

Shire of Cocos (Keeling) Islands

MINUTES

**Ordinary Council Meeting
19 August 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.

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1 OPENING/ANNOUNCEMENTS OF VISITORS

The Presiding Member declared the meeting open at 4:02pm and welcomes Councillors, Officers and Members of the Public.

2 ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

President:	Cr Isa Minkom
Deputy President:	Cr Ayesha Young
Councillors:	Cr Azah Badlu Cr Signa Knight Cr Tony Lacy 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 Amallia Alim, Governance Administration Officer (Minutes Officer) Aindil Minkom, Community Development Coordinator Suzie Bulka, Leasing and Policy Development Officer
Guests:	Nil
Public:	Nil
Apologies:	Cr Levi Fowler

3 RESPONSES TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

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.

Nil

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
NIL		

5.2 APPLICATION FOR LEAVE OF ABSENCE

Nil

6 PETITIONS, DEPUTATIONS AND PRESENTATIONS

6.1 Cocos (Keeling) Islands Marathon 2026

The Chief Executive Officer formally presented the Shire with a race medal and official runner bib, generously gifted to the Council by the organisers of the Cocos (Keeling) Islands Marathon, which was held on Wednesday, 19 August 2026.

7 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

7.1 Ordinary Council Meeting – 29 July 2026

RESOLUTION OCM/26/001

MOVED: CR T LACY

SECONDED: CR A BADLU

THAT THE MINUTES OF THE ORDINARY COUNCIL MEETING OF 29 JULY 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 (6/0)

FOR: CRS ISA MINKOM, AYESHA YOUNG, AZAH BADLU, SIGNA KNIGHT, TONY LACY 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.

Nil

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

☐	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 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 10.3.1.1 AND
2. ACCEPTS THE EXPLANATIONS FOR MATERIAL VARIANCES FOR THE PERIOD ENDING 31 JULY 2026, AS CONTAINED IN ATTACHMENT 10.3.1.1.

RESOLUTION - ITEM NO 10.3.1 OCM/26/002**MOVED: CR O SLOAN****SECONDED: CR A BADLU****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 10.3.1.1 AND**
- 2. ACCEPTS THE EXPLANATIONS FOR MATERIAL VARIANCES FOR THE PERIOD ENDING 31 JULY 2026, AS CONTAINED IN ATTACHMENT 10.3.1.1.**

THE MOTION WAS PUT AND DECLARED CARRIED (6/0)**FOR:** CRS ISA MINKOM, AYESHA YOUNG, AZAH BADLU, SIGNA KNIGHT, TONY LACY 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 31 JULY 2026*****LOCAL GOVERNMENT ACT 1995******LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996*****TABLE OF CONTENTS**

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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
	21,009,476	24,231,383	25,141,658
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)
	(633,567)	(4,060,682)	(4,398,744)
Net current assets	20,375,909	20,170,701	20,742,914
Less: Total adjustments to net current assets	2(b) (11,181,718)	(11,032,031)	(11,098,464)
Under Review			(15)
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	Var. \$ \$	Var. % %	
Expenditure from operating activities			
Employee costs	82,409	20.32%	▲
<i>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.</i>			
Depreciation	163,799	100.00%	▲
<i>Depreciation will not be run until the 2025/26 financial year is finalised.</i>			
Insurance	94,953	100.00%	▲
<i>Insurance paid in August.</i>			
Non cash amounts excluded from operating activities	(129,443)	(100.00%)	▼
<i>See Depreciation.</i>			
Surplus or deficit after imposition of general rates	9,424,085	4276.86%	▲
<i>Surplus of opening Net Current Assets compared to Reserve Accounts</i>			

