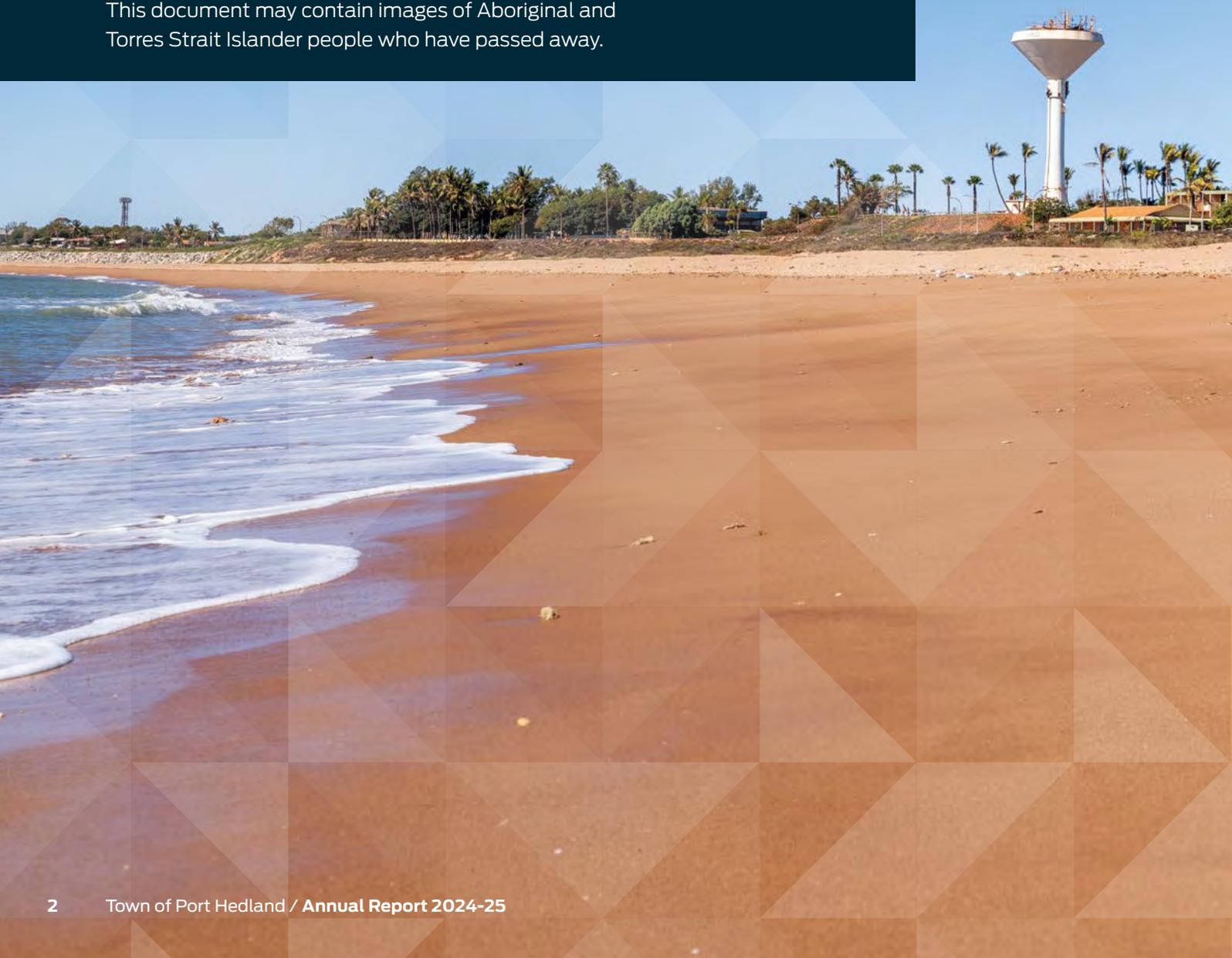


# Annual Report 2024-25

The Town of Port Hedland would like to acknowledge the Kariyarra, Ngarla, and Nyamal people as the Traditional Custodians of the Town of Port Hedland lands. We recognise their strength and resilience and pay our respects to their Elders past and present. We extend that respect to all Aboriginal and Torres Strait Islander people of the local community and recognise their rich cultures and their continuing connection to land and waters.

**Advice:**

This document may contain images of Aboriginal and Torres Strait Islander people who have passed away.



