACCEPTS THE SHIRE OF COCOS (KEELING) ISLANDS ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2025, AS PROVIDED AT ATTACHMENT 1, IN ACCORDANCE WITH SECTION 5.54 OF THE LOCAL GOVERNMENT ACT 1995;

4. NOTES THE SIGNIFICANT AUDIT FINDING RELATING TO THE PROCUREMENT OF AN INFORMATION TECHNOLOGY SERVICE DELIVERY CONTRACT WITHOUT COMPLIANCE WITH THE SHIRE'S COMPETITIVE TENDERING REQUIREMENTS;
5. ENDORSES THE MANAGEMENT RESPONSE AND PROPOSED ACTIONS ADDRESSING THE SIGNIFICANT AUDIT FINDING;
6. REQUIRES THE CHIEF EXECUTIVE OFFICER, IN ACCORDANCE WITH SECTION 7.12A OF THE LOCAL GOVERNMENT ACT 1995, TO:
 - A. PREPARE A REPORT STATING THE ACTION THE SHIRE HAS TAKEN, OR INTENDS TO TAKE, IN RESPONSE TO THE SIGNIFICANT AUDIT FINDING;
 - B. PROVIDE THE REPORT TO THE MINISTER FOR LOCAL GOVERNMENT WITHIN THE PRESCRIBED STATUTORY TIMEFRAME; AND
 - C. PUBLISH THE REPORT ON THE SHIRE'S OFFICIAL WEBSITE WITHIN 14 DAYS AFTER IT IS PROVIDED TO THE MINISTER;
7. SETS THE 2024/25 ANNUAL GENERAL MEETING OF ELECTORS FOR WEDNESDAY, 26 AUGUST 2026 AT 3:30 PM IN THE HOME ISLAND COUNCIL CHAMBERS; AND
8. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO GIVE LOCAL PUBLIC NOTICE OF:
 - A. THE AVAILABILITY OF THE 2024/25 ANNUAL REPORT; AND
 - B. THE DATE, TIME, PLACE AND PURPOSE OF THE ANNUAL GENERAL MEETING OF ELECTORS.

RESOLUTION - ITEM NO 16.1 OCM/26/083**MOVED: CR FOWLER****SECONDED: CR A BADLU****THAT COUNCIL, BY ABSOLUTE MAJORITY**

1. **NOTES THAT THE AUDIT, RISK AND IMPROVEMENT COMMITTEE, AT ITS MEETING HELD ON MONDAY, 27 JULY 2026:**
 - A. **REVIEWED THE AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025 AND THE INDEPENDENT AUDITOR'S REPORT;**
 - B. **REVIEWED THE AUDITOR'S MANAGEMENT LETTER AND MANAGEMENT RESPONSES;**
 - C. **RECOMMENDED THAT COUNCIL RECEIVE THE AUDITED ANNUAL FINANCIAL STATEMENTS AND NOTE THE REASONS FOR THE DELAY IN FINALISING THE AUDIT; AND**
 - D. **RECOMMENDED THAT COUNCIL RECEIVE THE AUDITOR'S MANAGEMENT LETTER;**
2. **RECEIVES THE AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025, THE INDEPENDENT AUDITOR'S REPORT AND THE AUDITOR'S MANAGEMENT LETTER;**
3. **ACCEPTS THE SHIRE OF COCOS (KEELING) ISLANDS ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2025, AS PROVIDED AT ATTACHMENT 1, IN ACCORDANCE WITH SECTION 5.54 OF THE LOCAL GOVERNMENT ACT 1995;**
4. **NOTES THE SIGNIFICANT AUDIT FINDING RELATING TO THE PROCUREMENT OF AN INFORMATION TECHNOLOGY SERVICE DELIVERY CONTRACT WITHOUT COMPLIANCE**

WITH THE SHIRE'S COMPETITIVE TENDERING REQUIREMENTS;

- 5. ENDORSES THE MANAGEMENT RESPONSE AND PROPOSED ACTIONS ADDRESSING THE SIGNIFICANT AUDIT FINDING;**
- 6. REQUIRES THE CHIEF EXECUTIVE OFFICER, IN ACCORDANCE WITH SECTION 7.12A OF THE LOCAL GOVERNMENT ACT 1995, TO:**
 - A. PREPARE A REPORT STATING THE ACTION THE SHIRE HAS TAKEN, OR INTENDS TO TAKE, IN RESPONSE TO THE SIGNIFICANT AUDIT FINDING;**
 - B. PROVIDE THE REPORT TO THE MINISTER FOR LOCAL GOVERNMENT WITHIN THE PRESCRIBED STATUTORY TIMEFRAME; AND**
 - C. PUBLISH THE REPORT ON THE SHIRE'S OFFICIAL WEBSITE WITHIN 14 DAYS AFTER IT IS PROVIDED TO THE MINISTER;**
- 7. SETS THE 2024/25 ANNUAL GENERAL MEETING OF ELECTORS FOR WEDNESDAY, 26 AUGUST 2026 AT 3:30 PM IN THE HOME ISLAND COUNCIL CHAMBERS; AND**
- 8. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO GIVE LOCAL PUBLIC NOTICE OF:**
 - A. THE AVAILABILITY OF THE 2024/25 ANNUAL REPORT; AND**
 - B. THE DATE, TIME, PLACE AND PURPOSE OF THE ANNUAL GENERAL MEETING OF ELECTORS.**

THE MOTION WAS PUT AND DECLARED CARRIED BY ABSOLUTE MAJORITY (5/0)

FOR: CRS ISA MINKOM, AZAH BADLU, SIGNA KNIGHT, LEVI FOWLER AND OSMAN SLOAN

AGAINST: NIL

Note: Following consideration of Item 15.2 and Item 16, Council returned to Item 14.1 of the Agenda.

14 MATTERS BEHIND CLOSED DOORS

RESOLUTION OCM/26/084

MOVED: CR O SLOAN

SECONDED: CR A BADLU

THAT COUNCIL CONSIDERS THE CONFIDENTIAL REPORT(S) LISTED BELOW IN A MEETING CLOSED TO THE PUBLIC IN ACCORDANCE WITH SECTION 5.23 OF THE LOCAL GOVERNMENT ACT 1995:

14.1 CEO Probationary Review

THIS MATTER IS CONSIDERED TO BE CONFIDENTIAL UNDER SECTION 5.23 - ((2)(B)) AND ((4)(B)) OF THE LOCAL GOVERNMENT ACT, AND THE COUNCIL IS SATISFIED THAT DISCUSSION OF THIS MATTER IN AN OPEN MEETING WOULD, ON BALANCE, BE CONTRARY TO THE PUBLIC INTEREST AS IT DEALS WITH (A MATTER RELATING TO THE RECRUITMENT OR EMPLOYMENT OF THE CEO OR A SENIOR EMPLOYEE, INCLUDING (I) THE TERMINATION OF EMPLOYMENT; OR (II) A REVIEW OF PERFORMANCE UNDER SECTION 5.38 OF THE ACT) AND (INFORMATION RELATING TO THE PERSONAL AFFAIRS OF AN INDIVIDUAL;).

14.2 Community Funding Program.

THIS MATTER IS CONSIDERED TO BE CONFIDENTIAL UNDER SECTION 5.23 - ((4)(B)) OF THE LOCAL GOVERNMENT ACT, AND THE COUNCIL IS SATISFIED THAT DISCUSSION OF THIS MATTER IN AN OPEN MEETING WOULD, ON BALANCE, BE CONTRARY TO THE PUBLIC INTEREST AS IT DEALS WITH (INFORMATION RELATING TO THE PERSONAL AFFAIRS OF AN INDIVIDUAL;).

THE MOTION WAS PUT AND DECLARED CARRIED (5/0)

FOR: CRS ISA MINKOM, AZAH BADLU, SIGNA KNIGHT, LEVI FOWLER AND OSMAN SLOAN

AGAINST: NIL

The CEO, Manager Governance, Risk and Planning, Manager Finance Corporate Services, Manager Infrastructure, Community Development Coordinator and Human Resource Officer and members of the public gallery left the meeting room at 5:00pm.

14.1 CEO PROBATIONARY REVIEW

FILE NUMBER:

AUTHOR: Ibrahim Macrae, Manager Governance Risk and Planning

AUTHORISER: Matthew Scott, Chief Executive Officer

DISCLOSURE(S) OF INTEREST: Author - Nil

Authoriser - Financial

ISLAND: Shire Wide

The Council is satisfied that, pursuant to Section 5.23 of the *Local Government Act 1995*, the information to be received, discussed or considered in relation to this agenda item is:

- (2)(b) A matter relating to the recruitment or employment of the CEO or a senior employee, including (i) the termination of employment; or (ii) a review of performance under section 5.38 of the Act
- (4)(b) Information relating to the personal affairs of an individual;.

AUTHORITY/DISCRETION

Definition

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☐	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
☐	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
☐	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

REPORT PURPOSE

The purpose of this report is to present Council with the outcomes of the Chief Executive Officer's probationary performance review and seek Council's endorsement of the review findings and confirmation of the CEO's ongoing appointment.

RESOLUTION - ITEM NO 14.1 OCM/26/085

MOVED: CR

FOWLER

SECONDED: CR A BADLU

THAT COUNCIL, BY SIMPLE MAJORITY:

- 1. NOTES THAT THE PROBATIONARY PERFORMANCE REVIEW OF MR WILLIAM MATTHEW SCOTT, CHIEF EXECUTIVE OFFICER, HAS BEEN COMPLETED FOR THE PERIOD JANUARY 2026 TO JULY 2026.**
- 2. ENDORSES THE FINDINGS OF THE CEO PROBATIONARY PERFORMANCE REVIEW REPORT PREPARED FOLLOWING THE INDEPENDENT REVIEW UNDERTAKEN BY PRICE CONSULTING GROUP.**
- 3. CONFIRMS THE ONGOING APPOINTMENT OF MR WILLIAM MATTHEW SCOTT AS CHIEF EXECUTIVE OFFICER, HAVING SATISFIED THE PERFORMANCE EXPECTATIONS OF THE PROBATIONARY PERIOD.**
- 4. ACKNOWLEDGES AND THANKS MR SCOTT FOR HIS CONTRIBUTION, LEADERSHIP AND COMMITMENT DURING THE PROBATIONARY PERIOD.**
- 5. ENDORSES THE PROPOSED CEO PERFORMANCE PRIORITIES FOR THE REMAINDER OF 2026.**
- 6. NOTES THAT THE CEO PERFORMANCE CYCLE WILL ALIGN WITH THE CALENDAR YEAR AND THAT THE FULL KPI FRAMEWORK WILL BE CONSIDERED AS PART OF THE ANNUAL CEO PERFORMANCE REVIEW PROCESS.**

THE MOTION WAS PUT AND DECLARED CARRIED (5/0)

FOR: CRS ISA MINKOM, AZAH BADLU, SIGNA KNIGHT, LEVI FOWLER AND OSMAN SLOAN

AGAINST: NIL

The CEO, Manager Governance, Risk and Planning, Manager Finance Corporate Services, Manager Infrastructure, Community Development Coordinator and Human Resource Officer returned to the meeting at 5:05pm. Council proceeded to item 14.2 of the agenda.

14.2 COMMUNITY FUNDING PROGRAM.

FILE NUMBER:

AUTHOR: Aindil Minkom, Community Development Coordinator

AUTHORISER: Matthew Scott, Chief Executive Officer

DISCLOSURE(S) OF INTEREST: Author - Nil

Authoriser - Nil

ISLAND: Shire Wide

The Council is satisfied that, pursuant to Section 5.23 of the *Local Government Act 1995*, the information to be received, discussed or considered in relation to this agenda item is:

(4)(b) Information relating to the personal affairs of an individual;

AUTHORITY/DISCRETION

Definition

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☐	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
☐	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

REPORT PURPOSE

The purpose of this report is to seek Council's endorsement to proceed with providing funding to the applicant under the Community Funding Program.

RESOLUTION - ITEM NO 14.2 OCM/26/086

MOVED: CR FOWLER

SECONDED: CR A BADLU

THAT COUNCIL, BY SIMPLE MAJORITY :

- 1. NOTES AND APPROVES THE COMMUNITY FUNDING PROGRAM APPLICATION, RECEIVED, AS DETAILED AND ATTACHED IN THIS REPORT; AND**
- 2. AUTHORISE THE CHIEF EXECUTIVE OFFICER TO PUBLISH THE NAME, PURPOSE AND FUNDING AMOUNT APPROVED FOR THE SUCCESSFUL APPLICANT.**

THE MOTION WAS PUT AND DECLARED CARRIED (5/0)

FOR: CRS ISA MINKOM, AZAH BADLU, SIGNA KNIGHT, LEVI FOWLER AND OSMAN SLOAN

AGAINST: NIL

RESOLUTION OCM/26/087

MOVED: CR A BADLU

SECONDED: CR O SLOAN

THAT COUNCIL RESOLVES TO MOVE OUT OF CLOSED DOOR AT 5:06PM.

THE MOTION WAS PUT AND DECLARED CARRIED (5/0)

FOR: CRS ISA MINKOM, AZAH BADLU, SIGNA KNIGHT, LEVI FOWLER AND OSMAN SLOAN

AGAINST: NIL

15 MATTERS RELATING TO THE LAND TRUSTS



The Australian Government transferred ownership of portions of land on the Cocos (Keeling) Islands, under two separate deeds, to the Territory's local government being the Cocos (Keeling) Islands Council. On 1 July 1992, the Territories Law Reform Act came into effect by which the Commonwealth Government applied Western Australian laws to the Cocos (Keeling) Islands. The Local Government (Transition) Ordinance 1992 established the Shire of the Cocos (Keeling) Islands by absorbing the Cocos (Keeling) Islands Council. By this arrangement, the body corporate called the Shire of Cocos (Keeling) Islands became the Trustee for both Land Trusts. Decisions relating to the Trust are made by Council as the decision-making arm of the body corporate.

The 1979 Deed: The 1979 Trust Deed applies to all of the land above the high-water mark on Home Island, except Lot 13, Lot 14 and Pulu Gangsa (Cemetery Island). The Deed states that the land is to be held 'upon trust for the benefit, advancement and wellbeing of the community formed by the Kampong residents.' No other terms were expressed in the Deed. 'Kampong residents' were described in the 1979 Trust Deed as 'the residents from time to time of the Kampong area'.

The 1984 Deed: The 1984 Trust Deed applies to all parcels of land situated and being above high-water mark within the Cocos (Keeling) Islands, including North Keeling Island, but not including parcels of land as described in the First Schedule of the 1984 Trust Deed. This transferred land was to be held by the Council (and later, by its successor, the Shire) 'upon trust for the benefit, advancement and wellbeing of the Cocos (Keeling) Islander's resident in the Territory on land owned by the Council.'

15.1 TRUSTS ADMINISTRATION

Nil

17 DECISIONS MADE WHILE MEETING WAS CLOSED TO THE PUBLIC

Nil

18 CLOSE OF MEETING

The Presiding member declared the meeting closed at 5:06pm.

These minutes were confirmed at a meeting on

SIGNED this day of 2025

as a true record of proceedings.

PRESIDING MEMBER

8 ANNOUNCEMENTS BY THE PRESIDING MEMBER AND COUNCILLORS

Nil

9 DECLARATION OF INTEREST

Councillors are to complete a Disclosure of Interest Form for each item they are required to disclose an interest in. The Form should be given to the Presiding Member before the meeting commences. After the meeting, the Form is to be provided to the Governance and Risk Coordinator for inclusion in the Disclosures Register.

10 REPORTS FROM COMMITTEES AND OFFICERS

10.1 CHIEF EXECUTIVE OFFICER

Nil

10.2 GOVERNANCE, RISK AND PLANNING

Nil

10.3 FINANCE AND CORPORATE SERVICES

10.3.1 MONTHLY FINANCIAL REPORT - JULY 2026

FILE NUMBER:

AUTHOR: David Tombs, Manager Finance and Corporate Services

AUTHORISER: Matthew Scott, Chief Executive Officer

DISCLOSURE(S) OF INTEREST: Author - Nil

Authoriser - Nil

ISLAND: Shire Wide

ATTACHMENTS: 10.3.1.1 - July 2026 Shire Budget Report [↓](#)

AUTHORITY/DISCRETION

Definition

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☒	Executive	<i>The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>

☐	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
☐	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
☐	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

REPORT PURPOSE

The purpose of this report is to provide the monthly and year-to-date financial report for July 2026, which includes rating, investment, reserve, debtor, and general financial information to Elected Members in accordance with Section 6.4 of the *Local Government Act 1995 (WA) (CKI)*.

BACKGROUND

The reporting of monthly financial information is a requirement under section 6.4 of the *Local Government Act 1995 (WA) (CKI)*, and Regulation 34 of the *Local Government (Financial Management) Regulations 1996* and provides oversight of the Shire's finances to Council.

COMMENTS

The period of review is the 1 month ended 31 July 2026.

General Commentary

As advised in the July 2025 Agenda for this item, it is generally regarded that monthly financial reporting for the first 3 months of a financial year is not particularly useful (compared to the other months) unless, of course, something significant and unforeseen has occurred.

- The first 3 months of a financial year can be heavily influenced by timing differences of, for example, suppliers providing their invoices to the Shire.
- Further, as the 2025/2026 financial year figures are still being finalised several 'opening figures' are still being updated (this is especially relevant when considering Reserves and Opening Surplus figures).
- Also, monthly Depreciation for 2026/2027 cannot be processed until the 2025/2026 financial figures are finalised.

Monthly Figures Commentary

Income for the year to date is:

- | | | |
|----------------------|--------|-----------------|
| • Operating Revenues | \$1.1m | (budget \$1.1m) |
| • Capital Revenues | \$0.0m | (budget \$0.0m) |
| • Total | \$1.1m | (budget \$1.1m) |

(cash receipts were significantly higher due to .CC revenue being received in July – but this is either recorded in the 2025/26 financial year or offset against debtors)

Council's expenditure for the year to date is:

- Operating Expenditure \$0.54m (budget \$0.97m)

Details of all material variances against the current budget are provided in the notes to the Monthly Financial Report contained within attachment 10.3.1.1.