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

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

Gross rental value

General Developed

Vacant

Business

Unimproved value

Sub-Total

Minimum payment

Gross rental value

General Developed

Vacant

Business

Sub-total

Gross Total

Concession / Waiver

Total general rates

YTD Actual						Budget	
Rate in \$ (cents)	Number of Properties	Rateable Value	Rate Revenue	Interim/Back Rate Revenue	Total Revenue	Rate Revenue	Total Revenue
			\$	\$	\$	\$	\$
0.1087	163	3,328,000	361,853	0	361,853	361,853	361,853
0.2158	9	21,300	4,597	0	4,597	11,647	11,647
0.1216	66	1,330,865	161,846	(870)	160,976	160,630	160,630
Sub-Total		238	4,680,165	528,296	(870)	527,426	534,130
Minimum Payment \$							
870	3	3,540	2,610	0	2,610	2,610	2,610
950	5	16,120	4,750	0	4,750	4,750	4,750
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
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 - Nil

ISLAND: Shire Wide

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 Council and forms part	Moderate (8)	Due to above Mitigation Action all payments should be

	of the public record, any inappropriate expenditure may adversely impact public confidence in the Shire's governance and financial management.		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.

RESOLUTION - ITEM NO 10.3.2 OCM/26/003

MOVED: CR A BADLU

SECONDED: CR A YOUNG

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.

THE MOTION WAS PUT AND DECLARED CARRIED (6/0)

FOR: CRS ISA MINKOM, AYESHA YOUNG, AZAH BADLU, SIGNA KNIGHT, TONY LACY AND OSMAN SLOAN

AGAINST: NIL

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	Proffessional Fees-Review of Lease Submission	\$ 290.00
EFT12478	07/07/2026	Mo Sparks Electrical	Disconnect/Reconnect Eleictrical 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	DITRDCA	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 vehicle-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 Analysia 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 Attachments	\$ 240.52
DD12162.1	27/07/2026	Mastercard	See Attachments	\$ 5,563.29
DD12168.1	27/07/2026	Mastercard	See Attachments	\$ 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 COCOS 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 - 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

1. To provide Council with a Status Update of the Administrators work with regards to the Cocos 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 Cocos 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 Cocos 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 Cocos 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 x 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

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 COCOS 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.

RESOLUTION - ITEM NO 10.3.3 OCM/26/004

MOVED: CR A YOUNG

SECONDED: CRT LACY

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 COCOS 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.

THE MOTION WAS PUT AND DECLARED CARRIED (6/0)

FOR: CRS ISA MINKOM, AYESHA YOUNG, AZAH BADLU, SIGNA KNIGHT, TONY LACY AND OSMAN SLOAN

AGAINST: NIL

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 - 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>
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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 rainwater 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 storeroom 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 Cold Mix 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 diversity and representation within the decision-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.

RESOLUTION - ITEM NO 10.4.1 OCM/26/005

MOVED: CR A BADLU

SECONDED: CR O SLOAN

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

THE MOTION WAS PUT AND DECLARED CARRIED (6/0)

FOR: CRS ISA MINKOM, AYESHA YOUNG, AZAH BADLU, SIGNA KNIGHT, TONY LACY 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

☐	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 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 x likelihood)	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 to public scrutiny.	Low (3)	Ensure all expenditures are 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.

RESOLUTION - ITEM NO 10.5.1 OCM/26/006

MOVED: CR A BADLU

SECONDED: CR A YOUNG

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

THE MOTION WAS PUT AND DECLARED CARRIED (6/0)

FOR: CRS ISA MINKOM, AYESHA YOUNG, AZAH BADLU, SIGNA KNIGHT, TONY LACY AND OSMAN SLOAN

AGAINST: NIL

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 - Nil

Authoriser - Nil

ISLAND: Shire Wide

ATTACHMENTS: 11.1.1 -Minutes Audit, Risk and Improvements Committee Meeting 27 July 2026

BACKGROUND

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.

RESOLUTION - ITEM NO 11.1 OCM/26/007

MOVED: CR A YOUNG

SECONDED: CR A BADLU

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

THE MOTION WAS PUT AND DECLARED CARRIED (6/0)

FOR: CRS ISA MINKOM, AYESHA YOUNG, AZAH BADLU, SIGNA KNIGHT, TONY LACY AND OSMAN SLOAN

AGAINST: NIL



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

1	Opening/Announcements of Visitors	5
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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>
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		<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>
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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 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.