## Contents

Welcome .....	5	Detailed performance .....	46
Message from the Acting CEO .....	6	Our community.....	47
Our town .....	8	Our economy .....	50
Our community .....	9	Our built and natural environment .....	52
Our heritage .....	10	Our leadership.....	56
Our organisation .....	12	Financial statements .....	60
Our strategic direction.....	16		
Year in review .....	20		
Our achievements .....	22		
How your rates helped our community .....	24		
Financial performance summary .....	26		
Major projects .....	28		
Governance .....	30		
People and culture .....	41		
Communications and community engagement .....	43		





# Welcome to the Town of Port Hedland's Annual Report 2024-25

This document outlines our financial and operational performance for the year against the goals and priorities set out in our Strategic Community Plan, Corporate Business Plan and the Annual Budget.

The Town is committed to transparency and aims to provide a report that goes over and above statutory reporting requirements set out in the *Local Government Act 1995*.

The report is divided into the following main sections:

- Introduction from the Acting CEO
- Our town, community and heritage — understanding our operating environment
- Year in review — a summary of our achievements and progress
- Our performance — performance results aligned to the progress measures in our Corporate Business Plan
- Financial Report

# Message from the Acting CEO

The 2024-25 financial year was one of consolidation for the Town's administrative team as we continued to deliver on a range of initiatives and key areas to enhance liveability in Hedland.



Advocacy to State and Federal governments on key issues such as affordable housing, childcare, community safety, health and education were prioritised.

With both State and Federal elections during the financial year, the Town took the opportunity to lobby candidates on both sides of the aisle for the Town's priority projects.

We were fortunate to secure a \$22.5 million commitment from the WA Labor Government towards a new aquatic centre.

The Town also secured \$2 million from the Community Sporting and Recreation Fund to go towards the JD Hardie Adventure Park. The adventure park, to be built beside the covered basketball court, is Stage 3 of the JD Hardie Youth and Community Hub masterplan. It will include BMX pump and jumps track and a parkour course designed for older teenagers.

The refurbishment of Marquee Park was completed with the addition of a junior learn to ride bike track and upgrade to the playground.

Stage one of the Cooke Point shared path, which is a vital link in the Town's Active Transport Strategy, was completed. This path runs between Keesing and Goode Streets.

The Town continued to deliver increased digital infrastructure in line with the Town's Digital Roadmap 2024-2027.

This included introducing several new software systems to support Council and Town administration service delivery — including an upgrade of the Council Chambers audio and live streaming capabilities.

*As we move into a period of transition, I look forward to a continued period of stability and growth for Hedland.*

We also launched a Have Your Say website, which is a 'one stop shop' for consultation and engagement with our community on issues of importance.

The Town had an 875% increase in green waste collection — from 57 tonnes to 556 — driven largely by the 507 tonnes collected following severe tropical cyclone Zelia in February 2025.

The Town entered into the second year of its official partnership with Care for Hedland — a key pillar of delivering the Environmental Sustainability Strategy. This saw the Town support Care for Hedland presenting the Hedland Sustainable Living Show Day, while the Containers for Change exchange points expanded from ten to 25 across Port and South Hedland.

Port and South Hedland was also the overall winner of the WA Tidy Towns Sustainable Communities Award, which is a terrific acknowledgement of the impact of our strategy.

The Town administration's commitment to safety was recognised with the Platinum Certificate of Achievement from WorkSafe, which is the highest level of recognition.

In 2024, the Town's Planning and Economic Development team was awarded the Local Government Team of the Year — Band 1 by the Planning Institute of Australia.

The popular Outdoor Storytime, Under the Yarning Tree program received a commendation at the State Library of Western Australia's 2024 Library Board Awards for innovation and collaboration.

I am grateful for the effort of the Town's administration team whose achievements across the 2024-25 year have continued to help lift liveability in Hedland. As we move into a period of transition, I look forward to a continued period of stability and growth for Hedland.

**Mark Dacombe**

Acting CEO, Town of Port Hedland



# Our town

The Town of Port Hedland is a dynamic community in Western Australia's Pilbara region, located approximately 1,300 kilometres north of Perth.

Covering 12,000 square kilometres, the Town is home to 17,400 people from diverse cultural backgrounds, with most of the urban population living in the twin settlements of Port Hedland and South Hedland.

Physically, Port Hedland's town is dominated by its natural deep anchorage harbour. Included in the Town of Port Hedland area is the industrial precinct of Wedgefield and the remote communities of Strelley and Yandeyarra. Although recognised for its significant port and resource industry contributions, Hedland also continues to be a vital part of the Pilbara region for arts and culture, ecology, sport, business, tourism and regional services.

