

City of Karratha Annual Report 2024/25





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WELCOME

to the 2024/25 City of Karratha Annual Report

Our Annual Report provides an overview of City of Karratha activities as we work to achieve our vision of becoming Australia's most liveable regional city.

Driven by our four strategic pillars: Our Community; Our Economy; Our Natural and Built Environment; and Our Leadership, this report showcases our achievements alongside areas where there is still room to grow. This in-depth look at our work across the 2024/25 financial year includes not only the public-facing elements of the City's work but also encompasses our financial performance and the governance and statutory regulations by which we operate.

Throughout the 2024/25 financial year, the City of Karratha continued to provide a high level of services and amenities for residents. Key achievements included the completion of the Hillview and Balmoral Road upgrades, redevelopment of Kevin Richards Memorial Oval, and the Coolawanyah and De Witt Road intersection improvement. Progress was also advanced on major strategic initiatives such as Project Dorothy, the Mulataga residential development, and the Roebourne Streetscape Master Plan.

Acknowledgement of Country

The City of Karratha recognises the ancient and ongoing connection of the Ngarluma people as Traditional Custodians of this land and their deep historical and spiritual connection to the region's country, waterways, rivers, and seas.

We acknowledge the significance of the traditional welcoming rituals of Aboriginal and Torres Strait Islander people and pay respect to the Ngarluma people and their Elders past and present.

We also acknowledge that Indigenous Australians were the first inhabitants of Australia and have unique languages and spiritual relationships with the land. The name "Karratha" is derived from an Aboriginal word meaning "good country" or "soft earth."

2.1 Why We Report

Under the *Local Government Act 1995*, local governments are required to produce an Annual Report. This document provides a snapshot of performance at the City of Karratha alongside an overview of the City's vision for the future.

This report recognises the City's major successes and growth, while also assessing areas that warrant further development, providing a timely opportunity for reflection and improvement.

The City of Karratha Annual Report is a public document that provides the disclosure requirements outlined in the State Government of Western Australia's *Local Government Act 1995*.

An electronic version of this report is available on the City of Karratha website: karratha.wa.gov.au

2.2 Mayor's Message

It is my privilege to present the 2024/25 Annual Report for the City of Karratha. This past year has been one of growth, resilience, and forward momentum as we continue our journey toward our vision of becoming Australia's most liveable regional city.



Our region holds enormous potential – culturally, socially, and economically – and we are embracing this future with confidence. Guided by our Strategic Community Plan, we are shaping a city that not only supports our people today but also inspires future generations to call the City of Karratha home.

The foundations we are building through infrastructure, community partnerships, and cultural initiatives are about more than service delivery. They are about creating a city that reflects our diversity, celebrates our heritage, and provides opportunity for all.

As Mayor, I am proud of the vision our Council has endorsed and the collective effort of our community in bringing it to life. Together, we are setting the standard for what a modern regional city can achieve, standing as a beacon of innovation, inclusivity, and sustainability.

I look forward to working with you all as we continue to realise our vision of becoming Australia's most liveable regional city and unlock the full potential of this extraordinary region.

DANIEL SCOTT
Mayor, City of Karratha



... creating a city that reflects our diversity, celebrates our heritage, and provides opportunity for all.

2.3 CEO's Message

Over the past financial year, the City of Karratha has delivered a significant program of works and initiatives that strengthen our community, economy, and environment, all while keeping our vision of being Australia's most liveable regional city at the centre of our efforts.



These projects... demonstrate our commitment to building a resilient and vibrant city.

With nearly \$32 million in capital works completed, major infrastructure upgrades such as the Hillview and Balmoral Road improvements, Kevin Richards Memorial Oval redevelopment, and the Coolawanyah and De Witt Road intersection upgrade are enhancing connectivity, safety, and recreation opportunities across the district.

We also advanced long-term projects including the Roebourne Streetscape Master Plan, Mulataga residential development funding, and Project Dorothy, which will deliver much-needed housing and land supply to support workforce and industry growth.

These projects, alongside our ongoing investment in community facilities and services, demonstrate our commitment to building a resilient and vibrant city.

Sustainability and innovation remain at the core of our operations. From achieving recognition as a Gold Waterwise Council to commencing an Emission Reduction Plan and expanding waste diversion initiatives, we are ensuring the City of Karratha is well positioned for a sustainable future.

I am proud of the professionalism and dedication of our staff, whose efforts continue to provide high-quality services and deliver outcomes that make a real difference to our community.

As CEO, I look forward to building on these achievements and working with Council, industry, and residents to bring our shared vision of being Australia's most liveable regional city to life.

VIRGINIA MILTRUP
CEO, City of Karratha

3

OUR CITY

This section provides an overview of the people and the places that make up the City of Karratha.



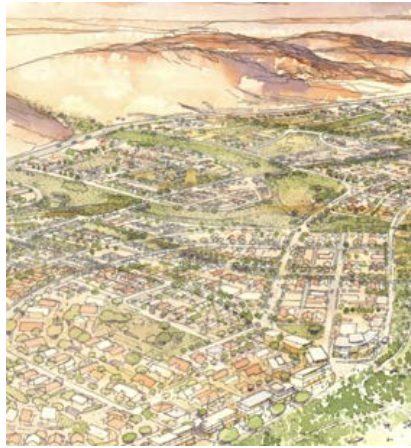
3.1 Highlights

Our Strategic Community Plan 2020-2030 articulates our community vision for the City of Karratha as an attractive, vibrant and liveable regional city.

Our goals from the Strategic Community Plan 2020-2030 are integrated into our Corporate Business Plan and yearly Operational Plan. Some of our key achievements from the past financial year are highlighted below:



Project Dorothy Housing Action Plan



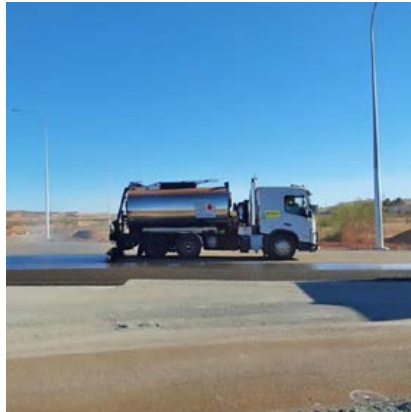
Mulataga Residential Development Funding



Roebourne Streetscape Master Plan



Kevin Richards Memorial Oval Redevelopment



Coolawanyah and De Witt Road Intersection Upgrade



Hillview and Balmoral Road Upgrades



Tidy Towns winner



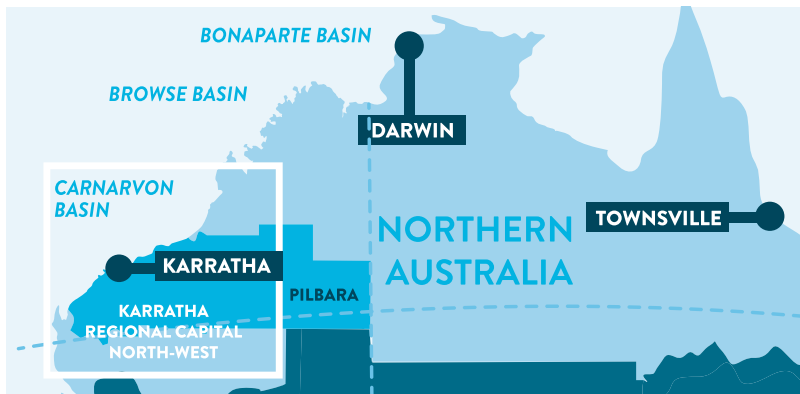
Completion of two years' worth of Ten Year Footpath Program work



Karratha Airport Waterwise Award

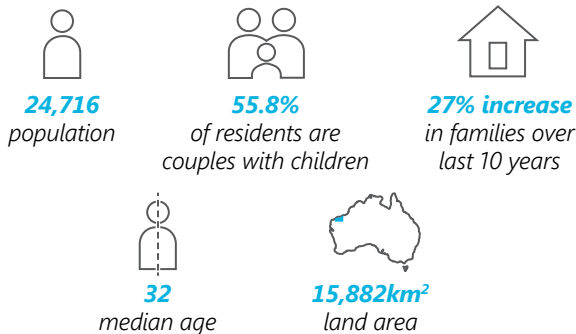
3.2 City Profile

The City of Karratha is surrounded by the Shire of Ashburton to the south, the Town of Port Hedland to the east, and the Indian Ocean to the north and west. It boasts four industrial ports and generates about \$22.2 billion for the country's economy annually.



The City stands out for its unique blend of modern industry and rich cultural and natural landscapes. It holds both national economic significance for its resources and global heritage value for its history of the Ngarluma, Yindjibarndi, Yaburara, Mardudhunera and Wong-Goo-Tt-Oo people.

3.2.1 Demographics



3.2.2 Natural

The City of Karratha offers a unique natural environment with the Dampier Archipelago and Murujuga National Park (Burrup Peninsula). This blend of world-class fishing and rich cultural history makes for an exceptional lifestyle. The Dampier Archipelago consists of 42 islands, inlets and rock formations within a 45km radius of Dampier and Point Samson. These islands feature scenic coastal cliffs, sand plains, and pristine beaches perfect for fishing, swimming and snorkelling. The Murujuga boasts the highest concentration of rock art globally with over one million engravings showcasing at least 50,000 years of human habitation.



History of Council

The lands within City of Karratha boundaries have been occupied by ancestors of the Ngarluma, Yindjibarndi, Mardudhunera, Yaburara and Wong-Goo-Tt-Oo peoples for more than 50,000 years.

- 1871** The District of Nickol Bay was gazetted and the first election held
- 1887** The District of Nickol Bay was abolished and the Roebourne Roads Board District gazetted
- 1961** The Roebourne Roads Board became the Shire of Roebourne
- 1968** Planning for the construction of Karratha began
- 1970** Wickham's first permanent buildings were constructed
- 1975** Karratha became the administrative centre for the Shire of Roebourne
- 2014** The Shire of Roebourne became the City of Karratha

3.2.3 Economic

A large percentage of the City's industry output is derived from the mining industry, which in 2024/25 produced an estimated \$15.09 billion in gross regional product.

Unlike other mining towns in the region, the City's economy is based primarily on exports and oil and gas processing. The city has four busy industrial ports and 231ha of industrial land with 507ha planned for future use. The mining industry is the largest employer, generating 4,755 local jobs.

The City of Karratha is well planned and positioned to manage, facilitate and support ongoing investment in capital and social infrastructure by government and private investors. The Council has worked diligently over the last five years to ensure that adequate services and amenities are available to comfortably serve a population of 50,000.



\$15.01 billion
Gross Regional
Product



14,910
local jobs, 4,755 in
mining industry



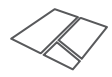
9,646 employed
residents



\$3,158
Median weekly
household income



1,162
local businesses



231ha
industrial land



4
industrial ports



5.1%
of all registered
business in the City
linked to construction



12.7%
of residents
linked to mining

**Data sourced from REMPLAN*

FeNaCING Festival 2025





North West Multicultural Festival



Dampier playground communication board installation

3.2.4 Community

The City of Karratha is home to a vibrant and diverse community that enjoys a level of amenity and service usually only seen in much larger metropolitan areas. Home to more than 200 registered community groups, sporting clubs, associations and cultural groups, the City embraces social events and experiences, providing more than 86 parks, ovals, streetscapes, buildings, open spaces, foreshores and creeks, hosting roughly 50 events and festivals each year and offering almost \$1 million in community funding grants annually.

2023/24



4 libraries



3 major
recreation
centres



97 parks
and open
spaces



7 community
hubs and
pavilions



175km
of footpaths



682.3km
of road



109 sports
clubs and
associations



12 primary and
high schools
and the Pilbara
University centre



\$600,000
community
grants funding
available



3.2.5 2024/25 in numbers

**Processed waste
(tonnes)**

110,814t Waste accepted to landfill	27,191t Liquid waste accepted
6,795t Waste collected kerbside residentially	1,086t Recycling collected kerbside residentially
\$96,390 Tip Shop income	9,549t Waste diverted from landfill

**Environmental health
inspections and registrations**

216 Food premises	61 Public buildings
20 Public swimming pools	47 Hair and beauty premises
6 Caravan parks	25 Lodging houses
270 Applications and Enquiries handled	7 Healthy Dog Day events
382 Health nuisances/ complaints investigated	

**Ranger
inspections / audits**

175 Abandoned vehicles	8 Off-road vehicles	
70 Camping Inspections	131 Litter Inspections	131 Parking Inspections
2,142 Animal (dog/cat trapping, sterilisation, rehoming, euthanising)	315 Fire and cyclone hazards identified and remedied	
2,399 animal-related tasks were attended		

**590,235 visits to
Karratha Leisureplex**

19,532 visits to Group Fitness classes	110,793 visits to Aquatic Centre
54,627 visits to Gym Facilities	15,174 visits to Creche

**47,851 visits to Wickham
Recreation Precinct**

2,153 Group Fitness participants	6,250 visits to Recreation/Play Programs
22,221 visits to Wickham Pool	17,227 visits to Gym Facilities

**6,929 visits to
Roebourne
Aquatic Centre****100,078 total visits to
City libraries****Children and Youth**

10,521 The Base Wickham visits	8,773 The Youth Shed Karratha visits	27,907 Indoor Play Centre visits
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**Karratha Airport**

689,114 Passengers	26,772 Aircraft movements
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**Planning and Building Services**

164 Development Applications issued	154 Land Tenure/ Use Referrals responded to
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**Red Earth Arts Precinct**

22,360 movie attendees	7,505 performances attendees
270 total activations	460 total events



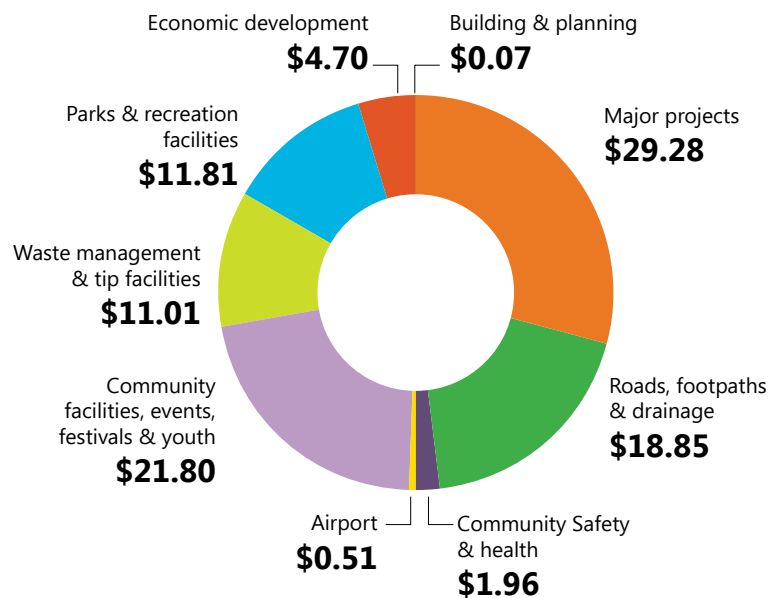
3.3 Your Rates at Work

The City of Karratha provides extensive services, amenity and facilities to residents each year and in addition to current provisions, is working on several developments that will enhance the entertainment options and liveability of our community.

Below is a summary of where the City of Karratha gets its revenue from and how it is spent to provide the best outcomes for residents.

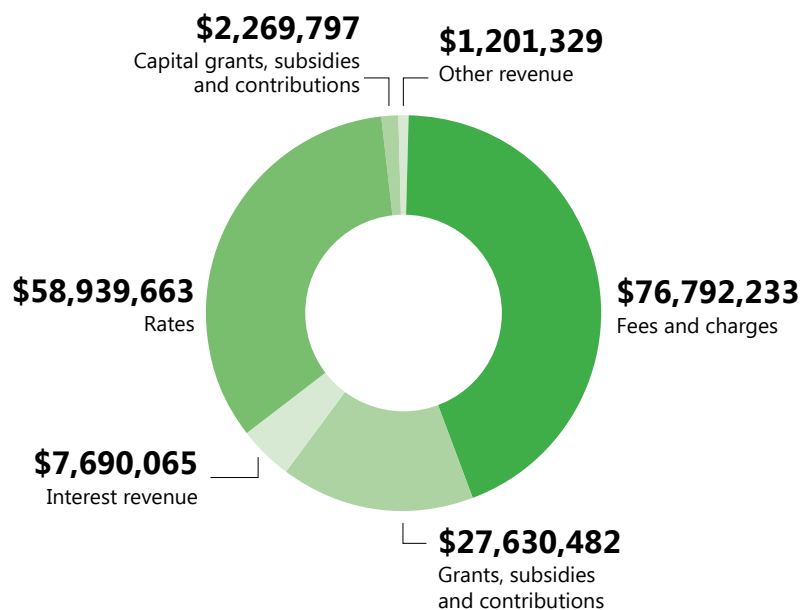
3.3.1 Where do your rates go?

For every **\$100** in expenditure, this is where your money goes.



3.3.2 Where does the City of Karratha get its money?

Our total revenue for 2024/25 was **\$174,523,569** which came from the following sources:



3.4 Supporting our Stakeholders

The City of Karratha is a high performing, progressive local government focused on delivering exceptional services, facilities and amenities to our community. We support residents, businesses and industry and work hard to maintain meaningful relationships with all of our stakeholders.

The International Association of Public Participation (IAP2) Public Participation Spectrum provides the preferred framework for determining the level of community participation required to inform the City's decision making.

	INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
PUBLIC PARTICIPATION GOAL	To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision-making in the hands of the public.
PROMISE TO THE PUBLIC	We will keep you informed.	We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision.	We will work with you to ensure that your concerns and aspirations are directly referenced in the alternatives developed and provide feedback on how public input influenced the decision.	We will look to you for advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.	We will implement what you decide.

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3.5 Supporting our Volunteers

The City of Karratha strongly supports volunteering in our local community. Given this, the City has developed a number of volunteer policies to ensure residents and employees have the support they need for these activities to be a success.

The City of Karratha volunteering policies provide employees the opportunity to:

- actively engage volunteer participation by residents;

- respect the rights and interests of volunteers and staff;
- complement the work of paid staff and services provided by Council;
- encourage and acknowledge the contribution of volunteers who provide services to the Community; and
- ensure adequate orientation, support, training and supervision is provided for volunteers during their period of volunteering.

More information on these policies is available at www.karratha.wa.gov.au/policies

Why are our stakeholders important to us?

Our stakeholders provide feedback, engagement, knowledge and guidance in regard to City projects and services, helping us to create strong and mutually beneficial relationships that deliver improved services and facilities for our community.

Government



- Federal Government
- State Government
- Other LGAs

Why are we important to our stakeholders?

Council provides services, resources and amenity that contribute to making the City of Karratha a great place to live, work, play and visit, from business and community support through grants funding to kerbside recycling collections and parks and gardens maintenance.

How we communicate

Council website: karratha.wa.gov.au
 City of Karratha Facebook page • What We Make It engagement platform • Community events • Surveys • Advisory Groups • Community surveys • Council administration offices • Public notifications • Community workshops • Facilities • Fortnightly e-newsletter • SharePoint intranet • Quarterly staff briefings • Management meetings • Annual staff events • Staff training • Place branding website: karrathaiscalling.com.au • Partnerships report • Project reports • Electors meetings • Council meetings • Annual report • Media liaising • Quarterly breakfast briefings • Publications • Policy workshops • Grant funding programs • Economic Development Bulletin • Emails • Formal meetings • Partnership agreements • Invitations • Events • City of Karratha Events Facebook page • Instagram



- Resource Industry
- Business Community
- Business Support Service
- Industry Associations
- Peak Bodies

Business and Industry



- Residents • Traditional Owners • Ratepayers
- Employees • Community Groups • Community Associations • Schools and Higher Education • Visitors • Media • Aboriginal Corporations

Community

Dampier, Wickham and Point Samson each have community associations run by local volunteers. The City of Karratha is home to more than 300 emergency service volunteers supporting the following services:

- Fire and rescue
- Bush Fire Brigades
- St John Ambulance
- State Emergency Service
- Marine rescue

In recognition of this, Council holds annual Emergency Services Volunteer Recognition Evenings that celebrate these volunteers and recognise terms of service.