**MINUTES OF THE AUDIT, RISK AND IMPROVEMENTS COMMITTEE MEETING
27 JULY 2026**

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

		2025 Actual	2025 Budget	Restated* 2024 Actual
	Note	\$	\$	\$
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
	12,094,356	9,291,328
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)
	(7,016,526)	(6,118,346)
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			
24	526,205	524,569	500,459
	4,996,175	5,661,002	6,186,279
	1,232,257	1,064,788	1,178,348
	324,157	288,650	274,717
	4,400,453	4,034,610	19,119,924
	68,430	20,500	0
	11,547,677	11,594,119	27,259,727
Expenditure from operating activities			
	(4,242,005)	(4,126,807)	(4,033,270)
	(2,693,107)	(2,559,959)	(1,597,933)
	(54,470)	(67,370)	(40,087)
	(1,638,392)	(1,504,592)	(1,497,814)
	(584)	(822)	(868)
	(173,206)	(183,004)	(173,869)
	(651,663)	(1,210,252)	(750,259)
	0	(44,660)	(61,068)
	(9,453,427)	(9,697,466)	(8,156,168)
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			
	52,169	257,654	1,525,211
	68,430	(24,160)	1,068
	120,599	233,494	1,526,279
Outflows from investing activities			
10(a)	0	0	(2,202)
7(a)	(1,138,211)	(992,196)	(1,821,143)
8(a)	(280,120)	(281,883)	(1,104,260)
	(1,418,331)	(1,274,079)	(2,927,605)
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			
27	3,524,109	3,331,454	1,649,167
	3,524,109	3,331,454	1,649,167
Outflows from financing activities			
26(a)	(13,172)	(12,908)	(10,127)
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			
25(c)	2,871,987	68,500	750,817
Surplus or deficit at the start of the financial year	5,837,169	3,442,605	20,652,216
Amount attributable to operating activities	(1,297,732)	(1,040,585)	(1,401,326)
Amount attributable to investing activities	(4,585,903)	(2,470,520)	(3,105,458)
Surplus or deficit after imposition of general rates	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

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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 amendments 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	12,194	262,533	274,727
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 Actual \$	2024 Actual \$
Interest revenue		
Interest on reserve account	224,854	189,385
Trade and other receivables overdue interest	11,389	12,194
Other interest revenue	88,114	73,148
	324,357	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

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	65,000
- Other services – grant acquittals	11,320	10,700
	76,320	75,700
Employee Costs		
Employee benefit costs	3,495,547	3,510,682
Other employee costs	748,453	522,365
	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	868
	584	868
Other expenditure		
Net Land Trust Contributions	414,767	529,594
Sundry expenses	236,896	220,683
	651,663	750,269

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	5,650,999
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
	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.

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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.

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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
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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.

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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:

Note	Total property				Plant and equipment				Total property, plant and equipment
	Land	Buildings	Buildings - Work in progress	Total property	Furniture and equipment	Plant and equipment	Other property, plant and equipment WIP	Furniture and equipment - WIP	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023	350,000	10,425,101	1,029,833	11,804,934	107,372	2,549,959	0	0	14,462,325
Additions*	290,000	120,817	788,748	1,199,365	6,428	502,931	103,099	9,320	1,821,143
Depreciation	0	(451,565)	0	(451,565)	(33,425)	(554,018)	0	0	(1,039,008)
Restated Balance at 30 June 2024*	640,000	10,094,213	1,818,581	12,552,794	80,375	2,498,872	103,099	9,320	15,244,460
Comprises:									
Gross balance amount at 30 June 2024	640,000	11,010,859	1,818,581	13,469,440	627,127	5,960,032	103,099	9,320	20,168,018
Accumulated depreciation at 30 June 2024	0	(916,646)	0	(916,646)	(546,752)	(3,461,160)	0	0	(4,924,556)
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	9,320	15,244,460
Additions	0	195,861	0	195,861	144,719	797,631	0	0	1,138,211
Depreciation	0	(454,080)	0	(454,080)	(27,737)	(517,460)	0	0	(999,277)
Transfers	0	1,818,581	(1,818,581)	0	8,320	103,099	(103,099)	(8,320)	0
Balance at 30 June 2025	640,000	11,654,575	0	12,294,575	206,677	2,882,142	0	0	15,383,394
Comprises:									
Gross balance amount at 30 June 2025	640,000	13,025,301	0	13,665,301	781,166	5,209,775	0	0	20,556,242
Accumulated depreciation at 30 June 2025	0	(1,370,726)	0	(1,370,726)	(574,489)	(3,327,633)	0	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	0	15,383,394