One of the large Operating Expenditure variances for July relates to Insurance (variance is \$95k). The Shire paid its first invoices in August 2026 (budget is in July) – these totalled around \$300k. As explained by the CEO in June 2026 the Financial Delegation 7.1.3 allows the CEO to approve such expenditure. Further these costs are spread across the Shire and the two Land Trusts which significantly reduces the amount of this \$300k that actually relates to the Shire's funds.

POLICY AND LEGISLATION IMPLICATIONS

Regulation 34 of the *Local Government (Financial Management) Regulations 1996* requires all Local Governments to prepare each month a Statement of Financial Activity reporting on the revenue and expenditure for the month.

Financial Management Regulation 34 also requires this statement to be accompanied by:

- a. An explanation of the composition of the net current assets, less committal assets and restricted assets;
- b. An explanation of material variances; and
- c. Such supporting information that is relevant to the Local Government

FINANCIAL IMPLICATIONS

As discussed within the Report and attachments.

STRATEGIC IMPLICATIONS

Theme

L Leadership

Goal

L2 To ensure that Shire resources are utilised in a manner that represents the best interest of the whole community

Strategy

L2.1 Responsible financial management utilizing resources to meet legislative requirements and community expectations

RISK IMPLICATIONS

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action

Financial	That budget allocations are significantly exceeded.	Moderate (6)	Variances are monitored and highlighted to Council on a monthly basis for corrective action.
Reputation	The monthly financial statements are open to public scrutiny.	Low (3)	Procedures in place to ensure all expenditure is justifiable.
Compliance	The report is to be presented to Council within two months in order to comply with relevant legislation.	Low (3)	There are processes in place to ensure compliance with legislation.
Fraud	That the report is manipulated.	Low (3)	Interim and end of year audits.

Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

VOTING REQUIREMENT

Simple Majority

CONCLUSION

That the Monthly Financial Report for the period ending 31 July 2026, including explanations of material variances, be received.

OFFICER RECOMMENDATION – ITEM NO 10.3.1

THAT COUNCIL, BY SIMPLE MAJORITY, PURSUANT TO THE *LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996*

- 1. RECEIVES THE MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDING 31 JULY 2026, AS CONTAINED IN ATTACHMENT 1 AND**
- 2. ACCEPTS THE EXPLANATIONS FOR MATERIAL VARIANCES FOR THE PERIOD ENDING 31 JULY 2026, AS CONTAINED IN ATTACHMENT 1.**

SHIRE OF (COCOS) KEELING ISLANDS**MONTHLY FINANCIAL REPORT**

**(Containing the required statement of financial activity and statement of financial position)
FOR THE PERIOD ENDED 31 JULY 2026**

***LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996***

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SHIRE OF (COCOS) KEELING ISLANDS
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2026

Note	Budget Estimates (a) \$	YTD Budget Estimates (b) \$	YTD Actual (c) \$	Variance* \$ (c) - (b)	Variance* % ((c) - (b))/(b)	Var.
OPERATING ACTIVITIES						
Revenue from operating activities						
General rates	534,131	534,131	527,427	(6,704)	(1.26%)	
Rates excluding general rates	31,720	31,720	31,720	0	0.00%	
Grants, subsidies and contributions	6,329,249	92,000	96,330	4,330	4.71%	
Fees and charges	768,796	339,060	303,182	(35,878)	(10.58%)	
Interest revenue	420,000	54,416	78,193	23,777	43.69%	
Other revenue	5,528,000	2,332	15,442	13,110	562.18%	
	13,611,896	1,053,659	1,052,294	(1,365)	(0.13%)	
Expenditure from operating activities						
Employee costs	(5,059,068)	(405,637)	(323,228)	82,409	20.32%	▲
Materials and contracts	(3,446,092)	(267,972)	(220,431)	47,541	17.74%	
Utility charges	(289,787)	(24,142)	0	24,142	100.00%	
Depreciation	(1,965,787)	(163,799)	0	163,799	100.00%	▲
Finance costs	(500)	(41)	0	41	100.00%	
Insurance	(190,324)	(94,953)	0	94,953	100.00%	▲
Other expenditure	(1,301,021)	(12,442)	(438)	12,004	96.48%	
	(12,252,579)	(968,986)	(544,097)	424,889	43.85%	
Non cash amounts excluded from operating activities	2(c) 1,931,431	129,443	0	(129,443)	(100.00%)	▼
Amount attributable to operating activities	3,290,748	214,116	508,197	294,081	137.35%	
INVESTING ACTIVITIES						
Inflows from investing activities						
Proceeds from capital grants, subsidies and contributions	500,000	41,666	0	(41,666)	(100.00%)	
Proceeds from disposal of assets	0	0	0	0	0.00%	
	500,000	41,666	0	(41,666)	(100.00%)	
Outflows from investing activities						
Acquisition of property, plant and equipment	(1,998,202)	0	0	0	0.00%	
Acquisition of infrastructure	(3,111,912)	(1,000)	0	1,000	100.00%	
Payments for intangible assets	0	0	0	0	0.00%	
	(5,110,114)	(1,000)	0	1,000	100.00%	
Amount attributable to investing activities	(4,610,114)	40,666	0	(40,666)	(100.00%)	
FINANCING ACTIVITIES						
Inflows from financing activities						
Transfer from reserves	5,790,185	0	0	0	0.00%	
	5,790,185	0	0	0	0.00%	
Outflows from financing activities						
Payments for principal portion of lease liabilities	(12,909)	(2,432)	(2,432)	0	0.00%	
Transfer to reserves	(10,571,842)	(32,000)	0	32,000	100.00%	
	(10,584,751)	(34,432)	(2,432)	32,000	92.94%	
Amount attributable to financing activities	(4,794,566)	(34,432)	(2,432)	32,000	92.94%	
MOVEMENT IN SURPLUS OR DEFICIT						
Surplus or deficit at the start of the financial year	2(a) 0	0	9,138,670	9,138,670	0.00%	
Amount attributable to operating activities	3,290,748	214,116	508,197	294,081	137.35%	▲
Amount attributable to investing activities	(4,610,114)	40,666	0	(40,666)	(100.00%)	
Amount attributable to financing activities	(4,794,566)	(34,432)	(2,432)	32,000	92.94%	
Surplus or deficit after imposition of general rates	(6,113,932)	220,350	9,644,435	9,424,085	4276.86%	▲

KEY INFORMATION

- ▲ ▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data outside the adopted materiality threshold.
 - ▲ Indicates a variance with a positive impact on the financial position.
 - ▼ Indicates a variance with a negative impact on the financial position.
- Refer to Note 3 for an explanation of the reasons for the variance.

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

**SHIRE OF (COCOS) KEELING ISLANDS
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 JULY 2026**

	Actual 30 June 2026	Actual as at 31 July 2026
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	16,213,585	20,068,860
Trade and other receivables	7,902,336	4,917,733
Inventories	70,867	75,247
Other assets (accrued income)	44,595	79,818
TOTAL CURRENT ASSETS	24,231,383	25,141,658
NON-CURRENT ASSETS		
Trade and other receivables	11,896,177	11,896,177
Property, plant and equipment	14,814,097	14,833,824
Infrastructure	9,768,744	9,440,274
Right-of-use assets	7,388	0
Intangible assets	2,000	2,000
TOTAL NON-CURRENT ASSETS	36,488,406	36,172,275
TOTAL ASSETS	60,719,789	61,313,933
CURRENT LIABILITIES		
Trade and other payables	364,557	705,050
Contract liabilities	3,183,660	3,183,660
Lease liabilities	114	(2,317)
Employee related provisions	512,351	512,351
TOTAL CURRENT LIABILITIES	4,060,682	4,398,744
NON-CURRENT LIABILITIES		
Lease liabilities	5,271	5,271
Employee related provisions	63,852	63,852
TOTAL NON-CURRENT LIABILITIES	69,123	69,123
TOTAL LIABILITIES	4,129,805	4,467,867
NET ASSETS	56,589,984	56,846,066
EQUITY		
Retained surplus	35,604,272	35,860,354
Reserve accounts	11,445,318	11,445,318
Revaluation surplus	9,540,394	9,540,394
TOTAL EQUITY	56,589,984	56,846,066

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

SHIRE OF (COCOS) KEELING ISLANDS
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2026

1 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

BASIS OF PREPARATION

This prescribed financial report has been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996*, prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

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

Local Government (Financial Management) Regulations 1996, regulation 34 prescribes contents of the financial report. Supplementary information does not form part of the financial report.

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.

PREPARATION TIMING AND REVIEW

Date prepared: All known transactions up to 07 August 2026

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.

MATERIAL ACCOUNTING POLICIES

Material accounting policies utilised in the preparation of these statements are as described within the current Annual Budget. Please refer to the adopted budget document for details of these policies.

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 believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values 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
 - Infrastructure
- Impairment losses of non-financial assets
- Expected credit losses on financial assets
- Assets held for sale
- Investment property
- Estimated useful life of intangible assets
- Measurement of employee benefits
- Measurement of provisions
- Estimation uncertainties and judgements made in relation to lease accounting

SHIRE OF (COCOS) KEELING ISLANDS
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2026

2 NET CURRENT ASSETS INFORMATION

(a) Net current assets used in the Statement of Financial Activity

	Budget Opening 1 July 2026	Actual as at 30 June 2026	Actual as at 31 July 2026
Note	\$	\$	\$
Current assets			
Cash and cash equivalents	15,805,128	16,213,585	20,068,860
Trade and other receivables	5,105,246	7,902,336	4,917,733
Inventories	54,507	70,867	75,247
Other assets	44,595	44,595	79,818
	<u>21,009,476</u>	<u>24,231,383</u>	<u>25,141,658</u>
Less: current liabilities			
Trade and other payables	(113,399)	(364,557)	(705,050)
Contract liabilities	0	(3,183,660)	(3,183,660)
Lease liabilities	(7,817)	(114)	2,317
Employee related provisions	(512,351)	(512,351)	(512,351)
	<u>(633,567)</u>	<u>(4,060,682)</u>	<u>(4,398,744)</u>
Net current assets	<u>20,375,909</u>	<u>20,170,701</u>	<u>20,742,914</u>
Less: Total adjustments to net current assets Under Review	2(b) (11,181,718)	(11,032,031)	(11,098,464)
Closing funding surplus / (deficit)	9,194,191	9,138,670	9,644,435

(b) Current assets and liabilities excluded from budgeted deficiency

Adjustments to net current assets			
Less: Reserve accounts	(11,571,453)	(11,445,318)	(11,445,318)
Less: Current assets not expected to be received at end of year			
- Current financial assets at amortised cost - self supporting loans			
- Interfund transfer	0	0	(64,002)
Add: Current liabilities not expected to be cleared at the end of the year			
- Current portion of lease liabilities	5,270	114	(2,317)
- Current portion of employee benefit provisions held in reserve	384,465	413,173	413,173
Total adjustments to net current assets	2(a) (11,181,718)	(11,032,031)	(11,098,464)

(c) Non-cash amounts excluded from operating activities

	Amended Budget Estimates 30 June 2027	YTD Budget Estimates 31 July 2026	YTD Actual 31 July 2026
	\$	\$	\$
Adjustments to operating activities			
Add: Depreciation	1,965,787	163,799	0
Movement in current contract liabilities associated with restricted cash	(34,356)	(34,356)	0
Total non-cash amounts excluded from operating activities	1,931,431	129,443	0

CURRENT AND NON-CURRENT CLASSIFICATION

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. Unless otherwise stated assets or liabilities are classified as current if expected to be settled within the next 12 months, being the local governments' operational cycle.

SHIRE OF (COCOS) KEELING ISLANDS
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 JULY 2026

3 EXPLANATION OF MATERIAL VARIANCES

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date actual materially.

The material variance adopted by Council for the 2026-27 year is \$50,000 and 10.00% whichever is the greater.

Description

Expenditure from operating activities

Employee costs

Mainly caused by the initial Budget being based on 12 equal monthly amounts, not based on number of fortnights in each month. Variance will reduce when we have a three pay month.

Depreciation

Depreciation will not be run until the 2025/26 financial year is finalised.

Insurance

Insurance paid in August.

Non cash amounts excluded from operating activities

See Depreciation.

Surplus or deficit after imposition of general rates

Surplus of opening Net Current Assets compared to Reserve Accounts

Var. \$	Var. %	
\$	%	
82,409	20.32%	▲
163,799	100.00%	▲
94,953	100.00%	▲
(129,443)	(100.00%)	▼
9,424,085	4276.86%	▲

SHIRE OF (COCOS) KEELING ISLANDS**SUPPLEMENTARY INFORMATION****TABLE OF CONTENTS**

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2	Reserve Accounts
3	Capital Acquisitions
4	Disposal of Assets
5	Receivables
6	Payables
7	Grants, Subsidies and contributions
8	Rates
9	Land Trusts

SHIRE OF (COCOS) KEELING ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JULY 2026

1 CASH AND FINANCIAL ASSETS

Description	Classification	Unrestricted	Reserve Accounts	Total	Institution	Interest Rate	Maturity Date
		\$	\$	\$			
Municipal Fund - 7340 & 5474	Cash and cash equivalents	4,662,447	0	4,662,447	CBA	variable	NA
Term Deposit	Cash and cash equivalents	3,961,094	3,303,291	7,264,385	CBA	4.99%	4/11/26
Term Deposit		0	8,142,027	8,142,027	Bendigo	5.25%	4/12/26
Total		8,623,541	11,445,318	20,068,859			
Comprising							
Cash and cash equivalents		8,623,541	11,445,318	20,068,859			
		8,623,541	11,445,318	20,068,859			

KEY INFORMATION

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 net current assets.

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

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

Financial assets at amortised cost held with registered financial institutions are listed in this note other financial assets at amortised cost are provided in Note 5 - Other assets.

SHIRE OF (COCOS) KEELING ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JULY 2026

2 RESERVE ACCOUNTS

Reserve account name	Budget				Actual			
	Opening Balance	Transfers In (+)	Transfers Out (-)	Closing Balance	Opening Balance	Transfers In (+)	Transfers Out (-)	Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$
Reserve accounts restricted by Council								
Leave Reserve	384,465	11,534	(45,750)	350,249	413,173	0	0	413,173
Plant Reserve	1,277,948	1,609,395	(2,848,792)	38,551	1,088,493	0	0	1,088,493
Building Reserve	1,945,928	374,378	(437,186)	1,883,120	1,919,834	0	0	1,919,834
Furniture and Equipment Reserve	32,497	33,854	(50,000)	16,351	59,296	0	0	59,296
Self Insurance Reserve	116,466	3,494	0	119,960	125,163	0	0	125,163
Community Reserve	549,044	16,471	0	565,515	590,040	0	0	590,040
Climate Adaption Reserve	96,599	2,898	0	99,497	103,813	0	0	103,813
Land Trust Administration Reserve	84,083	2,522	0	86,605	85,139	0	0	85,139
Waste Management Reserve	0	313,800	(313,800)	0	0	0	0	0
IT & Communications Reserve	6,610,923	8,164,291	(1,694,657)	13,080,557	6,702,425	0	0	6,702,425
Infrastructure Reserve	473,500	39,205	(400,000)	112,705	357,942	0	0	357,942
	11,571,453	10,571,842	(5,790,185)	16,353,110	11,445,318	0	0	11,445,318

SHIRE OF (COCOS) KEELING ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JULY 2026

INVESTING ACTIVITIES

3 CAPITAL ACQUISITIONS

Capital acquisitions	Budget	YTD Budget	YTD Actual	YTD Variance
	\$	\$	\$	\$
Buildings	502,186	0	0	0
Plant and equipment	1,496,016	0	0	0
Acquisition of property, plant and equipment	1,998,202	0	0	0
Infrastructure	3,111,912	1,000	0	1,000
Acquisition of infrastructure	3,111,912	1,000	0	1,000
Total of PPE and Infrastructure	5,110,114	1,000	0	1,000
Synergy Upgrades	0	0	0	0
Acquisition of intangible asset	0	0	0	0
Total capital acquisitions	5,110,114	1,000	0	1,000
Capital Acquisitions Funded By:				
Capital grants and contributions	500,000	0	0	0
Other (disposals & C/Fwd)	0	0	0	0
Reserve accounts				
Plant Reserve	2,848,792	0	0	0
Building Reserve	437,186	0	0	0
Furniture and Equipment Reserve	50,000	0	0	0
IT & Communications Reserve	874,136	0	0	0
Infrastructure Reserve	400,000	0	0	0
Contribution - operations	0	1,000	0	(1,000)
Capital funding total	5,110,114	1,000	0	(1,000)

KEY INFORMATION

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.