Hedland is home to unique desert landscapes, a tropical savannah climate, internationally renowned nature reserves and a stunning coastal waterfront, all of which continues to attract tourists and new residents. Currently we have around 7,000 households, with an expected increase of 38% in the next 20 years.



# Our community



**17,448**

estimated resident population  
for 2024-25

**24,171**

population forecast  
for 2046

**75%**

aged under 50

**55%**

aged under 34

**32**

median age

**18.6%**

Aboriginal or  
Torres Strait Islander

**34%**

speak a language  
other than English

**33.5%**

born  
overseas

# Our heritage

Port Hedland is steeped in 40,000+ years of Kariyarra lore and activity. Kariyarra people refer to the area as Marapikurrinya, which alludes to the hand-like formation of the coastal tidal creeks. The larger Pilbara region is what local custodians call Bilybarra, meaning ‘dry country’, an area that embodies many sacred sites and over 31 language groups.

The Pilbara’s Aboriginal culture continues to be inextricably connected to the patterns, processes and duties of traditional lore, which date back to the original creation of the distinctive land features that exist today.

Non-Indigenous settlement began in April 1863, when Captain Peter Hedland, aboard the ship *Mystery*, ran aground in the narrow entrance of a channel while looking for locations for a port to service the expanding Pilbara pastoral industry. He named the site Mangrove Harbour, after observing an impressive body of water appearing like an inland lake. Two months later, the state’s Surveyor-General renamed the area Port Hedland in the Captain’s honour.

The Town was gazetted in 1895 with lots for sale at £50 each. Most early settlers arrived looking for opportunities in pearling or farming and later, in gold mining. The discovery of hinterland iron ore deposits in 1965 and its subsequent mining and export, brought significant development. Goldsworthy Mining developed an iron ore mine approximately 100 kilometres east of Port Hedland. A rail line was then built to Port Hedland, where dredging was undertaken to deepen and widen the port’s channel. A wharf was built opposite the township of Port Hedland on Finucane Island.

Shipment of ore began on 27 May 1966. In 1967, iron ore was discovered at Mount Whaleback and a mining venture was undertaken that included the establishment of the town of Newman, 426 km of rail from the mine to the port, and the development of processing equipment at both Newman and Port Hedland. In 1986, at a cost of \$87 million, the existing channel was dredged to allow larger ships to enter the port. Prior to dredging, the port was

only able to load vessels of less than 2,000 tonnes, but today it is able to accommodate ships over 250,000 tonnes.

A series of mining booms over the last 30 years have shaped the Town into one of the most significant resource and port hubs in Australia. The population of the Town has grown from 150 in 1946, to 3,000 in 1986. Today, we are a diverse community of around 17,400 people representing 48 nationalities.

## Looking ahead — Lumsden Point

Port Hedland’s story continues to evolve with the development of Lumsden Point, a transformative project that will strengthen our position as Australia’s premier resources export hub. Located within the Port Hedland Port precinct, Lumsden Point will deliver new berths and logistics infrastructure to support the growing demand for bulk commodities and containerised trade.

This development is more than an industrial upgrade — it represents a strategic investment in the future of our Town. By expanding port capacity and improving supply chain efficiency, Lumsden Point will attract new industries, create jobs and enhance economic resilience. It will complement our heritage as a port town and reinforce the role of the Pilbara as the economic powerhouse of the nation.



# Our organisation

## Council members

The list below outlines Councillors that served in the 2024-25 financial year.

Member	Elected	Expiry of term
<b>Peter Carter — Mayor</b>	October 2021	October 2025
<b>Ash Christensen — Deputy Mayor</b>	October 2021	October 2025
<b>Sven Arentz</b> ( <i>Resigned January 2025</i> )	October 2023	October 2027
<b>Flo Bennett</b> ( <i>Resigned November 2024</i> )	October 2021	October 2025
<b>Camilo Blanco</b>	October 2023	October 2027
<b>Lorraine Butson</b>	October 2023	October 2027
<b>Adrian McRae</b>	March 2024	October 2025
<b>Ambika Rebello</b> ( <i>Resigned May 2025</i> )	October 2023	October 2027
<b>Tim Turner</b> ( <i>Resigned February 2025</i> )	October 2021	October 2025

## Executive Leadership Team

The details of those who served on the Executive Leadership Team during the 2024–2025 financial year are outlined below.

---



### **Chief Executive Officer — Carl Askew — Commenced February 2020**

Carl has over 21 years of senior management and leadership experience, delivering positive change to communities across Western Australia. He was the CEO of the Shire of Wyndham in the east Kimberley from 2015 to 2020, the Town of Cottesloe from 2009 to 2015, and Executive Director of Community Services of the City of Armadale from 2004 to 2009.