* Restated - Refer to Note 29

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SHIRE OF COCOS (KEELING) ISLANDS
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7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying amount measurements

Asset class	Note	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	Cost		Acquisition Cost
Plant and equipment			Cost	Cost		Acquisition Cost

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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 infrastructure \$	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	(168,884)	(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	6,253,056	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	(188,043)	(625,113)
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

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8. INFRASTRUCTURE (Continued)

(b) Carrying amount measurements

Asset class	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date					
Infrastructure - roads	3	Cost approach using depreciated replacement cost (gross revaluation method)	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)
Other infrastructure	3	Cost approach using depreciated replacement cost (gross revaluation method)	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)
Other infrastructure - communications	3	Cost approach using depreciated replacement cost (gross revaluation method)	Independent registered valuers	May 2024	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)

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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

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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.

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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.

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11. INTANGIBLE ASSETS

Intangible assets

Non-current

Computer software development
Less: Accumulated amortisation

Movements in balances of computer software
during the financial year are shown as follows:

Balance at 1 July 2024

Amortisation

Balance at 30 June 2025

TOTAL INTANGIBLE ASSETS

2025 Actual \$	2024 Actual \$
5,000	5,000
(2,000)	(1,000)
3,000	4,000
4,000	5,000
(1,000)	(1,000)
3,000	4,000
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.

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12. TRADE AND OTHER PAYABLES

Current
Sundry creditors
Prepaid rates
Statutory liabilities
Bonds and deposits held
Accrued expenses

2025	2024
\$	\$
507,175	403,321
9,814	14,521
15,466	0
42,697	36,848
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.

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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.

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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
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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.

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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

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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

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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

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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

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.

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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
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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.

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SHIRE OF COCOS (KEELING) ISLANDS
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24. RATING INFORMATION

(a) General rates

RATE TYPE		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
Rate description	Basis of valuation										
GRV - General Developed	Gross rental valuation	0.1244	163	2,720,380	338,415	0	338,415	338,415	0	338,415	328,271
GRV - Vacant Land	Gross rental valuation	0.2483	15	44,400	11,025	0	11,025	11,025	0	11,025	10,852
GRV - Business	Gross rental valuation	0.1312	68	1,151,975	151,139	1,636	152,775	151,139	0	151,139	141,290
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	3,340	3,240	0	3,240	3,240	0	3,240	3,120
GRV - Vacant Land	Gross rental valuation	910	5	18,120	4,550	0	4,550	4,550	0	4,550	4,400
GRV - Business	Gross rental valuation	810	20	72,804	15,200	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							0			0	(3,094)
Total rates							526,205			524,569	500,459

(b) Rates related information

Rates instalment interest	1,380									1,000	1,343
Rates overdue interest	10,008									2,450	10,841

*Rateable Value at time of raising of rate.

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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	1,638,392	1,504,592	1,497,814	1,497,814
Non-cash movements in assets and liabilities:				
Non- Current Debtors	2,121,212	0	0	0
Employee benefit provisions	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	0	0	0	290,000
Infrastructure received for substantially less than fair value	0	0	0	709,701
Non cash capital grants, subsidies and contributions	0	0	0	(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	(11,053,875)	(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	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	(10,660,361)	(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	(1,359,163)	(684,963)	(1,068,730)	(1,068,730)
Less: Total adjustments to net current assets	(10,660,361)	(7,628,830)	(6,126,275)	(6,126,275)
Surplus or deficit after imposition of general rates	2,825,521	0	2,871,987	16,696,249