**SHIRE OF (COCOS) KEELING ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JULY 2026**
INVESTING ACTIVITIES
3 CAPITAL ACQUISITIONS (CONTINUED) - DETAILED

		Amended		YTD Actual	Variance (Under)/Over
Account Description		Budget	YTD Budget		
		\$	\$	\$	\$
Buildings					
■ C282	Buildings And Minor Structure	217,186	0	0	0
■ C147	Hi Gym Security Upgrade	100,000	0	0	0
■ C187	Shade Over Central Park Playground Wi	15,000	0	0	0
■ C188	Shade Over Home Island Playground Next To Crc	50,000	0	0	0
■ C125	Hi Office And Toilets Upgrade	120,000	0	0	0
Plant, Furniture and Equipment					
■ C229	Can Bailer Wi	15,759	0	0	0
■ C272	Screen/Crusher Bucket	85,000	0	0	0
■ C275	Fuel Tank Diesel - Home Island	25,000	0	0	0
■ C302	Mower Flail Head	20,000	0	0	0
■ C303	Blower Wi	75,000	0	0	0
■ C271	Minor Plant & Equipment - Works/Depot >\$5K	15,000	0	0	0
■ C101	Office Furniture	50,000	0	0	0
Motor Vehicles					
■ C257	Replacement Of Buggies	100,860	0	0	0
■ C300	Street Sweeper Hi	200,000	0	0	0
■ C066	Elevated Work Platform	350,000	0	0	0
■ C067	Tractor With Mower	198,686	0	0	0
■ C239	Tractor And Flail Mower	198,686	0	0	0
■ C301	Slasher	20,000	0	0	0
■ C015	Water Tanks	100,000	0	0	0
■ C283	Fd12 Thermal Densifier	42,025	0	0	0
■	TOTAL PROPERTY PLANT AND EQUIPMENT	1,998,202	0	0	0
Roads					
■ 122210	Capital - Roads Renewal & Upgrade	1,016,636	0	0	0
■ C512	Jalan Kembang Molok - Flood Mitigation	200,000	0	0	0
		0	0	0	0
Other Infrastructure					
■ C165	Bbq Upgrades	30,000	0	0	0
■ C092	Pulu Gangsa Coastal Rehabilitation	100,000	0	0	0
■ C047	Hi Tennis Courts	100,000	1,000	0	1,000
■ C079	Direction Island Heritage Trail	10,000	0	0	0
■ C140	Playground Upgrade Home Island	150,000	0	0	0
■ C246	Boat Ramp Aprons And Matting	100,000	0	0	0
IT and Communications					
■ C054	Server New/Upgrade	1,050,625	0	0	0
■ C278	Wi To Hi Point To Point	147,088	0	0	0
■ C284	It Renewals - General	105,063	0	0	0
Tourism					
■ 131465	Capital Works - Other Infrastructure - Tourism And Area Promotion	102,500	0	0	0
■	TOTAL INFRASTRUCTURE	3,111,912	1,000	0	1,000
Intangible Assets					
		0	0	0	0
TOTAL INTANGIBLES		0	0	0	0
TOTAL		5,110,114	1,000	0	1,000

**SHIRE OF (COCOS) KEELING ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JULY 2026**

OPERATING ACTIVITIES

3 DISPOSAL OF ASSETS

Asset Ref.	Asset description	Budget				YTD Actual			
		Net Book	Proceeds	Profit	(Loss)	Net Book	Proceeds	Profit	(Loss)
		Value				Value			
		\$	\$	\$	\$	\$	\$	\$	\$
	Plant and equipment	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0

SHIRE OF (COCOS) KEELING ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JULY 2026

OPERATING ACTIVITIES

4 RECEIVABLES

Rates receivable	30 Jun 2026	31 Jul 2026
	\$	\$
Opening arrears previous year	237,743	108,032
Levied this year	540,136	559,147
Less - collections to date	(652,997)	(728,937)
Gross rates collectable	124,882	(61,758)
Allowance for doubtful debts	(16,850)	(16,850)
Net rates collectable	108,032	637,755
% Collected	83.9%	109.3%

Receivables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Rates and statutory receivables	(12,466)	173,566	3,270,397	66,023	245,903	3,743,423
Percentage	(0.3%)	4.6%	87.4%	1.8%	6.6%	
Balance per trial balance						
Rates and statutory receivables						637,755
Waste Debtors						545,306
Trade receivables						3,743,423
GST receivable						(10,554)
Allowance for credit losses of rates and statutory receivables						(16,850)
Levies Collected						18,653
Total receivables general outstanding						4,917,733

Amounts shown above include GST (where applicable)

KEY INFORMATION

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectable amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Classification and subsequent measurement

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

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

SHIRE OF (COCOS) KEELING ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JULY 2026

OPERATING ACTIVITIES

6 PAYABLES

Payables - general	Credit	Current	30 Days	60 Days	90+ Days	Total
	\$	\$	\$	\$	\$	\$
Payables - general	0	103,764	440	0	0	104,204
Percentage	0.0%	99.6%	0.4%	0.0%	0.0%	
Balance per trial balance						
Sundry creditors						104,204
Bonds and Deposits held						95,429
Prepaid rates						4,859
Total payables general outstanding						705,050
Amounts shown above include GST (where applicable)						

KEY INFORMATION

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the period 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 normally paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

SHIRE OF (COCOS) KEELING ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JULY 2026

OPERATING ACTIVITIES

7 GRANTS, SUBSIDIES AND CONTRIBUTIONS

Grants, subsidies and contributions revenue			
Provider	Amended Budget Revenue	YTD Budget	YTD Revenue Actual
	\$	\$	\$
Grants and subsidies			
Grants Commission General	5,150,000	0	0
Grant Funding (Non-Capital)-Other Culture	500,000	0	0
Mvr - Income	92,000	92,000	96,330
Jobseeker / Apprenticeship Scheme Incentives	40,000	0	0
	5,782,000	92,000	96,330
Contributions			
Fisheries Control - Income	507,249	0	0
Pest Control - Income	40,000	0	0
	547,249	0	0
TOTALS	6,329,249	92,000	96,330

SHIRE OF COCOS (KEELING) ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JULY 2026

OPERATING ACTIVITIES

8 RATE REVENUE

General rate revenue

RATE TYPE	YTD Actual						Budget	
	Rate in	Number of	Rateable	Rate	Interim/Back	Total	Rate	Total
	\$ (cents)	Properties	Value	Revenue	Rate Revenue	Revenue	Revenue	Revenue
				\$	\$	\$	\$	\$
Gross rental value								
General Developed	0.1087	163	3,328,000	361,853	0	361,853	361,853	361,853
Vacant	0.2158	9	21,300	4,597	0	4,597	11,647	11,647
Business	0.1216	66	1,330,865	161,846	(870)	160,976	160,630	160,630
Unimproved value								
Sub-Total		238	4,680,165	528,296	(870)	527,426	534,130	534,130
Minimum payment								
Gross rental value								
General Developed	870	3	3,540	2,610	0	2,610	2,610	2,610
Vacant	950	5	16,120	4,750	0	4,750	4,750	4,750
Business	870	27	77,030	23,490	0	23,490	24,360	24,360
Sub-total		35	96,690	30,850	0	30,850	31,720	31,720
Gross Total		273	4,776,855	559,146	(870)	558,276		565,850
Concession / Waiver						0		0
Total general rates				559,146	(870)	558,276	565,850	565,850

SHIRE OF (COCOS) KEELING ISLANDS
SUPPLEMENTARY INFORMATION
FOR THE PERIOD ENDED 31 JULY 2026

9 LAND TRUSTS

1979 LAND TRUST

	Adopted Budget	Current Budget	YTD Current Budget	YTD Actual	Variance
	\$	\$	\$	\$	\$
1979 LAND TRUST					
Revenue from operating activities					
Fees and charges	520,000	520,000	43,333	86,048	42,715
Other revenue	108,000	108,000	9,000	0	(9,000)
	628,000	628,000	52,333	86,048	33,715
Expenditure from operating activities					
Employee costs	(265,000)	(265,000)	(22,083)	(18,638)	3,445
Materials and contracts	(625,000)	(625,000)	(50,833)	(8,714)	42,119
Utility charges	(15,000)	(15,000)	(1,250)	0	1,250
Depreciation on non-current assets	(1,700,000)	(1,700,000)	(141,666)	0	141,666
Insurance expenses	(320,000)	(320,000)	0	0	0
	(2,925,000)	(2,925,000)	(215,832)	(27,352)	188,480
Operating result	(2,297,000)	(2,297,000)	(163,499)	58,697	222,196
Non-cash amounts excluded from operating activities	1,700,000	1,700,000	141,666	0	(141,666)
Amount attributable to operating activities	(597,000)	(597,000)	(21,833)	58,697	80,530

1984 LAND TRUST

	Adopted Budget	Current Budget	YTD Current Budget	YTD Actual	Variance
	\$	\$	\$	\$	\$
1984 LAND TRUST					
Revenue from operating activities					
Fees and charges	145,000	145,000	12,083	6,772	(5,311)
	145,000	145,000	12,083	6,772	(5,311)
Expenditure from operating activities					
Employee costs	(95,000)	(95,000)	(7,917)	(1,466)	6,451
Materials and contracts	(110,000)	(110,000)	(8,333)	0	8,333
Utility charges	(7,500)	(7,500)	(625)	0	625
Depreciation on non-current assets	(265,000)	(265,000)	(22,084)	0	22,084
Insurance expenses	(27,000)	(27,000)	0	0	0
	(504,500)	(504,500)	(38,959)	(1,466)	37,493
Operating result	(359,500)	(359,500)	(26,876)	5,305	32,181
Non-cash amounts excluded from operating activities	265,000	265,000	22,084	0	(22,084)
Amount attributable to operating activities	(94,500)	(94,500)	(4,792)	5,305	10,097
TOTAL INTERFUND	(691,500)	(691,500)	(26,625)	64,002	90,627

10.3.2 SCHEDULE OF ACCOUNTS PAID - JULY 2026

FILE NUMBER:

AUTHOR: Sally Badlu, Senior Finance Officer

AUTHORISER: David Tombs, Manager Finance and Corporate Services

DISCLOSURE(S) OF INTEREST: Author - Nil
Authoriser -

ISLAND:

ATTACHMENTS: 10.3.2.1 - List of Accounts Paid - July 2026 [↓](#)
10.3.2.2 - Credit Card Transaction - July 2026 [↓](#)
10.3.2.3 - Fuel Transaction - July 2026 [↓](#)

AUTHORITY/DISCRETION

Definition

☐	Advocacy	<i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
☐	Executive	<i>The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
☒	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
☐	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
☐	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

REPORT PURPOSE

The purpose of this report is to present to Council a list of accounts paid under delegated authority for the month of July 2026, as required by the *Local Government (Financial Management) Regulations 1996*.

BACKGROUND

The exercise of its power to make payments from the Shire's Municipal and Trust funds. In accordance with Regulation 13 of the *Local Government (Financial Management) Regulations 1996* a list of accounts paid is to be provided to Council, where such delegation is made.

COMMENTS

The following table summarises the payments for the period by payment type, with further details of the accounts paid contained within attachment 10.3.2.1.

Payment Type	Amount (\$)
EFT # 12466-12543 #	\$538,173.75
Cheque # 11794	\$2,123.90
Direct Payment	\$74,658.90
Total	\$614,956.55

Contained within attachment 10.3.2.2 and 10.3.2.3 is a detailed transaction listing of payments, including credit card expenditure and fuel card expenditure as per the Summary table above.

POLICY AND LEGISLATION IMPLICATIONS

The schedule of accounts paid is submitted in accordance with regulation 13(1) of the *Local Government (Financial Management) Regulations 1996*.

STRATEGIC IMPLICATIONS

Theme

L Leadership

Goal

L2 To ensure that Shire resources are utilised in a manner that represents the best interest of the whole community

Strategy

L2.1 Responsible financial management utilizing resources to meet legislative requirements and community expectations

RISK IMPLICATIONS

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Financial	There is a risk that payments may be made for unauthorised purposes or exceed approved budget allocations.	Moderate (8)	All payments are subject to established internal controls, including officer verification, delegated approval, and review against the adopted budget and procurement requirements prior to processing.
Reputation	As the Accounts Paid report is presented to	Moderate (8)	Due to above Mitigation Action all

	Council and forms part of the public record, any inappropriate expenditure may adversely impact public confidence in the Shire's governance and financial management.		payments should be bona-fide and accordingly not generate any reputational damage.
Compliance	Failure to present the Accounts Paid report to Council may result in non-compliance with applicable legislative and governance requirements.	Moderate (8)	The report is prepared and presented to Council in accordance with the Local Government (Financial Management) Regulations 1996 and the Shire's established monthly financial reporting processes.
Fraud	There is a risk that payment records or reporting may be manipulated.	Moderate (8)	Fraud risk is mitigated through segregation of duties, system access controls, payment authorisation limits, reconciliations, and management review prior to presentation to Council.

Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

VOTING REQUIREMENT

Simple Majority

CONCLUSION

It is recommended that Council receives the reports provided for the period July 2026.

OFFICER RECOMMENDATION – ITEM NO 10.3.2

THAT COUNCIL, BY SIMPLE MAJORITY, PURSUANT TO REGULATION 13(1) OF THE LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

- 1. RECEIVES THE REPORT FROM THE CHIEF EXECUTIVE OFFICER ON THE EXERCISE OF DELEGATED AUTHORITY IN RELATION TO PAYMENTS MADE FROM MUNICIPAL OR TRUST FUNDS FOR THE MONTH OF JULY 2026 TOTALLING \$614,956.55 AS CONTAINED IN ATTACHMENT 10.3.2.1.**
- 2. RECEIVES THE DETAILED TRANSACTION LISTING OF CREDIT CARD AND FUEL CARD EXPENDITURE FOR THE PERIOD JULY 2026, AS CONTAINED IN ATTACHMENT 10.3.2.2. AND 10.3.2.3.**

List of Accounts Paid Under Delegated Authority for the Month of July 2026				
Chq/EFT	Date	Name	Description	Amount
11794	30/07/2026	State Revenue Department	Disbursement MVR for June 2026	\$ 2,123.90
		Total Cheque Payment		\$ 2,123.90
EFT12466	07/07/2026	Alexander Colquhouns & Sons P/L	Freight charges	\$ 585.22
EFT12467	07/07/2026	Australia Post	Postage Stamps	\$ 764.09
EFT12468	07/07/2026	Boc Ltd	Container Services period 29.05.2026-27.06.2026	\$ 79.77
EFT12469	07/07/2026	Cocos Communications And IT Pty Ltd	Provision of Internet & Digital Infrastructure, Operations & Management For May 2026	\$ 57,300.79
EFT12470	07/07/2026	CPM Licencing	Renewal Registration for Shire motor vehicle-C1884	\$ 409.60
EFT12471	07/07/2026	Department Of Mines, Industry Regulation And Safety	Building Service Levy month June 2026	\$ 113.30
EFT12472	07/07/2026	Department of Transport	Disbursement MVR for May 2026	\$ 9,571.85
EFT12473	07/07/2026	Graham & Annelies Flynn	Call out and cut Keys for House 16 WI	\$ 170.00
EFT12474	07/07/2026	Halsall & Associates	Planning Services-5 Qantas Close	\$ 110.00
EFT12475	07/07/2026	Carolyn Lambert	Refund camping permit date 17..7.26-09.08.26	\$ 360.00
EFT12476	07/07/2026	McIntosh & Son	Purchase Alternator	\$ 1,081.98
EFT12477	07/07/2026	Mcleods Lawyers Pty Ltd	Provisional Fees-Review of Lease Submission	\$ 290.00
EFT12478	07/07/2026	Mo Sparks Electrical	Disconnect/Reconnect Electrical Pondok Indah, Replace Faulty Switches	\$ 1,370.00
EFT12479	07/07/2026	MLB Paint Distributors	Supply Hempathane (Cyclone Shelter)	\$ 4,624.10
EFT12480	07/07/2026	Midland Road And Trail & Co	Supply 4 Skid Steer Tyres	\$ 1,331.00
EFT12481	07/07/2026	Nextgen Skills	Apprentice -Certificate III in Plumbing (Musahirin Shakirin)	\$ 4,900.58
EFT12482	07/07/2026	Souce To Sea Pty Ltd	Investigate and Report on leak to Solar Hot water	\$ 312.50
EFT12483	07/07/2026	Talis Consultants	Cocos (Keeling) Islands CHRMAP Review Adaption Project Proposal	\$ 2,000.00
EFT12484	07/07/2026	Telstra	Mobile charges Phone Satellite	\$ 54.56
EFT12485	07/07/2026	Total Tools Kewdale	Purchase air coupling kit	\$ 194.00
EFT12486	07/07/2026	Visimax Safty Products	Supply notebook and covers	\$ 284.28
EFT12487	07/07/2026	Water Corporation	Kampong Water Usage & Sewerage Service Charges p/e 20.04.2026-30.06.2026 (Hse 1-99,216,217.218, Lot 204,202	\$ 41,966.89
EFT12488	07/07/2026	Bob Waddell & Associates Pty Ltd	Provided Assistance with Rates	\$ 2,992.00
EFT12489	07/07/2026	Australian Services Union	Payroll deductions	\$ 53.00
EFT12490	07/07/2026	Australian Taxation Office	Payroll deductions	\$ 55,933.00
EFT12491	07/07/2026	Shire of Cocos (Keeling) Islands	Disbursement MVR for May 2026	\$ 1,429.03
EFT12492	08/07/2026	DITRDCSA	Electricity charges for-For all Shire Properties April to June 2026	\$ 10,219.45
EFT12493	08/07/2026	Cocos (K) Islands Golf Club Inc	Grant Proram: (Adopt-A-Spot)	\$ 80.00
EFT12494	08/07/2026	Cocos (Keeling) Islands Tourism Association Inc.	Hours Carried HI Museum month April, May & June 2026	\$ 2,714.88
EFT12495	08/07/2026	CPM Licencing	Renewal Registration for Shire motor vehicel-C1964	\$ 879.70
EFT12496	08/07/2026	Focus Networks	Managed Proactive Service for June 2026	\$ 3,826.00
EFT12497	08/07/2026	Global Synthetics Pty Ltd	Purchase GSC Aluminium Filling Fram	\$ 11,128.00
EFT12498	08/07/2026	Osman Macrae	Hari Raya Light Competition 2025 (3rd Place)	\$ 100.00
EFT12499	08/07/2026	Amid Mocksen	Hari Raya Light Competition 2024 (2nd Place)	\$ 150.00
EFT12500	08/07/2026	Nordic Fitness Equipment	Purchase Rubber Tile/Gym Mat	\$ 2,631.00
EFT12501	08/07/2026	Qed Environment Services Pty Ltd	Site Survey, Sample Analaysia and Review of the Site Asbestos Register	\$ 21,145.00
EFT12502	08/07/2026	Water Corporation	Water & Sewerage Service Charges	\$ 1,575.34
EFT12503	20/07/2026	B.M Refrigeration	Check/Removal old a/c install new a/c	\$ 2,795.00
EFT12504	20/07/2026	Cocos (K) Islands Community Resource Centre	Atoll Funding 01.07.2026-30.06.2027	\$ 26,279.74
EFT12505	20/07/2026	Cultural Infusion (Int) Pty Ltd	Program Booking:Shire of Cocos Keeling Islands-Wayang Kulit Dalang Sumardi Package	\$ 8,000.00
EFT12506	20/07/2026	Freightshop	Freight charges for-Welder (Toolmart)	\$ 605.92
EFT12507	20/07/2026	Himac Attachments	Purchase Chain Galvanised	\$ 207.95
EFT12508	20/07/2026	Infocouncil Pty Ltd	Annual License Fee,Annual Helpdesk Fee-01.07.2026-30.06.2027	\$ 14,522.97
EFT12509	20/07/2026	IT Vision	IT Vision Annual Subscription	\$ 38,745.10
EFT12510	20/07/2026	JC Consulting	Flight Reimbursement-November 2026	\$ 2,092.44
EFT12511	20/07/2026	Jones Lang LaSalle Pty Ltd	Office Rent for-Office 3 Morea Crescent mont July 2026	\$ 1,215.80
EFT12512	20/07/2026	Local Government Professionals Australia WA	2026-2027 Bronze Local Government Subscription	\$ 1,841.82
EFT12513	20/07/2026	Multiwave Networks Pty Ltd	NBN Sky Muster Premium month July 2026	\$ 297.00
EFT12514	20/07/2026	Nextgen Skills	PLI Stage 4 Books for Mushirin Shakirin	\$ 100.00
EFT12515	20/07/2026	Porter Equipment Australia Pty Ltd	Purchase Parts for C1921	\$ 75.40
EFT12517	20/07/2026	Toolmart Belmont	Supply Circular Saw Blade	\$ 444.85
EFT12518	23/07/2026	Civic Legal	Professional Fees-Advice on Amendments to Public Places and Local Government Property Local Law and other matters.	\$ 24,903.22
EFT12519	23/07/2026	CPM Licencing	Renewal Registration for Shire Vehicle-C1889	\$ 1,434.65
EFT12520	23/07/2026	Mo Sparks Electrical	Replace Faulty Lights in Hallway	\$ 4,075.00
EFT12521	23/07/2026	Midland Road And Trail & Co	Supply 4 Truck Tyres-C1845,C1884,C1884	\$ 3,010.00
EFT12522	23/07/2026	Stainless Fastener Supplies Pty Ltd	Purchasr material for Kampong Mtc	\$ 4,667.20