Australia Day fireworks



ANZAC Day, Roebourne, 2024



Cossack Art Awards 2024



Karratha Multicultural Festival

3.6 Events

2024

JULY <ul style="list-style-type: none">• NAIDOC Week• Cossack Art Awards• NAIDOC Exhibition	SEPTEMBER <ul style="list-style-type: none">• Are You Pulling My Leg?• Cossack Winners' Exhibition• Space Music• The Wet / The Dry	NOVEMBER <ul style="list-style-type: none">• Seniors Week• Remembrance Day
AUGUST <ul style="list-style-type: none">• FeNaCING Festival• FeNaCING Friday – Access and Inclusion session• Momenta• Bogan Shakespeare	OCTOBER <ul style="list-style-type: none">• Halloween• Community Sports Awards• Sea of Lights• Home & Place Exhibition• Vivaldi• Project 10 WA Ballet	DECEMBER <ul style="list-style-type: none">• Christmas on the Green• Christmas in the Pilbara• Seniors Christmas Lunches• Winter Wonderland



FeNaCING Festival 2024



FeNaCING Festival 2024



Youth Week 2025



Mother's Day Classic, 2025

2025

JANUARY

- Australia Day
- Auspire Community Citizen of the Year Awards
- Curated by Place Exhibition

FEBRUARY

- The Farm Presents The Glass Child

MARCH

- Harmony Week

APRIL

- Youth Week
- ANZAC Day
- The Hypotheticals

MAY

- Red Earth Arts Festival

JUNE

- An Imaginary Life Residency and Performance
- Pilbara Pride Festival Queens @ the Shelf
- Emergency Services Volunteer Recognition Awards

ADDITIONAL EVENTS IN THE CITY OF KARRATHA SUPPORTED BY THE CITY

- City to Surf
- Pilbara Summit
- Developing Northern Australia Conference
- Citizenship Ceremonies



2025 Auspire Community Awards

3.7 Awards and Recognition

The 2024/25 financial year has seen representatives from the City of Karratha speak at national events as well as continue the provision of several community and sporting awards that celebrate leadership and high performance.

July 2024

*National General Assembly of
Local Government: Cr Daiva Gillam*

August 2024

*Regions Rising: Cr Daniel Scott
RCA/RCAWA Delegation: Cr Daniel Scott*

May 2025

Waterwise Awards: Cr Daiva Gillam

June 2025

*National General Assembly of
Local Government: Cr Daiva Gillam*

3.7.1 Auspire Community Awards

Each year the City of Karratha joins many other local governments across Australia to recognise those groups and individuals who have made an outstanding contribution to their community.

This year, the City partnered with Auspire Community Awards and presented four awards at a breakfast ceremony for nominees and dignitaries on Australia Day. These Awards highlight the importance of community participation to the wellbeing and connectedness of our city and celebrate the diversity of our community.

The 2025 Auspire Community Award winners were:

- **Community Citizen of the Year**
Carl Wangemann
- **Young Community Citizen of the Year**
Fern Van Beek
- **Senior Community Citizen of the Year**
Dereka (Dee) Van Beek
- **Active Citizenship**
The Northwest Multicultural Forum
and Festival 2024 (Event)

3.7.2 Community Sports Awards

The 2024 City of Karratha Community Sports Awards saw nominations received across nine categories. These annual awards recognise volunteers, players, officials, and coaches who have made a significant contribution to their code.

The 2024 Community Sports Award recipients were:

- **Santos Sportsperson** Gemma Rodgers
- **Woodside Energy Junior Sportsman of the Year**
Yani Davis
- **Rio Tinto Junior Sportswoman of the Year**
Lacy Robinson
- **Pilbara Ports Coach of the Year** Briana Crisp
- **City of Karratha Inclusion Award**
Karratha Junior Rugby League
& James Westbrook (TIED)



2024 Community Sports Awards winners

- **Powerlift Volunteer of the Year** Marisa Ralph
- **Sport & Recreation WA Official of the Year** Toby Fountain
- **Woodside Energy Club of the Year** Dampier Sharks Football Club
- **Rio Tinto Association of the Year** Karratha Junior Rugby League

3.7.3 Walkington Award

The City of Karratha annual Walkington Award is a \$10,000 prize awarded to a student considered to have achieved academic excellence over the previous 12 months while also demonstrating a strong commitment to the local community. This award is open to Year 12 students studying a full ATAR program at a high school within the City of Karratha and aims to encourage students to continue full or part time study at a recognised educational institute.

Karratha Senior High School student Ruby Wood-Hill received the prestigious 2024 Walkington Award.

3.7.4 Employee Recognition

The City of Karratha considers nominations for employee recognition awards every quarter in the categories of excellence, teamwork, accountability/safety, continual improvement/initiative and community focus.

Employees who receive these awards throughout the year are then considered for annual employee recognition awards and the City of Karratha Employee of the Year.

The 2024 City of Karratha Employee of the Year was Nathan Macek.



2024 Walkington Award recipient Ruby Wood-Hill

4

ACHIEVEMENTS

This section provides an in-depth look at the work Council completed across the 2024/25 financial year as we work to achieve our goal of becoming Australia's most liveable regional city.



4.1 Our Vision for the City of Karratha

The City of Karratha provides more than 100 services and activities to the local community, from kerbside waste collection and ranger services to town beautification and public facilities such as libraries and aquatic centres. These services all work to meet local community needs and support the priorities of the City of Karratha Strategic Community Plan 2020-2030.

Our vision:

To be Australia's most liveable regional city.

Our mission:

To provide community leadership and excellent local government services in an innovative and efficient manner to enhance our City's social, cultural, economic and environmental wellbeing.

Our values:





- **Leadership** – We will provide clear direction and inspire people to achieve their full potential.
- **Teamwork** – We will encourage cooperation and teamwork within and between our employees and our community stakeholders.
- **Integrity** – We will act in an honest, professional, accountable and transparent manner.

- **Innovation** – We will encourage creativity, innovation and initiative to achieve Council's vision.

We are committed to achieving the goals set out in our Strategic Community Plan 2020-2030 that articulate our community vision for the future of the City of Karratha.

Strategic themes

As part of the City of Karratha Strategic Community Plan 2020-2030, Council has four strategic themes that work together to provide cohesive and coherent goals and objectives that support our vision to become Australia's most liveable regional city.

<div></div> <div>OUR COMMUNITY Inclusive and engaged <i>To activate safe, healthy and liveable communities</i></div>	<div></div> <div>OUR ECONOMY Well managed and diversified <i>To attract diverse and sustainable business and employment opportunities</i></div>	<div></div> <div>OUR ENVIRONMENT Thriving and sustainable <i>To protect our natural and built environment</i></div>	<div></div> <div>OUR LEADERSHIP Proactive and accountable <i>To provide accessible, transparent and responsive leadership</i></div>
<div>OUR OUTCOMES <i>The end result we would like to achieve</i></div> <div><div>1.a</div><div>Quality Community Facilities</div></div> <div><div>1.b</div><div>Improved Community Safety</div></div> <div><div>1.c</div><div>Accessible Services</div></div> <div><div>1.d</div><div>Healthy Residents</div></div> <div><div>1.e</div><div>Recognition of Diversity</div></div> <div><div>1.f</div><div>Connected Communities</div></div>	<div>OUR OUTCOMES <i>The end result we would like to achieve</i></div> <div><div>2.a</div><div>Diverse Industry</div></div> <div><div>2.b</div><div>Business prosperity</div></div> <div><div>2.c</div><div>Quality infrastructure to support business investment</div></div> <div><div>2.d</div><div>Role clarity</div></div>	<div>OUR OUTCOMES <i>The end result we would like to achieve</i></div> <div><div>3.a</div><div>Well managed natural assets</div></div> <div><div>3.b</div><div>Attractive built environment</div></div> <div><div>3.c</div><div>Improved resource recovery and waste management</div></div> <div><div>3.d</div><div>Sustainable use and management of resources</div></div>	<div>OUR OUTCOMES <i>The end result we would like to achieve</i></div> <div><div>4.a</div><div>Raised profile of the City</div></div> <div><div>4.b</div><div>Continuous improvement and innovation</div></div> <div><div>4.c</div><div>Financial Sustainability</div></div> <div><div>4.d</div><div>Strong partnerships and Indigenous Relations</div></div> <div><div>4.e</div><div>Services that meet community needs</div></div>

4.1.1 Our Community: Inclusive and engaged

Our goal is to activate safe, healthy and liveable communities.

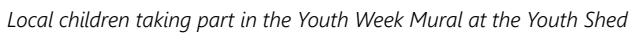
KEY ACHIEVEMENTS

- › The City conducted engagement and developed the Strategic Community Plan that formed the basis of the City Council Plan 2025-2035.
- › Works commenced on the Roebourne Streetscape Master Plan project including improved planting, seating and gathering spaces and greater connection to existing landmarks within the town of Roebourne.
- › The Disability Access and Inclusion Plan 2024-2029 was adopted by Council. This five year plan outlines the City's outcomes to improve access and inclusion for people of all abilities within Karratha and its surrounds.
- › The City awarded more than \$547,377 to local community and sporting organisations across the Local Government Area through the City's Community Grants Scheme.

- As part of the City's ongoing commitment to improving local infrastructure and providing safe, accessible recreational spaces for the community, the City carried out extensive maintenance work to Karratha Back Beach Boat Ramp and Jetty Structure. Works included abrasive blasting and protective coatings treatment to restore the asset for safe operational use by residents and visitors.
- The City developed the Community Infrastructure Plan (CIP) through a comprehensive process that included community engagement, development and endorsement of the planning framework, finalisation of the draft plan for public advertising in April 2025, and period of community feedback. The formal adoption of the final plan is expected to take place in August 2025.
- Major infrastructure works were advanced across the district, including the Coolawanyah and DeWitt Road intersection upgrade, design and investigation for Wickham Boat Ramp upgrades, and the construction of a shade structure at the Seven Mile Waste Facility.
- Upgrade works to Hillview and Balmoral Road were completed, including associated landscaping and drainage improvements.
- Road maintenance program delivered over 100km of re-sheeting and grading across the rural road network, improving surface conditions and accessibility.
- Works commenced on the Roebourne Streetscape Master Plan project, with upgrades to Roe Street, this consists of improved planting, seating and gathering spaces and greater connection to existing landmarks within the town of Roebourne.

1.a Quality community facilities

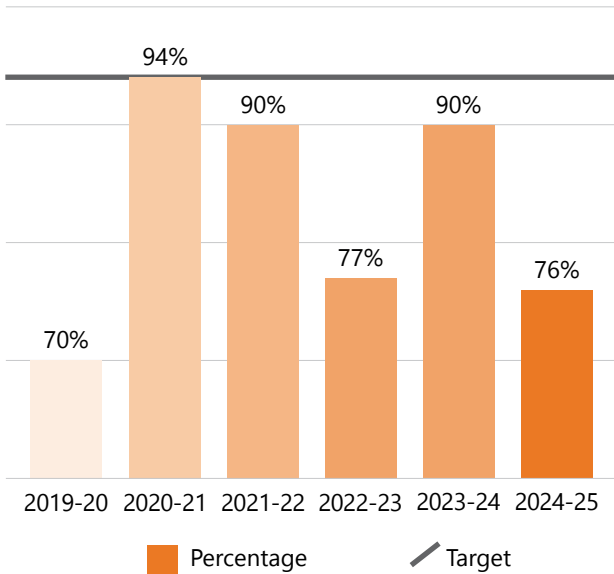
- The 10-year Footpath Strategy and Road Reseals program continued. Throughout the year our teams provided 1040 lineal metres of new footpaths to improve connectivity to key public infrastructure and enhance pedestrian safety.
- The City of Karratha received State Government funding through the Regional Road Group to deliver resurfacing works along 6km of Dampier Highway, between Dewitt Road and Madigan Road. With a total project cost of approximately \$3.5 million, this project enhanced safety, road conditions and overall connectivity for road users.



- ### 1.b Improved community safety

- Rangers conducted daily camping patrols from June to September educating visitors on safe, lawful camping and providing information on local attractions.
- \$202,000 in grant funding was secured from Industry Partnerships for the implementation of the City’s Footpath Solar Light Strategy. Meanwhile, as staff continued to work through the 10-year implementation of the Footpath Lighting Strategy, 9 solar lights were installed along Bayview Road to enhance safety and deter illegal activities in the neighbourhoods.
- 2024/25 saw the City of Karratha continue the implementation of the Security Subsidy program, with the City subsidising up to \$500 towards the cost of installing security measures such as alarm systems, CCTV, and sensor lighting.

Ensure all contracted work is completed within agreed time frames in accordance with contract requirements
Please note the target is 94%



1.c Accessible services

- The Disability Access and Inclusion Plan 2024-2029 was adopted by Council. This five-year plan outlines the City’s outcomes to improve access and inclusion for people of all abilities within Karratha and its surrounds.
- The City of Karratha received a highly commended award at the Most Accessible Communities WA Awards 2024 in recognition of employment opportunities within the City supporting people living with disability.
- During the reporting period, the City introduced features such as a Mums and Bubs tent, sensory zones, senior parking at events, and the presence of Auslan interpreters to improve accessibility and ensure everyone in the community can participate and enjoy.
- As part of the City’s commitment to improving access and inclusion, the FeNaCING Friday – Access and Inclusion session provided an exclusive festival experience for 100 children and adults, ensuring they could enjoy this signature event in a welcoming and supportive environment.

1.d Healthy residents

- In partnership with Surf Life Saving Western Australia, the City has installed 72 Beach Emergency Number (BEN) signs at beach access points across the District. These signs have a unique identifying number which is provided to emergency services when an incident occurs to enable improved response times and accurate location reporting.
- A significant mosquito spike early in 2025 due to a rainfall event and very high king tides was successfully addressed through treatment options. 141 complaints were received from residents during the reporting period.

- 2025 marked the 33rd Cossack Arts Awards which transformed the town of Cossack. \$89,000 in prize money was awarded across 10 categories. The 2025 Awards saw 7,545 visitors enjoy the gallery, take part in the education program and the Children's Art Day.
- This year saw the continuation of our Arts Development partnerships with the WA Ballet, Black Swan Theatre Company, Perth Symphony Orchestra and Barking Gecko.
- The 2025 Red Earth Arts Festival (REAF) attracted 9,250 attendees and boasted more than 100 events, activations, performances and shows across the four-day program.
- The City awarded more than \$547,377 to local community and sporting organisations across the Local Government Area through the City's Community Grants Scheme.

1.e Recognition of diversity

- 2024 NAIDOC Week began with a flag raising ceremony with Traditional Owners and youth participating. Other activities held during the week included youth music workshops, collaborative painting workshops, as well as the Next Generation Art Exhibition at the Red Earth Arts Precinct. It was capped off by the City of Karratha's free NAIDOC Week concerts in Karratha and Roebourne, headlined by award-winning musician Ziggy Ramo.
- To continue the City's efforts to improve the accessibility of Karratha and the surrounding towns, Council endorsed the Age Friendly Strategy 2024-2026 Implementation Plan and Monitoring Framework. This document outlines the current and future needs of seniors in the Local Government Area and the implementation plan includes scheduling fitness programming for senior residents, establishing a seniors community reference group, implementing a seniors parking

scheme to improve access to City Facilities and supporting the State Government to investigate options for retirement living in the City of Karratha.

- 821 participants attended City of Karratha Libraries' Adults' programs and events including Libraries After Dark, Make and Mingle and Booked for Games for Seniors.
- In response to community feedback, the City also added to the events calendar a Harmony Day multicultural festival and Pride events ensuring greater celebration and recognition of the diverse community making up the City of Karratha area.

1.f Connected communities

- During the reporting period, the City enhanced community engagement by hosting a greater number of events and activations in Karratha, Dampier, Roebourne, Wickham, and Cossack. A highlight of these activations included events held at Hearson Cove and Point Walcott Yacht Club.
- The City secured \$325,452 grant funding from Western Australian Bike Network (WABN) for implementation of the City's Footpath Strategy, improving connections between the community.
- Close to 9,000 participants attended City of Karratha Libraries' Children's programs and events with new initiatives including Firefighter Story Time in the Park and Explorer Pack Launches.



Pilbara Summit 2025

4.1.2 Our Economy: Well managed and diversified

Our goal is to attract diverse and sustainable business and employment opportunities for our community.

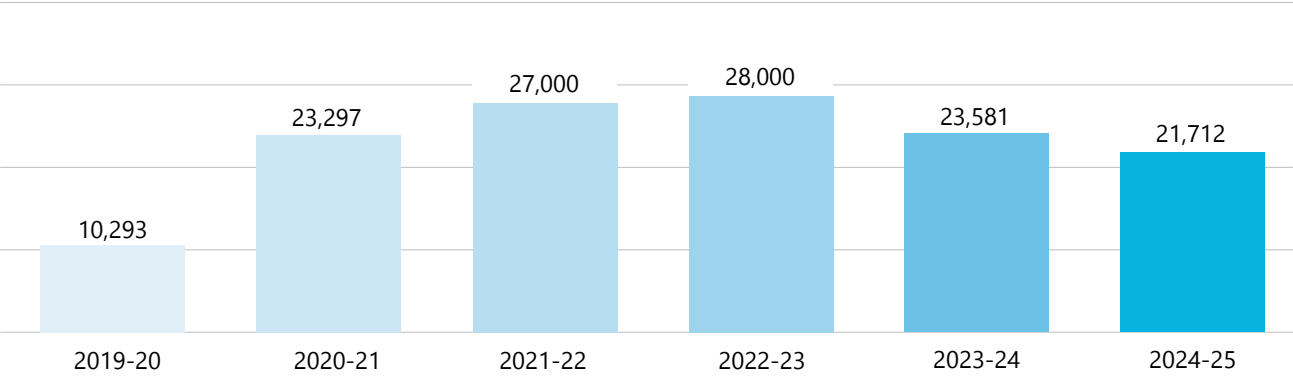
KEY ACHIEVEMENTS

- › The City approved \$102,500 of sponsorship for four events through the Major Event Sponsorship and Attraction Program in 2024/25.
- › Under the City's Project Dorothy Housing Action Plan, Council committed to \$26 million in investment into housing infrastructure.
- › The City of Karratha was announced as a finalist in three categories for the Tidy Towns Sustainable Communities awards.
- › The Karratha Tourism and Visitor Centre had 23,225 visitors, contributing approximately \$3.49 million to the local economy.
- The City invested \$130,000 in the Pilbara Kimberley Universities Centre to expand local access to tertiary education and training, supporting skills development aligned with local industry needs.
- Under the Economic Development Grant Scheme, \$130,000 funding was awarded to Wedgetail Aerospace to trial the use of commercial drones within the region. If successful, Wedgetail may be the first company to operate commercial drone flights in Australia.
- The City continues to be the preferred host City for the Pilbara Summit which is a high-profile government gathering focused on industry development. In addition, the City was host to the Developing Northern Australia, which brought together leaders to discuss clean energy, infrastructure, and regional diversification, and the Kimberley Pilbara Cattlemen's Association Conference, which addressed resilience, sustainability, and workforce development within this industry.

2.a Diverse Industry

- The City approved \$102,500 of sponsorship for four events through the Major Event Sponsorship and Attraction Program in 2024/25. It is estimated that these four events will contribute between \$1.45 and \$1.6 million to the local economy through accommodation, hospitality and other event related expenditure.

Number of tourists visiting the Karratha Tourism and Visitor Centre



- Tourism remains a significant area for diversification in the region, and the Karratha Tourism and Visitor Centre (KTVC) continues to service visitors to Karratha. The KTVC had 23,225 visitors, contributing approximately \$3.49 million to the local economy.
- The City continues to advocate for the completion of the Red Dog Highway, due for completion in 2028. This initiative will unlock tourism within the City, estimated to double the number of tourists in the Local Government area by 2030.
- The Small Business Friendly Approvals program was completed, with final tasks delivered and flowcharts and information sheets uploaded to the City’s website.
- In addition to grant funding, the City of Karratha works closely with the Karratha Districts Chamber of Commerce and Industry to provide quarterly business breakfast briefings for the local business community. These briefings are free to attend and provide valuable industry and government updates to business owners as well as networking opportunities across multiple sectors.

2.b Business Prosperity

- The City continues to prioritise support for small businesses, with \$85,878.45 allocated across 23 local businesses through the Take Your Business Online grant program, helping recipients enhance their digital presence and online capabilities. Meanwhile, a total of \$154,875 was provided to the Karratha and Districts Chamber of Commerce and Industry and the Karratha Business Enterprise Centre Inc to deliver programs, that strengthen business capability, foster networking, and support growth. The City also sponsored programs such as Pilbara Women in Business, and the Business Excellence Awards.
- An updated Stallholder and Street Trader Policy was adopted with a focus on providing more equitable outcomes for all businesses. The updated policy includes additional locations, such as Hearson Cove, as well as the inclusion of new clauses allowing fixed traders to invite mobile traders to special events.
- To support workforce attraction and retention, the City continued its partnership with industry to provide 66 service worker accommodation dwellings and providing contributions to small businesses’ Designated Area Migration Agreement (DAMA) application costs.