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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	New leases during 2024-25	Principal repayments during 2024-25	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	\$ 0	\$ (13,172)	\$ 31,671	\$ 0	\$ (12,968)	\$ 18,703
Total		41,799	0	(10,127)	31,672	0	(13,172)	31,671	0	(12,968)	18,703

Borrowing finance cost payments					Actual for year ending 30 June 2025	Budget for year ending 30 June 2025	Actual for year ending 30 June 2024
Purpose	Loan number	Institution	Interest rate	Date final payment is due			
Shire Office - West Island	8020	JLL	2.40%	1/11/2026	\$ 584	\$ 822	\$ 868
Total					584	822	868
Total finance cost payments					584	822	868

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	2025 Actual opening balance	2025 Actual transfer to	2025 Actual transfer (from)	2025 Actual closing balance	2025 Budget opening balance	2025 Budget transfer to	2025 Budget transfer (from)	2025 Budget closing balance	2024 Actual opening balance	2024 Actual transfer to	2024 Actual transfer (from)	2024 Actual closing balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
27. RESERVE ACCOUNTS												
Restricted by council												
(a) Leave reserve	362,584	21,881	0	384,465	362,584	17,200	0	379,784	344,823	17,981	0	362,584
(b) Plant Reserve	988,465	780,844	(754,612)	1,012,697	988,465	545,558	(520,000)	1,012,023	977,331	512,064	(502,930)	986,465
(c) Building Reserve	1,810,354	375,758	(198,830)	1,787,280	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	55,289	41,961	19,386	(17,957)	43,400	18,792	23,169	0	41,961
(e) Self Insurance Reserve	109,838	6,628	0	116,466	109,838	4,000	0	113,838	104,401	5,437	0	109,838
(f) Community Reserve	517,796	31,248	0	549,044	517,796	24,000	0	541,796	491,953	25,843	0	517,796
(g) Climate Adaptation Reserve	91,101	5,498	0	96,599	91,101	3,200	0	94,301	86,585	4,516	0	91,101
(h) Land Trust Administration Reserve	84,083	0	0	84,083	84,083	100,800	0	184,883	80,500	3,583	0	84,083
(i) Waste Management Reserve	0	1,042,753	(1,042,753)	0	0	491,080	(491,080)	0	0	702,056	(702,056)	0
(j) IT & Communication Reserve	2,448,262	5,688,904	(1,527,914)	6,619,252	1,526,505	4,130,000	(2,021,996)	3,634,509	0	2,877,443	(429,181)	2,448,262
(k) Infrastructure Reserve	233,500	120,000	0	353,500	233,500	123,200	0	356,700	0	233,500	0	233,500
	6,485,944	8,068,840	(3,524,109)	11,059,675	5,564,187	5,789,066	(3,331,454)	8,021,799	3,390,613	4,744,498	(1,649,167)	6,485,944

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	Purpose of the reserve account
Restricted by council	
(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 winding-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.

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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	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

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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

	2024 Reported	Restatement	2024 Restated
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

	2024 Reported	Restatement	2024 Restated
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)

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

OFFICIAL



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.

Page 1 of 3

7th Floor Albert Facey House 469 Wellington Street Perth MAIL TO: Perth BC PO Box 8489 Perth WA 6849 TEL: 08 6557 7500

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

OFFICIAL

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

Page 2 of 3

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

OFFICIAL

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

Nil

14 MATTERS BEHIND CLOSED DOORS

RESOLUTION OCM/26/008

MOVED: CR A YOUNG

SECONDED: CR O SLOAN

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;).

THE MOTION WAS PUT AND DECLARED CARRIED (6/0)

FOR: CRS ISA MINKOM, AYESHA YOUNG, AZAH BADLU, SIGNA KNIGHT, TONY LACY AND OSMAN SLOAN

AGAINST: NIL

14.1 SURRENDER OF LEASE - TENANCY 4, PART LOT 18 HOME ISLAND RETAIL CENTRE

FILE NUMBER:

AUTHOR: Suzie Bulka, Leasing and Policy Development Officer

AUTHORISER: Matthew Scott, Chief Executive Officer

DISCLOSURE(S) OF INTEREST: Author -

Authoriser -

ISLAND: Home Island

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)(a) Legal advice, or other information, over which the local government holds legal professional privilege;

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

To present to Council a request from Thomas Batchter and Ummerah Dollar to surrender the lease for the restaurant at Tenancy 4, Part Lot 18 Home Island Retail Centre.