EFT12523	23/07/2026	Musahirin Shakirin	Travel Allowance for (Tafe Block Release 17.07.2026-03.08.2026	\$ 1,430.40
EFT12524	23/07/2026	Talis Consultants	Cocos (Keeling) Island CHRMAP Review Adaption Project Proposal	\$ 2,785.00
EFT12525	23/07/2026	Thinkproject	Asset Owner Annual Enterprises Licence Support and Maintenance fee period 01 July 2026-30 June 2027	\$ 7,989.12
EFT12526	23/07/2026	Bob Waddell & Associates Pty Ltd	Assistance Providing Rates Service	\$ 2,024.00
EFT12527	30/07/2026	Australian Services Union	Payroll deductions	\$ 55.00
EFT12528	30/07/2026	Australian Taxation Office	Payroll deductions	\$ 63,068.00
EFT12529	30/07/2026	Shire of Cocos (Keeling) Islands	Disbursement MVR for June 2026	\$ 962.25
EFT12530	30/07/2026	Bureau Of Meteorology	Recover electricity cost Cocos Island p/e 01.04.2026 to 30.06.2026	\$ 143.60
EFT12531	30/07/2026	Georgie Clunies-ross	Atoll Distributors month July 2026	\$ 90.00
EFT12532	30/07/2026	CPM Licencing	Renewal Registration for Shire vehicle C1965	\$ 439.85
EFT12533	30/07/2026	Dash Digital	Hosting Caretaker July 2026	\$ 164.00
EFT12534	30/07/2026	Department of Transport	Disbursement MVR for June 2026	\$ 19,540.90
EFT12535	30/07/2026	Focus Networks	Focus Network Managed Proactive Service	\$ 4,287.00
EFT12536	30/07/2026	Halsall & Associates	Being Planning Services period 01.07.2026-30.06.2027 (Sea Container-Cocos Island Airport)	\$ 577.50
EFT12537	30/07/2026	Jones Lang LaSalle Pty Ltd	Office Rent month August 2026	\$ 1,215.80
EFT12538	30/07/2026	LGIS Broking	Worker's Compensation-Endorsment period 30.06.2025 to 30.06.2026	\$ 4,316.09
EFT12539	30/07/2026	Local Government Professionals Australia WA	2026-2027 Affiliate Membership for-Luluilmaknun Sloan	\$ 172.73
EFT12540	30/07/2026	Ariella Izzara Mazlan	Atoll Distributors for month July 2026	\$ 75.00
EFT12541	30/07/2026	Shafina Tun Najah Shakirin	Atoll Distributors month July 2026	\$ 75.00
EFT12542	30/07/2026	Qed Environment Services Pty Ltd	Proposal-Asbestos Management Programme	\$ 32,436.00
EFT12543	30/07/2026	Insurance Commission of Western Australia	Disbursement MVR for June 2026	\$ 18,281.54
		Total Eftpos Payment		\$ 538,173.75
DD12114.1	12/07/2026	Australian Super	Superannuation contributions	\$ 1,787.76
DD12114.2	12/07/2026	Commonwealth Life Superannuation Mastertrust	Payroll deductions	\$ 656.28
DD12114.3	12/07/2026	GESB Super	Superannuation contributions	\$ 66.00
DD12114.4	12/07/2026	Unisuper	Payroll deductions	\$ 1,226.94
DD12114.5	12/07/2026	AXA Australia	Superannuation contributions	\$ 3,378.23
DD12114.6	12/07/2026	Aware Super	Superannuation contributions	\$ 10,324.27
DD12114.7	12/07/2026	Vision Super	Superannuation contributions	\$ 1,311.54
DD12114.8	12/07/2026	Panorama Super	Superannuation contributions	\$ 1,375.14
DD12114.9	12/07/2026	Rest Superannuation	Superannuation contributions	\$ 1,141.09
DD12133.1	15/07/2026	Viva Energy Australia Ltd	Fuel Purchased for June 2026	\$ 7,081.68
DD12149.1	26/07/2026	Australian Super	Superannuation contributions	\$ 1,933.46
DD12149.2	26/07/2026	Commonwealth Life Superannuation Mastertrust	Payroll deductions	\$ 667.32
DD12149.3	26/07/2026	Australian Super	Superannuation contributions	\$ 405.10
DD12149.4	26/07/2026	Unisuper	Payroll deductions	\$ 1,226.94
DD12149.5	26/07/2026	AXA Australia	Superannuation contributions	\$ 3,458.66
DD12149.6	26/07/2026	Aware Super	Superannuation contributions	\$ 10,741.91
DD12149.7	26/07/2026	Vision Super	Superannuation contributions	\$ 1,311.54
DD12149.8	26/07/2026	Panorama Super	Superannuation contributions	\$ 1,373.36
DD12149.9	26/07/2026	Rest Superannuation	Superannuation contributions	\$ 1,089.71
DD12160.1	27/07/2026	Mastercard	See Attachements	\$ 240.52
DD12162.1	27/07/2026	Mastercard	See Attachements	\$ 5,563.29
DD12168.1	27/07/2026	Mastercard	See Attachements	\$ 14,871.03
DD12114.10	12/07/2026	Australian Super	Superannuation contributions	\$ 1,034.16
DD12114.11	12/07/2026	N Champagne SMSF	Superannuation contributions	\$ 202.84
DD12114.12	12/07/2026	ANZ Smart Choice Super	Superannuation contributions	\$ 350.86
DD12149.10	26/07/2026	Australian Super	Superannuation contributions	\$ 1,088.25
DD12149.11	26/07/2026	N C SMSF	Superannuation contributions	\$ 400.16
DD12149.12	26/07/2026	ANZ Smart Choice Super	Superannuation contributions	\$ 350.86
		Total Direct Debit Payment		\$ 74,658.90
		Total Transaction for the Month of July 2026		\$ 614,956.55

Item 10.3.2 - Attachment 2

Detailed Fuel Card Transactions for June 2026 (Paid in July 2026)						
Date	Card Number	Registration	Product	Quantity	Per Litre	Total
30.06.2026	7034303113549169	N/A	DIESEL	156.01	\$ 3.21	\$ 500.65
26.06.2026	7034301108997906	C1898	DIESEL	44.55	\$ 3.21	\$ 142.96
25.06.2026	7034301108997906	C1898	DIESEL	61.99	\$ 3.21	\$ 198.93
23.06.2026	7034303113549169	N/A	DIESEL	145.49	\$ 3.21	\$ 466.89
22.06.2026	7034301108997880	C1895	DIESEL	62.2	\$ 3.21	\$ 199.61
19.06.2026	7034301108997898	C1897	DIESEL	62.81	\$ 3.21	\$ 201.56
15.06.2026	7034303113549169	N/A	DIESEL	90.6	\$ 3.21	\$ 290.75
11.06.2026	7034301108997906	C1898	DIESEL	61.34	\$ 3.21	\$ 196.85
10.06.2026	7034301108998433	C1454	DIESEL	50	\$ 3.21	\$ 160.45
09.06.2026	7034303113549169	N/A	DIESEL	461.45	\$ 3.21	\$1,480.84
09.06.2026	7034303113549169	N/A	DIESEL	317.7	\$ 3.21	\$1,019.53
04.06.2026	7034303113549169	N/A	DIESEL	144.43	\$ 3.21	\$ 463.49
03.06.2026	7034303113549169	N/A	DIESEL	450.01	\$ 3.21	\$1,444.13
01.06.2026	7034303113549169	N/A	DIESEL	98.17	\$ 3.21	\$ 315.04
Total				2206.75	\$ 3.21	\$7,081.68

10.3.3 APPROVAL TO VOTE AT CO-OP ADMINISTRATION MEETING

FILE NUMBER:

AUTHOR: David Tombs, Manager Finance and Corporate Services

AUTHORISER: Matthew Scott, Chief Executive Officer

DISCLOSURE(S) OF INTEREST: Author -
Authoriser -

ISLAND:

ATTACHMENTS: Nil

AUTHORITY/DISCRETION

Definition

☐	Advocacy	<i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
☒	Executive	<i>The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
☐	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
☐	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
☐	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

REPORT PURPOSE

1. To provide Council with a Status Update of the Administrators work with regards to the Co-op
2. To see Council's approval for a Shire Officer to vote at an upcoming Creditors meeting

BACKGROUND

Administrators were appointed to the Co-op in late 2024/early 2025. At the time the Shire was one of the creditors of the Co-op.

Since their appointment the Administrators have been reviewing the Co-op's financial position and operations and have advised that a meeting of creditors is expected to be convened in the coming months.

It is anticipated that creditors may be asked to consider and vote on matters relating to the future structure and operation of parts of the Co-op's business and assets. The Administrators have advised

that creditors will be provided with appropriate information prior to the meeting to enable them to make an informed decision on any resolutions presented.

At this stage, the final proposals, supporting financial information and timing of the creditors' meeting have not been formally provided to the Shire.

As a creditor, the Shire is entitled to participate in the creditors' meeting and exercise its voting rights. This is considered an exercise of the Shire's corporate rights as a creditor rather than a statutory power or duty requiring delegation under the Local Government Act 1995.

The Shire's current governance arrangements do not specifically authorise an employee to exercise these voting rights on its behalf. Council approval is therefore sought to authorise the Chief Executive Officer, or the CEO's nominated representative, to attend any meeting of creditors and exercise the Shire's voting rights.

In exercising that authority, consideration would be given to:

- the Shire's position and interests as a creditor;
- the information and recommendations formally provided by the Administrators;
- the potential financial implications for the Shire; and
- the broader implications for the Cocos (Keeling) Islands community.

Council will be updated following the creditors' meeting on any resolutions made by creditors and any resulting direction provided to the Administrators.

POLICY AND LEGISLATION IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nothing significant

STRATEGIC IMPLICATIONS

The outcome of the vote could have a significant impact on the Cocos (Keeling) community.

Nil

RISK IMPLICATIONS

Risk Category	Description	Rating (consequence likelihood)	Mitigation Action
Financial	No significant direct financial risk to the Shire.	Low	NA
Reputation	No significant direct reputation risk to the Shire	Low	NA
Compliance	NA	NA	NA

Fraud	NA	NA	NA
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Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

VOTING REQUIREMENT

Simple Majority

CONCLUSION

Authorising the Chief Executive Officer, or nominated representative, to participate in the creditors' meeting will ensure the Shire can appropriately exercise its rights as a creditor while considering both the Shire's financial interests and the broader interests of the Cocos (Keeling) Islands community. Council will be informed of the outcomes of the meeting and any subsequent directions provided to the Administrators.

OFFICER RECOMMENDATION – ITEM NO 10.3.3

THAT COUNCIL, BY SIMPLE MAJORITY, AUTHORISES THE CHIEF EXECUTIVE OFFICER, OR THE CHIEF EXECUTIVE OFFICER'S NOMINATED REPRESENTATIVE, TO ATTEND ANY MEETING OF CREDITORS RELATING TO THE ADMINISTRATION OF THE CO-OP AND TO EXERCISE THE SHIRE'S VOTING RIGHTS ON ITS BEHALF, HAVING REGARD TO THE SHIRE'S INTERESTS AS A CREDITOR AND THE BROADER INTERESTS OF THE COCOS (KEELING) ISLANDS COMMUNITY.

10.4 INFRASTRUCTURE

10.4.1 INFRASTRUCTURE MONTHLY REPORT - JULY 2026

FILE NUMBER:

AUTHOR: David Basil, Manager Infrastructure

AUTHORISER: Matthew Scott, Chief Executive Officer

DISCLOSURE(S) OF INTEREST: Author -
Authoriser -

ISLAND:

ATTACHMENTS: Nil

AUTHORITY/DISCRETION

Definition

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☒	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

REPORT PURPOSE

The purpose of this report is to update Council on maintenance and construction activities undertaken in July 2026 by the infrastructure department.

BACKGROUND

In July, the maintenance and construction work of the infrastructure department undertook the following activities:

1. Routine Operations

(a) Removal of Pump Track

Much of the playground equipment on Home Island is old. Some have deteriorated and need to be replaced or disposed. The pump track is for use by children with scooters and was in disrepair. It had fallen over and there were gaps in places. It had not been used for quite some time, and a decision was made for it to be removed. The site is now empty, and no plans have been made to replace the pump track or for the site used for other playground equipment. This will be considered later in the year.



Figure 1: Removal of the pump track.

The cleaning of the court surface has commenced in June and continued in July (Figure 2). As mentioned in the previous Monthly Update, it is intended to make the tennis courts a multipurpose sports arena to also include a full-size basketball court, hockey pitch and mini soccer field. This will allow for greater utilization of the area.



Figure 2: Cleaning of tennis court surface continued in July 2026

(a) Mowing and Tree Trimming

Mowing activities included both townships and the parks and gardens of Home and West Islands. Mowing on Sydney Highway was undertaken from the town to Viva Energy Site in July. However, marker pegs for pipe installation hindered mowing of some areas.



Figure 3: Mowing was undertaken in various locations on Home and West Islands. Above left is mowing around the cemetery on Home Island and the right photo is mowing on Sydney Highway on West Island.

Tree and brush clearing was done on Home Island around the farm plot areas.



Figure 4: Mowing was undertaken in various locations on Home and West Islands.

2. Building & Plumbing Maintenance

The plumber has had orders to inspect and rectify various plumbing issues in July, see below:

- Repair leak at leased house 80 in laundry
- Repair gutter and pipe connections to rain water tank at Direction Island
- Unblock drainage for rental property house 30 at ablution block
- Inspect and decommission faulty parts to solar hot water unit – leased house 70
- Attend and rectify emergency plumbing issues at Home Island school campus for toilets facility



Figure 5: Plumbing repairs to a house on Home Island.

Building maintenance works, see below:

- Completed flooring for tenancies at Home Island community resource centre building
- Inspect reported leak in roof areas for rental and leased residential properties on HI and undertake maintenance works as required. Common leak report received from occupiers is in the roof valley area of the house.
- Completed painting of store room inside HI Museum
- Painting of timber posts at HI tennis courts



Figure 6: New flooring was installed in the Community Resource Centre on Home Island

3. Road Maintenance

Road patching with ColdMix asphalt was undertaken on Sydney Highway for the sealed pavement. Limestone gravel was used to repair the potholes along the shoulders of the road.

Road grading continued in July on South Rd, West Island (Figure 7). Excavations for coral limestone was done to generate materials for pothole repair and road resheeting works.

On Home Island, gravel resheeting and repair of potholes was undertaken. However, as the grader and roller were being used on Sydney Highway, the loader was used to fill potholes. This resulted in larger rocks within the road. This will be crushed when the grid roller at the West Island depot is transferred across to Home Island in August.



Figure 7: Pothole repairs on Home Island.

4. Waste Services

The Shire has completed non-compliance notices given by the Department of Water and Environmental Regulations (DWER) for Home Island and one notice for batteries on West Island. Two more non-conformances are active. One for waste oil cleanup on West Island is due at the end of August and the another for covering sludge at the Elephants Graveyard in September.

Home Island



West Island



Figure 8: Battery cleanup for Home and West Islands

5. Town Cleansing and Weeding

The historic water well in front of the museum was covered over by weeds. This has been cleared.

Leaf litter was cleared around streets and business areas on Home Island. The garden path to Council offices were trimmed and the path weeded.



Figure 8: Historic water well cleared of weeds.



Figure 9: Leaf litter was cleared around Home Island streets and business areas.

COMMENT

Due to the rains in June and July, Sydney Highway needs shoulder repair work to reduce further damage to the pavement. The pavement is already in poor condition. The grader and loader were retained to complete this. To fill the potholes on Home Island, a loader was used. This repaired the potholes, but there are rocks present. This will be fixed by relocating the grid roller from West Island.