Pilbara Summit 2025

- 52.3 per cent of monies spent by the City have been retained within the local community. Use of buy local preference policies and initiatives together with a desire to support local businesses ensures monies are reinvested locally to build the local economy.
 - The City of Karratha was announced as a finalist in three categories for the Tidy Towns Sustainable Communities awards.
- This included the State Award as well as the Environmental Education and Youth Legends categories.
- The City continue its support of Aboriginal businesses through sponsorship of the Pilbara Indigenous Business Network Group and initiatives under the Preferential Procurement Policy.

STATS**2024/25 (Excl. GST)**

Major Sponsorships and Event Grants	4 allocations \$102,500
Take Your Business Online Grants	23 allocations \$85,878.45
Economic Development Grant	1 allocation \$130,000
Business Development Support Grant	2 allocations \$154,875
Karratha Tourism and Visitor Centre	23,114 visitors
Designated Area Migration Agreement	26 allocations \$9,100
Education	1 allocation \$130,000
Large community grant scheme	17 allocations \$448,337 total amount ex GST
Small community grants	32 Allocations \$99,040 total amount ex GST
Total community grants funding available	\$600,000



Roebourne streetscape works



Wellard Street intersection works

2.c Quality Infrastructure to support business investment

- The Cumulative Impact Model was developed in partnership with the Pilbara Development Commission to assess the combined effects of multiple developments on infrastructure, services, and the local economy.
- Under the City's Project Dorothy Housing Action Plan, Council committed to \$26 million in investment into housing infrastructure. This investigation will culminate in a 37-dwelling townhouse and apartment complex being completed in Baynton West in 2026, providing additional housing supply.
- The Service Worker Accommodation Scheme assists businesses in securing housing for essential workers. By providing access to suitable accommodation, the scheme supports business operations, workforce retention, and the ability to attract skilled staff to Karratha.
- The Quarter HQ commercial and business premises continues to provide solid revenue for the City. Ground floor activation is good with three new tenancies for the period. The search for new tenancies to fill vacancies has been ongoing with many showing interest. A 92.6 per cent occupancy has been achieved for the period.

2.d Role Clarity

- The City commenced the planning phase of the Economic Development and Tourism Strategy, which is scheduled for delivery in Q3 of 2025/26. The strategy will provide a comprehensive framework for economic development and tourism.
- The City delivered the Annual Business Climate Scorecard, providing insights into the local business environment. This tool helps identify challenges, measure business sentiment, and guide policy decisions to support a thriving local economy.
- The City continued to support the film industry by processing filming permit applications, making it easier for productions to operate locally. These activities help diversify the economy and promote Karratha as a destination for film and media projects.

4.1.3 Our Environment: Thriving and sustainable

Our goal is to protect our natural and built environment.

KEY ACHIEVEMENTS

- › Karratha Airport named the Platinum Waterwise Business of the year.
- › The Energy Efficiency Pilot Project was implemented, providing community workshops and energy and water audit kits available through every library.
- › About 23 tonnes of residential household hazardous waste was responsibly recycled
- › Continued monitoring of the Effluent Reuse Scheme used to irrigate parks, ovals and verge gardens to ensure public safety is not compromised

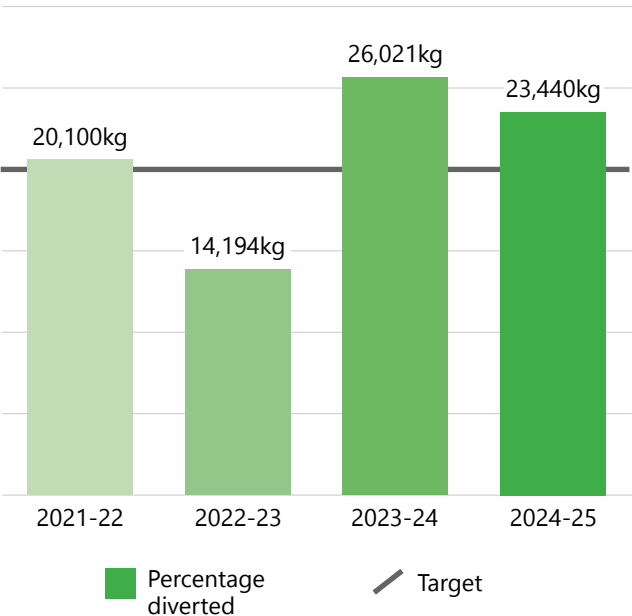
3.b Attractive built environment

- City officers continued to collect any reported abandoned vehicles, with officers collecting 175 abandoned vehicles during the reporting period.
- As part of the City’s efforts to maintain acceptable standards of residential property appearance, officers issued notices where necessary requiring occupants to bring their properties up to the required standard.

3.a Well managed natural assets

- The City completed an Emissions Inventory for corporate Scope 1 and 2 emissions, with an Emission Reduction Plan currently in development.
- The Energy Efficiency Pilot Project was implemented, providing community workshops and energy and water audit kits available through every library.
- The City participated in state-wide research, supporting the Future Climate, Future Home project by the Australian Urban Design Research Centre (UWA), which focuses on mitigation strategies for future climate change in each climate zone of Western Australia.
- The Karratha Leisureplex is now registered to receive Large-Scale Generation Certificates (carbon credits) for the solar energy it generates.

Amount of hazardous waste diverted from landfill



3.c Improved resource recovery and waste management

- City officers collected 175 abandoned vehicles during the reporting period.
- About 23 tonnes of residential household hazardous waste was responsibly recycled which includes gas bottles, cleaning chemicals, fuels, flares, fire extinguishers, batteries and aerosol cans. These efforts promote the sustainable use of resources through the responsible management of household hazardous waste.
- At the 7 Mile Waste Facility, 1,390 tonnes of ferrous metal were recycled, generating an income of \$135,000 and significantly reducing the volume of scrap metal sent to landfill.
- The City received \$5,731 in grant funding to support the transportation of e-waste, enabling the recycling of 46 tonnes of material. Importantly, 100 per cent of recovered e-waste was successfully diverted from landfill.
- A bin audit conducted in May 2025 established a baseline for recycling contamination rates. This benchmark will guide efforts to reduce contamination levels and improve recycling outcomes in 2026.
- The City successfully diverted 2,862 tonnes of clean timber from landfill at the 7 Mile Waste Facility and processed 71 tonnes of green waste into mulch for use across City parks and gardens, promoting sustainability and resource recovery.



School children taking part in the Youth Shed's Green Generation Program

3.d Sustainable use and management of resources

- For the third year running, the City was recognised as a Gold Waterwise Council. The City was recognised for its climate change adaptation and sustainable water management.
- The City was also recognised for its water efficiency with the Karratha Airport named the Platinum Waterwise Business of the year for halving water use. This was achieved through ongoing major upgrades to water distribution networks, increased use of recycled water for irrigation, flushing toilets and wash-down bays.
- The City piloted a water data project to assist seven Airport tenants to receive real-time data on water use.
- Continued monitoring of the Effluent Reuse Scheme used to irrigate parks, ovals and verge gardens to ensure public safety is not compromised. The use of treated effluent in this water reduced pressure on sources of drinking water.

4.1.4 Our Leadership: Proactive and accountable

Our goal is to provide accessible, transparent and responsive leadership.

KEY ACHIEVEMENTS

- › Advocacy efforts saw the City being awarded \$22.1 million in funding from the Federal Government's Housing Support Program to help deliver Stage 1 works of the Mulataga Sub Division.
- › Former City of Karratha Mayor Peter Long was named Honorary Freeman of the City of Karratha in recognition of his years of service to Council and to Karratha.
- › A new WHS Team was formed to provide support for both day-to-day operations and major initiatives.
- › Over 130 staff participated in R U OK? Day activities.

- The CEO, Mayor, Deputy Mayor, and City Staff continued to raise the profile of the City through a series of advocacy efforts at both the State and Federal level. These efforts saw the issues facing Karratha and the Pilbara recognised on the national stage. They also led directly to the City being awarded \$22.1 million in funding from the Federal Government's Housing Support Program to help deliver Stage 1 works of the Mulataga Sub Division to provide a sustained pipeline of housing stock.
- Former City of Karratha Mayor Peter Long was named Honorary Freeman of the City of Karratha in recognition of his years of service to Council and to Karratha.

4.a Raised profile of the City

- As part of our goal to be a proactive and accountable Local Government, the City continued to manage and report on the Strategic Community Plan 2020-2030, Corporate Business Plan, and Operational Plan. An annual desktop review is conducted in collaboration with the annual budget and results of the 102 key performance measures are reported quarterly to Council.
- During the 2024/25 financial year, the City put out 68 media releases, an increase of 3 from the previous year, with a pick up of 84.4 per cent. The pick up rate increased by 9.9 per cent on the previous financial year and was 4.4 per cent above the target.
- Highlights included the launch of Project Dorothy and its subsequent developments, which received statewide coverage from The West Australian and its regional papers, ABC Pilbara and ABC Radio.

4.b Continuous improvement and innovation

- The City has about 300 FTEs and a further 200 casuals. 269 placements were filled for governance and corporate compliance training that includes procurement, code of conduct, process documentation, system software, records management and privacy. Some staff undertook multiple training modules that equates to approximately 13.4 per cent of all staff receiving induction or refresher training for the year. Staff are highly encouraged to undertake training within their first three months of employment.
- A new WHS Team was formed to provide support for both day-to-day operations and major initiatives. The appointment of an Injury Management and Well-Being Officer has closed process gaps and improved support for injured workers. Key achievements included the development of a quality document management system, creation of a WHS SharePoint Hub, and the establishment of policies to underpin effective safety management.

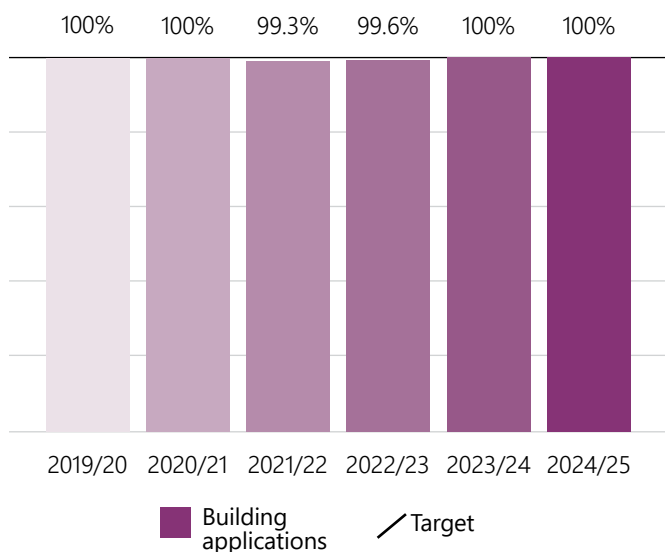
- Through the WHS Framework project, the City commenced the "I Make it Safe" workshops, which gathered 1,319 comments and ideas across all directorates. This initial diagnosis highlighted key opportunities for improvement, shaping the establishment of a clear governance structure. As a result, oversight has been strengthened across directorate committees, projects, Health and Safety Representatives, and Emergency Response teams.
- The City implemented a structured approach to risk assessment, enhancing hazard identification and control processes. Emergency plans were updated to current standards, with scenario-based drills rolled out across relevant areas. In addition, work commenced on a legal matrix to monitor compliance with statutory safety requirements.
- Staff wellbeing was a major focus with 129 employees undertaking skin screening and 55 employees completing health risk assessments. More than 130 staff participated in R U OK? Day activities to champion positive mental health strategies.
- WHS updates ensured staff were kept informed of progress and key safety information. The annual WHS survey demonstrated a marked improvement compared with 2023/2024 results, reflecting the success of initiatives undertaken. Collectively, these outcomes show significant progress towards the SCP's goal of fostering safe, resilient, and connected workplaces.

4.c Financial Sustainability

- The City's 2024/25 Actual Operating Revenue increased by 20 per cent from 2023/24 (6 per cent increase on 24/25 budget). This was mainly due to additional revenue from fees & charges and operating grants, subsidies and contributions.
- The City continued to ensure the condition of assets are optimised based on service level requirements as measured by the Asset Consumption Ratio. For the 2024/25 period, the asset consumption ratio was 96, compared to a target of 90.
- Council's Budget is reviewed twice each year as part of its ongoing commitment to financial management.
- The City manages over \$700 million of assets including roads, bridges, recreation and community facilities, commercial properties as well as the Karratha Airport and Waste facilities.

Assess all building applications within the statutory time frames

Please note the target is 100%





Waterwise Awards 2025

4.d Strong partnerships and indigenous relations

- The City continues to build strong partnerships and relationships with Aboriginal Peoples and Organisations including strong traction with three Roebourne entities who have partnered with us to deliver engagement activities.
- The City currently has a 10 year partnership with Rio Tinto to the value of \$37.5 million over ten years. This partnership aims to deliver community development and social investment activities to contribute to community life.

4.e Services that meet community needs

- 92 per cent of incoming customer service requests have been closed out within acceptable times.
- 100 per cent of all building applications were assessed within the statutory timeframes.
- We're continuing to support the housing initiatives of the City of Karratha and the resource sector by assessing and issuing building permits for City housing in Bularra and Baynton, Perdaman housing in Madigan Estate, Woodside housing in Nickol, Madigan Estate and Baynton West, and Rio Tinto housing refurbishments and re-roofing in Wickham.

4.1.5 Into the Future

The City is taking action on global issues such as climate change and sustainability alongside more localised challenges such as insurance premiums, cost of living, access to health services and housing.

Climate change and sustainability

The City of Karratha Council is aware climate change is important to residents. While not a main function of Local Government, the City is undertaking works to ensure it operates in line with community expectations. These works include the collection of utilities data and the commencement of the Emissions Reduction Study.

Insurances

The last decade of insurance costs for both residential property and businesses in the Pilbara have increased rapidly, mainly due to high claims relating to natural disasters, including cyclone damage, in North Queensland and the Northern Territory. Overall, insurance costs are much higher for cities and towns north of the 26th parallel with highest figures concentrated in the Pilbara, Darwin and central Northern Territory and North Queensland.

The City continues to advocate for initiatives that reduce the cost of living in our district, including insurance.

Resource industry growth

The City of Karratha is home to multi-national corporations and is known worldwide for its exportation of vital resources. As the region has long exported iron ore, liquefied natural gas, salt and ammonium products, the changing nature of the resources industry presents opportunities for economic diversification.

Over the last several years, Council has been preparing for the anticipated growth of the local resources industry on the back of key projects getting approval. As part of this preparation Council has ensured the provision of serviced land both residentially and commercially, developed community facilities to support an increased population and integrated workforces.

The City also conducted, with industry partners, a Cumulative Impact Model was developed to assess the combined effects of multiple developments on infrastructure, services, and the local economy. This model will help the City make informed planning and investment decisions that balance growth with liveability and sustainability.

5

GOVERNANCE

This section details the corporate governance systems in place that ensure the City of Karratha operates transparently and in the best interests of our community.



5.1 Governance

The City of Karratha is one of 138 local governments in Western Australia and is led by a Council consisting of 10 elected members.

The City of Karratha operates in accordance with the *Local Government Act 1995* which sets out a framework for operating transparently as a local government authority.

The Governance team has undertaken an internal review of its compliance obligations under the *Local Government Act 1995* for the 2024 calendar year. The City attained a compliance rate on 94.9 per cent – a 3.3 per cent improvement on the previous year.

5.5.1 Role of Council

City of Karratha Councillors are democratically elected by our community to represent the best interests of our residents and make transparent decisions around the priorities and future needs of our towns.

Councillors have a responsibility to the entire community and must act in accordance with all local government legislation.

5.1.2 Election of Mayor and Councillors

The City of Karratha is required to conduct Councillor elections every second year on the third Saturday in October. The members of Council are elected for four year terms, with half of these terms concluding at each biennial election. The City has chosen to conduct its ordinary elections as postal elections by the Western Australian Electoral Commission.

The Commission appoints a Returning Officer who oversees the elections which include taking candidate nominations and supervising the count on election night.

Extraordinary Election

An Extraordinary Election was held on 17 October 2024 to fill the vacant seat on council left by Cr Miller's resignation. The election saw Jodie Swaffer elected with a final vote count of 993. Cr Swaffer was elected for a 12 month term, expiring on 18 October, 2025.

The next date for ordinary local government elections is Saturday, 18 October 2025.

5.1.3 Councillors



Mayor

Daniel Scott

Councillor since: 2015

Mayor since: 2023

T 0438 938 332

E Cr.Scott@karratha.wa.gov.au

Mayor Scott was elected the City of Karratha Mayor in October 2023.

Mayor Scott was born and raised in the Pilbara, spending his childhood in Dampier and the last 14 years in Karratha. He is the Director of North West Brewing Company and has served as a councillor for the past seven years.

Mr Scott has a rich background in economic development, strategic planning, and community engagement. His understanding of the Pilbara's unique landscape is enhanced by his appreciation for its potential in driving economic prosperity and diversification, and his commitment to the Pilbara community is shown through his active involvement in local initiatives, highlighting his community-focused mindset.

Mayor Scott's vision for the Pilbara includes its economic transformation and the enhancement of its liveability and sustainability, promising a future where the region is recognised for its dynamic, diversified economy and vibrant community life.

5.1.3 Councillors



Deputy Mayor

Cr Daiva Gillam

Councillor since: 2021

Deputy Mayor since: 2023

T 0400 007 082

E Cr.Gillam@karratha.wa.gov.au

BBus (International Trade), BA (German);

Grad Cert (Sustainable Enterprise)

Cr Gillam is a long time local who has lived, worked and raised her family in Karratha. Her professional background is in government, mining, international trade and currently in regional economic development.

Daiva is keen for Karratha to have the services and infrastructure required to be a thriving, connected and liveable city of the North.

She is passionate about delivering innovative solutions that mitigate the challenges of living in the Pilbara and make life here a little easier, a little brighter and full of opportunity for our community.



Cr Gillian Furlong

Councillor since: 2021

T 0400 162 346

E Cr.Furlong@karratha.wa.gov.au

Councillor Furlong has called Dampier home for almost 14 years. Also a Registered Nurse, Cr Furlong serves a variety of local organisations, committees and groups, and is the current President of the Dampier Community Association. She cites her motivation as contributing to the strong, safe, connected community of the City of Karratha, now and for the future.



Cr Kelly Nunn

Councillor since: 2017

T 0448 882 508

E Cr.Nunn@karratha.wa.gov.au

Councillor Nunn is a community volunteer working with and representing a number of Wickham community groups including Wickham Tidy Towns and Wickham Primary School P&C. Through her engagement role with Volunteering WA she also works with a variety of community organisations. Cr Nunn is focused on making the region a better place for families to live.



Cr Joanne Waterstrom Muller

Councillor since: 2017

T 0437 283 287

E Cr.Waterstrom-Muller@karratha.wa.gov.au

Cr Waterstrom Muller is a long term resident of Karratha and has volunteered with the Karratha SES for nearly 30 years. In 2017, she was named the City of Karratha Citizen of the Year. Cr Waterstrom Muller is driven to make Karratha the most liveable regional city.



Cr Pablo Miller

Councillor from 2017 until 5 July 2024

T 0402 515 996

E Cr.Miller@karratha.wa.gov.au

Cr Miller works in local media which has seen him embrace the Pilbara community over the past 10 years. Cr Miller is an active member in the community, taking part in the Karratha Basketball Association and Park Run Karratha.



Cr Brenton Johannsen

Councillor since: October 2023

T 0474 502 034

E Cr.Johannsen@karratha.wa.gov.au

Councillor Johannsen is a long-time resident and active member of the community. In 2023, he received the Active Citizenship Award. Cr Johannsen is focused on making Karratha sustainable to everyone and managing and maintaining the next boom cycle.



Cr Tony Simpson

Councillor since: October 2023

T 0438 354 236

E Cr.Simpson@karratha.wa.gov.au

Councillor Tony Simpson has held several distinguished roles throughout his career, having previously served as a Shire Councillor and as a Member of Parliament, including as a Minister of the Crown. Cr Simpson brings a wealth of experience in governance and public service and remains committed to supporting Karratha's continued growth and long-term prosperity.



Cr Sarah Roots

Councillor since: October 2023

T 0433 434 731

E Cr.Roots@karratha.wa.gov.au

Councillor Roots has lived in Karratha for more than 12 years and has worked across a broad intersection of the community. Cr Roots is an active member of the community and has strong interests in community wellbeing, youth services as well as arts and cultural activities.