RESOLUTION - ITEM NO 14.1 OCM/26/009**MOVED: CR O SLOAN****SECONDED: CR A BADLU****THAT COUNCIL, BY ABSOLUTE MAJORITY, ACTING IN ITS CAPACITY AS TRUSTEE OF THE 1979 LAND TRUST DEED:**

- 1. RESOLVES THE FOLLOWING ITEMS ARE COMPLETED PRIOR TO EXECUTING THE DEED OF SURRENDER:**
 - (A) ANY OUTSTANDING FEES AND OTHER MONIES OWING UNDER THE LEASE ARE PAID IN FULL.**
 - (B) COMPLETE AN EXIT INSPECTION AND ASSESS ANY OUTSTANDING REMEDIAL WORK.**
- 2. AUTHORISES THE CHIEF EXECUTIVE OFFICER AND SHIRE PRESIDENT TO ENTER INTO A DEED OF SURRENDER IN RESPECT OF THE EXISTING LEASE FOR TENANCY 4, PART LOT 18 HOME ISLAND RETAIL CENTRE ONCE ITEM 1(A) AND (B) ARE SATISFIED.**
- 3. AUTHORISE THE CHIEF EXECUTIVE OFFICER AND THE SHIRE PRESIDENT TO SIGN AND AFFIX THE COMMON SEAL OF THE SHIRE OF COCOS (KEELING) ISLANDS TO THE DEED OF SURRENDER.**
- 4. AUTHORISES THE CHIEF EXECUTIVE OFFICER TO ADVERTISE THE LEASE FOR EXPRESSOIN OF INTEREST TO THE PUBLIC.**

THE MOTION WAS PUT AND DECLARED CARRIED BY ABSOLUTE MAJORITY (6/0)**FOR:** CRS ISA MINKOM, AYESHA YOUNG, AZAH BADLU, SIGNA KNIGHT, TONY LACY AND OSMAN SLOAN**AGAINST:** NIL**RESOLUTION OCM/26/010****MOVED: CR A YOUNG****SECONDED: CR A BADLU****THAT COUNCIL RESOLVES TO MOVE OUT OF CLOSED DOOR AT 4:24PM.****THE MOTION WAS PUT AND DECLARED CARRIED (6/0)****FOR:** CRS ISA MINKOM, AYESHA YOUNG, AZAH BADLU, SIGNA KNIGHT, TONY LACY 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

15.2 TRUSTS LEASES

Nil

15.3 TRUSTS FINANCE

Nil

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

RESOLUTION OCM/26/011

MOVED: CR A BADLU

SECONDED: CRT LACY

THAT COUNCIL RESOLVES TO ACCEPT THE LATE ITEM FOR CONSIDERATION.

THE MOTION WAS PUT AND DECLARED CARRIED (6/0)

FOR: CRS ISA MINKOM, AYESHA YOUNG, AZAH BADLU, SIGNA KNIGHT, TONY LACY AND OSMAN SLOAN

AGAINST: NIL

16.1 CHANGE OF DATE - 2024/25 ANNUAL GENERAL 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: 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

For Council to determine a new date for the 2024/25 Annual General Meeting of Electors following the identification that the currently advertised meeting date of Wednesday, 26 August 2026 falls on a public holiday on the Cocos (Keeling) Islands.

BACKGROUND

Council recently accepted the Shire's 2024/25 Annual Report and determined that the Annual General Meeting of Electors would be held on:

Wednesday, 26 August 2026 at 3.30 pm
Home Island Council Chambers

In accordance with Council's decision, Administration subsequently implemented the resolution by issuing the required local public notice advising the community of the meeting.