POLICY AND LEGISLATION IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Theme

L Leadership

Goal

- L1 To be involve, respectful and inclusive and to facilitate diveristy and representation within the dcision making process.
- L2 To ensure that Shire resources are utilised in a manner that represents the best interest of the whole community

Strategy

- L1.3 Shire representatives (Councillors and Shire Leadership team) to pro-actively engage, communicate with, and increase visibility within the community.
- L2.1 Responsible financial management utilizing resources to meet legislative requirements and community expectations

RISK IMPLICATIONS

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Financial	Projects exceed budget allocation	Moderate	Monitor finances closely and deliver within approved timelines/budgets.
Reputation	Projects not delivered to the required standard	Moderate	Effective scheduling and regular stakeholder updates.
Compliance	Non-compliant with regulations and codes	Low	Ensure workers are regular trained and knowledgeable in relevant standards.

Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

VOTING REQUIREMENT

Simple Majority

CONCLUSION

The Shire is managing maintenance activities to deliver acceptable services to the community. Three non-conformance notices received from DWER have been successfully closed. Two notices remain and will be actioned within the given time frames.

OFFICER RECOMMENDATION – ITEM NO 10.4.1

THAT COUNCIL, BY SIMPLE MAJORITY, NOTE AND RECEIVE THE SHIRE'S INFRASTRUCTURE MONTHLY UPDATE FOR JULY 2026.

10.5 COMMUNITY DEVELOPMENT

10.5.1 COMMUNITY DEVELOPMENT REPORT - JULY 2026

FILE NUMBER:

AUTHOR: Aindil Minkom, Community Development Coordinator

AUTHORISER: Matthew Scott, Chief Executive Officer

DISCLOSURE(S) OF INTEREST: Author -

Authoriser -

ISLAND:

ATTACHMENTS: Nil

AUTHORITY/DISCRETION

Definition

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☒	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

REPORT PURPOSE

The purpose of this report is to provide Council an update on activities conducted in July/August.

BACKGROUND

Community Development Coordinator

Youth Program Officers

In collaboration with Department of Creative Industries, Tourism and Sports, 2 casual Youth Program Officers were appointed (Thomas Battcher & Clint Robertson) to assist Shire with delivering programs for our youth in the sports and maritime industry. The program is currently on a trial basis to gauge

benefits, productivity and uptake. This arrangement will require a review conducted at the end of October.

Community Assets

There are a few community assets and facilities in dire need of replacements and upgrade. The CDC have been looking at replacements and collecting quotes to offer suitable replacements. Items being investigated for possible replacement include:

- Community Marquee
- Portable Audio System
- HI Gym- Equipment, Security Access/CCTV
- Cocos Territory Flags

Cocos Islands Youth Council

CDC is exploring the delivery of Youth Engagement Pathway. Following the success of the recent IOTRDO sponsored 'Sports Leadership' program on Christmas Island, involving employment of youth on Christmas Island to engage students in structured training and pathway to casual employment as Program Facilitators. CDC is working towards the delivery of the same program for the students on Cocos Islands. We are in discussions with Department of Creative Industries, Tourism and Sports, and will meet with the IOT RDO Director, to look at opportunities to offer similar initiatives to our Cocos Students. Students will gain VETDSS qualification at a level I, II or III in vocational qualification.

Disability Access Inclusion Plan

Disability Access and Inclusion Plans (DAIP) assist public authorities to plan and implement improvements to access and inclusion across seven outcome areas in regard to services and events, buildings and facilities, information, quality of service, complaints, consultation processes and employment. The plans are designed to benefit people with disabilities, the elderly, young parents and people from culturally and linguistically diverse backgrounds.

As part of the requirement of the Disability Access and Inclusion Plan, the Shire is offering Disability Awareness Training to its staff. Subject to approval, the training may be conducted around late October or early November.

Community Development Officer – Culture and Heritage

Niamh is on leave until early 4th September.

Projects

Cerita Seni/Cocos Arts Project is progressing with materials and consumables in the process of procurement. We should expect to start receiving materials soon for these workshops. Depending on the changes with Zentner Shipping schedule, some of the items may now need to go on the freighter to ensure it is delivered and available on island to commence workshops on schedule.

Youth & Recreation Officer

ISHAR (1 – 7 August 2026)

Women's Health Group ISHAR was on Cocos. Members of the CIYC had the opportunity to attend and participate in activities during the session and chat with Kim and Diyanne from ISHAR.

A community session was also held for women on Cocos, who wish to attend and participate. This was well received and participated.

NRL WA (3 – 7 August 2026)

Sports visit this term was Rugby Coach Jack Rolle from NRL WA, also made his way to the Cocos Islands this year. This was Jack's first visit on Cocos, and he enjoyed the school sessions with the students from both campuses. The students said they had a lot of fun having Jack here on Island and enjoyed the after-school sessions as well.

Jack also had the opportunity to meet and played with our local Hunters Rugby Team.

Towards the end of August, we will be having the Athletics Coach Kylie Wheeler on Cocos again. Kylie made her way to Cocos around this time last year to help and assist the students with Athletics practices and support for the upcoming Sports Carnival in September.

Kylie is a big support and inspiration to the students in helping them gain motivation and strength towards the sports carnival.

The ISHAR group for Women's Health will also be coming back for their second visit on Cocos in September.

POLICY AND LEGISLATION IMPLICATIONS

NIL

FINANCIAL IMPLICATIONS

Should approval be granted for the purchases of community assets and training, there are sufficient funds in the current budget for allocation for these items.

STRATEGIC IMPLICATIONS

Nil

RISK IMPLICATIONS

Risk Category	Description	Rating (consequence likelihood) x	Mitigation Action
Financial	Budget allocations may be exceeded.	Moderate (6)	Monitor variances and report them to Council for corrective action.
Reputation	Monthly financial statements are open	Low (3)	Ensure all expenditures are

	to public scrutiny.		justifiable.
Compliance	Report to be presented to Council within two months to comply with legislation.	Low (3)	Processes in place to ensure compliance.
Fraud	Risk of report manipulation.	Low (3)	Interim and end – of – year audits.

Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

VOTING REQUIREMENT

Simple Majority

CONCLUSION

For Council's information and update purpose only and does not require a decision of Council.

OFFICER RECOMMENDATION – ITEM NO 10.5.1

THAT COUNCIL, BY SIMPLE MAJORITY, NOTES AND RECEIVES THE COMMUNITY DEVELOPMENT COORDINATOR'S REPORT FOR JULY 2026.

11 MINUTES TO BE RECEIVED

11.1 MINUTES OF THE AUDIT, RISK AND IMPROVEMENTS COMMITTEE MEETING HELD ON 27 JULY 2026

FILE NUMBER:

AUTHOR: Amallia Alim, Governance Administration Officer

AUTHORISER: Ibrahim Macrae, Manager Governance Risk and Planning

DISCLOSURE(S) OF INTEREST: Author -
Authoriser -

ISLAND:

ATTACHMENTS: 11.1.1 - Minutes of the Audit, Risk and Improvements Committee
Meeting held on 27 July 2026

HEADING

The Shire has established the Audit, Risk and Improvements Committee as a Committee of Council.

The Audit, Risk and Improvements Committee does not have delegated authority. Therefore, any recommendations arising from the Committee meeting that require a Council decision must be presented to Council for consideration through the Council agenda process.

VOTING REQUIREMENT

Simple Majority

CONCLUSION

That the minutes of the Audit, Risk and Improvements Committee meeting held on 27 July 2026 be received and the recommendations contained within the minutes be considered for adoption by Council.

OFFICER RECOMMENDATION – ITEM NO 11.1

THAT COUNCIL, BY SIMPLE MAJORITY RECEIVE THE MINUTES OF THE AUDIT, RISK AND IMPROVEMENTS COMMITTEE MEETING HELD ON 27 JULY 2026.

Shire of Cocos (Keeling) Islands

MINUTES

Audit, Risk and Improvements Committee Meeting 27 July 2026

Disclaimer

Members of the public should note that in any discussion regarding any planning or other application that any statement or intimation of approval made by any member or officer of the Shire during the course of any meeting is not intended to be and is not to be taken as notice of approval from the Shire. No action should be taken on any item discussed at a Council meeting prior to written advice on the resolution of the Council being received. Any plans or documents contained in this document may be subject to copyright law provisions (Copyright Act 1968, as amended) and the express permission of the copyright owner(s) should be sought prior to the reproduction.

OUR VALUES

Service

Provide the best service we can.

We serve the community and each other.

Accountability

We take responsibility for our own actions.

We do what we say we will do.

Mistakes are an opportunity to learn.

Support

We support our team and our community.

Look for opportunities to help each other.

Respect

We respect and value others.

Our interactions are always respectful towards others.

Integrity

We will be honest and transparent with all our dealings.

Maintain confidentiality.

Trust each other.

Achievement

Being proactive and enabling the outcomes.

Be creative and think outside the square.

Order of Business

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2	Attendance/Apologies/Leave of Absence.....	5
3	Declarations of Interests	5
4	Confirmation of Minutes of Previous Meetings.....	5
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6	Officer's Report.....	6
	6.1 Audit Management Letter- June 2025.....	6
	6.2 Annual Financial Statements June 2025.....	17
7	Close of Meeting	64

1 Opening/Announcements of Visitors

The Independent Deputy Presiding Member declared the meeting open at 4:10 pm

The CEO advised that the Independent Presiding Member, Ms Gia Jac, was an apology for the meeting and was unable to attend the meeting, Accordingly, the Independent Deputy Presiding Member presided over the meeting.

2 ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

Independent Deputy Presiding member: Mr Alan Lamb

Committees: Cr Ayesha Young
Cr Isa Minkom

Staff: Matthew Scott, Chief Executive Officer
David Tombs, Manager Finance and Corporate Services (Via MS Teams)
Ibrahim Macrae, Manager Governance Risk and Planning

Visitors: Nil

Apologies: Ms Gia Jac, Independent Presiding Member

Approved Leave of Absent: Nil

3 DECLARATIONS OF INTERESTS

Members of the Committee are bound by the provisions of *the Local Government Act 1995, Section 5.65* with respect to disclosure of financial, impartiality or proximity interests.

Name	Item No	Interest	Nature
Nil			

4 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

Nil

5 PRESENTATIONS

Nil

SUSPENSION OF STANDING ORDERS

MOVED: CR MINKOM SECONDED: CR YOUNG

THAT THE COMMITTEE SUSPEND STANDING ORDERS.

THE MOTION WAS PUT AND DECLARED CARRIED (3/0)

FOR: MR ALAN LAMB, CR ISA MINKOM, CR AYESHA YOUNG

AGAINST: NIL

RESUMPTION OF STANDING ORDERS

MOVED: MR LAMB **SECONDED: CR MINKOM**

THAT STANDING ORDERS BE RESUMED.

THE MOTION WAS PUT AND DECLARED CARRIED (3/0)

FOR: MR ALAN LAMB, CR ISA MINKOM, CR AYESHA YOUNG

AGAINST: NIL

Standing Orders resumed at 4:36 pm.

6 OFFICER'S REPORT

6.1 AUDIT MANAGEMENT LETTER- JUNE 2025

FILE NUMBER:

AUTHOR: David Tombs, Manager Finance and Corporate Services

AUTHORISER: Matthew Scott, Chief Executive Officer

DISCLOSURE(S) OF INTEREST: Author - Nil

Authoriser - Nil

ISLAND: Shire Wide

ATTACHMENTS: 6.1.1 - Management Letter - June 2025

AUTHORITY/DISCRETION

Definition

☐	Advocacy	<i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
☒	Executive	<i>The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
☐	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
☐	Quasi-Judicial	<i>When Council determines an application / matter that directly</i>

		<i>affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
☐	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

REPORT PURPOSE

The purpose of this report is to present the Auditor's Management Letter arising from the audit of the Shire's June 2025 Annual Financial Statements for consideration by the Audit, Risk and Improvements Committee.

BACKGROUND

Auditors provide a Management Letter at the conclusion of each annual financial audit. The attached Management Letter relates to the recently completed audit of the Shire's June 2025 Annual Financial Statements.

The finalisation of the June 2025 financial statements was delayed due to amendments required to comparative figures included within the financial statements.

The Management Letter identified the following matters:

Finding Classification	Number of Findings
Significant matter (relating to prior year)	1
Moderate matters	3
Total findings	4

Importantly, none of the identified findings were assessed as having a potential impact on the audit opinion.

AUDIT FINDINGS AND MANAGEMENT RESPONSE

1. Significant Matter – IT Service Delivery Contract Procurement

The significant finding related to an IT Service Delivery contract being awarded without following the Shire's competitive tendering requirements.

No current Shire employees were directly involved in the procurement process. Management believes the circumstances contributing to this matter included:

- Limited notice being provided by the previous service provider regarding withdrawal of services.
- The critical nature of maintaining uninterrupted IT services.

Following the procurement process, the circumstances were reported to Council and subsequently endorsed.

No further breaches of the Procurement Policy have been identified, and this matter is considered an isolated incident.

2. Moderate Matters

a) Financial Reconciliations and Accounting Procedures

During the July to December 2025 period, staff shortages resulted in some reconciliations and accounting procedures falling behind schedule.

Management has advised that additional resourcing arrangements have been implemented and similar delays are not anticipated during the current financial year.

b) Independent Review of General Journals

The audit identified that some general journals were not independently reviewed prior to posting.

This finding does not indicate that journals were inaccurate or incorrect. Rather, the finding relates to the absence of an additional review control.

Larger finance teams generally have sufficient staffing capacity to provide independent review processes. Due to the size of the Shire's Finance team, this additional control is more difficult to implement.

Management will continue to review available processes to strengthen internal controls where practicable.

c) Removal of Former Employee Banking Access

The audit identified a delay of approximately 10 days in disabling a former employee's access to online banking records.

This access was limited to read-only functions and did not allow transaction approval or processing due to the Shire's multi-person approval controls for banking transactions.

Management will review offboarding procedures to ensure access removal occurs as promptly as practicable.

POLICY AND LEGISLATION IMPLICATIONS

Nil of significance.

FINANCIAL IMPLICATIONS

Nil of significance.

STRATEGIC IMPLICATIONS

Theme

L Leadership

Goal

- L2 To ensure that Shire resources are utilised in a manner that represents the best interest of the whole community

Strategy

- L2.1 Responsible financial management utilizing resources to meet legislative requirements and community expectations

RISK IMPLICATIONS

RISK CATEGORY	DESCRIPTION	RATING (CONSEQUENCE X LIKELIHOOD)	MITIGATION ACTION
Financial	The management letter identifies internal control risks associated with financial processes and procedures.	High	Maintain appropriate financial systems, controls and procedures.
Reputation	Potential reputational impact arising from governance or control weaknesses.	Medium	Continue transparent reporting and implementation of audit recommendations.
Compliance	Potential non-compliance with procurement and financial management requirements.	Medium	Review procedures and strengthen internal controls.
Fraud	Potential exposure where segregation of duties and review processes are limited.	Low/medium	Maintain approval controls and monitor financial processes.

Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

VOTING REQUIREMENT

Simple Majority

CONCLUSION

The Audit, Risk and Improvements Committee is requested to receive the Auditor's Management Letter arising from the audit of the June 2025 Annual Financial Statements.

OFFICER RECOMMENDATION – ITEM NO 6.1

THAT THE AUDIT, RISK AND IMPROVEMENTS COMMITTEE, BY SIMPLE MAJORITY, RECOMMENDS THAT COUNCIL RECEIVES THE AUDIT MANAGEMENT LETTER ARISING FROM THE AUDIT OF THE JUNE 2025 ANNUAL FINANCIAL STATEMENTS.

COMMITTEE RESOLUTION – ITEM NO 6.1

MOVED: MR LAMB

SECONDED: CR MINKOM

THAT THE AUDIT, RISK AND IMPROVEMENTS COMMITTEE, BY SIMPLE MAJORITY, RECOMMENDS THAT COUNCIL RECEIVES THE AUDIT MANAGEMENT LETTER ARISING FROM THE AUDIT OF THE JUNE 2025 ANNUAL FINANCIAL STATEMENTS.

THE MOTION WAS PUT AND DECLARED CARRIED (3/0)

FOR: MR ALAN LAMB, CR ISA MINKOM, CR AYESHA YOUNG

AGAINST: NIL

OFFICIAL Sensitive

SHIRE OF COCOS (KEELING) ISLAND

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2025

FINDINGS IDENTIFIED DURING THE FINAL AUDIT

Index of findings	Potential impact on audit opinion	Rating			Prior year finding
		Significant	Moderate	Minor	
1. Material contract not subject to a tender process	No	✓			✓
2. Quality of information not adequate	No		✓		
3. General journals not independently reviewed	No		✓		
4. Bank Signatories not timely updated	No		✓		

KEY TO RATINGS

The Ratings in this management letter are based on the audit team's assessment of risks and concerns with respect to the probability and/or consequence of adverse outcomes if action is not taken. We give consideration to these potential adverse outcomes in the context of both quantitative impact (for example financial loss) and qualitative impact (for example inefficiency, non-compliance, poor service to the public or loss of public confidence).

- Significant** - Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly. A significant rating could indicate the need for a modified audit opinion in the current year, or in a subsequent reporting period if not addressed. However, even if the issue is not likely to impact the audit report, it should be addressed promptly.
- Moderate** - Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.
- Minor** - Those findings that are not of primary concern but still warrant action being taken.

OFFICIAL Sensitive

SHIRE OF COCOS (KEELING) ISLAND**PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2025****FINDINGS IDENTIFIED DURING THE FINAL AUDIT****1. Material contract not subject to a tender process****Finding**

In June 2025, the Shire entered into a contract in June 2025 for the provision of internet services with Cocos Communications and IT Pty Ltd (trading as Pulu Connect). The contract which had a value of \$826,564 did not go through a procurement tender process as required under the Shire's procurement requirements.

Management advised that the Shire's previous internet service provider gave short notice that it was no longer able to continue providing the services. As a result, the Shire had to secure a replacement provider within a limited timeframe. Due to the urgency of maintaining continuity of critical services, a formal tender process was not undertaken.

Rating: Significant**Implication**

By not following established tender protocols, the Shire is exposed to an increased risk of non-compliance with procurement requirements. In addition, the absence of a competitive tender process limits assurance that the contract achieved value for money, as more favourable pricing or service arrangements may have been available through the market.