Cr Travis McNaught

Councillor from 2021 until 5 July 2024

T 0409 209 628

E Cr.McNaught@karratha.wa.gov.au

Councillor McNaught is a Justice of the Peace and Chair of the Baynton West Primary School Board. With 17 years' experience working in project management, he has contributed to local projects including the city centre revitalisation and the award-winning Balyarra Park, and is currently working with local Aboriginal people to deliver a tourism facility on Murujuga.



Cr Jodie Swaffer

Councillor since: 2024

T 0408 760 541

E Cr.Swaffer@karratha.wa.gov.au

Councillor Swaffer joined the Council in 2024 through an extraordinary election and proudly serves the community. With experience in the mining industry, small business and government roles, she also contributes widely through her involvement in local sporting and community organisations. Cr Swaffer is passionate about seeing Karratha continue to grow while keeping the small-town feel and sense of community that make it such a special place to call home.

5.2 Mayor and Councillor attendance

Council is the decision-making body for the City and meets on the fourth Monday of every month at 6:00pm. The Chief Executive Officer and Directors also attend this meeting with the Mayor as the presiding member. The CEO with the support of Directors, assists Council with any information further to the agenda that they may require to make well-informed decisions.

Members of the public are welcome to attend Council Meetings but must save any comment or question for Public Question Time, included on the agenda of every meeting. Members of the public are required to leave the meeting should confidential items need to be discussed.

The minutes of each Council Meeting are available to the public and are published to the City of Karratha website.

Livestreaming of Council Meetings on YouTube began in December 2024 and is now a requirement to provide this as a public record.

Council meeting attendance

MEETING TYPE	DATE	LOCATION	COUNCIL BRIEFING SESSION YES/NO	NUMBER PUBLIC ATTENDANCE AT OCM (INC MEDIA)	
Ordinary Council Meeting	29/07/2024	Chambers	Y	5	
Ordinary Council Meeting	19/08/2024	Chambers	Y	9	
Ordinary Council Meeting	16/09/2024	Chambers	Y	2	
Ordinary Council Meeting	28/10/2024	Chambers	Y	25	
Ordinary Council Meeting	18/11/2024	Chambers	Y	21	
Ordinary Council Meeting	9/12/2024	Chambers	Y	48	
Ordinary Council Meeting	24/02/2025	Chambers	Y	6	
Ordinary Council Meeting	31/03/2025	Chambers	Y	3	
Ordinary Council Meeting	28/04/2025	Chambers	Y	5	
Ordinary Council Meeting	26/05/2025	Chambers	Y	4	
Ordinary Council Meeting	30/06/2025	Chambers	Y	10	
Totals				138	
Electors' Meeting 2023-24	19/08/2024	Chambers	N/A		
Special Council Meeting	03/02/2025	Chambers	N/A	1	
Electors' Meeting 2024-25	24/03/2025	Chambers	N/A	35	
Totals				36	

Mayor Daniel Scott with participants of the Sri Chinmoy Oneness-Home Peace Run



Karratha Voices participant presenting to Council



	CR FURLONG	CR GILLAM	CR McNAUGHT	CR NUNN	CR SCOTT	CR WATERSTROM MULLER	CR SIMPSON	CR ROOTS	CR JOHANNSEN	CR SWAFFER	TOTAL NUMBER OF COUNCILLORS IN ATTENDANCE
	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	9
	✓	✓	✓	✓	✓	✓	✗	✓	✓	✗	8
	✓	✓	✓	✓	✓	✓	✗	✓	✓	✗	8
	✓	✓	✓	✓	✓	✓	✗	✓	✓	✓	9
	✓	✓	✓	✓	✓	✗	✓	✓	✓	✓	9
	✓	✓	✓	✓	✓	✓	✗	✓	✓	✓	9
	✓	✓	-	✗	✓	✓	✓	✓	✓	✓	9
	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	9
	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	9
	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	9
	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	10
	11	11	6	10	11	10	8	10	11	8	
	✓	✓	✓	✓	✓	✓	✗	✓	✓	-	8
	✓	✓	✗	✓	✓	✓	✓	✓	✓	-	9
	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓	9
	3	3	1	3	3	3	2	3	3	2	

	Name	Date	Term
Elections	Cr Swaffer	18/10/2024	1 Year
Resignations	Cr Miller	05/07/2024	
	Cr McNaught	09/12/2024	
Retirement			
Councillors	Cr Furlong	16/10/2021	4 Years
	Cr Gillam	16/10/2021	4 Years
	Cr McNaught	16/10/2021	4 Years
	Cr Miller	16/10/2021	4 Years
	Cr Nunn	16/10/2021	4 Years
	Cr Waterstrom Muller	16/10/2021	4 Years
	Cr Johanssen	21/10/2023	4 Years
	Cr Roots	21/10/2023	4 Years
	Cr Simpson	21/10/2023	4 Years
	Cr Scott [Mayor]	21/10/2023	4 Years



City of Karratha Staff Awards

5.2.1 Details of Council sub-committee and number of meeting days

Audit and Organisational Risk Committee for a two-year term

- Cr Gillam, Cr Scott, Cr Simpson and Cr McNaught
The audit committee also gained two independent persons as chair, Mr Phillip Draber and deputy chair, Mr David Price. These two persons were appointed by Council in February 2025 for a two year term and their first meeting was scheduled for September 2025.

5.5.2 Internal advisory groups with councillor representation

Environment and Sustainability Advisory Group for a two-year term

- Cr Roots, Cr Furlong

Arts Development & Events Advisory Group for a two-year term

- Cr Waterstrom Muller, Cr Miller, Cr Roots, Cr Furlong

Youth Advisory Group

- Cr Nunn, Cr Furlong, Cr Waterstrom Muller

5.2.3 External bodies with councillor representation

Council representatives to the Murujuga Rock Art Stakeholder Reference Group for a two-year term

- Cr Roots

Council representative to the Pilbara Joint Development Assessment Panel

- Cr Nunn, Cr McNaught, Cr Scott (Proxy), Cr Simpson (Proxy)

Council representative to the Pilbara Ports Community Consultation Group

- Cr Johannsen

Council representative to the Pilbara Regional Road Group for a two-year term

- Cr Waterstrom Muller

Rio Tinto Coastal Communities Environment Forum for a two-year term

- Cr Furlong

Council representatives to the Western Australia Local Government Association (WALGA) Pilbara Zone for a two-year term

- Cr Scott, Cr Johannsen, Cr Waterstrom Muller (proxy)

Council representatives to the Western Australia Local Government Association (WALGA) State Council for a two-year term

- Cr Scott

Council representative to the Wickham Key Stakeholders Meeting

- Cr Johannsen

Council representative to Woodside Community Liaison Group

- Cr Gillam

Council representative to Point Samson Advisory Group

- Cr Johannsen

5.3 Corporate Governance

Corporate governance is the framework that serves as a control for the decision-making of local governments. This system ensures that the decisions made by Council are informed, transparent and balanced.

Integrated planning and reporting framework is provided to assist local governments in meeting their responsibilities. The Integrated Strategic Planning framework consists of the following plans for the City of Karratha:

1. Strategic Community Plan 2020-2030
2. Corporate Business Plan 2020-2025
3. Operational Plan 2024-2025

To ensure best possible outcomes for our community at each stage of our journey to becoming Australia's most liveable regional city we have developed strategies for the long, medium and short term futures. These plans are integrated, feeding into one another so that when we are working on short term projects we are also contributing to the long term strategies we have in place.



5.3.1 Our organisation

The City of Karratha's organisational structure supports Council in making expertly informed and transparent decisions on behalf of the community that provide value for money to ratepayers.

Organisational structure is the responsibility of the Chief Executive Officer and is endorsed by Council.

CEO				
OFFICE OF THE CEO	DIRECTOR CORPORATE AND COMMERCIAL	DIRECTOR STRATEGIC PROJECTS AND INFRASTRUCTURE SERVICES	DIRECTOR COMMUNITY EXPERIENCE	DIRECTOR DEVELOPMENT SERVICES
Manager People and Culture Manager Marketing and Communications Manager Corporate Development	Manager Financial Services/CFO Manager Governance and Organisational Strategy Manager Information Services	Manager Airport Manager City Services Manager Infrastructure Projects Manager Infrastructure Services	Manager Community Facilities Manager Community Programs Manager Community Planning Manager Engagement & Partnerships	Manager Planning Services Manager Regulatory Services Manager City Growth

5.3.2 Executive Management Team

The City of Karratha Executive Management Team is made up of directorate leaders, each experts in their field and strong industry leaders.



Virginia Miltrup

*Chief Executive Officer
Masters, Leadership & Management
Bachelor of Commerce
Appointed: October, 2022*

Virginia Miltrup is an accomplished CEO and Company Director with a strong record of leading organisations through complex change. She brings deep expertise across strategy, corporate services, and operational leadership, with experience spanning local government and major multinational companies.

A third-generation local government executive, she is committed to strengthening community outcomes and driving sector-wide improvement. Her executive career includes senior transformation roles at the CBH Group, Synergy, Unisys, and Thomson Reuters.

Virginia is a Local Government Grants Commissioner, overseeing \$400 million in federal funding for WA local governments, and a Trustee of the 100 Women charity, supporting projects that advance the wellbeing of women and girls. She holds a Master of Leadership and Management, a Bachelor of Commerce, is a Graduate of the Australian Institute of Company Directors, and a Fellow of the Australian Institute of Management.



Alistair Pinto

Director Corporate Services and Commercial

Alistair is new to local government, having worked for a decade with the WA Country Health Service.

Alistair has experience working in senior Executive roles across multiple WA health regions and has provided leadership on key health programs and initiatives targeted at improving health outcomes for regional communities.

Alistair has lived in the Pilbara for over six years and is passionate about working with other stakeholders to support and empower our regional communities.



Simon Kot

*Director Strategic Projects & Infrastructure
Diploma in Project Management,
Diploma Management & Public Sector Management
Bachelor of Applied Science, Leisure Science
Appointed: February, 2013*

Simon has over 20 years' experience working in management and executive teams for local government with previous roles including Manager Community Services at the Shire of Katanning as well as Executive Manager Community Services at City of Karratha. Simon became Director Strategic Projects & Infrastructure in 2013 and has overseen the development of \$300 million worth of City-led infrastructure projects including the Karratha Leisureplex, Karratha Airport Redevelopment and the Red Earth Arts Precinct.

**Lee Reddell***Director Development Services**Bachelor of Arts**Post Graduate Diploma Urban Planning**Appointed: July, 2022*

Lee holds a post-graduate diploma in Urban and Regional Planning and has over 20 years experience across local government and consultancy in Victoria and Western Australia. This includes senior roles at the Shire of Ashburton, the City of Busselton and the City of Karratha. Lee is responsible for the Town Planning, Building, Public Health, Rangers, Emergency Management, Sustainability, Economic Development and Tourism functions at the City. Lee is committed to delivering a positive contribution towards the liveability and sustainability of Karratha through good governance, collaboration and sustainable growth.

**Emma Landers***Director Community Experience**Appointed: August, 2023*

Emma Landers has over two decades of experience working in local government and senior leadership roles spanning metropolitan and regional Western Australia. She is a strategic and community-minded leader who has built a career dedicated to strengthening communities through inclusive leadership, innovative service delivery and authentic collaboration.

Emma is known for her ability to lead diverse teams, build meaningful partnerships and deliver projects that reflect the values and aspirations of the communities she serves. With a career shaped by complex stakeholder environments, she has guided major reforms, community engagement initiatives and cultural development programs that strengthen participation and belonging.

Emma is deeply committed to reconciliation, equity and continuous improvement, bringing warmth, integrity and vision to the leadership roles she undertakes.

5.3.3 Our employees

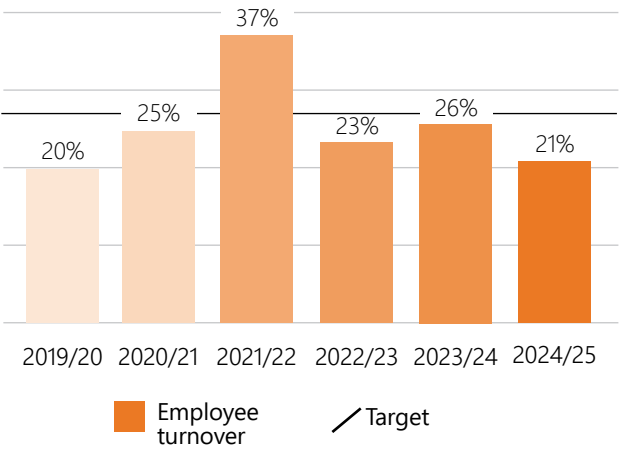
The City of Karratha employs 597 staff members, working across four directorates and based in 15 locations:



5.3.4 Employee turnover rate

Employee turnover rate for the 2024/25 financial year decreased by 5 per cent on last year, from 26% to 21% compared to an industry average of 27.7%.

Employee turnover
Please note the target is 27%

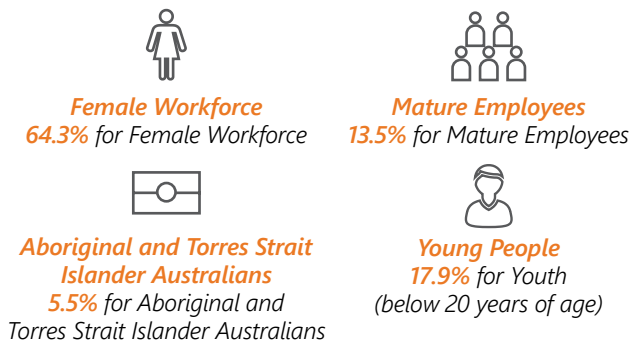


5.3.4 Workforce remuneration

Regulation 19B of the *Local Government Regulations 1996* requires the reporting of the number of employees within the City of Karratha with an annual salary of \$100,000 or more and the number of those employees with an annual salary entitlement that falls within each of our salary bands.

BRACKETS	2024-2025
\$100,000 – \$109,999	34
\$110,000 – \$119,999	20
\$120,000 – \$129,999	8
\$130,000 – \$139,999	7
\$140,000 – \$149,999	6
\$150,000 – \$159,999	2
\$160,000 – \$169,999	3
\$170,000 – \$179,999	3
\$180,000 – \$189,999	5
\$190,000 – \$199,999	0
\$200,000 – \$209,999	1
\$210,000 – \$219,999	0
\$220,000 – \$229,999	2
\$230,000 – \$239,999	0
\$240,000 – \$249,999	0
\$250,000 – \$259,999	0
\$260,000 – \$269,000	0
\$280,000 – \$289,999	1
\$310,000 – \$319,000	1

Employee diversification statistics



5.3.6 Development of employees

The City of Karratha encourages the professional development of employees, providing training sessions for staff on topics ranging from cultural awareness to interpersonal communication, process mapping to records management trade certifications.

The Annual Performance and Development Review gives employees the opportunity to discuss their achievements, challenges and the actions they need to take to continue improving.

Together, employees and management staff rate performance and engage in two-way discussion about roles, tasks and achievements.

5.3.7 Equal opportunity employment in the workplace

Council has an Equal Employment Opportunity policy in place to ensure that we provide a working environment that embodies our values and upholds State and Commonwealth laws concerning harassment and discrimination.

This year, the City provided one trainee and three apprenticeship opportunities. To ensure hiring processes are fair and objective, staff receive training around unconscious bias and a human resources representative is present at all employment interviews.

Our Recruitment Processes

The City has a People and Culture team that facilitates merit-based selection processes to ensure that it remains an Equal Opportunity Employer. The City of Karratha considers its workforce its most valuable asset and so it is increasingly important that the correct people are hired to fill roles. This year, the People and Culture team undertook 255 recruitment processes across all levels of the organisation.

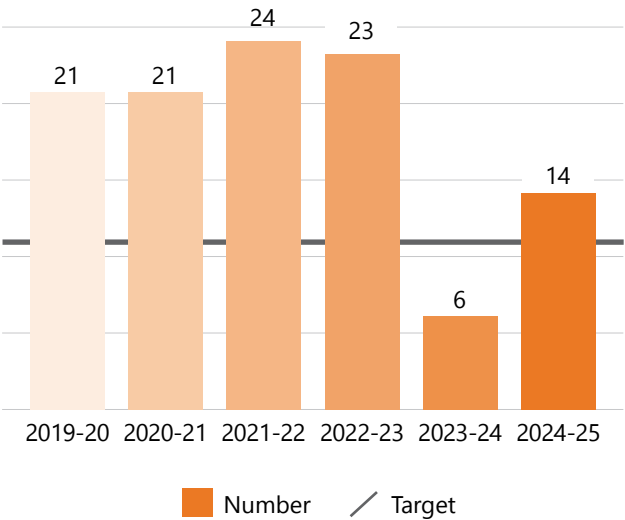
5.3.8 Workplace occupational safety and health

The City of Karratha has made a commitment to provide employees a safe working environment. Our key focus is on providing appropriate information, training and supervision to all employees and contractors, employing the kinds of people who hold the same values as Council; integrity, teamwork, innovation and leadership to ensure a coherent workforce that prioritises safety in the workplace.

A number of risk management strategies are in place organisation-wide which promote and continuously improve health and safety performance. Each of our 16 worksites has a designated Work Health and Safety representative who checks in with employees and inspects working areas regularly, providing assistance where required.

Any serious concerns are reported immediately to the City of Karratha Work Health and Safety Officer and actioned appropriately. The Occupational Health and Safety policy is reviewed every four years.

Number of Indigenous staff employed



The City's Aboriginal and Torres Strait Islander Engagement Strategy is helping the City to build a culturally diverse workplace with approximately 6% of workforce of ATSI descent.

2024/25 highlights



181 workplace inspections across City facilities



129 employees undertook a skin screen



55 employees completed a health risk assessment

5.3.9 Matters referred to government body

In Western Australia there are a number of bodies who monitor the behaviour of Council. They are the WA Ombudsman, Corruption and Crime Commission (WA), Public Sector Commission (WA) and the Local Government Standards Panel. During the 2024/25 financial year, no matters were referred to any government agency.



5.3.9.1 Councillor Conduct

No complaints were received in 2024/25.

5.3.9.2 Records Management

The City of Karratha has a demonstrated commitment to *State Records Act 2000* compliant recordkeeping practices. We have sound recordkeeping policies, standards and procedures in place to ensure compliance and its approach to information management.

It is a requirement for all new employees to undertake a compulsory records management induction within two weeks of commencement; quarterly training sessions are also provided. This is supported by ongoing consultation and support to ensure good recordkeeping practices across the organisation.

The City of Karratha is committed to continuous improvement and is currently progressing a phased implementation of a new Enterprise Resource Planning (ERP) system across the organisation called Ci Anywhere – which incorporates a new Records Management System called Enterprise Content Management (ECM). This greatly assists with transitioning our organisation into a more paperless work environment which creates further efficiency and productivity.

5.3.9.3 Freedom of Information

In accordance with Section 96 and 97 of the *Freedom of Information Act 1992*, the City is required to publish an Information Statement that is available on our website that details the process of applying for information under the Act, as well as information that the City provides outside of the Act.

Under the *Freedom of Information Act 1992* we are able to report that for the 2024/25 financial year, no matters were referred to any government agency and seven applications were received and handled as FOI matters.

One matter was received by the WA Ombudsman's Office, five matters were settled within the allotted statutory time frames and one received an extension for the matter to be finalised.

The following are some of the documents available for public inspection at the City of Karratha free of charge:

- Council agenda and minutes
- Annual budgets
- Annual reports

Many of the above documents are also available for download on the City of Karratha website: www.karratha.wa.gov.au.

5.3.9.4 National Competition Policy

The Competition Principles Agreement (CPA) is a contractual agreement between the Federal Government and all State and Territory Governments. The CPA aims to ensure that all public enterprises operate in a transparent manner in the best interests of the public.