It has since been identified that Wednesday, 26 August 2026 is a public holiday on the Cocos (Keeling) Islands, and the August Council Meeting is scheduled for 19 August 2026.

While the public holiday does not necessarily prevent the meeting being held, Administration considers that holding the Annual General Meeting of Electors on a public holiday is undesirable due to the potential impact on community participation and staff availability.

Council is therefore requested to determine a new date for the meeting.

COMMENT

Section 5.27 of the *Local Government Act 1995* requires a general meeting of electors to be held once each financial year and within 56 days after the local government accepts its annual report.

Council accepted the 2024/25 Annual Report on 29 July 2026. Accordingly, the Annual General Meeting of Electors must be held no later than Wednesday, 23 September 2026.

Section 5.29 requires at least 14 days' local public notice, together with at least 14 days' notice to Council Members, of the date, time, place and purpose of the meeting.

Administration proposes issuing revised public notice on 20 August 2026.

Two practical alternative dates have been identified.

Option 1 – Wednesday, 9 September 2026

The Annual General Meeting of Electors could be held on:

Wednesday, 9 September 2026 at 3.30 pm
Home Island Council Chambers

A Council briefing session will also be scheduled for the same day, allowing Council to combine both commitments, noting that a briefing cannot be held the following week due to Council attendance at the WALGA Convention in Perth.

This option:

- provides more than the required statutory notice period.
- provides a reasonable contingency before the statutory deadline of 23 September.
- allows a Council briefing session to be scheduled on the same day if required; and
- provides separation between the Annual General Meeting of Electors and the September Ordinary Council Meeting.

Option 2 – Wednesday, 23 September 2026

Alternatively, the Annual General Meeting of Electors could be held immediately prior to the Ordinary Council Meeting already scheduled for Wednesday, 23 September 2026.

This option would:

- consolidate the Annual General Meeting of Electors and Ordinary Council Meeting on the same day.
- avoid requiring an additional attendance day for Council Members and Administration; and
- remain within the statutory timeframe.

However, 23 September 2026 is the final permissible date within the 56-day statutory period. Accordingly, this option provides no contingency should unforeseen circumstances prevent the meeting proceeding as scheduled.

Further, any decisions arising from the Annual General Meeting of Electors would ordinarily need to be considered at a subsequent Council meeting rather than the Ordinary Council Meeting held immediately afterwards, having regard to the requirements relating to electors' meeting decisions and minutes.

Preferred Option

Administration recommends Wednesday, 9 September 2026 at 3.30 pm.

This date provides an appropriate statutory and administrative contingency while also allowing a Council briefing session to be scheduled on the same day should this be considered beneficial.

Should Council prefer to minimise the number of separate meeting days, 23 September 2026 immediately prior to the Ordinary Council Meeting remains a practical alternative.

POLICY AND LEGISLATION IMPLICATIONS

Local Government Act 1995

Section 5.27 – Electors' general meetings

Section 5.29 – Convening electors' meetings.

FINANCIAL IMPLICATIONS

Nil

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 x likelihood)	Mitigation Action
Financial	Minor additional administrative costs associated with rescheduling and re-advertising the Annual General Meeting of Electors.	Low	Not considered a material expense
Reputation	Holding the meeting on a public holiday may reduce community participation and create a perception that the meeting is not readily accessible to electors.	Low	Reschedule the meeting to 9 September 2026 and issue clear revised public notice advising of the new date.
Compliance	Risk of not meeting the statutory requirement to hold the Annual General Meeting of Electors within 56 days of accepting the Annual Report or failing to provide the required minimum 14	Low	Hold the meeting on 9 September 2026 and issue revised public notice on 20 August 2026, providing sufficient notice and contingency before the statutory deadline of 23

	days' notice.		September 2026.
Fraud	No material fraud risk is identified in relation to changing the meeting date.	Low	Apply normal Council decision-making, recordkeeping and public notice 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

Rescheduling the Annual General Meeting of Electors is considered appropriate given the currently advertised date falls on a public holiday. Of the available options, 9 September 2026 is preferred as it satisfies the statutory notice and meeting timeframes, provides contingency before the statutory deadline, and can be coordinated with a Council briefing session scheduled for the same day.