Recommendation

We recommend that management ensures material contracts are executed through a competitive tender process to achieve best value for money for the Shire. Where a contract has to be entered into without a formal tender process due to exceptional or urgent circumstances, management should ensure that this decision is appropriately justified, documented, and approved in accordance with the Shire's procurement policies and legislative requirements.

Management comment

Management acknowledges that the procurement process adopted for this contract did not involve a formal public tender process.

At the time, the Shire was required to secure a replacement telecommunications provider within a very limited timeframe following notification that the existing service arrangements would cease. Continuity of telecommunications services was considered critical to the operation of the Islands, the Shire and the broader community.

Management notes that the Local Government Act 1995 and Local Government (Functions and General) Regulations 1996 provide circumstances in which a public tender process is not required, including where there is an emergency or where there is a demonstrated sole supplier situation. Management considers that the circumstances surrounding this procurement were relevant to those considerations, particularly given the urgency of maintaining essential telecommunications services and the limited availability of alternative providers within the Cocos (Keeling) Islands.

As the procurement was undertaken under the direction of the former Chief Executive Officer, who has subsequently left the organisation and is unavailable for comment, current management is unable to fully comment on the considerations and documentation relied upon at the time. However, it is recognised that the unique circumstances of the Islands, together with the urgency of maintaining continuity of telecommunications services and the limited availability of alternative providers, were likely significant factors influencing the procurement approach adopted.

OFFICIAL Sensitive

SHIRE OF COCOS (KEELING) ISLAND

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2025

FINDINGS IDENTIFIED DURING THE FINAL AUDIT

Management acknowledges that the documentation supporting the procurement process and application of any relevant exemption provisions may not have been completed to the standard expected under the legislation, regulations and the Shire's procurement framework. The circumstances for the procurement were subsequently reported to, and subsequent contract was endorsed by, Council at the May 2025 Ordinary Council Meeting. Management recognises the importance of ensuring that future procurements undertaken under urgent or exceptional circumstances are fully documented and supported by appropriate approvals, records and reporting in accordance with legislative and policy requirements.

Responsible person: CEO and Executive Team

Completion date: Ongoing

OFFICIAL Sensitive

SHIRE OF COCOS (KEELING) ISLAND

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2025

FINDINGS IDENTIFIED DURING THE FINAL AUDIT

2. Quality of information not adequate

Finding

During the audit, we noted that the quality of information provided to the audit team was not adequate in a number of instances. This was largely due to the absence of robust processes during the year-end process, which resulted in numerous adjustments. Significant time had to be spent by the audit team to resolve these issues with management. While these items were not material individually, they were material in aggregate and led to a large number of audit adjustments to correct.

Rating: Moderate

Implication

Lack of robust year-end processes may result in a risk of material misstatement in the financial report leading to delays and additional audit cost.

Recommendation

We recommend that management implement a more rigorous year end process to ensure year end balances are materially correct.

Management comment

Management acknowledges the matters identified by the auditors. The issues identified were largely associated with the preparation and finalisation of the 30 June 2025 financial statements, during which a number of accounting adjustments and reconciliations were completed as part of the audit process.

Management does not expect these circumstances to recur during the preparation of the 30 June 2026 financial statements. Appropriate year-end processes will be reinforced in preparation for the draft financial statements, and management expects the financial records presented for audit at 30 June 2026 to be of a significantly improved standard. Accordingly, management does not expect the issues identified in this finding to arise during the 30 June 2026 audit.

Responsible person: CFO

Completion date: Ongoing

OFFICIAL Sensitive

SHIRE OF COCOS (KEELING) ISLAND**PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2025****FINDINGS IDENTIFIED DURING THE FINAL AUDIT****3. General journals not independently reviewed****Finding**

During our review of general journals, we noted that journals prepared and posted by the Senior Finance Officer or Finance Manager with no evidence of review or approval.

Rating: Moderate**Implication**

General journals can represent significant adjustments to previously approved accounting transactions and should therefore be appropriately reviewed and approved. If general journals are not independently reviewed and approved, there is an increased risk of unauthorised journals that could result in material errors or accounting in the financial statements going undetected.

Recommendation

All general journals should be reviewed and approved by a senior officer independent of the preparer, with evidence of the review retained.

Management comment

Management acknowledges the benefits of independent review of journal entries and the role such reviews play in strengthening internal financial controls.

As a small and remote local government, the Shire has limited opportunities to achieve full segregation of duties within the finance function. During the relevant reporting period, the Chief Financial Officer was the only member of the finance team holding formal accounting qualifications.

Management recognises the practical limitations associated with implementing an independent review process in these circumstances. Notwithstanding this, management will consider alternative review mechanisms where practical and appropriate, including periodic review by the Chief Executive Officer or other suitably qualified officers, and the use of external accounting support where required.

Management will continue to review its financial control framework to identify opportunities to strengthen oversight of journal processing while recognising the resource constraints associated with operating in a remote location.

Responsible person: CEO and CFO**Completion date: Ongoing**

OFFICIAL Sensitive

SHIRE OF COCOS (KEELING) ISLAND**PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2025****FINDINGS IDENTIFIED DURING THE FINAL AUDIT****4. Bank signatories not timely updated****Finding**

During our review of the bank confirmation, we noted that a former employee remained listed as a bank signatory on the Shires' Commonwealth bank accounts for a prolonged period after their exit from the Shire.

Management subsequently contacted the bank and effected the removal of this signatory following this matter being raised as part of our audit procedures.

Rating: Moderate**Implication**

There is a risk of inappropriate authorisation of payments if former employees remain as bank signatories.

Recommendation

We recommend that management should promptly remove former employee from being bank signatories upon their departure from the Shire.

Management comment

Management notes that the former Chief Executive Officer's electronic banking access was disabled shortly after his departure (resigned 30/6/25, Banking Portal access suspended on 10 July 2025). This occurred before the audit commenced and not, as stated above, as part of the audit procedures.

Management advise that the risk posed by this 10-day delay is minimal as we use multi-person approval for transactions.

The Shire subsequently completed the formal removal of the former employee as an authorised bank signatory.

Management will review employee separation procedures to ensure banking authorities and signatory arrangements are updated in a timely manner following staff departures.

Responsible person: Executive Team**Completion date: Ongoing**

6.2 ANNUAL FINANCIAL STATEMENTS JUNE 2025

FILE NUMBER:

AUTHOR: David Tombs, Manager Finance and Corporate Services

AUTHORISER: Matthew Scott, Chief Executive Officer

DISCLOSURE(S) OF INTEREST: Author - Nil

Authoriser - Nil

ISLAND: Shire Wide

ATTACHMENTS: 6.2.1 - Annual Financial Statements June 2025

6.2.2 - Audit Report

AUTHORITY/DISCRETION

Definition

☐	Advocacy	<i>When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
☒	Executive	<i>The substantial direction setting and oversight role of the Council. E.g., adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
☐	Legislative	<i>Includes adopting local laws, town planning schemes and policies. Review when Council reviews decisions made by officers.</i>
☐	Quasi-Judicial	<i>When Council determines an application / matter that directly affects a person's right and interest. The judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits / licenses.</i>
☐	Information	<i>Includes items provides to Council for information purposes only that do not require a decision of Council (i.e. – for noting).</i>

REPORT PURPOSE

The purpose of this report is to provide the Audit, Risk and Improvements Committee with a copy of the Shire's audited Annual Financial Statements for the year ended 30 June 2025.

BACKGROUND

The audit report for the Shire's Annual Financial Statements for the year ended 30 June 2025 was signed on 10 June 2026.

The finalisation of the audit was delayed due to the Auditor requiring adjustments to comparative financial information relating to the 2023/24 financial year. These adjustments related primarily to the recognition and treatment of various IT infrastructure assets.

Further details regarding these amendments are provided in Note 29 – Prior Period Adjustments of the Annual Financial Statements.

As a result of these adjustments, the Audit Report includes an Emphasis of Matter paragraph. The Auditor has confirmed that:

- the matter does not impact the audit opinion; and
- an unmodified audit opinion (commonly referred to as a “clean audit opinion”) has been issued.

POLICY AND LEGISLATION IMPLICATIONS

The audited Annual Financial Statements have been incorporated into the Shire’s Annual Report 2025, which is scheduled to be presented to Council at the Ordinary Council Meeting on 29 July 2026.

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Theme

L Leadership

Goal

L2 To ensure that Shire resources are utilised in a manner that represents the best interest of the whole community

Strategy

L2.1 Responsible financial management utilizing resources to meet legislative requirements and community expectations

RISK IMPLICATIONS

RISK CATEGORY	DESCRIPTION	RATING (CONSEQUENCE X LIKELIHOOD)	MITIGATION ACTION
Financial	A qualified audit opinion may have significant implications for the Shire depending on the nature and extent of the qualification.	High	Maintain appropriate financial management systems, internal controls and reporting processes.
Reputation	Delays or adverse audit findings may impact community confidence in the Shire's financial governance.	Medium	Ensure transparent reporting and timely completion of audit requirements.
Compliance	Failure to meet legislative financial reporting requirements may result in non-compliance.	Medium	Continue to comply with relevant financial management and reporting obligations.
Fraud	Not applicable.	Low/medium	Existing financial controls and approval processes remain in place

Risk Matrix

Consequence / Likelihood	Insignificant (1)	Minor (2)	Medium (3)	Major (4)	Extreme (5)
Almost Certain (5)	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely (4)	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible (3)	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

VOTING REQUIREMENT

Simple Majority

CONCLUSION

The Audit, Risk and Improvements Committee is requested to receive the Shire's audited Annual Financial Statements for the year ended 30 June 2025 and note the reason for the delay in finalising the audit process.

OFFICER RECOMMENDATION – ITEM NO 6.2

THAT THE AUDIT, RISK AND IMPROVEMENTS COMMITTEE, BY SIMPLE MAJORITY, RECOMMENDS THAT COUNCIL RECEIVES THE AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025 AND NOTES THE REASON FOR THE DELAY IN THE FINALISATION OF THE AUDIT OF THE FINANCIAL STATEMENTS.

COMMITTEE RESOLUTION – ITEM NO 6.2

MOVED: CR MINKOM

SECONDED: MR LAMB

THAT THE AUDIT, RISK AND IMPROVEMENTS COMMITTEE, BY SIMPLE MAJORITY, RECOMMENDS THAT COUNCIL RECEIVES THE AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025 AND NOTES THE REASON FOR THE DELAY IN THE FINALISATION OF THE AUDIT OF THE FINANCIAL STATEMENTS.

THE MOTION WAS PUT AND DECLARED CARRIED (3/0)

FOR: MR ALAN LAMB, CR ISA MINKOM, CR AYESHA YOUNG

AGAINST: NIL

**SHIRE OF COCOS (KEELING) ISLANDS
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

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The Shire of Cocos (Keeling) Islands conducts the operations of a local government with the following community vision:

Working together to advance our islands.

Principal place of business:
Lot 256 Jalan Melati
Home Island
Cocos (Keeling) Islands WA 6799



**SHIRE OF COCOS (KEELING) ISLANDS
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 Cocos (Keeling) Islands 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 3 day of June 2026



CEO

Matthew Scott

Name of CEO

William Buck Audit (WA) Pty Ltd



SHIRE OF COCOS (KEELING) ISLANDS
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Actual \$	2025 Budget \$	Restated* 2024 Actual \$
Revenue				
Rates	2(a),24	526,205	524,569	500,459
Grants, subsidies and contributions	2(a)	4,996,175	5,661,002	6,186,279
Fees and charges	2(a)	1,232,257	1,064,788	1,178,348
Interest revenue	2(a)	324,157	288,650	274,717
Other revenue	2(a)	4,400,453	4,034,610	19,119,924
		11,479,247	11,573,619	27,259,727
Expenses				
Employee costs	2(b)	(4,242,005)	(4,126,807)	(4,033,270)
Materials and contracts		(2,693,107)	(2,559,959)	(1,597,933)
Utility charges		(54,470)	(67,370)	(40,087)
Depreciation		(1,638,392)	(1,504,592)	(1,497,814)
Finance costs		(584)	(822)	(868)
Insurance		(173,206)	(183,004)	(173,869)
Other expenditure	2(b)	(651,663)	(1,210,252)	(750,259)
		(9,453,427)	(9,652,806)	(8,094,100)
		2,025,820	1,920,813	19,165,627
Capital grants, subsidies and contributions	2(a)	52,169	257,654	1,525,211
Profit on asset disposals		68,430	20,500	0
Loss on asset disposals		0	(44,660)	(61,068)
		120,599	233,494	1,464,143
Net result for the period		2,146,419	2,154,307	20,629,770
Total comprehensive income for the period		2,146,419	2,154,307	20,629,770

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

* Restated - Refer to Note 29

William Buck Audit (WA) Pty Ltd



SHIRE OF COCOS (KEELING) ISLANDS
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025 \$	Restated* 2024 \$
CURRENT ASSETS			
Cash and cash equivalents	3	10,029,758	6,262,832
Trade and other receivables	4	4,751,521	3,649,412
Inventories	5	19,791	8,751
Other assets	6	44,595	145,998
TOTAL CURRENT ASSETS		14,845,665	10,066,993
NON-CURRENT ASSETS			
Trade and other receivables	4	11,903,050	14,024,262
Property, plant and equipment	7	15,383,394	15,244,460
Infrastructure	8	10,298,039	10,644,032
Right-of-use assets	10(a)	19,728	31,730
Intangible assets	11	3,000	4,000
TOTAL NON-CURRENT ASSETS		37,607,211	39,948,484
TOTAL ASSETS		52,452,876	50,015,477
CURRENT LIABILITIES			
Trade and other payables	12	665,592	454,690
Contract liabilities	13	117,991	102,511
Lease liabilities	10(b)	13,229	12,908
Employee related provisions	14	512,351	498,621
Other provisions	15	50,000	0
TOTAL CURRENT LIABILITIES		1,359,163	1,068,730
NON-CURRENT LIABILITIES			
Lease liabilities	10(b)	5,271	18,764
Employee related provisions	14	63,852	49,812
TOTAL NON-CURRENT LIABILITIES		69,123	68,576
TOTAL LIABILITIES		1,428,286	1,137,306
NET ASSETS		51,024,590	48,878,171
EQUITY			
Retained surplus		30,425,521	32,851,833
Reserve accounts	27	11,058,675	6,485,944
Revaluation surplus	16	9,540,394	9,540,394
TOTAL EQUITY		51,024,590	48,878,171

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

* Restated - Refer to Note 29

William Buck Audit (WA) Pty Ltd



SHIRE OF COCOS (KEELING) ISLANDS
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	15,317,394	3,390,613	9,540,394	28,248,401
Comprehensive income for the period				
Net result for the period	20,629,770	0	0	20,629,770
Total comprehensive income for the period	20,629,770	0	0	20,629,770
Transfers from reserve accounts	27 1,649,167	(1,649,167)	0	0
Transfers to reserve accounts	27 (4,744,498)	4,744,498	0	0
Restated Balance as at 30 June 2024 *	32,851,833	6,485,944	9,540,394	48,878,171
Comprehensive income for the period				
Net result for the period	2,146,419	0	0	2,146,419
Total comprehensive income for the period	2,146,419	0	0	2,146,419
Transfers from reserve accounts	27 3,524,109	(3,524,109)	0	0
Transfers to reserve accounts	27 (8,096,840)	8,096,840	0	0
Balance as at 30 June 2025	30,425,521	11,058,675	9,540,394	51,024,590

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

* Restated - Refer to Note 29

William Buck Audit (WA) Pty Ltd



SHIRE OF COCOS (KEELING) ISLANDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

Note	2025 Actual \$	2024 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Rates	428,500	373,194
Grants, subsidies and contributions	5,516,629	5,815,118
Fees and charges	1,428,257	644,445
Interest revenue	324,157	274,717
Goods and services tax received	(3,640)	(5,073)
Other revenue	4,400,453	2,188,927
	<u>12,094,356</u>	<u>9,291,328</u>
Payments		
Employee costs	(4,198,769)	(4,215,803)
Materials and contracts	(2,352,601)	(1,467,024)
Utility charges	(54,470)	(40,087)
Finance costs	(584)	(868)
Insurance paid	(173,206)	(173,869)
Other expenditure	(236,896)	(220,695)
	<u>(7,016,526)</u>	<u>(6,118,346)</u>
Net cash provided by operating activities	5,077,830	3,172,982
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for purchase of property, plant & equipment	7(a) (1,138,211)	(1,531,143)
Payments for construction of infrastructure	8(a) (280,120)	(394,559)
Capital grants, subsidies and contributions	52,169	493,279
Proceeds from sale of property, plant & equipment	68,430	1,068
Net cash (used in) investing activities	(1,297,732)	(1,431,355)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments for principal portion of lease liabilities	26(a) (13,172)	(10,127)
Net cash (used in) financing activities	(13,172)	(10,127)
Net increase in cash held	3,766,926	1,731,500
Cash at beginning of year	6,262,832	4,531,332
Cash and cash equivalents at the end of the year	10,029,758	6,262,832

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

William Buck Audit (WA) Pty Ltd



SHIRE OF COCOS (KEELING) ISLANDS
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Actual \$	2025 Budget \$	Restated* 2024 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	24	526,205	524,569	500,459
Grants, subsidies and contributions		4,996,175	5,661,002	6,186,279
Fees and charges		1,232,257	1,064,788	1,178,348
Interest revenue		324,157	288,650	274,717
Other revenue		4,400,453	4,034,610	19,119,924
Profit on asset disposals		68,430	20,500	0
		11,547,677	11,594,119	27,259,727
Expenditure from operating activities				
Employee costs		(4,242,005)	(4,126,807)	(4,033,270)
Materials and contracts		(2,693,107)	(2,559,959)	(1,597,933)
Utility charges		(54,470)	(67,370)	(40,087)
Depreciation		(1,638,392)	(1,504,592)	(1,497,814)
Finance costs		(584)	(822)	(868)
Insurance		(173,206)	(183,004)	(173,869)
Other expenditure		(651,663)	(1,210,252)	(750,259)
Loss on asset disposals		0	(44,660)	(61,068)
		(9,453,427)	(9,697,466)	(8,155,168)
Non-cash amounts excluded from operating activities	25(a)	3,742,919	1,545,952	1,547,657
Amount attributable to operating activities		5,837,169	3,442,605	20,652,216
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		52,169	257,654	1,525,211
Proceeds from disposal of assets		68,430	(24,160)	1,068
		120,599	233,494	1,526,279
Outflows from investing activities				
Right of use assets received - non cash	10(a)	0	0	(2,202)
Acquisition of property, plant and equipment	7(a)	(1,138,211)	(992,196)	(1,821,143)
Acquisition of infrastructure	8(a)	(280,120)	(281,883)	(1,104,260)
		(1,418,331)	(1,274,079)	(2,927,605)
Non-cash amounts excluded from investing activities	25(b)	0	0	0
Amount attributable to investing activities		(1,297,732)	(1,040,585)	(1,401,326)
FINANCING ACTIVITIES				
Inflows from financing activities				
Transfers from reserve accounts	27	3,524,109	3,331,454	1,649,167
		3,524,109	3,331,454	1,649,167
Outflows from financing activities				
Payments for principal portion of lease liabilities	26(a)	(13,172)	(12,908)	(10,127)
Transfers to reserve accounts	27	(8,096,840)	(5,789,066)	(4,744,498)
		(8,110,012)	(5,801,974)	(4,754,625)
Amount attributable to financing activities		(4,585,903)	(2,470,520)	(3,105,458)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	25(c)	2,871,987	68,500	750,817
Amount attributable to operating activities		5,837,169	3,442,605	20,652,216
Amount attributable to investing activities		(1,297,732)	(1,040,585)	(1,401,326)
Amount attributable to financing activities		(4,585,903)	(2,470,520)	(3,105,458)
Surplus or deficit after imposition of general rates	25(c)	2,825,521	0	16,896,249

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

* Restated - Refer to Note 29



William Buck Audit (WA) Pty Ltd

SHIRE OF COCOS (KEELING) ISLANDS
FOR THE YEAR ENDED 30 JUNE 2025
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SHIRE OF COCOS (KEELING) ISLANDS
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 Cocos (Keeling) Islands which is a Class 4 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

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

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

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

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

Critical accounting estimates and judgements

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

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

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

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

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment - Note 7
 - Infrastructure - Note 8
- Expected credit losses on financial assets - Note 4
- Estimated useful life of intangible assets - Note 11
- Measurement of employee benefits - Note 14
- Measurement of provisions - Note 15

Fair value hierarchy information can be found in Note 23

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 28 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 did not 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 standard is applied prospectively therefore the impact will be quantified upon the next revaluation cycle.