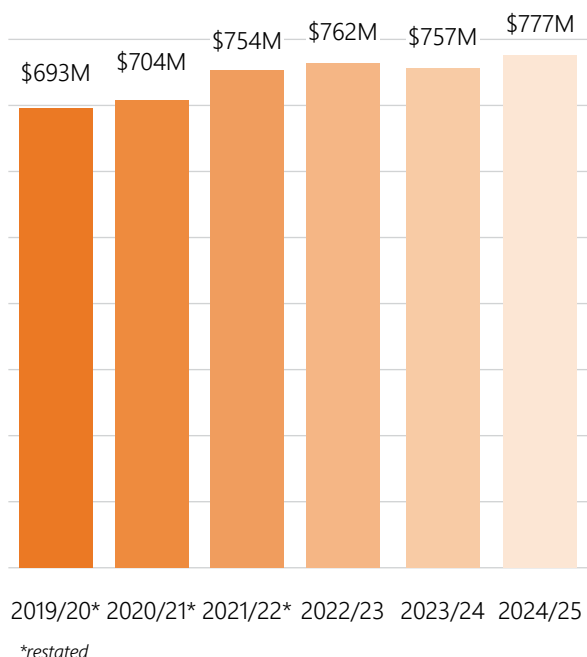
The City of Karratha continues to meet its obligations to the competition policy and monitors introduction of Council policies and local laws which may be subject to anticompetitive practices.

5.3.10 Strategic asset management

The Strategic Asset Management Plan outlines how the City will meet the service delivery needs of our communities into the future. The plan takes into account long-term demand, asset renewal and projected expenditure required to continue a high standard of operation. Each of the City of Karratha's asset management protocols are in line with state government's Integrated Planning and Reporting Framework.

The City of Karratha reviews its Asset Management Planning documents and Policy to ensure planning in place remains current and takes into account any new, replaced or improved assets as they stand. A major review of the Strategic Asset Management Plan was undertaken in 2019, with the updated plan adopted by Council in February 2020.

Trend data relating to value of assets City of Karratha has held over past five years:



The Cossack Art Awards judges for 2024

5.3.11 Enterprise risk management

Enterprise Risk Management (ERM) is a strategy employed by an organisation to consider all the different types of risks associated with each element of a business. This process is used to help guide decision-making and manage the potential impact of identified risks on the success of organisational goals.

The City of Karratha uses best practice ERM methodology to identify, prioritise and respond to issues that have the potential to prevent us from achieving Council objectives.

5.3.11.1 Strategic, Corporate and Operational Risks

Where appropriate, risks are reported to the Audit and Organisational Risk Committee. Risks are reviewed at every level of the City from those that could affect a single project or service to those that could affect the entire organisation and community.

5.3.11.2 Audit and Organisational Risk Committee

The City of Karratha Audit and Organisational Risk Committee liaises with the external auditors to ensure integrity in the reporting of financial information, performance and management of

Council affairs. In addition to this, the committee provides advice on the managements of risks and risk registers.

The Audit and Organisational Risk Committee membership is comprised of three elected members. During 2024/25 Mayor Daniel Scott held the position of Chair.

The Audit and Organisational Risk Committee met on 12 December 2024 and 4 February 2025.

5.3.11.3 Internal Auditing

As a local government, the City of Karratha is responsible for reviewing and auditing the procedures and systems in place in regard to risk management, internal controls and legislative compliance. The City of Karratha has an internal audit function that provides internal reports to the Audit & Organisational Risk Committee.

5.3.11.4 Independent Auditing

The Office of Auditor General (OAG) continues to undertake the financial audit of the City. For the 2024/25 financial year the OAG provided an unqualified audit. The management reports identified three moderate, two minor risks and one item outstanding from the previous year that are being actioned by the administration.

5.3.12 Contracts and procurement

All procurement is carried out as required by the *Local Government Act 1995*, the *Local Government (Functions and General) Regulations 1996* (as amended) and the City of Karratha's own purchasing policies. The City is continually reviewing the procurement framework and delivers procurement training to employees to ensure value for money is being delivered to ratepayers.

The City released 19 tenders and 82 formal requests for quotation during 2024/25.

Significant contracts awarded included:

- Supply and Laying of Asphalt and Profiling Services – Estimated \$14M
- Fencing Services – Estimated \$1.7M
- Dampier Road Reseal – Estimated \$3.5M
- Coolawanyah - De Witt Roads Intersection Upgrade – Estimated \$2.4M

In 2024/25 the City issued 12,390 purchase orders with 73 per cent of all work allocated to local business, to the value of \$52 million. As part of our commitment to the local economy and value-for-money outcomes, the City has a number of processes in place to guide and facilitate procurement. These processes provide support to City officers while ensuring transparency and statutory compliance.

The City also uses online platforms like Tenderlink and Vendorpanel (eQuotes) to undertake procurement activities and to engage with suppliers. In the 2024/25 financial year there are 283 suppliers registered with the City's Tenderlink Portal for the purpose of tendering and more than 877 local suppliers registered as Marketplace suppliers in Vendorpanel for quoting.

5.3.12.1 Regional Price Preference Policy

The Council has a Regional Price Preference Policy in place to promote local business partnerships within the City of Karratha by giving preferential consideration to regional suppliers in the procurement of goods or services via tender or quotation.

A preference is given to a regional respondent by assessing their quotation as if the price bids were reduced by up to 10 per cent which is the maximum allowed under the *Local Government Act*.

5.3.12.2 Social Responsibility

The City of Karratha is committed to working with organisations that implement a high level of corporate responsibility and businesses that operate in a sustainable manner. The City has policies in place that allow for direct contract arrangements with WALGA listed businesses, registered Aboriginal businesses and Australia Disability Enterprises.

Former City of Karratha Mayor Peter Long, named Honorary Freeman in recognition of his service to Council and to Karratha



5.3.13 Information about trading undertaking

Regulation 19BB of the *Local Government (Administration) Regulations 1996* requires information about trade undertakings to be reported. In the 2024/25 financial year the City operated two trading undertakings: The Quarter, and Karratha Airport.

The Quarter HQ

As part of the City's investment strategy, a commercial property, The Quarter HQ, was purchased in June 2017.

	2024/2025 Actual \$	2024/2025 Budget \$
Operating Revenue		
Leases	2,709,626	3,007,872
Other Revenue	1,427,146	1,200,000
	4,136,772	4,207,872
Operating Expenditure		
Employee Costs	(17,394)	(202,631)
Materials & Contracts	(1,225,689)	(995,552)
Utilities	(397,704)	(282,480)
Insurance	(73,985)	(150,294)
Other Expenditure	(392,992)	0
	(2,107,764)	(1,630,957)
	2,029,008	2,576,915
The Quarter Gain/(Loss)	2,029,008	2,576,915
Current Assets		
Trade and other receivables	196,372	
	196,372	
Non-Current Assets		
Land	3,024,800	
Buildings	41,500,000	
	44,524,800	
Current Liabilities		
Trade and other payables	0	
	0	
Net Assets	44,721,172	
Equity		
Retained Surplus	44,721,172	
Total Equity	44,721,172	

Karratha Airport

The City operates the only public airport within the district and operates the aerodrome with the purpose of producing a profit.

	2024/2025 Actual \$	2024/2025 Budget \$
Operating Revenue		
Fees and Charges	32,952,786	30,668,219
Grants and Contributions	0	50,000
Other Revenue	87,316	(43,360)
	33,040,102	30,674,859
Operating Expenditure		
Employee Costs	(2,272,905)	(2,349,992)
Materials & Contracts	(5,937,406)	(5,881,486)
Utilities	(1,786,482)	(1,786,510)
Insurance	(798,432)	(713,605)
Depreciation	(4,542,281)	(4,586,464)
Other Expenditure	(58,281)	(515,880)
	(15,395,787)	(15,833,937)
Capital Revenue		
Transfer to City Operations	29,000	112,000
	29,000	112,000
Capital Expense		
Capital Expenditure	(692,221)	(3,615,000)
	(692,221)	(3,615,000)
Airport Gain/(Loss)	16,981,094	11,337,922
Current Assets		
Trade and other receivables	2,429,915	
Reserves - Cash Backed	30,410,699	
	32,840,614	
Non-Current Assets		
Buildings	50,488,609	
Less Depreciation	(1,322,859)	
Infrastructure	69,627,068	
Less Depreciation	(2,648,167)	
Plant & Equipment	747,339	
Less Depreciation	(143,714)	
Furniture & Equipment	414,252	
Less Depreciation	(72,389)	
Artwork	129,964	
Less Depreciation	(3,350)	
	117,216,754	
Current Liabilities		
Trade and other payables	1,167,031	
	1,167,031	
Net Assets	148,890,337	
Equity		
Reserves - cash backed	30,410,699	
Retained Surplus	118,479,638	
Total Equity	148,890,337	

5.3.14 Information about land transactions

Regulation 19BC of the *Local Government (Administration) Regulations 1996* requires information about land transactions in the annual report.

In the 2024/25 financial year no new major land transactions occurred.

5.3.15 Fees, expenses or allowances for the 2024/25 financial year

Elected Member	Mayor & Deputy Mayor Allowance	Meeting Attendance Fees	ICT Allowance	Travel and Accommodation Expenses	Other Approved Expenses	Total
Mayor - Cr Daniel Scott	\$ 97,115.00	\$ 51,412.00	\$ 3,500	\$ -	\$ 1,882.27	\$ 153,909.27
Deputy Mayor - Cr Daiva Gillam	\$ 24,279.00	\$ 34,278.00	\$ 3,500	\$ -	\$ 655.36	\$ 62,712.36
Cr Kelly Nunn	\$ -	\$ 34,278.00	\$ 3,500	\$ -	\$ 3,604.97	\$ 41,382.97
Cr Gillian Furlong	\$ -	\$ 34,278.00	\$ 3,500	\$ -	\$ -	\$ 37,778.00
Cr Joanne Waterstrom Muller	\$ -	\$ 34,278.00	\$ 3,500	\$ -	\$ -	\$ 37,778.00
Cr Brenton Johannsen	\$ -	\$ 34,278.00	\$ 3,500	\$ -	\$ 253.67	\$ 38,031.67
Cr Sarah Roots	\$ -	\$ 34,278.00	\$ 3,500	\$ -	\$ -	\$ 37,778.00
Cr Anthony Simpson	\$ -	\$ 34,278.00	\$ 3,500	\$ -	\$ -	\$ 37,778.00
Cr Jodie Swaffer	\$ -	\$ 23,227.65	\$ 2,371.68	\$ -	\$ 70.00	\$ 25,669.33
Cr Travis McNaught	\$ -	\$ 15,127.69	\$ 1,547.90	\$ -	\$ -	\$ 16,675.59
Cr Pablo Miller	\$ -	\$ 469.56	\$ 47.95	\$ -	\$ -	\$ 517.51
Cr Peter Long	\$ -	\$ -	\$ -	\$ -	\$ 1,482.27	\$ 1,482.27
TOTAL	\$ 121,394.00	\$ 330,182.90	\$ 31,967.53	\$ -	\$ 7,948.54	\$ 491,492.97

5.3.16 Capital Grants for the Renewal of Assets

Income from capital grants, subsidies and contributions.

	2025 Actual \$	2024 Actual \$	2023 Actual \$
Law, order, public safety	-	-	-
Housing	-	-	-
Community amenities	-	-	-
Recreation and culture		1,303,687	674,071
Transport	2,269,797	2,072,571	2,148,793
	2,269,797	3,376,258	2,822,864



6

FINANCES

The final section of this report outlines the City of Karratha's finances for 2024/25 and the ways in which we work with our stakeholders. It provides insight into decision making and summarises the sound financial position of Council moving forward.



CITY OF KARRATHA
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

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The City of Karratha conducts the operations of a local government with the following community vision:

To be Australia's most liveable regional City.

Principal place of business:
Lot 1083 Welcome Road
Karratha, WA 6714

**CITY OF KARRATHA
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 City of Karratha has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2025 and the financial position as at 30 June 2025.

At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the 26th day of November 2025



CEO

Virginia Miltrup
Name of CEO

CITY OF KARRATHA
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
Revenue				
Rates	2(a),27	58,939,663	58,944,740	54,861,525
Grants, subsidies and contributions	2(a)	27,630,482	22,572,822	18,828,429
Fees and charges	2(a)	76,792,233	72,454,164	62,270,194
Interest revenue	2(a)	7,690,065	7,322,882	6,208,182
Other revenue	2(a)	1,201,329	834,022	1,046,525
		172,253,772	162,128,630	143,214,855
Expenses				
Employee costs	2(b)	(54,151,542)	(50,677,316)	(45,087,635)
Materials and contracts		(37,275,803)	(36,558,419)	(32,899,382)
Utility charges		(7,448,227)	(6,568,112)	(7,385,085)
Depreciation		(30,280,133)	(29,635,598)	(29,337,164)
Finance costs	2(b)	(191,083)	(271,894)	(265,170)
Insurance		(3,432,594)	(3,359,325)	(3,773,833)
Other expenditure	2(b)	(2,490,440)	(3,823,800)	(2,380,297)
		(135,269,822)	(130,894,464)	(121,128,566)
		36,983,950	31,234,166	22,086,289
Capital grants, subsidies and contributions	2(a)	2,269,797	2,350,929	3,376,258
Profit on asset disposals		63,719	16,610	35,447
Loss on asset disposals		(43,434)	0	(1,875,761)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(6,215)	0	9,393
Fair value adjustments to investment property	12	828,054	0	6,937,242
Loss on revaluation of land and buildings	8(a)	0	0	(604,555)
		3,111,921	2,367,539	7,878,024
Net result for the period	26(b)	40,095,871	33,601,705	29,964,313
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	18	(1,408,699)	0	492,326
Total other comprehensive income for the period	18	(1,408,699)	0	492,326
Total comprehensive income for the period		38,687,172	33,601,705	30,456,639

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



CITY OF KARRATHA
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025	2024
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3	27,249,332	14,993,326
Trade and other receivables	5	10,484,705	8,451,069
Other financial assets	4(a)	112,000,000	106,021,285
Inventories	6	1,699,504	2,005,847
Other assets	7	7,621,499	6,855,926
TOTAL CURRENT ASSETS		159,055,040	138,327,453
NON-CURRENT ASSETS			
Other financial assets	4(b)	3,939,334	3,945,549
Property, plant and equipment	8(a)	298,518,843	297,560,753
Infrastructure	9(a)	426,042,942	408,731,471
Right-of-use assets	11(a)	736,246	886,435
Investment property	12	47,350,000	46,350,000
TOTAL NON-CURRENT ASSETS		776,587,365	757,474,208
TOTAL ASSETS		935,642,405	895,801,661
CURRENT LIABILITIES			
Trade and other payables	13	12,052,923	10,975,490
Contract liabilities	14	267,714	359,084
Capital grant/contributions liabilities	14	0	250,000
Lease liabilities	11(b)	126,888	133,322
Borrowings	15	0	21,285
Employee related provisions	16	4,928,884	4,634,109
TOTAL CURRENT LIABILITIES		17,376,409	16,373,290
NON-CURRENT LIABILITIES			
Lease liabilities	11(b)	680,117	807,005
Employee related provisions	16	544,688	267,696
Other provisions	17	5,472,110	5,471,760
TOTAL NON-CURRENT LIABILITIES		6,696,915	6,546,461
TOTAL LIABILITIES		24,073,324	22,919,751
NET ASSETS		911,569,081	872,881,910
EQUITY			
Retained surplus		492,717,677	471,038,754
Reserve accounts	30	134,007,588	115,590,641
Revaluation surplus	18	284,843,816	286,252,515
TOTAL EQUITY		911,569,081	872,881,910

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



**CITY OF KARRATHA
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		472,216,783	84,448,299	285,760,189	842,425,271
Comprehensive income for the period					
Net result for the period		29,964,313	0	0	29,964,313
Other comprehensive income for the period	18	0	0	492,326	492,326
Total comprehensive income for the period		29,964,313	0	492,326	30,456,639
Transfers from reserve accounts	30	11,933,821	(11,933,821)	0	0
Transfers to reserve accounts	30	(43,076,163)	43,076,163	0	0
Balance as at 30 June 2024		471,038,754	115,590,641	286,252,515	872,881,910
Comprehensive income for the period					
Net result for the period		40,095,871	0	0	40,095,871
Total comprehensive income for the period		40,095,871	0	(1,408,699)	38,687,172
Transfers from reserve accounts	30	17,829,629	(17,829,629)	0	0
Transfers to reserve accounts	30	(36,246,576)	36,246,576	0	0
Balance as at 30 June 2025		492,717,677	134,007,588	284,843,816	911,569,081

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



**CITY OF KARRATHA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025 Actual \$	2024 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		58,401,286	55,257,316
Grants, subsidies and contributions		15,449,360	15,383,141
Fees and charges		76,451,930	62,171,861
Interest revenue		7,690,065	4,986,312
Goods and services tax received		129,950	593,572
Other revenue		1,201,329	1,046,525
		159,323,920	139,438,727
Payments			
Employee costs		(53,253,079)	(44,031,096)
Materials and contracts		(36,879,459)	(34,302,926)
Utility charges		(7,448,227)	(7,385,085)
Finance costs		(17,276)	(20,341)
Insurance paid		(3,432,594)	(3,773,833)
Goods and services tax paid		(554,979)	(661,730)
Other expenditure		(2,490,440)	(2,380,297)
		(104,076,054)	(92,555,308)
Net cash provided by operating activities	19(b)	55,247,866	46,883,419
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for financial assets at amortised cost		(6,000,000)	(33,000,052)
Payments for purchase of property, plant & equipment	8(a)	(14,323,275)	(8,245,635)
Payments for construction of infrastructure		(25,084,360)	(11,084,744)
Payments for investment property	12	(171,946)	(112,758)
Proceeds from capital grants, subsidies and contributions		2,269,797	3,376,258
Proceeds from financial assets at amortised cost - self-supporting loans		21,281	22,666
Proceeds from sale of property, plant & equipment		451,250	975,684
Proceeds from sale of infrastructure		0	798,571
Net cash (used in) investing activities		(42,837,253)	(47,270,010)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	29(a)	(21,285)	(22,666)
Payments for principal portion of lease liabilities	29(b)	(133,322)	(134,325)
Net cash (used in) financing activities		(154,607)	(156,991)
Net increase/(decrease) in cash held		12,256,006	(543,582)
Cash at beginning of year		14,993,326	15,536,908
Cash and cash equivalents at the end of the year	19(a)	27,249,332	14,993,326

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



CITY OF KARRATHA
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
General rates	27	58,867,893	58,887,400	54,800,841
Rates excluding general rates	27	71,770	57,340	60,684
Grants, subsidies and contributions		27,630,482	22,572,822	18,828,429
Fees and charges		76,792,233	72,454,164	62,270,194
Interest revenue		7,690,065	7,322,882	6,208,182
Other revenue		1,201,329	834,022	1,046,525
Profit on asset disposals		63,719	16,610	35,447
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	0	0	9,393
Fair value adjustments to investment property	12	828,054	0	6,937,242
		173,145,545	162,145,240	150,196,937
Expenditure from operating activities				
Employee costs		(54,151,542)	(50,677,316)	(45,087,635)
Materials and contracts		(37,275,803)	(36,558,419)	(32,899,382)
Utility charges		(7,448,227)	(6,568,112)	(7,385,085)
Depreciation		(30,280,133)	(29,635,598)	(29,337,164)
Finance costs		(191,083)	(271,894)	(265,170)
Insurance		(3,432,594)	(3,359,325)	(3,773,833)
Other expenditure		(2,490,440)	(3,823,800)	(2,380,297)
Loss on asset disposals		(43,434)	0	(1,875,761)
Loss on revaluation of non-current assets		0	0	(604,555)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	(6,215)	0	0
		(135,319,471)	(130,894,464)	(123,608,882)
Non-cash amounts excluded from operating activities	28(a)	18,035,058	29,038,871	22,294,700
Amount attributable to operating activities		55,861,132	60,289,647	48,882,755
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		2,269,797	2,350,929	3,376,258
Proceeds from disposal of assets		451,250	580,117	1,774,255
Proceeds from financial assets at amortised cost - self-supporting loans	29(a)	21,285	21,281	22,666
		2,742,332	2,952,327	5,173,179
Outflows from investing activities				
Acquisition of property, plant and equipment	8(a)	(14,323,275)	(9,036,305)	(8,245,635)
Acquisition of infrastructure	9(a)	(35,915,894)	(41,480,896)	(12,217,169)
Payments for investment property	12	(171,946)	(104,974)	(112,758)
		(50,411,115)	(50,622,175)	(20,575,562)
Non-cash amounts excluded from investing activities	28(b)	11,340,716	(580,117)	1,840,374
Amount attributable to investing activities		(36,328,067)	(48,249,965)	(13,562,009)
FINANCING ACTIVITIES				
Inflows from financing activities				
Transfers from reserve accounts	30	17,829,629	30,578,162	11,933,821
		17,829,629	30,578,162	11,933,821
Outflows from financing activities				
Repayment of borrowings	29(a)	(21,285)	(21,281)	(22,666)
Payments for principal portion of lease liabilities	29(b)	(133,322)	(133,322)	(134,325)
Transfers to reserve accounts	30	(36,246,576)	(42,218,874)	(43,076,163)
		(36,401,183)	(42,373,477)	(43,233,154)
Amount attributable to financing activities		(18,571,554)	(11,795,315)	(31,299,333)
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	28(c)	8,147,653	9,490	4,126,240
Amount attributable to operating activities		55,861,132	60,289,647	48,882,755
Amount attributable to investing activities		(36,328,067)	(48,249,965)	(13,562,009)
Amount attributable to financing activities		(18,571,554)	(11,795,315)	(31,299,333)
Surplus or deficit after imposition of general rates	28(c)	9,109,164	253,857	8,147,653

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



**CITY OF KARRATHA
FOR THE YEAR ENDED 30 JUNE 2025
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**CITY OF KARRATHA
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 City of Karratha which is a Class 1 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 City 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 City to assess at each reporting date whether the carrying amount of the above mentioned non-financial assets materially differs from their fair value and, if so, revalue the class of non-financial assets.