OFFICER RECOMMENDATION – ITEM NO 16.1

THAT COUNCIL, BY SIMPLE MAJORITY:

- 1) NOTES THAT:
 - A) COUNCIL PREVIOUSLY DETERMINED THAT THE 2024/25 ANNUAL GENERAL MEETING OF ELECTORS BE HELD ON WEDNESDAY, 26 AUGUST 2026 AT 3.30 PM AT THE HOME ISLAND COUNCIL CHAMBERS.
 - B) THIS DECISION HAS BEEN IMPLEMENTED THROUGH THE ISSUE OF THE REQUIRED LOCAL PUBLIC NOTICE; AND
 - C) IT HAS SUBSEQUENTLY BEEN IDENTIFIED THAT 26 AUGUST 2026 IS A PUBLIC HOLIDAY ON THE COCOS (KEELING) ISLANDS.
- 2) DETERMINES THAT THE 2024/25 ANNUAL GENERAL MEETING OF ELECTORS INSTEAD BE HELD ON WEDNESDAY, 9 SEPTEMBER 2026 AT 3.30 PM AT THE HOME ISLAND COUNCIL CHAMBERS; AND
- 3) REQUESTS THE CHIEF EXECUTIVE OFFICER TO ISSUE REVISED LOCAL PUBLIC NOTICE AND NOTICE TO COUNCIL MEMBERS IN ACCORDANCE WITH SECTION 5.29 OF THE LOCAL GOVERNMENT ACT 1995, CLEARLY ADVISING THAT THE MEETING PREVIOUSLY ADVERTISED FOR 26 AUGUST 2026 HAS BEEN RESCHEDULED.

RESOLUTION - ITEM NO 10.1.1 OCM/26/012**MOVED: CR A BADLU****SECONDED: CR O SLOAN****THAT COUNCIL, BY SIMPLE MAJORITY:****1) NOTES THAT:**

- A) COUNCIL PREVIOUSLY DETERMINED THAT THE 2024/25 ANNUAL GENERAL MEETING OF ELECTORS BE HELD ON WEDNESDAY, 26 AUGUST 2026 AT 3.30 PM AT THE HOME ISLAND COUNCIL CHAMBERS.**
- B) THIS DECISION HAS BEEN IMPLEMENTED THROUGH THE ISSUE OF THE REQUIRED LOCAL PUBLIC NOTICE; AND**
- C) IT HAS SUBSEQUENTLY BEEN IDENTIFIED THAT 26 AUGUST 2026 IS A PUBLIC HOLIDAY ON THE COCOS (KEELING) ISLANDS.**

2) DETERMINES THAT THE 2024/25 ANNUAL GENERAL MEETING OF ELECTORS INSTEAD BE HELD ON WEDNESDAY, 9 SEPTEMBER 2026 AT 3.30 PM AT THE HOME ISLAND COUNCIL CHAMBERS; AND

3) REQUESTS THE CHIEF EXECUTIVE OFFICER TO ISSUE REVISED LOCAL PUBLIC NOTICE AND NOTICE TO COUNCIL MEMBERS IN ACCORDANCE WITH SECTION 5.29 OF THE LOCAL GOVERNMENT ACT 1995, CLEARLY ADVISING THAT THE MEETING PREVIOUSLY ADVERTISED FOR 26 AUGUST 2026 HAS BEEN RESCHEDULED.

THE MOTION WAS PUT AND DECLARED CARRIED (6/0)

FOR: CRS ISA MINKOM, AYESHA YOUNG, AZAH BADLU, SIGNA KNIGHT, TONY LACY AND OSMAN SLOAN

AGAINST: NIL

17 DECISIONS MADE WHILE MEETING WAS CLOSED TO THE PUBLIC

Nil

18 CLOSE OF MEETING

The Presiding member declared the meeting closed at 4:28pm.

These minutes were confirmed at a meeting on

SIGNED this day of 2026

as a true record of proceedings.

PRESIDING MEMBER