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 COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/refunds/warranties	Timing of revenue recognition
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	On landing/departure event
Fees and charges - sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
License of IP Asset	Contract to manage the .cc Top Level Domain and issue domain names	Single point in time	Fixed fee : Quarterly in advance Variable fee : Quarterly in arrears	None	Fixed fee: at date the arrangement was entered into. Variable fee: when earned.

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	526,205	0	526,205
Grants, subsidies and contributions	4,996,175	0	0	0	4,996,175
Fees and charges	1,232,257	0	0	0	1,232,257
Interest revenue	0	0	0	324,157	324,157
Other revenue	4,400,453	0	0	0	4,400,453
Capital grants, subsidies and contributions	0	52,169	0	0	52,169
Total	10,628,885	52,169	526,205	324,157	11,531,416

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	500,459	0	500,459
Grants, subsidies and contributions	6,186,279	0	0	0	6,186,279
Fees and charges	1,168,464	0	9,884	0	1,178,348
Interest revenue	0	0	12,184	262,533	274,717
Other revenue	19,119,924	0	0	0	19,119,924
Capital grants, subsidies and contributions	0	487,341	0	1,037,870	1,525,211
Total	26,474,667	487,341	522,527	1,300,403	28,784,938

SHIRE OF COCOS (KEELING) ISLANDS
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	2024
		Actual	Actual
		\$	\$
Interest revenue			
Interest on reserve account		224,854	189,385
Trade and other receivables overdue interest		11,389	12,184
Other interest revenue		88,114	73,148
		324,157	274,717
The 2025 original budget estimate in relation to: Trade and other receivables overdue interest was \$3,450			
Fees and charges relating to rates receivable			
Charges on instalment plan		440	390
The 2025 original budget estimate in relation to: Charges on instalment plan was \$350			
(b) Expenses			
Auditors remuneration			
- Audit of the Annual Financial Report		65,000	66,000
- Other services – grant acquittals		11,320	10,700
		76,320	75,700
Employee Costs			
Employee benefit costs		3,495,547	3,510,882
Other employee costs		746,458	522,388
		4,242,005	4,033,270
Finance costs			
Interest and financial charges paid/payable for lease liabilities and financial liabilities not at fair value through profit or loss		584	858
		584	858
Other expenditure			
Net Land Trust Contributions		414,767	529,564
Sundry expenses		236,896	220,695
		651,663	750,259

**SHIRE OF COCOS (KEELING) ISLANDS
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	4,245,259	702,833
Term deposits	5,784,499	5,559,999
Total cash and cash equivalents	10,029,758	6,262,832
Held as		
- Unrestricted cash and cash equivalents	(1,146,908)	(325,623)
- Restricted cash and cash equivalents	11,176,666	6,588,455
17	10,029,758	6,262,832

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 that are readily convertible to known amounts of cash and which are subject to an insignificant risk and which are subject to an insignificant risk of changes in value.

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

Restricted financial assets

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

SHIRE OF COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

4. TRADE AND OTHER RECEIVABLES

Note	2025	2024
	\$	\$
Current		
Rates and statutory receivables	247,557	154,559
Trade receivables	4,699,158	3,497,687
GST receivable	17,656	14,016
Allowance for credit losses of trade receivables	(212,850)	(16,850)
	4,751,521	3,649,412
Non-current		
Trade receivables	11,903,050	14,024,262
	11,903,050	14,024,262

Non-current trade receivables relates to the amount of income to be received by the Shire in relation to the Management and Administration of the .cc Top Level Domain.

Disclosure of opening and closing balances related to contracts with customers

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

Note	30 June 2025 Actual	30 June 2024 Actual	1 July 2023 Actual
	\$	\$	\$
Trade and other receivables from contracts with customers	4,699,158	3,497,687	277,681
Allowance for credit losses of trade receivables	(212,850)	(16,850)	(16,850)
Total trade and other receivables from contracts with customers	4,486,308	3,480,837	260,831

MATERIAL ACCOUNTING POLICIES

Rates and statutory receivables

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

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

Trade receivables

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

Measurement

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

Classification and subsequent measurement

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

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

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

**SHIRE OF COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

5. INVENTORIES

	Note	2025 \$	2024 \$
Current			
Fuel and materials		19,791	8,751
		19,791	8,751
The following movements in inventories occurred during the year:			
Balance at beginning of year		8,751	37,054
Inventories expensed during the year		(31,407)	(196,497)
Additions to inventory		42,447	168,194
Balance at end of year		19,791	8,751

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 COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

6. OTHER ASSETS

	2025	2024
	\$	\$
Other assets - current		
Prepayments	44,595	54,660
Accrued income	0	91,338
	44,595	145,998

MATERIAL ACCOUNTING POLICIES

Other current assets

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

SHIRE OF COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

7. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in balances

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

	Total property			Plant and equipment					Total property, plant and equipment
	Note	Land	Buildings	Buildings - Work in progress	Total property	Furniture and equipment	Plant and equipment	Other property, plant and equipment WIP	
		\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023		350,000	10,425,161	1,029,833	11,804,994	107,372	2,549,959	0	14,462,325
Additions*		290,000	120,617	788,748	1,199,365	6,428	502,831	103,099	1,821,143
Depreciation		0	(451,565)	0	(451,565)	(33,425)	(554,018)	0	(1,039,008)
Restated Balance at 30 June 2024*		640,000	10,964,213	1,818,581	12,552,794	80,375	2,498,872	103,099	15,244,460
Comprises:									
Gross balance amount at 30 June 2024		640,000	11,010,859	1,818,581	13,469,440	627,127	5,980,032	103,099	20,169,018
Accumulated depreciation at 30 June 2024		0	(916,646)	0	(916,646)	(546,752)	(3,481,160)	0	(4,924,558)
Restated Balance at 30 June 2024*	7(b)	640,000	10,094,213	1,818,581	12,552,794	80,375	2,498,872	103,099	15,244,460
Additions		0	195,851	0	195,851	144,719	797,631	0	1,138,211
Depreciation		0	(454,080)	0	(454,080)	(27,737)	(517,460)	0	(999,277)
Transfers		0	1,818,581	(1,818,581)	0	9,320	103,089	(103,089)	0
Balance at 30 June 2025		640,000	11,654,575	0	12,294,575	206,677	2,882,142	0	15,383,384
Comprises:									
Gross balance amount at 30 June 2025		640,000	13,025,301	0	13,665,301	781,166	6,209,775	0	20,556,242
Accumulated depreciation at 30 June 2025		0	(1,370,726)	0	(1,370,726)	(574,489)	(3,327,633)	0	(5,272,848)
Balance at 30 June 2025	7(b)	640,000	11,654,575	0	12,294,575	206,677	2,882,142	0	15,383,384

* Restated - Refer to Note 29

SHIRE OF COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying amount measurements

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date					
Land and buildings					
Land - market value	3	Income capitalisation approach	Independent registered valuers	June 2023	Reference to market rental value
Land - communications	2	Market approach using recent or estimated observable market data for similar items (Net revaluation method)	Independent registered valuers	May 2024	Price per hectare/market borrowing rate
Buildings - non specialised	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2022	Utilising both observable and unobservable inputs, being construction costs based on recent contract prices, current condition (level 2 inputs), residual values and remaining useful life assessments (level 3 inputs)
(ii) Cost					
Furniture and equipment					
			Cost		Acquisition Cost
Plant and equipment					
			Cost		Acquisition Cost

SHIRE OF COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

8. 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	Other infrastructure	Other infrastructure - Parks and Ovals	Other infrastructure - works in progress	Other infrastructure - communications	Total infrastructure
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023	5,752,399	4,010,339	60,000	222,949	0	10,045,687
Additions*	342,548	52,011	0	0	709,701	1,104,260
(Disposals and Write Offs)	0	0	(60,000)	0	0	(60,000)
Depreciation	(158,884)	(271,536)	0	0	(15,495)	(445,915)
Restated Balance at 30 June 2024*	5,936,063	3,790,814	0	222,949	694,206	10,644,032
Comprises:						
Gross balance at 30 June 2024	6,253,058	4,330,498	0	222,949	709,701	11,516,204
Accumulated depreciation at 30 June 2024	(316,993)	(539,684)	0	0	(15,495)	(872,172)
Restated Balance at 30 June 2024*	5,936,063	3,790,814	0	222,949	694,206	10,644,032
Additions	280,120	0	0	0	0	280,120
Depreciation	(161,348)	(275,722)	0	0	(189,043)	(626,113)
Transfers	222,949	0	0	(222,949)	0	0
Balance at 30 June 2025	6,277,784	3,515,092	0	0	505,163	10,298,039
Comprises:						
Gross balance at 30 June 2025	6,756,125	4,330,498	0	0	709,701	11,796,324
Accumulated depreciation at 30 June 2025	(478,341)	(815,406)	0	0	(204,538)	(1,498,285)
Balance at 30 June 2025	6,277,784	3,515,092	0	0	505,163	10,298,039

* Restated - Refer to Note 29

**SHIRE OF COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

8. INFRASTRUCTURE (Continued)

(b) Carrying amount measurements

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs
(i) Fair value - as determined at the last valuation date					
Infrastructure - roads	3	Cost approach using depreciated replacement cost (gross revaluation method)	Independent registered valuers	June 2022	Utilising both observable and being construction costs being prices, current condition (values and remaining useful 3 inputs
Other infrastructure	3	Cost approach using depreciated replacement cost (gross revaluation method)	Independent registered valuers	June 2022	Utilising both observable and being construction costs being prices, current condition (values and remaining useful 3 inputs
Other infrastructure - communications	3	Cost approach using depreciated replacement cost (gross revaluation method)	Independent registered valuers	May 2024	Utilising both observable and being construction costs being prices, current condition (values and remaining useful 3 inputs

**SHIRE OF COCOS (KEELING) ISLANDS
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9. 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
Land - freehold	not depreciated
Buildings - non specialised	10 to 50 years
Land and buildings subject to operating lease	term of lease
Furniture and equipment	4 to 15 years
Plant and equipment	4 to 15 years
Sealed roads and streets	
subgrade	not depreciated
bitumen seals	20 to 80 years
paved roads	50 years
Unsealed roads	
subgrade	not depreciated
formation	30 years
Other Infrastructure	10 to 50 years
Other Infrastructure - Parks & Ovals	not depreciated

SHIRE OF COCOS (KEELING) ISLANDS
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FOR THE YEAR ENDED 30 JUNE 2025

9. 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.

Revaluation (cont'd)

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

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

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

Depreciation

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

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

Depreciation on revaluation

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

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

Impairment

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

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

Gains or losses on disposal

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

SHIRE OF COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

10. 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 - Buildings	Total right-of-use assets
		\$	\$
Balance at 1 July 2023		41,419	41,419
Additions		2,202	2,202
Depreciation		(11,891)	(11,891)
Balance at 30 June 2024		31,730	31,730
Gross balance amount at 30 June 2024		61,697	61,697
Accumulated depreciation at 30 June 2024		(29,967)	(29,967)
Balance at 30 June 2024		31,730	31,730
Depreciation		(12,002)	(12,002)
Balance at 30 June 2025		19,728	19,728
Gross balance amount at 30 June 2025		61,697	61,697
Accumulated depreciation at 30 June 2025		(41,969)	(41,969)
Balance at 30 June 2025		19,728	19,728

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	(12,002)	(11,891)
Finance charge on lease liabilities	(584)	(868)
Short-term lease payments recognised as expense	(51,860)	(60,476)
Total amount recognised in the statement of comprehensive income	(64,446)	(73,235)

(b) Lease liabilities

Current	13,229	12,908
Non-current	5,271	18,764
26(a)	18,500	31,672

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 26(a).

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 9 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 COCOS (KEELING) ISLANDS
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FOR THE YEAR ENDED 30 JUNE 2025

11. INTANGIBLE ASSETS

	2025 Actual \$	2024 Actual \$
Intangible assets		
Non-current		
Computer software development	5,000	5,000
Less: Accumulated amortisation	(2,000)	(1,000)
	3,000	4,000
 Movements in balances of computer software during the financial year are shown as follows:		
Balance at 1 July 2024	4,000	5,000
Amortisation	(1,000)	(1,000)
Balance at 30 June 2025	3,000	4,000
TOTAL INTANGIBLE ASSETS	3,000	4,000

Amortisation

The estimated useful life of intangible assets is 5 years for the current and prior years.

MATERIAL ACCOUNTING POLICIES

Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Shire are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Computer software (continued)

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Amortisation

All intangible assets with a finite useful life, are amortised on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use.

The residual value of intangible assets is considered to be zero and the useful life and amortisation method are reviewed at the end of each financial year.

Amortisation is included within depreciation in the Statement of Comprehensive Income.

SHIRE OF COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

12. TRADE AND OTHER PAYABLES

	2025	2024
	\$	\$
Current		
Sundry creditors	507,175	403,321
Prepaid rates	9,814	14,521
Statutory liabilities	15,466	0
Bonds and deposits held	42,697	36,848
Accrued expenses	90,440	0
	665,592	454,690

MATERIAL ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are initially recognised at fair value when the Shire becomes a party to the contractual provisions of the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and any consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Statutory liabilities

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

Trade and other payables

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

Prepaid rates

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

**SHIRE OF COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

13. OTHER LIABILITIES

	2025	2024
	\$	\$
Current		
Contract liabilities	117,991	102,511
	117,991	102,511
Reconciliation of changes in contract liabilities		
Opening balance	102,511	160,400
Additions	117,991	102,511
Revenue from contracts with customers included as a contract liability at the start of the period	(102,511)	(160,400)
	117,991	102,511

MATERIAL ACCOUNTING POLICIES

Contract liabilities

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

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

SHIRE OF COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

14. EMPLOYEE RELATED PROVISIONS

Employee related provisions

Current provisions

Employee benefit provisions

Annual leave

Long service leave

Employee related other provisions

Employment on-costs

Total current employee related provisions

Non-current provisions

Employee benefit provisions

Long service leave

Employee related other provisions

Employment on-costs

Total non-current employee related provisions

Total employee related provisions

	2025	2024
	\$	\$
Annual leave	220,802	209,240
Long service leave	215,634	230,529
	436,436	439,769
Employment on-costs	75,915	58,852
	75,915	58,852
Total current employee related provisions	512,351	498,621
Long service leave	57,537	44,111
	57,537	44,111
Employment on-costs	6,315	5,701
	6,315	5,701
Total non-current employee related provisions	63,852	49,812
Total employee related provisions	576,203	548,433

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 COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

15. OTHER PROVISIONS

	2025 Provision for relocation expenses	2025 Total	2024 Total
	\$	\$	\$
Opening balance at 1 July 2024	0	0	0
Additional provision	50,000	50,000	0
Balance at 30 June 2025	50,000	50,000	0
Comprises			
Current	50,000	50,000	0
	50,000	50,000	0

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 COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

16. REVALUATION SURPLUS

	2025 Opening balance	2025 Closing balance	2024 Opening balance	2024 Closing balance
	\$	\$	\$	\$
Revaluation surplus - Land	350,000	350,000	350,000	350,000
Revaluation surplus - Buildings	6,142,253	6,142,253	6,142,253	6,142,253
Revaluation surplus - Infrastructure - roads	278,181	278,181	278,181	278,181
Revaluation surplus - Other infrastructure	2,769,960	2,769,960	2,769,960	2,769,960
	9,540,394	9,540,394	9,540,394	9,540,394

**SHIRE OF COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

17. 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	11,176,666	6,588,455
		11,176,666	6,588,455
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	27	11,058,675	6,485,944
Contract liabilities	13	117,991	102,511
Total restricted financial assets		11,176,666	6,588,455

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

Credit standby arrangements			
Credit card limit		40,000	40,000
Credit card balance at balance date		(20,217)	(17,376)
Total amount of credit unused		19,783	22,624

**SHIRE OF COCOS (KEELING) ISLANDS
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19. CONTINGENT LIABILITIES

The Shire is not aware of any contingent liabilities as at 30 June 2025 (30 June 2024: nil).