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

Critical accounting estimates and judgements

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

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

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

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

- Fair value measurement of assets carried at reportable value including:
 - Property, plant and equipment - Note 8
 - Infrastructure - Note 9
- Expected credit losses on financial assets - Note 5
- Investment property - Note 12
- Measurement of employee benefits - Note 16
- Measurement of provisions - Note 17

Fair value hierarchy information can be found in Note 25

The local government reporting entity

All funds through which the City 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 31 of the financial report.

Initial application of accounting standards

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

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

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

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

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

Accounting standard amendments will be adopted as part of the next revaluation year due in 2027.

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.

**CITY OF KARRATHA
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
Other revenue - private works	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

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

Revenue recognition

Rate revenue was recognised from the rate record as soon as practicable after the City 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	58,867,893	71,770	58,939,663
Grants, subsidies and contributions	21,294,756	0	6,335,726	0	27,630,482
Fees and charges	47,284,155	0	29,508,078	0	76,792,233
Interest revenue	0	0	455,843	7,234,222	7,690,065
Other revenue	0	0	53,997	1,147,332	1,201,329
Capital grants, subsidies and contributions	0	2,269,797	0	0	2,269,797
Total	68,578,911	2,269,797	95,221,537	8,453,324	174,523,569

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	54,800,841	60,684	54,861,525
Grants, subsidies and contributions	11,176,399	0	7,652,030	0	18,828,429
Fees and charges	41,755,841	0	20,514,353	0	62,270,194
Interest revenue	0	0	403,663	5,804,519	6,208,182
Other revenue	0	0	0	1,046,525	1,046,525
Capital grants, subsidies and contributions	0	3,376,258	0	0	3,376,258
Total	52,932,240	3,376,258	83,370,887	6,911,728	146,591,113

CITY OF KARRATHA
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 \$
Assets and services acquired below fair value			
Contributed assets		10,831,534	1,132,425
		10,831,534	1,132,425
Interest revenue			
Financial assets at amortised cost - self-supporting loans		364	1,149
Interest on reserve account		5,824,223	3,949,894
Rate instalment and penalty interest		593,775	344,201
Trade and other receivables overdue interest		31,979	59,462
Interest on municipal investments		562,790	988,891
Other interest revenue		676,934	864,585
		7,690,065	6,208,182
The 2025 original budget estimate in relation to: Trade and other receivables overdue interest was \$152,000.			
Fees and charges relating to rates receivable			
Charges on instalment plan	27(b)	60,426	62,405
The 2025 original budget estimate in relation to: Charges on instalment plan was \$168,378.			
(b) Expenses			
Auditors remuneration			
- Audit of the Annual Financial Report		119,460	105,407
- Other services – grant acquittals		9,300	3,550
		128,760	108,957
Employee Costs			
Employee benefit costs		52,575,454	44,287,514
Other employee costs		1,576,088	800,121
		54,151,542	45,087,635
Finance costs			
Provisions: unwinding of discount		173,807	244,829
ATO General Interest Charge		330	0
Borrowings		364	1,149
Lease liabilities		16,582	19,192
		191,083	265,170
Other expenditure			
Sundry expenses		424,842	482,716
Community funding		658,160	518,091
Contributions		886,257	636,625
Councillors expenses		554,670	528,614
Write-offs/doubtful debts		(33,489)	214,251
		2,490,440	2,380,297

**CITY OF KARRATHA
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	15,249,332	14,993,326
Term deposits	12,000,000	0
Total cash and cash equivalents	27,249,332	14,993,326
Held as		
- Unrestricted cash and cash equivalents	4,974,030	4,814,886
- Restricted cash and cash equivalents	22,275,302	10,178,440
	27,249,332	14,993,326

MATERIAL ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts are reported as short term borrowings in current liabilities in the statement of financial position.

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.

4. OTHER FINANCIAL ASSETS

(a) Current assets

Financial assets at amortised cost	112,000,000	106,021,285
	112,000,000	106,021,285
Other financial assets at amortised cost		
Self-supporting loans receivable	0	21,285
Term deposits	112,000,000	106,000,000
	112,000,000	106,021,285
Held as		
- Unrestricted other financial assets at amortised cost	0	14,021,285
- Restricted other financial assets at amortised cost	112,000,000	92,000,000
	112,000,000	106,021,285

(b) Non-current assets

Financial assets at amortised cost	3,800,000	3,800,000
Financial assets at fair value through profit or loss	139,334	145,549
	3,939,334	3,945,549
Financial assets at amortised cost		
Loans receivable - clubs/institutions	3,800,000	3,800,000
	3,800,000	3,800,000
Financial assets at fair value through profit or loss		
Units in Local Government House Trust - opening balance	145,549	136,156
Movement attributable to fair value	(6,215)	9,393
Units in Local Government House Trust - closing balance	139,334	145,549

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 29(a) as self supporting loans. Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

MATERIAL ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 25 (i)) due to the observable market rates.

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

Financial assets at fair value through profit or loss

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

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 23.

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

5. TRADE AND OTHER RECEIVABLES

	Note	2025 \$	2024 \$
Current			
Rates and statutory receivables		2,225,851	1,865,963
Trade receivables		8,207,062	7,236,464
Other receivables		224,527	399,914
GST receivable		581,532	156,503
Receivables for employee related provisions	16	39,550	0
Allowance for credit losses of rates and statutory receivables	23(b)	(42,416)	(37,553)
Allowance for credit losses of trade receivables	23(b)	(751,401)	(1,170,222)
		10,484,705	8,451,069

The carrying amounts of the trade and other receivables include receivables which are subject to a factoring arrangement. Under the factoring arrangement, the City of Karratha has transferred the relevant receivables to the factor in exchange for cash and therefore is prevented from selling or pledging the receivables, late payment and credit risk remains with the City of Karratha, and the City continues to recognise the transferred assets in their entirety. The amount repayable under the factoring arrangement is presented as a secured borrowing under other loans at Note 15. The City considers that the held to collect business model remains appropriate for these receivables and continues measuring them at amortised cost.

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	8,431,589	7,636,378	10,583,371
Contract assets	664,000	607,649	654,000
Allowance for credit losses of trade receivables	(751,401)	(1,170,222)	(1,262,907)
Total trade and other receivables from contracts with customers	8,344,188	7,073,805	9,974,464

MATERIAL ACCOUNTING POLICIES

Rates and statutory receivables

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

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

Trade receivables

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

Other receivables

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

Measurement

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

Classification and subsequent measurement

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

Trade and other receivables are held with the objective to collect the contractual cashflows and therefore the City 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.

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 23.

GST Receivable

GST receivable is offset against GST payable and any net GST receivable is included as a statutory receivable

CITY OF KARRATHA
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FOR THE YEAR ENDED 30 JUNE 2025

6. INVENTORIES

Note	2025	2024
	\$	\$
Current		
Fuel and materials	683,187	723,597
Corporate Uniform	61,664	56,737
Food, drinks & merchandise Roebourne Aquatic Centre	3,915	415
Food, drinks & merchandise Indoor Play Centre	5,297	1,775
Food, drinks & merchandise Wickham Recreation Precinct	2,358	2,835
Food, drinks & merchandise Karratha Leisureplex	9,933	8,508
Food, drinks & merchandise Red Earth Arts Precinct	23,754	13,819
Food, drinks & merchandise Karratha Visitor Centre	8,128	12,914
Land held for resale		
Cost of acquisition	275,359	265,294
Development costs	2,562,206	2,562,206
Disposal costs	(1,936,297)	(1,642,253)
	<u>1,699,504</u>	<u>2,005,847</u>
The following movements in inventories occurred during the year:		
Balance at beginning of year	2,005,847	2,901,664
Inventories expensed during the year	(3,204,814)	(2,652,599)
Transfers from inventory to PPE	0	(707,949)
Additions to inventory	<u>2,898,471</u>	<u>2,464,730</u>
Balance at end of year	<u>1,699,504</u>	<u>2,005,847</u>

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.

Land held for resale

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

Land held for resale (Continued)

Borrowing costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed onto the buyer at this point.

Land held for resale is classified as current except where it is held as non-current based on the City's intentions to release for sale.

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

7. OTHER ASSETS

Other assets - current

	2025	2024
	\$	\$
Prepayments	770,253	962,750
Accrued income	6,187,246	5,285,527
Contract assets	664,000	607,649
	7,621,499	6,855,926

MATERIAL ACCOUNTING POLICIES

Other current assets

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

Contract assets

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

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in balances

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

	Assets not subject to operating lease				Assets subject to operating lease				Total property				Plant and equipment				Total property, plant and equipment	
	Land		Buildings		Land		Buildings		Land	Buildings	Work in progress	Total property	Furniture and equipment	Plant and equipment	Artwork and Sculptures			
	Note	\$	\$	\$	\$	\$	\$	\$										
Balance at 1 July 2023		19,503,881	197,596,772		1,664,600	64,414,478		21,168,481	282,011,250	4,739,400	287,919,131		3,051,811	10,532,097	2,241,419		303,744,458	
Additions		1,204,555	3,542,838		0	443,777		1,204,555	3,986,615	253,319	5,444,489		72,934	2,728,212	0		8,245,635	
Disposals		(219,000)	(1,032,044)		0	0		(219,000)	(1,032,044)	(1,371,232)	(2,622,276)		0	(197,592)	0		(2,819,868)	
Revaluation increments / (decrements) transferred to revaluation surplus*		0		492,326	0	0	0	0	492,326	0	492,326	0	0	0	0		492,326	
Revaluation (loss) / reversals transferred to profit or loss*		(604,555)	0		0	0		(604,555)	0	0	(604,555)	0	0	0	0		(604,555)	
Depreciation		0	(7,134,701)		0	(2,413,492)		0	(9,548,193)	0	(9,548,193)	0	(686,039)	(1,924,405)	(50,424)		(12,209,061)	
Adjustments		0	152,655		0	0		0	152,655	0	152,655	0	(132,966)	(15,818)	(1)		3,870	
Transfers from Inventory to PPE		707,949	0		0	0		707,949	0	0	707,949	0	0	0	0		707,949	
Transfers		0	1,004,377		0	1,710,599		0	2,714,976	(2,937,570)	(222,594)		2,305,740	222,593	0		(1)	
Balance at 30 June 2024		20,592,830	194,622,223		1,664,600	64,155,362		22,257,430	256,777,585	683,917	281,716,932		2,305,740	11,345,087	2,190,994		297,560,753	
Comprises:																		
Gross balance amount at 30 June 2024		20,592,830	256,762,952		1,664,600	87,497,830		22,257,430	344,260,782	683,917	367,202,129		4,628,781	18,143,979	2,458,376		392,433,265	
Accumulated depreciation at 30 June 2024		0	(62,140,729)		0	(23,342,468)		0	(85,483,197)	0	(85,483,197)		(2,323,041)	(6,798,892)	(267,382)		(94,872,512)	
Balance at 30 June 2024	8(b)	20,592,830	194,622,223		1,664,600	64,155,362		22,257,430	256,777,585	683,917	281,716,932		2,305,740	11,345,087	2,190,994		297,560,753	
Additions		0	7,185,046		0	858,532		0	8,043,578	2,959,165	11,002,743		300,535	3,019,997	0		14,323,275	
Disposals		0	(289,420)		0	0		0	(289,420)	(26,307)	(315,727)		(20,222)	(184,696)	0		(520,645)	
Depreciation		0	(7,326,298)		0	(2,423,547)		0	(9,749,845)	0	(9,749,845)		(652,606)	(2,200,599)	(50,285)		(12,653,335)	
Transfers		0	89,239		0	0		0	89,239	(449,687)	(360,448)		53,572	115,671	0		(191,205)	
Balance at 30 June 2025		20,592,830	194,280,790		1,664,600	62,590,347		22,257,430	256,871,137	3,167,088	282,295,655		1,987,019	12,095,460	2,140,709		298,518,843	
Comprises:																		
Gross balance amount at 30 June 2025		20,592,830	263,379,159		1,664,600	88,356,360		22,257,430	351,735,519	3,167,088	377,160,037		4,925,740	20,945,672	2,458,374		405,489,823	
Accumulated depreciation at 30 June 2025		0	(69,098,369)		0	(25,766,013)		0	(94,864,382)	0	(94,864,382)		(2,938,721)	(8,850,212)	(317,665)		(106,970,980)	
Balance at 30 June 2025	8(b)	20,592,830	194,280,790		1,664,600	62,590,347		22,257,430	256,871,137	3,167,088	282,295,655		1,987,019	12,095,460	2,140,709		298,518,843	

*These relate to the recognition of assets acquired during the financial year to ensure that the carrying amount does not materially differ from fair value of its respective class of assets. This initial fair value measurement is not considered a revaluation under the revaluation model.

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying amount measurements

Asset class	Note	Carrying amount 2025 \$	Carrying amount 2024 \$	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date								
Land and buildings								
Land - freehold land				3	Market approach	Independent Valuation	June 2022	While the unit rates based on square meters could be supported from market evidence (level 2) other inputs such as zoning, restrictions, accessibility (level 3) required extensive professional judgement and impacted significantly on the final determination.
Land - subject to usage restrictions		17,033,430	17,033,430					
Land - subject to usage restrictions		5,224,000	5,224,000					
Total land	8(a)	22,257,430	22,257,430					
Buildings - non specialised		48,690,199	47,658,595	3	Market approach	Independent Valuation	June 2022	Market or estimated price per square meter. This also included significant level 3 inputs that required extensive professional judgement such as components that were extrapolated from other market data.
Buildings - specialised				3	Cost approach using current replacement cost	Independent Valuation	June 2022	This required estimating the replacement costs for each building by componentising the buildings into significant parts with different useful lives and taking into account a range of factors. Other inputs such as residual value, useful life, pattern of consumption and asset condition required extensive professional judgement and impacted significantly on the final determination
Total buildings	8(a)	208,180,938	211,118,990					
		256,871,137	258,777,585					
(ii) Cost								
Furniture and equipment				Cost	N/A	Cost	N/A	Purchase Cost
Plant and equipment				Cost	N/A	Cost	N/A	Purchase Cost

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

9. INFRASTRUCTURE

(a) Movements in balances

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

	Infrastructure - roads \$	Infrastructure - footpaths \$	Infrastructure - drainage \$	Infrastructure - parks and ovals \$	Infrastructure - work in progress \$	Landfill Asset \$	Infrastructure - Aerodromes \$	Infrastructure - Miscellaneous Structures \$	Total infrastructure \$
Balance at 1 July 2023	205,681,274	36,274,517	25,995,630	57,556,732	693,200	5,364,808	74,963,045	7,754,010	414,283,217
Additions	2,504,633	2,830,235	264,997	2,262,823	4,140,499	0	83,720	130,462	12,217,169
Disposals	(163,414)	(61,311)	0	(66,889)	(354,301)	0	0	0	(645,915)
Depreciation	(6,740,911)	(967,404)	(610,931)	(3,560,848)	0	(1,075,901)	(2,721,767)	(1,292,581)	(16,970,343)
Adjustments to reallocate by asset class	(669,782)	(1,862)	518,985	293,357	0	0	(24,932)	(268,422)	(152,656)
Transfers	16,005	42,257	519	21,523	(97,638)	0	17,333	0	(1)
Balance at 30 June 2024	200,627,806	38,116,432	26,169,200	56,506,498	4,381,760	4,288,907	72,317,399	6,323,469	408,731,471
Comprises:									
Gross balance at 30 June 2024	304,900,134	54,671,377	36,482,344	90,316,932	4,381,760	5,782,145	111,430,133	13,964,323	621,929,148
Accumulated depreciation at 30 June 2024	(104,272,328)	(16,554,945)	(10,313,144)	(33,810,434)	0	(1,493,238)	(39,112,734)	(7,640,854)	(213,197,677)
Balance at 30 June 2024	200,627,806	38,116,432	26,169,200	56,506,498	4,381,760	4,288,907	72,317,399	6,323,469	408,731,471
Balance at 30 June 2025	198,735,726	39,744,678	30,130,799	63,259,176	15,571,294	3,215,945	70,066,713	5,318,611	426,042,942
Comprises:									
Gross balance at 30 June 2025	309,371,853	57,352,681	41,075,529	100,534,812	15,571,294	5,782,145	111,886,153	14,254,661	655,829,128
Accumulated depreciation at 30 June 2025	(110,636,127)	(17,608,003)	(10,944,730)	(37,275,636)	0	(2,566,200)	(41,819,440)	(8,936,050)	(229,786,186)
Balance at 30 June 2025	198,735,726	39,744,678	30,130,799	63,259,176	15,571,294	3,215,945	70,066,713	5,318,611	426,042,942

* Asset additions included additions received at substantially less than fair value:

During the year ended 30 June 2024	558,786	369,955	203,684	0	0	0	0	0	1,132,425
During the year ended 30 June 2025	3,959,345	913,391	2,523,219	3,435,579	0	0	0	0	10,831,534

The contributed assets identified above relate to the Madigan Estate subdivision and Cheeditha Loop real for 2025, and the Tambrey Subdivision in 2024

CITY OF KARRATHA
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FOR THE YEAR ENDED 30 JUNE 2025

9. INFRASTRUCTURE (Continued)

(b) Carrying amount measurements

Asset class		Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
(i) Fair value - as determined at the last valuation date						
Infrastructure - roads		Level 3	Cost approach using depreciated replacement cost	Independent and Management Valuation	June 2022	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
	Infrastructure - footpaths	Level 3	Cost approach using depreciated replacement cost	Independent and Management Valuation	June 2022	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
	Infrastructure - drainage	Level 3	Cost approach using depreciated replacement cost	Independent and Management Valuation	June 2022	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
	Infrastructure - parks and ovals	Level 3	Cost approach using depreciated replacement cost	Independent and Management Valuation	June 2022	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Landfill Asset		Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2023	Present value of restoration, rehabilitation, and site monitoring costs using inflation rates and discount rates (Level 3) inputs
	Infrastructure - Aerodromes	Level 3	Cost approach using depreciated replacement cost	Independent Valuation	June 2022	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Infrastructure - Miscellaneous Structures		Level 3	Cost approach using depreciated replacement cost	Independent and Management Valuation	June 2022	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
(ii) Current Replacement Cost Infrastructure - work in progress		Cost	N/A	Cost	N/A	Purchase Cost

CITY OF KARRATHA
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10. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

Asset class	Useful life
Buildings	25 to 100 years
Furniture and equipment	2.5 to 30 years
Plant and equipment	5 to 12 years
Sealed roads and streets	
formation	not depreciated
pavement	80 years
seal	
- bituminous seals	20 to 30 years
- asphalt surfaces	20 to 30 years
Gravel roads	
formation	not depreciated
pavement	10 to 80 years
Footpaths - slab	10 to 60 years
Sewerage piping	100 years
Water supply piping and drainage systems	15 to 40 years
Landfill assets	30 years
Right-of-use (buildings)	Based on the remaining lease term
Infrastructure	
Aerodrome Assets	10 to 80 years
Lighting	15 to 30 years
Miscellaneous Structures	15 to 100 years
Park Developments	10 to 80 years

(b) Fully depreciated assets in use

The gross carrying amount of assets held by the City which are currently in use yet fully depreciated are shown in the table below.

	2025	2024
	\$	\$
Buildings - non specialised	0	234,884
Furniture and equipment	18	0
Plant and equipment	11	101,587
	29	336,471

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

10. FIXED ASSETS (Continued)

MATERIAL ACCOUNTING POLICIES

Initial recognition

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

Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, plus costs incidental to the acquisition. The cost of non-current assets constructed by the City 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 City'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 City.

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

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

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

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

Depreciation

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

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

Depreciation on revaluation

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

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

Impairment

In accordance with *Local Government (Financial Management) Regulations 17A(4C)*, the City 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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11. LEASES

(a) Right-of-use assets

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

Balance at 1 July 2023

Depreciation

Balance at 30 June 2024

Gross balance amount at 30 June 2024

Accumulated depreciation at 30 June 2024

Balance at 30 June 2024

Depreciation

Balance at 30 June 2025

Gross balance amount at 30 June 2025

Accumulated depreciation at 30 June 2025

Balance at 30 June 2025

Note	Right-of-use assets - land and buildings	Total right-of-use assets
	\$	\$
	1,044,196	1,044,196
	(157,761)	(157,761)
	886,435	886,435
	1,538,492	1,538,492
	(652,057)	(652,057)
	886,435	886,435
	(150,189)	(150,189)
	736,246	736,246
	1,456,057	1,456,057
	(719,811)	(719,811)
	736,246	736,246

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

Depreciation on right-of-use assets

Finance charge on lease liabilities

Total amount recognised in the statement of comprehensive income

Total cash outflow from leases

	2025 Actual	2024 Actual
	\$	\$
	(150,189)	(157,761)
29(b)	(16,582)	(19,192)
	(166,771)	(176,953)
	(149,904)	(153,517)
	126,888	133,322
	680,117	807,005
29(b)	807,005	940,327

(b) Lease liabilities

Current

Non-current

Secured liabilities and assets pledged as security

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

MATERIAL ACCOUNTING POLICIES

Leases

At inception of a contract, the City 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 asset 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 City 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 29(b).

Refer to Note 12 for details of leased investment property.

Right-of-use assets - measurement

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

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

Right-of-use assets - depreciation

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

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

12. INVESTMENT PROPERTY

	2025	2025	2024
	Actual	Budget	Actual
	\$	\$	\$
Non-current assets - at reportable value			
Carrying balance at 1 July	46,350,000	39,300,000	39,300,000
Acquisitions	171,946	104,974	112,758
Net gain/(loss) from fair value adjustment	828,054	0	6,937,242
Closing balance at 30 June	47,350,000	39,404,974	46,350,000
Amounts recognised in profit or loss for investment properties			
Rental income	4,136,772	4,291,968	4,157,444
Direct operating expenses from property that generated rental income	(1,298,996)	(2,026,970)	(2,700,532)
Fair value gain recognised in profit or loss	828,054	0	6,937,242
Leasing arrangements			
Minimum lease payments under non-cancellable operating leases of investment properties not recognised in the financial statements are receivable as follows:			
Less than 1 year	2,790,642	0	2,644,226
1 to 2 years	2,325,248	0	2,402,211
2 to 3 years	2,021,588	0	1,979,413
3 to 4 years	1,958,409	0	1,879,497
4 to 5 years	1,958,409	0	1,872,752
> 5 years	3,278,131	0	5,015,048
	14,332,427	0	15,793,147

The investment properties are leased to tenants under operating leases with rentals payable monthly. Lease income from operating leases where the City is a lessor is recognised in income on a straightline basis over the lease term.

Lease payments for some contracts include CPI increases, but there are no other variables lease payments that depend on an index or rate. Although the City is exposed to changes in the residual value at the end of the current leases, the City group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of the leases.

Expectations about the future residual values are reflected in the fair value of the property.

Refer to Note 21 for disclosure of contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements

MATERIAL ACCOUNTING POLICIES

Investment properties

Investment properties are principally freehold buildings, held for long-term rental yields and not occupied by the City.

In accordance with *Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are investment properties, are shown at their reportable value.

Reportable value for the purposes of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date.

Revaluation

In accordance with the regulatory framework, investment properties are required to be revalued whenever required by AASB 140 and, in any event, every five years.

Fair value of investment properties

An independent valuation was performed to determine the fair value of investment properties. The main Level 3 inputs used in the valuation were discount rates, yields, expected vacancy rates and rental growth rates estimated by management based on comparable transactions and industry data.

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

13. TRADE AND OTHER PAYABLES

	2025	2024
	\$	\$
Current		
Sundry creditors	5,526,075	3,157,357
Prepaid rates	575,832	754,321
Income received in advance	1,516,487	1,442,832
Accrued payroll liabilities	1,622,124	1,295,428
Other liabilities	57,424	47,883
Bonds and deposits	908,054	1,219,263
Accrued expenses	1,846,927	3,058,406
	12,052,923	10,975,490

MATERIAL ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are initially recognised at fair value when the City 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 City prior to the end of the financial year that are unpaid and arise when the City 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 City recognises income for the prepaid rates that have not been refunded.

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

14. OTHER LIABILITIES

	2025	2024
	\$	\$
Current		
Contract liabilities	267,714	359,084
Capital grant/contributions liabilities	0	250,000
	<u>267,714</u>	<u>609,084</u>
Reconciliation of changes in contract liabilities		
Opening balance	359,084	280,000
Additions	267,714	359,084
Revenue from contracts with customers included as a contract liability at the start of the period	(359,084)	(280,000)
	<u>267,714</u>	<u>359,084</u>
The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$267,714 (2024: \$702,834)		
The City expects to satisfy the performance obligations, from contracts with customers unsatisfied at the end of the reporting period, within the next 12 months.		
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	250,000	0
Additions	(250,000)	250,000
	<u>0</u>	<u>250,000</u>

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

MATERIAL ACCOUNTING POLICIES

Contract liabilities

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

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

Capital grant/contribution liabilities

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

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

15. BORROWINGS

	Note	2025			2024		
		Current	Non-current	Total	Current	Non-current	Total
		\$	\$	\$	\$	\$	\$
Unsecured							
Long term borrowings - self supporting loans		0	0	0	21,285	0	21,285
Total unsecured borrowings	29(a)	0	0	0	21,285	0	21,285

MATERIAL ACCOUNTING POLICIES

Borrowing costs

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

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

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 25(i)) due to the unobservable inputs, including own credit risk.

Risk

Details of individual borrowings required by regulations are provided at Note 29(a).

Information regarding exposure to risk can be found at Note 23.

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

16. EMPLOYEE RELATED PROVISIONS

Employee related provisions

	2025	2024
	\$	\$
Current provisions		
Employee benefit provisions		
Annual leave	2,910,940	3,098,485
Long service leave	1,358,650	1,535,624
	4,269,590	4,634,109
Employee related other provisions		
Employment on-costs	659,294	0
	659,294	0
Total current employee related provisions	4,928,884	4,634,109
Non-current provisions		
Employee benefit provisions		
Long service leave	335,390	267,696
	335,390	267,696
Employee related other provisions		
Employment on-costs	209,298	0
	209,298	0
Total non-current employee related provisions	544,688	267,696
Total employee related provisions	5,473,572	4,901,805

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. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	Note	2025	2024
		\$	\$
Amounts are expected to be settled on the following basis:			
Less than 12 months after the reporting date		4,928,884	4,634,109
More than 12 months from reporting date		544,688	267,696
		5,473,572	4,901,805

Expected reimbursements of employee related provisions from other WA local governments included within other receivables

5

39,550

0

MATERIAL ACCOUNTING POLICIES

Employee benefits

The City'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 City'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 City'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 City's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the City 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.

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

17. OTHER PROVISIONS

	Make good provisions	Provision for remediation costs	Total
	\$	\$	\$
Opening balance at 1 July 2024			
Non-current provisions	60,000	5,411,760	5,471,760
	60,000	5,411,760	5,471,760
Reduction to provision	0	(173,457)	(173,457)
Charged to profit or loss			
- unwinding of discount	0	173,807	173,807
Balance at 30 June 2025	60,000	5,412,110	5,472,110
Comprises			
Non-current	60,000	5,412,110	5,472,110
	60,000	5,412,110	5,472,110

Make good provisions

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

Provision for remediation costs

The City operates the Seven Mile Waste Disposal site at Exploration Drive, Gap Ridge. The facility is an active operation and is designed for 12 waste cells with rolling stages of cell construction until November 2048. To date, 3 cells have been constructed, one of which has been fully capped, and as such the City has an obligation to rehabilitate constructed cells to minimise potential environmental impacts.

A post closure management plan has been prepared with rehabilitation estimates for the capping and restoration of the cells currently in use. This plan was approved by the Department of Water and Environmental Regulation (DWER) on the 28 August 2020.

A provision for the costs included has been recognised as liabilities within the financial statements, based on the discounted future values of the estimated costs for the two established cells, using current financial information and the target RBA inflation rate. Increments/decrements in the provision are assessed annually based on the change in the net present value of the future cash outflows of costs for site rehabilitation. These movements are recognised under the revaluation reserve, and the unwinding of the discount is expensed as incurred.

MATERIAL ACCOUNTING POLICIES

Provisions

Provisions are recognised when the City 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.

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

18. REVALUATION SURPLUS

	2025 Opening balance	Total Movement on revaluation	2025 Closing balance	2024 Opening balance	Total Movement on revaluation	2024 Closing balance
	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	13,467,574	0	13,467,574	13,467,574	0	13,467,574
Revaluation surplus - Buildings - non-specialised	40,102,660	(289,420)	39,813,240	39,610,334	492,326	40,102,660
Revaluation surplus - Plant and equipment	66,266	0	66,266	66,266	0	66,266
Revaluation surplus - Artwork and Sculptures	47,997	0	47,997	47,997	0	47,997
Revaluation surplus - Infrastructure - roads	133,235,450	(1,119,279)	132,116,171	133,235,450	0	133,235,450
Revaluation surplus - Infrastructure - footpaths	30,323,273	0	30,323,273	30,323,273	0	30,323,273
Revaluation surplus - Infrastructure - drainage	24,088,567	0	24,088,567	24,088,567	0	24,088,567
Revaluation surplus - Infrastructure - parks and ovals	3,716,676	0	3,716,676	3,716,676	0	3,716,676
Revaluation surplus - Landfill Asset	295,213	0	295,213	295,213	0	295,213
Revaluation surplus - Infrastructure - Aerodromes	37,658,426	0	37,658,426	37,658,426	0	37,658,426
Revaluation surplus - Infrastructure - Miscellaneous Structures	3,250,413	0	3,250,413	3,250,413	0	3,250,413
	286,252,515	(1,408,699)	284,843,816	285,760,189	492,326	286,252,515

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

19. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of cash

For the purposes of the Statement of cash flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	Note	2025 Actual \$	2024 Actual \$
Cash and cash equivalents	3	27,249,332	14,993,326
Restrictions			
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	22,275,302	10,178,440
- Unrestricted financial assets at amortised cost	4	0	14,021,285
- Restricted financial assets at amortised cost	4	112,000,000	92,000,000
		134,275,302	116,199,725
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	30	134,007,588	115,590,641
Contract liabilities	14	267,714	359,084
Capital grant liabilities	14	0	250,000
Total restricted financial assets		134,275,302	116,199,725
(b) Reconciliation of net result to net cash provided by operating activities			
Net result		40,095,871	29,964,313
Non-cash items:			
Adjustments to fair value of financial assets at fair value through profit or loss		6,215	(9,393)
Adjustments to fair value of investment property		(828,054)	(6,937,242)
Depreciation/amortisation		30,280,133	29,337,164
Loss on sale of asset		(20,285)	1,840,314
Loss on revaluation of fixed assets		0	604,555
Assets received for substantially less than fair value		(10,831,534)	(1,132,425)
Changes in assets and liabilities:			
Increase in trade and other receivables		(2,163,586)	(516,615)
Increase in other assets		(765,573)	(2,529,552)
Decrease in inventories		306,343	187,869
Increase/(decrease) in trade and other payables		1,207,386	(618,556)
Increase in employee related provisions		571,767	499,824
Increase/(decrease) in other provisions		350	(759,663)
Decrease in other liabilities		(341,370)	329,084
Capital grants, subsidies and contributions		(2,269,797)	(3,376,258)
Net cash provided by operating activities		55,247,866	46,883,419
(c) Undrawn borrowing facilities			
Credit standby arrangements			
Bank overdraft limit		1,000,000	1,000,000
Bank overdraft at balance date		0	0
Credit card limit		200,000	200,000
Credit card balance at balance date		(41,196)	(56,783)
Total amount of credit unused		1,158,804	1,143,217
Loan facilities			
Loan facilities - current		0	21,285
Total facilities in use at balance date		0	21,285
Unused loan facilities at balance date		NIL	NIL

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

20. CONTINGENT LIABILITIES

In compliance with the Contaminated Sites Act 2003 Section 11, the City has listed sites to be possible sources of contamination. Details of these sites are:

- Roebourne Airport
- Karratha Airport
- Karratha Depot

Until the City conducts an investigation to determine the presence and scope of contamination, assess the risk, and agree with the Department of Water and Environmental Regulation (DWER) on the need and criteria for remediation of a risk based approach, the City is unable to estimate the potential costs associated with remediation of these sites. This approach is consistent with DWER guidelines.

21. CAPITAL COMMITMENTS

	2025	2024
	\$	\$
Contracted for:		
City Housing	0	16,705
Karratha Leisureplex Facility Improvement Study	51,658	51,658
Murujuga Access Road	220,335	143,677
Roebourne Streetscape	16,116	16,116
Lot 7020 Development Proposal	0	136,895
Housing Construction - Jingarri Sites	0	12,847
Bulgarr Oval Lighting Replacement	0	1,708,559
Karratha Leisureplex Outdoor Court Shading	0	406,380
Playground Revitalisation - Smith-Delambre Park	0	282
Hillview and Balmoral Roads Reconstruction	0	4,034,275
Operations Centre B4 HVAC Upgrade	293,692	740,919
Coolawanyah - De Witt Roads Intersection Upgrade	1,689,941	0
Wickham Boat Beach Ramp and Jetty (Design)	294,246	0
Roebourne – Wickham Cemetery Landscaping	411,610	0
Wickham Recreation Precinct Multi-Purpose Courts Shade (Design)	179,639	0
Playground Revitalisation	637,528	0
Airport Projects	34,816	0
Building Improvements - PPE	593,963	288,085
Building Improvements - Investment Property	291,112	0
Equipment Purchases	913,924	500,410
Information Technology Projects	147,225	61,371
Land and Housing Developments	5,728,174	877,327
Pathway Projects	10,931	1,069,798
Plant Purchases	440,504	462,304
Recreational Replacement/Upgrade	1,864,301	808,679
Road Projects	3,032,780	1,133,262
Stormwater Structure Projects	112,443	1,566,547
Town Revitalisation Strategies	1,241,323	19,840
	18,206,260	14,055,934
Payable:		
- not later than one year	18,206,260	14,055,934

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

22. RELATED PARTY TRANSACTIONS

(a) Council member remuneration

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

Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
Mayor's annual allowance	97,115	97,115	90,745
Mayor's meeting attendance fees	51,412	51,412	58,106
Mayor's other expenses	0	7,000	446
Mayor's annual allowance for ICT expenses	3,500	3,500	4,576
Mayor's travel and accommodation expenses	1,882	6,000	3,098
	153,909	165,027	156,971
Deputy Mayor's annual allowance	24,279	24,279	22,748
Deputy Mayor's meeting attendance fees	34,278	34,278	32,153
Deputy Mayor's other expenses	0	5,000	460
Deputy Mayor's annual allowance for ICT expenses	3,500	3,500	3,500
Deputy Mayor's travel and accommodation expenses	655	6,000	2,574
	62,712	73,057	61,435
All other council member's meeting attendance fees	244,493	274,224	257,373
All other council member's All other council member expenses	0	40,000	104
All other council member's annual allowance for ICT expenses	24,968	28,000	27,730
All other council member's travel and accommodation expenses	5,341	48,000	2,092
	274,802	390,224	287,299
22(b)	491,423	628,308	505,705

(b) Key management personnel (KMP) compensation

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

Short-term employee benefits	1,310,092	1,161,719
Post-employment benefits	151,375	128,233
Employee - other long-term benefits	174,226	111,372
Employee - termination benefits	11,517	0
Council member costs	491,423	505,705
22(a)	2,138,633	1,907,029

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 City's superannuation contributions made during the year.

Other long-term benefits

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

Termination benefits

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

Council member costs

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

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

22. RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with related parties

Transactions between related parties and the City 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	106,545	33,343
Purchase of goods and services	285,036	167,237
Amounts outstanding from related parties:		
Trade and other receivables	663	3,662
Amounts payable to related parties:		
Trade and other payables	47,098	0

(d) Related parties

The City'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 City, directly or indirectly, including any council member, are considered key management personnel.

ii. Other Related Parties

During the previous year, two companies controlled by different council members, were awarded contracts under the selective tender process on terms and conditions equivalent for those that prevail in arm's length transactions under the City's Procurement Process

One contract involved providing Catering Services to the City, and amounted to \$69,347

Another contract involved providing photography services to the City, and amounted to \$31,339

Outside of normal citizen type transactions with the City, there were no other related party transactions involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities

iii. Entities subject to significant influence by the City

There were no such entities requiring disclosure during the current or previous year.

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

23. FINANCIAL RISK MANAGEMENT

This note explains the City's exposure to financial risks and how these risks could affect the City's future financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk - interest rates	Long term borrowings at variable rates	Sensitivity analysis	Utilise fixed interest rate borrowings
Credit risk	Cash and cash equivalents, trade receivables, financial assets and debt investments	Aging analysis Credit analysis	Diversification of bank deposits, credit limits. Investment policy
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The City does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance department under policies approved by the Council. The finance department identifies, evaluates and manages financial risks in close co-operation with the operating divisions. Council have approved the overall risk management policy and provide policies on specific areas such as Investment policy.

(a) Interest rate risk

Cash and cash equivalents

The City's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the City to cash flow interest rate risk. Short term overdraft facilities also have variable interest rates however these are repaid within 12 months, reducing the risk level to minimal.

Excess cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the City to cash flow interest rate risk. Cash and cash equivalents required for working capital are held in variable interest rate accounts and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents, term deposits, and Treasury bonds held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted average interest rate	Carrying amounts	Fixed interest rate	Variable interest rate	Non interest bearing
	%	\$	\$	\$	\$
2025					
Cash and cash equivalents	4.19%	27,249,332	12,000,000	15,249,332	0
Financial assets at amortised cost - term deposits	4.82%	112,000,000	112,000,000	0	0
Financial assets at amortised cost - Treasury bonds	0.00%	0	0	0	0
2024					
Cash and cash equivalents	2.41%	14,993,326	0	14,993,326	0
Financial assets at amortised cost - term deposits	5.30%	106,000,000	106,000,000	0	0
Financial assets at amortised cost - Self supporting loans	3.72%	21,285	21,285	0	0
Financial assets at amortised cost - clubs/institutions	4.00%	3,800,000	3,800,000	0	0
Financial assets at amortised cost - Treasury bonds	0.00%	0	0	0	0

Sensitivity

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

	2025	2024
	\$	\$
Impact of a 1% movement in interest rates on profit or loss and equity*	152,493	149,933

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs.

The City manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The City does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 29(a).

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

23. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and other receivables

The City's major receivables comprise rates annual charges and user fees and charges. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The City manages this risk by monitoring outstanding debt and employing debt recovery policies. It also encourages ratepayers to pay rates by the due date through incentives.

The level of outstanding receivables is reported to council monthly and benchmarks are set and monitored for acceptable collection performance.

The City applies the AASB 9 Financial Instruments simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade and other receivables. To measure the expected credit losses, receivables from grants, contributions and reimbursements are separated from other trade receivables due to the difference in payment terms and security.

The expected loss rates are based on the payment profiles of trade and other receivables over a period of 36 months before 1 July 2024 or 1 July 2025 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of users to settle the receivables.