20. CAPITAL COMMITMENTS

Contracted for:

- capital expenditure projects
- plant & equipment purchases

Payable:

- not later than one year

2025	2024
\$	\$
0	15,172
0	2,242
0	17,414
0	17,414

SHIRE OF COCOS (KEELING) ISLANDS
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21. 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	7,375	7,000	5,500
President's meeting attendance fees	7,375	7,000	5,500
President's conferences and training	0	1,500	0
President's travel and accommodation expenses	10,862	13,000	3,252
	25,612	28,500	14,252
Deputy President's annual allowance	7,375	7,000	5,500
Deputy President's conferences and training	0	1,000	0
Deputy President's travel and accommodation expenses	5,095	7,000	3,252
	12,470	15,000	8,752
All other council member's meeting attendance fees	36,875	35,000	27,500
All other council member's ICT expenses	0	0	4,539
All other council member's training and conference expenses	0	5,000	220
All other council member's travel and accommodation expenses	25,875	35,000	39,693
	62,750	75,000	71,952
21(b)	100,832	118,500	94,956

(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	707,099	827,065
Post-employment benefits	82,313	105,483
Employee - other long-term benefits	6,000	13,304
Council member costs	100,832	94,956
	896,244	1,040,808
21(a)		

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

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

Council member costs

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

**SHIRE OF COCOS (KEELING) ISLANDS
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21. RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with related parties

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

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

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

	2025 Actual	2024 Actual
	\$	\$
Sale of goods and services	250,020	120,125
Purchase of goods and services	0	870
Short term employee benefits - other related parties	348,106	551,921
Payment of council member costs - Refer to Note 23(a)	100,832	94,956
Amounts outstanding from related parties:		
Trade and other receivables	13,959	17,227

(d) Related parties

The Shire's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

There were no such parties requiring disclosure during the current or previous year.

iii. Entities subject to significant influence by the Shire

There were no such entities requiring disclosure during the current or previous year.

**SHIRE OF COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025**

22. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Shire.

SHIRE OF COCOS (KEELING) ISLANDS
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23. 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 9.

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 COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

24. RATING INFORMATION

(a) General rates

RATE TYPE	Rate description	Basis of valuation	Rate in \$	Number of properties	2024/25 Actual rateable value*	2024/25 Actual rate revenue	2024/25 Actual interim rates	2024/25 Actual total revenue	2024/25 Budget rate revenue	2024/25 Budget interim rate	2024/25 Budget total revenue	2023/24 Actual total revenue
GRV - General Developed		Gross rental valuation	0.1244	163	2,720,380	338,415	0	338,415	338,415	0	338,415	329,271
GRV - Vacant Land		Gross rental valuation	0.2483	15	44,400	11,025	0	11,025	11,025	0	11,025	10,652
GRV - Business		Gross rental valuation	0.1312	89	1,151,975	151,139	1,636	152,775	151,139	0	151,139	141,280
Total general rates				246	3,916,755	500,579	1,636	502,215	500,579	0	500,579	481,213
Minimum payment												
GRV - General Developed		Gross rental valuation	810	4	3,540	3,240	0	3,240	3,240	0	3,240	3,120
GRV - Vacant Land		Gross rental valuation	910	5	16,120	4,550	0	4,550	4,550	0	4,550	4,400
GRV - Business		Gross rental valuation	810	20	72,804	16,200	0	16,200	16,200	0	16,200	14,820
Total minimum payments				29	92,264	23,990	0	23,990	23,990	0	23,990	22,340
Total general rates and minimum payments				275	4,009,019	524,569	1,636	526,205	524,569	0	524,569	503,553
Concessions												
Total rates								526,205			524,569	(3,094)
												500,459
(b) Rates related information												
Rates instalment interest												1,343
Rates overdue interest												10,941

*Rateable Value at time of raising of rate.

SHIRE OF COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

25. DETERMINATION OF SURPLUS OR DEFICIT

Note	2024/25 (30 June 2025 carried forward) \$	2024/25 Budget (30 June 2025 carried forward) \$	2024/25 (1 July 2024 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	(68,430)	(20,500)	0	0
Less: Movement in liabilities associated with restricted cash	37,705	0	0	0
Add: Loss on disposal of assets	0	44,660	61,068	61,068
Add: Depreciation	9(a) 1,638,392	1,504,592	1,497,814	1,497,814
Non-cash movements in assets and liabilities:				
Non- Current Debtors	4 2,121,212	0	0	0
Employee benefit provisions	14 14,040	17,200	(11,225)	(11,225)
Non-cash amounts excluded from operating activities	3,742,919	1,545,952	1,547,657	1,547,657
(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				
Property, plant and equipment received for substantially less than fair value	7(a) 0	0	0	290,000
Infrastructure received for substantially less than fair value	8(a) 0	0	0	709,701
Non cash capital grants, subsidies and contributions				(999,701)
Non-cash amounts excluded from investing activities	0	0	0	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	27 (11,058,675)	(8,021,799)	(6,485,944)	(6,485,944)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of lease liabilities	10(b) 13,229	13,185	12,908	12,908
- Employee benefit provisions in Reserve	384,465	379,784	346,761	346,761
- Other provisions	0	0	0	0
Total adjustments to net current assets	(10,660,981)	(7,628,830)	(6,126,275)	(6,126,275)
Net current assets used in the Statement of financial activity				
Total current assets	14,845,665	8,313,793	10,066,992	10,066,992
Trade receivables (non current)	0	0	0	14,024,262
Less: Total current liabilities	(1,359,183)	(684,963)	(1,068,730)	(1,068,730)
Less: Total adjustments to net current assets	(10,660,981)	(7,628,830)	(6,126,275)	(6,126,275)
Surplus or deficit after imposition of general rates	2,825,521	0	2,871,987	16,896,249

SHIRE OF COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

26. LEASE LIABILITIES

(a) Lease Liabilities

Purpose	Note	Actual				Budget			
		Principal at 1 July 2023	New leases during 2023-24	Principal repayments during 2023-24	Principal at 30 June 2024	Principal at 1 July 2024	New leases during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025
Shire Office - West Island		\$ 41,799	\$ 0	\$ (10,127)	\$ 31,672	\$ 31,671	\$ 0	\$ (12,908)	\$ 18,763
Total		41,799	0	(10,127)	31,672	31,671	0	(12,908)	18,763

Actual for year ending 30 June 2025				Budget for year ending 30 June 2026			
Purpose	Loan number	Institution	Interest rate	Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2026	
Shire Office - West Island	B020	JLL	2.40%	1/11/2026	584	822	
Total					584	822	
Total finance cost payments					584	822	

SHIRE OF COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

27. RESERVE ACCOUNTS											
Restricted by council											
	2025	2025	2025	2025	2025	2025	2025	2025	2025	2025	2025
	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Actual	Actual	Actual	Actual
	opening	transfer	closing	opening	transfer	transfer	transfer	opening	transfer	transfer	closing
	balance	to	balance	balance	to	(from)	(from)	balance	to	to	balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(a) Leave reserve	362,584	21,881	0	362,584	17,200	0	379,784	344,623	17,991	0	362,584
(b) Plant Reserve	986,465	780,844	(754,612)	986,465	545,558	(520,000)	1,012,023	977,331	512,084	(502,930)	986,465
(c) Building Reserve	1,810,354	375,756	(199,830)	1,610,354	330,632	(280,421)	1,660,565	1,286,428	338,926	(15,000)	1,810,354
(d) Furniture and Equipment Reserve	41,961	13,328	0	41,961	19,396	(17,897)	43,460	16,792	23,169	0	41,961
(e) Self insurance Reserve	109,838	6,628	0	115,466	109,938	4,000	0	113,938	104,401	5,437	0
(f) Community Reserve	517,796	31,248	0	545,044	517,796	24,000	0	541,796	491,953	25,843	0
(g) Climate Adaptation Reserve	91,101	5,498	0	95,999	91,101	3,200	0	94,301	86,588	4,516	0
(h) Land Trust Administration Reserve	84,063	0	0	84,063	100,800	0	184,883	80,500	3,583	0	84,063
(i) Waste Management Reserve	0	1,042,763	(1,042,763)	0	0	(491,080)	0	0	702,056	(702,056)	0
(j) IT & Communication Reserve	2,448,262	5,899,904	(1,527,914)	6,619,252	1,526,505	(2,021,996)	3,634,509	4,130,000	2,877,443	(429,181)	2,448,262
(k) Infrastructure Reserve	233,500	120,000	0	353,500	233,500	123,200	0	233,500	233,500	0	233,500
	6,495,944	8,093,840	(3,524,109)	11,065,675	5,564,187	(5,789,066)	(3,331,454)	3,390,813	1,649,167	(1,649,167)	6,495,944

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

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

Name of reserve account Restricted by council	Purpose of the reserve account
(a) Leave reserve	- to be used to fund annual and long service leave requirements.
(b) Plant Reserve	- to be used for the purchase of major plant.
(c) Building Reserve	- to be used for the construction of Council buildings.
(d) Furniture and Equipment Reserve	- to be used for the purchase of furniture and office equipment.
(e) Self Insurance Reserve	- to be used to ensure that Council has sufficient cover on all insurance policies.
(f) Community Reserve	- to be used for the development of Home Island facilities and infrastructure.
(g) Climate Adaptation Reserve	- to be used for the purpose of providing for the needs of Climate Adaptation in the future.
(h) Land Trust Administration Reserve	- to be used to provide funds for the future administration and wind-up of the 1979 and 1984 Land Trusts.
(i) Waste Management Reserve	- to be used for bin collection and transfer station gate fees to be used to fund waste management operating and capital costs.
(j) IT & Communication Reserve	- to be used for Contracted ICT income and costs, communication/connectivity improvement initiatives and other island wide initiatives.
(k) Infrastructure Reserve	- to be used for future Shire infrastructure projects.

SHIRE OF COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

28. TRUST FUNDS

Transactions related to, and 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:

STATEMENT OF COMPREHENSIVE INCOME for years ended:	LAND TRUST 1979		LAND TRUST 1984	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
Revenue				
Contributions	358,914	402,255	29,351	127,309
Rent revenue	675,719	498,233	0	0
Fees and Charges	0	0	146,399	156,126
Other revenue	102,252	102,456	0	0
Total	1,136,885	1,002,944	175,750	283,435
Expenses				
Employee, Materials and Contract related	(756,511)	(627,241)	(122,400)	(56,755)
Utility charges	(67,797)	(59,621)	(6,803)	(5,728)
Depreciation on non-current assets	(1,690,411)	(1,690,412)	(267,219)	(259,961)
Insurance expenses	(312,577)	(316,081)	(46,547)	(46,547)
Total	(2,827,296)	(2,693,355)	(442,969)	(368,991)
Total comprehensive income for the period	(1,690,411)	(1,690,411)	(267,219)	(85,556)

STATEMENT OF FINANCIAL POSITION	LAND TRUST 1979		LAND TRUST 1984	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
NON-CURRENT ASSETS				
Property, plant and equipment	44,639,536	46,329,947	7,892,529	8,159,748
TOTAL NON-CURRENT ASSETS	44,639,536	46,329,947	7,892,529	8,159,748
TOTAL ASSETS	44,639,536	46,329,947	7,892,529	8,159,748
EQUITY				
Retained surplus	(3,733,277)	(2,042,868)	(562,508)	(295,289)
Revaluation surplus	48,372,813	48,372,815	8,455,037	8,455,037
TOTAL EQUITY	44,639,536	46,329,947	7,892,529	8,159,748

SHIRE OF COCOS (KEELING) ISLANDS
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

29. CORRECTION OF ERROR

During the financial year ended 30 June 2024, the Shire executed an asset transfer deed with a third party pursuant to which certain assets, being IT infrastructure assets and a property (the Assets), were transferred to the Shire. This asset transfer was incorrectly not recognised in the Shire's financial statements for the year ended 30 June 2024.

As a consequence of the above, the Shire has determined that:

(a) As at 30 June 2024:

- Infrastructure assets were understated by \$694,206.
- Property, plant and equipment were understated by \$290,000.
- Retained surplus was understated by \$984,206.

(b) For the year ended 30 June 2024:

- Depreciation expense was understated by \$15,495.
- Capital grants, subsidies and contributions were understated by \$999,701.

The financial impact of the correction of the above error is presented below:

	2024 Reported	Restatement	2024 Restated
Statement of Comprehensive Income (Extract)	\$	\$	\$
Depreciation	(1,482,319)	(15,495)	(1,497,814)
Capital grants, subsidies and contributions	525,510	999,701	1,525,211
Net result for the period	19,645,564	984,206	20,629,770
Total comprehensive income for the period	19,645,564	984,206	20,629,770

	2024 Reported	Restatement	2024 Restated
Statement of Financial Position (Extract)			
Infrastructure	9,949,826	694,206	10,644,032
Property, plant and equipment	14,954,460	290,000	15,244,460
Total non-current assets	38,964,278	984,206	39,948,484
Total assets	49,031,271	984,206	50,015,477
Net assets	47,893,965	984,206	48,878,171
Retained surplus	31,867,627	984,206	32,851,833
Total equity	47,893,965	984,206	48,878,171

	2024 Reported	Restatement	2024 Restated
Statement of Financial Activity (Extract)			
Depreciation	(1,482,319)	(15,495)	(1,497,814)
Non-cash amounts excluded from operating activities	1,532,162	15,495	1,547,657
Amount attributable to operating activities	20,652,216	-	20,652,216
Capital grants, subsidies and contributions	525,510	999,701	1,525,211
Acquisition of property, plant and equipment	(1,531,143)	(290,000)	(1,821,143)
Acquisition of infrastructure	(394,559)	(709,701)	(1,104,260)
Amount attributable to investing activities	(1,401,326)	-	(1,401,326)

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Auditor General

INDEPENDENT AUDITOR'S REPORT
2025
Shire of Cocos (Keeling) Islands

To the Council of the Shire of Cocos (Keeling) Islands

Opinion

I have audited the financial report of the Shire of Cocos (Keeling) Islands (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 figures

I draw attention to Note 29 to the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. 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.

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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

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



Tim Sanya
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
10 June 2026

7 CLOSE OF MEETING

The Presiding member declared the meeting closed at 4:38 pm.

These minutes were confirmed at a meeting on _____

SIGNED this _____ day of _____ 2026

as a true record of proceedings.

PRESIDING MEMBER

**12 ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS
NOTICE HAS BEEN GIVEN**

Nil

13 MOTIONS WITHOUT NOTICE WITH LEAVE OF COUNCIL**14 MATTERS BEHIND CLOSED DOORS****OFFICER RECOMMENDATION**

THAT COUNCIL CONSIDERS THE CONFIDENTIAL REPORT(S) LISTED BELOW IN A MEETING CLOSED TO THE PUBLIC IN ACCORDANCE WITH SECTION 5.23 OF THE LOCAL GOVERNMENT ACT 1995:

14.1 Surrender of Lease - Tenancy 4, Part Lot 18 Home Island Retail Centre

THIS MATTER IS CONSIDERED TO BE CONFIDENTIAL UNDER SECTION 5.23 - ((4)(A)) OF THE LOCAL GOVERNMENT ACT, AND THE COUNCIL IS SATISFIED THAT DISCUSSION OF THIS MATTER IN AN OPEN MEETING WOULD, ON BALANCE, BE CONTRARY TO THE PUBLIC INTEREST AS IT DEALS WITH (LEGAL ADVICE, OR OTHER INFORMATION, OVER WHICH THE LOCAL GOVERNMENT HOLDS LEGAL PROFESSIONAL PRIVILEGE;).

15 MATTERS RELATING TO THE LAND TRUSTS



The Australian Government transferred ownership of portions of land on the Cocos (Keeling) Islands, under two separate deeds, to the Territory's local government being the Cocos (Keeling) Islands Council. On 1 July 1992, the Territories Law Reform Act came into effect by which the Commonwealth Government applied Western Australian laws to the Cocos (Keeling) Islands. The Local Government (Transition) Ordinance 1992 established the Shire of the Cocos (Keeling) Islands by absorbing the Cocos (Keeling) Islands Council. By this arrangement, the body corporate called the Shire of Cocos (Keeling) Islands became the Trustee for both Land Trusts. Decisions relating to the Trust are made by Council as the decision-making arm of the body corporate.

The 1979 Deed: The 1979 Trust Deed applies to all of the land above the high-water mark on Home Island, except Lot 13, Lot 14 and Pulu Gangsa (Cemetery Island). The Deed states that the land is to be held 'upon trust for the benefit, advancement and wellbeing of the community formed by the Kampong residents.' No other terms were expressed in the Deed. 'Kampong residents' were described in the 1979 Trust Deed as 'the residents from time to time of the Kampong area'.

The 1984 Deed: The 1984 Trust Deed applies to all parcels of land situated and being above high-water mark within the Cocos (Keeling) Islands, including North Keeling Island, but not including parcels of land as described in the First Schedule of the 1984 Trust Deed. This transferred land was to be held by the Council (and later, by its successor, the Shire) 'upon trust for the benefit, advancement and wellbeing of the Cocos (Keeling) Islander's resident in the Territory on land owned by the Council.'

15.1 TRUSTS ADMINISTRATION

Nil

15.2 TRUSTS LEASES

Nil

15.3 TRUSTS FINANCE

Nil

- 16 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY
DECISION OF MEETING (LATE ITEMS)**
- 17 DECISIONS MADE WHILE MEETING WAS CLOSED TO THE
PUBLIC**
- 18 CLOSE OF MEETING**