The loss allowance as at 30 June 2025 and 30 June 2024 was determined as follows for trade and other receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2025					
Trade receivables					
Expected credit loss	0.01%	83.50%	5.14%	102.06%	
Gross carrying amount	7,405,426	160,071	80,956	600,759	8,247,212
Loss allowance	463	133,666	4,161	613,111	751,401
Rates receivables					
Expected credit loss	0.47%	1.86%	3.85%	14.60%	
Gross carrying amount	1,044,392	298,966	140,310	182,111	1,665,779
Loss allowance	4,863	5,570	5,396	26,587	42,416
30 June 2024					
Trade receivables					
Expected credit loss	0.42%	0.10%	2.53%	146.78%	
Gross carrying amount	5,556,302	595,327	169,570	777,865	7,099,064
Loss allowance	23,581	601	4,292	1,141,748	1,170,222
Rates receivables					
Expected credit loss	0.94%	1.75%	3.06%	14.24%	
Gross carrying amount	594,545	308,429	108,361	163,420	1,174,755
Loss allowance	5,570	5,396	3,319	23,268	37,553

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

23. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

The loss allowances for trade, other receivables and contract assets as at 30 June reconcile to the opening loss allowances as follows:

	Trade receivables		Rates receivables		Contract assets	
	2025 Actual	2024 Actual	2025 Actual	2024 Actual	2025 Actual	2024 Actual
Opening loss allowance as at 1 July	\$ 1,170,222	\$ 1,262,907	\$ 37,553	\$ 43,201	\$ 0	\$ 0
Increase in loss allowance recognised in profit or loss during the year	268,677	0	5,757	0	0	0
Receivables written off during the year as uncollectible	(687,498)	(407,388)	(894)	(16,019)	0	0
Unused amount reversed	0	314,703	0	10,371	0	0
Closing loss allowance at 30 June	751,401	1,170,222	42,416	37,553	0	0

Trade, other receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the City, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on rates and statutory receivables, trade, other receivables and contract assets are presented as net impairment losses within other expenditure. Subsequent recoveries of amounts previously written off are credited against the same line item.

Contract assets

The City's contract assets represent work completed, which have not been invoiced at year end. This is due to the City not having met all the performance obligations in the contract which give an unconditional right to receive consideration.

The City applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all contract assets. To measure the expected credit losses, contract assets have been grouped based on shared credit risk characteristics and the days past due. Contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. The City has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

23. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The City manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 19(c).

The contractual undiscounted cash flows of the City's payables and borrowings are set out in the liquidity table below. Balances due within 12 months equal their carrying amounts, as the impact of discounting is not significant.

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying amount
2025	\$	\$	\$	\$	\$
Trade and other payables	12,776,445	0	0	12,776,445	12,776,445
Lease liabilities	141,022	607,646	153,033	901,701	807,005
	<u>12,917,467</u>	<u>607,646</u>	<u>153,033</u>	<u>13,678,146</u>	<u>13,583,450</u>
2024					
Trade and other payables	11,569,062	0	0	11,569,062	11,569,062
Borrowings	22,434	0	0	22,434	21,285
Lease liabilities	149,905	748,660	153,013	1,051,578	940,327
	<u>11,741,401</u>	<u>748,660</u>	<u>153,013</u>	<u>12,643,074</u>	<u>12,530,674</u>

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

24. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

The City has not incurred any significant financial loss from events occurring after the end of the reporting period, and has not entered into any material agreements which are anticipated to impact the future capacity of the City to meet its future financial obligations.

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

25. 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 City's operational cycle. In the case of liabilities where the City 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 City'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 City 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 City contributes to a number of Superannuation Funds on behalf of employees. All funds to which the City contributes are defined contribution plans.

g) Fair value of assets and liabilities

Fair value is the price that the City 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 City 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 City 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 City 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 City's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

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

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

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

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

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

26. FUNCTION AND ACTIVITY

(a) Service objectives and descriptions

City operations as disclosed in this financial report encompass the following service orientated functions and activities.

Objective	Description
Governance To provide a decision making process for the efficient allocation of scarce resources.	Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting council members and ratepayers on matters which do not concern specific local government services. Other tasks include the City's internal audit functions, Freedom of Information requests, Public Interest Disclosures and procurement policy development and oversight.
General purpose funding To collect revenue to allow for the provision of services.	Rates (including ex-gratia contributions), general purpose government grants and interest and investment revenue.
Law, order, public safety To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services. Includes Ranger Services and disaster and recovery expenses.
Health To provide an operational framework for environmental and community health.	Inspection of food outlets and their control, provision of meat inspection services, noise control, mosquito control and waste disposal compliance.
Education and welfare To provide services to disadvantaged persons, the elderly, children and youth.	Maintenance of childminding centres, playgroup centres, senior citizen centres and aged care centres. Provision and maintenance of home care programs and youth services. Includes donations for school awards.
Housing To provide and maintain staff housing.	Provision and maintenance of staff housing.
Community amenities To provide services required by the community.	Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of storm water drainage, protection of the environment and administration of town planning schemes, cemeteries and public toilets.
Recreation and culture To establish and effectively manage infrastructure and resources which will help the social wellbeing of the community.	Maintenance of public halls, civic centres, aquatic centres, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of libraries, museums and other cultural facilities. Key facilities include the Karratha Leisureplex, the Red Earth Arts Precinct, community hubs and pavilions, ovals and parks and coastal rehabilitation. Includes radio re-broadcasting within this function.
Transport To provide safe, effective and efficient transport services to the community.	Construction and maintenance of roads, streets, footpaths and cycleways, drainage, depots, parking facilities and traffic control. Cleaning of streets and maintenance and provision of street trees and street lighting. Also includes operation and maintenance of the Karratha and Roebourne Airports.
Economic services To help promote the local government and its economic wellbeing.	Tourism and area promotion including the maintenance and operation of visitor services and camping grounds. Provision of rural services including weed control, vermin control and standpipes. Also includes administration of building controls.
Other property and services To monitor and control operating accounts.	Private works operations on properties and services not under the care, control and management of the City. Plant operations, technical services and unclassified works.

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

26. FUNCTION AND ACTIVITY (Continued)

(b) Income and expenses

	2025 Actual \$	2024 Actual \$
Income excluding grants, subsidies and contributions and capital grants, subsidies and contributions		
Governance	99,679	82,419
General purpose funding	71,568,440	66,122,433
Law, order, public safety	121,176	169,832
Health	193,764	209,091
Education and welfare	110,741	64,152
Housing	1,388,912	1,025,746
Community amenities	28,593,451	19,657,789
Recreation and culture	7,909,799	7,140,907
Transport	33,069,102	28,557,122
Economic services	704,721	697,225
Other property and services	927,224	7,641,791
	144,687,009	131,368,507
Grants, subsidies and contributions and capital grants, subsidies and contributions		
General purpose funding	2,828,101	6,234,150
Law, order, public safety	416,536	486,149
Health	18,087	33,146
Housing	250,000	53,418
Community amenities	161,899	64,200
Recreation and culture	10,851,901	9,465,832
Transport	12,671,063	3,960,007
Economic services	40,000	88,500
Other property and services	2,662,692	1,819,286
	29,900,279	22,204,688
Total income	174,587,288	153,573,195
Expenses		
Governance	(854,450)	(3,691,935)
General purpose funding	(2,606,041)	(2,987,334)
Law, order, public safety	(1,841,042)	(2,093,293)
Health	(938,428)	(1,087,597)
Education and welfare	(211,554)	(243,465)
Housing	(2,874,862)	(3,641,044)
Community amenities	(17,354,314)	(16,046,759)
Recreation and culture	(58,979,517)	(50,676,725)
Transport	(31,146,767)	(35,133,363)
Economic services	(2,366,747)	(2,431,308)
Other property and services	(15,317,695)	(5,576,059)
Total expenses	(134,491,417)	(123,608,882)
Net result for the period	40,095,871	29,964,313
(c) Assets		
Governance	47,455,343	44,707,029
General purpose funding	29,388,655	14,399,754
Law, order, public safety	2,790,700	2,694,663
Health	811,922	880,173
Education and welfare	2,056,067	2,281,456
Housing	47,748,438	41,510,856
Community amenities	39,834,488	36,993,074
Recreation and culture	245,572,201	243,814,680
Transport	487,331,301	468,074,685
Economic services	3,316,994	4,071,699
Other property and services	28,213,121	35,951,252
Unallocated	1,123,175	422,340
Total assets	935,642,405	895,801,661

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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28. DETERMINATION OF SURPLUS OR DEFICIT

		2024/25 (30 June 2025 carried forward)	2024/25 Budget (30 June 2025 carried forward)	2023/24 (30 June 2024 carried forward)
Note		\$	\$	\$
(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				
		(63,719)	(16,610)	(35,447)
		(10,831,534)	(580,117)	(1,132,425)
		(294,775)	0	(572,572)
		6,215	0	(9,393)
		43,434	0	1,875,761
	9(a)	0	0	604,555
	10(a)	30,280,133	29,635,598	29,337,164
Non-cash movements in non-current assets and liabilities:				
	12	(828,054)	0	(6,937,242)
		(276,992)	0	72,748
		350	0	(759,663)
		0	0	(148,786)
Non-cash amounts excluded from operating activities		18,035,058	29,038,871	22,294,700
(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				
	9(a)	10,831,534	0	1,132,425
	8(a)	0	0	707,949
		509,182	(580,117)	0
Non-cash amounts excluded from investing activities		11,340,716	(580,117)	1,840,374
(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				
	30	(134,007,588)	(127,231,353)	(115,590,641)
	4(a)	0	(21,281)	(21,285)
		304,667	0	426,592
		0	0	707,949
		(793,817)	0	(1,207,775)
		0	0	(62,129)
		0	0	(22,434)
Less: Current assets not expected to be received at end of year				
	6	(901,268)	(1,893,196)	(1,185,247)
		(2,270,420)	0	(1,911,555)
		0	(6,231,423)	0
		(224,527)	0	(399,914)
Add: Current liabilities not expected to be cleared at end of year				
	15	0	0	21,285
		267,714	702,834	609,084
	11(b)	126,888	133,322	133,322
		4,928,884	4,634,109	4,634,109
		0	0	62,129
Total adjustments to net current assets		(132,569,467)	(129,906,988)	(113,806,510)
Net current assets used in the Statement of financial activity				
		159,055,040	140,902,779	138,327,453
		(17,376,409)	(10,741,934)	(16,373,290)
		(132,569,467)	(129,906,988)	(113,806,510)
Surplus or deficit after imposition of general rates		9,109,164	253,857	8,147,653

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

29. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual				Budget			
		Principal at 1 July 2023	New loans during 2023-24	Principal repayments during 2023-24	Principal at 30 June 2024	New loans during 2024-25	Principal repayments during 2024-25	Principal at 30 June 2025	
		\$	\$	\$	\$	\$	\$	\$	\$
Self-supporting loans									
Karratha Kats Football and Sporting Club Inc		43,951	0	(22,666)	21,285	0	(21,285)	(21,281)	4
Total self-supporting loans		43,951	0	(22,666)	21,285	0	(21,285)	(21,281)	4
Total borrowings	15	43,951	0	(22,666)	21,285	0	(21,285)	(21,281)	4

Self-supporting loans are financed by payments from third parties. These are shown in Note 4 as other financial assets at amortised cost. All other loan repayments were financed by general purpose revenue.

Purpose	Loan number	Institution	Interest rate	Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2025
Self-supporting loans finance cost payments						
Karratha Kats Football and Sporting Club Inc	2023-1	WATC*	3.72%	31/03/2025	(364)	(364)
Total self-supporting loans finance cost payments					(364)	(364)
Total finance cost payments					(364)	(364)

* WA Treasury Corporation

(b) 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 30 June 2025	
		\$	\$	\$	\$	\$	\$	\$	\$
ERP Project Office		4,992	0	(4,992)	0	0	0	0	0
Roebourne Library		27,983	0	(15,118)	12,865	0	(12,865)	(12,865)	0
Tambrey Indoor Play Centre		1,041,677	0	(114,215)	927,462	0	(120,457)	(120,457)	807,005
Total lease liabilities	11(b)	1,074,652	0	(134,325)	940,327	0	(133,322)	(133,322)	807,005
Lease finance cost payments									
		Lease number	Institution	Interest rate	Date final payment is due	Actual for year ending 30 June 2025	Budget for year ending 30 June 2025	Lease term	
ERP Project Office			Glensaid Pty Ltd	1.20%	31/08/2023	0	0	3 years	
Roebourne Library			Wawardu Ltd	2.30%	30/04/2025	(135)	(135)	6 years	
Tambrey Indoor Play Centre			Tambrey Developments Pty Ltd	1.90%	31/10/2030	(16,447)	(16,447)	10 years	
Total finance cost payments						(16,582)	(16,582)	(19,192)	

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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30. RESERVE ACCOUNTS

Restricted by legislation/agreement

	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
(a) Employee Entitlement Reserve	5,107,893	1,210,845	0	6,318,738	5,107,893	691,311	0	5,799,204	4,401,981	807,700	(101,788)	5,107,893
(b) Public Open Space Reserve	141,779	7,150	0	148,929	141,779	6,246	0	148,025	135,438	6,341	0	141,779
	5,249,672	1,217,995	0	6,467,667	5,249,672	697,557	0	5,947,229	4,537,419	814,041	(101,788)	5,249,672

Restricted by council

	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
(c) Aerodrome Reserve	17,853,223	12,557,476	0	30,410,699	17,853,223	5,259,483	(5,225,508)	17,887,198	5,909,675	11,943,548	0	17,853,223
(d) Carry Forward Budget Reserve	0	0	0	0	0	0	0	0	0	0	0	0
(e) Community Development Reserve	627,943	29,091	(657,034)	0	627,943	29,666	0	657,609	599,859	28,084	0	627,943
(f) Dampier Drainage Reserve	0	0	0	0	0	0	0	0	0	0	0	0
(g) Economic Development Reserve	1,462,739	73,772	(98,261)	1,438,250	1,462,739	69,105	0	1,531,844	1,397,320	65,419	0	1,462,739
(h) Infrastructure Reserve	51,727,967	20,092,019	(15,821,659)	55,998,327	51,727,967	19,538,097	(20,358,913)	50,907,151	45,765,379	13,092,932	(7,130,344)	51,727,967
(i) Medical Services Assistance Package Reserve	116,363	5,672	(91,936)	30,099	116,363	5,496	(90,000)	31,859	197,749	9,258	(90,644)	116,363
(j) Mosquito Control Reserve	2,254	104	(2,358)	0	2,254	107	0	2,361	10,556	494	(8,796)	2,254
(k) Rio Tinto Partnership Reserve	16,384,603	1,021,180	(753,892)	16,651,891	16,384,603	5,070,180	(4,336,902)	17,117,881	12,089,510	8,840,521	(4,545,428)	16,384,603
(l) Restricted Funds Reserve	23,024	0	(23,024)	0	23,024	0	0	23,024	79,845	0	(56,821)	23,024
(m) Waste Management Reserve	21,778,278	1,098,375	0	22,876,653	21,778,278	11,531,957	(566,839)	32,743,396	13,512,717	8,265,561	0	21,778,278
(n) Workers Compensation Reserve	364,575	16,890	(381,465)	0	364,575	17,226	0	381,801	348,270	16,305	0	364,575
(o) Woodside Partnership Reserve	0	134,002	0	134,002	0	0	0	0	0	0	0	0
(p) Strategic Reserve	0	0	0	0	0	0	0	0	0	0	0	0
	110,340,969	35,028,581	(17,829,629)	127,539,921	110,340,969	41,521,317	(30,578,162)	121,284,124	79,910,880	42,262,122	(11,832,033)	110,340,969
	115,590,641	36,246,576	(17,829,629)	134,007,588	115,590,641	42,218,874	(30,578,162)	127,231,353	84,448,299	43,076,163	(11,933,821)	115,590,641

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

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

30. RESERVE ACCOUNTS (Continued)

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

Name of reserve account	Purpose of the reserve account
Restricted by legislation/agreement	
(a) Employee Entitlement Reserve	To fund employee leave entitlements when on extended leave, including long service leave as well as periods of annual leave for periods greater than 4 weeks duration, thereby retaining salary and wages budgets for the funding of replacement staffing during extended periods of leave.
(b) Public Open Space Reserve	To fund development of land set aside for the purpose of public enjoyment and protection of unique, environmental, social, and cultural values for existing and future generations.
Restricted by council	
(c) Aerodrome Reserve	The purpose of this reserve is to fund the development, operation, and maintenance of the Karratha Airport, inclusive of any repayments of borrowings.
(d) Carry Forward Budget Reserve	This reserve is for the purpose of preserving project funds carried over.
(e) Community Development Reserve	The purpose of this reserve is to hold Annual Community Association Grant Scheme unspent payments each year and to fund future projects initiated by Community Associations from time to time via the Annual Community Association Grant Scheme.
(f) Dampier Drainage Reserve	This reserve is maintained as part of an agreement between the City and Hamersley Iron. The purpose of the reserve is to ensure funds are available for the maintenance of drainage in Dampier. Hamersley Iron pay to the City each year a \$10,000 contribution towards this maintenance with any additional works required being drawn from this reserve, and similarly, any funds remaining unspent being transferred to this reserve.
(g) Economic Development Reserve	To fund economic development activities within the City, including destination marketing, business attraction, property development and tourism.
(h) Infrastructure Reserve	The purpose of this reserve is to allow for the use of these reserve funds for the enhancement, replacement, refurbishment and purchase of infrastructure assets or project works of the City inclusive of the associated repayment of borrowings on infrastructure. Project works funded from this reserve may not necessarily belong to the City but must be carried out for the benefit of the City.
(i) Medical Services Assistance Package Reserve	The purpose of this reserve is to fund future assistance to Medical Services in accordance with the City's participation in the Medical Services Incentive Scheme. This is inclusive of retention payments to General Practitioner's in accordance with the Medical Services Incentive Scheme.
(j) Mosquito Control Reserve	The purpose of this reserve is to fund mosquito control programs inclusive of the purchase of replacement equipment as required.
(k) Rio Tinto Partnership Reserve	This reserve is maintained as part of the Community Infrastructure and Services Partnership (the Partnership) and the related funding agreements between the City and Rio Tinto Iron Ore. The purpose of the reserve is to preserve funds received under each funding agreement under the partnership and restrict the funds for the purpose of each funding agreement.
(l) Restricted Funds Reserve	This reserve is for the purpose of holding unexpended or prepaid grants (other than Royalties for Regions) and capital contributions provided for specific purposes.
(m) Waste Management Reserve	The purpose of this reserve is to fund development, operation, and maintenance of the City's waste management facilities inclusive of repayments of borrowings.
(n) Workers Compensation Reserve	The purpose of this reserve is to provide the City with sufficient funds to cover its potential liability regarding the performance-based workers compensation scheme of Local Government Insurance Services of which the City of Karratha is a member. Funds within the reserve that become surplus to requirements will be transferred to the City's Employee Entitlements Reserve via way of the City's Annual Budget.
(o) Woodside Partnership Reserve	This reserve is maintained as part of the City of Karratha Community Development Partnership agreement between the City and Woodside. The purpose of the reserve is to preserve funds received under the funding agreement for the purpose outlined within the agreement.
(p) Strategic Reserve	The purpose of this reserve is to quarantine revenue funds that relate to contentious issues, projects or programs. The funds are placed into reserve whilst an outcome or timing is established and released upon resolution of these.

CITY OF KARRATHA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

31. TRUST FUNDS

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

	1 July 2024	Amounts received	Amounts paid	30 June 2025
	\$	\$	\$	\$
Public Open Space Contributions	611,767	0	0	611,767
Karratha Agistment Centre Compensation Funds	206,780	0	(201,084)	5,696
Other Bonds & Guarantees	22,348	0	0	22,348
VAST	119	77	0	196
Ranger Bonds	4,665	0	0	4,665
Unclaimed Monies	2,983	0	0	2,983
Accounts Payable Unclaimed	3,149	0	0	3,149
	851,811	77	(201,084)	650,804



Auditor General

INDEPENDENT AUDITOR'S REPORT

2025

City of Karratha

To the Council of the City of Karratha

Opinion

I have audited the financial report of the City of Karratha (City) 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 City for the year ended 30 June 2025 and its financial position at the end of that period
- is in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

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

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

Other information

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

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

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

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

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

The Chief Executive Officer (CEO) of the City 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 City'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 City.

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the City of Karratha for the year ended 30 June 2025 included in the annual report on the City's website. The City's management is responsible for the integrity of the City's website. This audit does not provide assurance on the integrity of the City'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 City to confirm the information contained in the website version.



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



The City of Karratha Main Administration Building is open Monday to Friday from 8.30am to 4.30pm

Physical address:

Lot 1083 Welcome Road,
Karratha, WA 6714

Postal address:

PO Box 219
Karratha, WA 6714
Phone – 08 9186 8555
Email – enquiries@karratha.wa.gov.au
Web – karratha.wa.gov.au
Facebook – facebook.com/cityofkarratha

The City of Karratha Operations Centre is open Monday to Friday from 8am to 4.30pm

Physical address:

Lot 4237 Cowle Road
Light Industrial Estate
Karratha, WA 6714

The City of Karratha Ranger Services can be contacted 24 hours a day, seven days a week by calling 08 9186 8555

For maintenance issues, use the online reporting tool – Report It: karratha.wa.gov.au/report-it

This report is available in alternative formats on request.