Carl has extensive experience leading Council operations across governance, infrastructure, community development and corporate services.

*Carl resigned from the CEO position in November 2024.*

---



### **Acting Chief Executive Officer — Mark Dacombe — Commenced November 2024**

Mark has an extensive career in local government in senior executive and CEO positions in both New Zealand and Australia. He was the CEO at the City of Canning for three years and has been Acting CEO at a number of WA local governments including two years at both the Shire of Carnarvon and Shire of Merredin.

Mark has also spent a number of years advising the New Zealand Government on local government policy and reform.

---



### **Director Infrastructure Services — Lee Furness — Commenced December 2019**

Lee oversees the Town's capital works program and asset management programs such as roads and drainage. The parks and gardens, waste management and property management teams also fall under the Infrastructure Services portfolio.

With substantial experience in project planning, governance and project management, Lee drives the Town's delivery of key strategic infrastructure projects.

---



**Director Regulatory Services — Kylie Davies — Commenced September 2024**

Kylie oversees a portfolio that includes environmental health, ranger services, emergency management, town planning and economic development.

Kylie has more than 20 years of experience in law, finance, and local and state government in Queensland, New South Wales and Western Australia. She has worked across industry, private and public sector roles and has experience in emergency management, town planning and economic development.



**Director Community Services — Alison Banks — Commenced November 2024**

Alison oversees services that play a vital role in shaping the social fabric of Port Hedland through inclusive programs, strategic partnerships, and place-based initiatives that support the wellbeing, safety and vibrancy of our community. Her portfolio includes community development, recreation and leisure, arts, culture and events, libraries, and youth and children's services.

With over 30 years of experience in local government across New Zealand and Australia, Alison brings deep expertise in community services and development, underpinned by a strong commitment to strategic leadership and community impact.

*Louise Gee and Mark Dacombe each acted in the Director Community Services role for part of the year.*



**Director Corporate Services — Steve Leeson — Commenced August 2023**

Steve oversees finance, governance, customer experience, enterprise resource planning (ERP) and digital services and records teams. Finance incorporates accounts, rates, revenue, payroll, strategic financial planning and asset accountancy. Governance is responsible for compliance with local, state and national laws, procurement and contracts management, legal advice and council support. The ERP team together with digital services and records management are responsible for the major strategic review of the Town's IT management and support.

Steve has 20 years of experience working in local government, including two and half years with the Shire of East Pilbara and over eight years at the City of Canning. He is a Certified Practising Accountant and Justice of the Peace and has experience across strategy and policy.



# Our strategic direction

In July 2022 the Town of Port Hedland adopted the Strategic Community Plan 2022-32. The plan is our blueprint for the future direction of the Town of Port Hedland and the community.

It was developed in partnership with the community through an extensive consultation process over eight months. This unprecedented community engagement process included hearing almost 6,500 ideas about how we could build a better future for Hedland.

The resulting plan charts a course for building prosperity, honouring cultural heritage, protecting our environment, and upgrading and maintaining infrastructure.

*Together, we create a thriving, resilient and inclusive future for our diverse community.*

## Our vision is:

Together, we create a thriving, resilient and inclusive future for our diverse community.

This vision, outlining what the Hedland community aspires to become, is supported by the mission of the Town of Port Hedland, explaining why we exist and our overall intention.

## Our mission is:

To guide the growth and development of the Hedland community, economy and environment through the provision of strong civic leadership, provision of high-quality services and facilitation of active community participation.

To fulfil our mission and achieve our vision, we developed five guiding principles that are the fundamental, moral and ethical beliefs that we share as a community.



## Our guiding principles are:

- **Integrity, Openness, Respect and Accountability**  
We will act in a professional, ethical, accountable and transparent manner, nurturing attitudes and behaviours that result in positive community building, relationships, transparency and enhanced community pride.
- **Teamwork, Unity and Collaboration**  
We commit to a high level of community, stakeholder and staff engagement, cooperation, partnership and networking.
- **Active Community Engagement and Citizenship**  
We will respect the contributions of all community groups and ages, fostering the mindset and actions that encourage greater community member involvement, volunteerism and ownership.
- **Inclusiveness and Diversity**  
We will promote a future for all our community members, actively strengthening the social fabric of the community, valuing diversity, and responding to special needs and disadvantage.
- **Innovation and Creativity**  
As an organisation, we will encourage an enterprising spirit and initiative to achieve our community's aspirations and Council's vision.

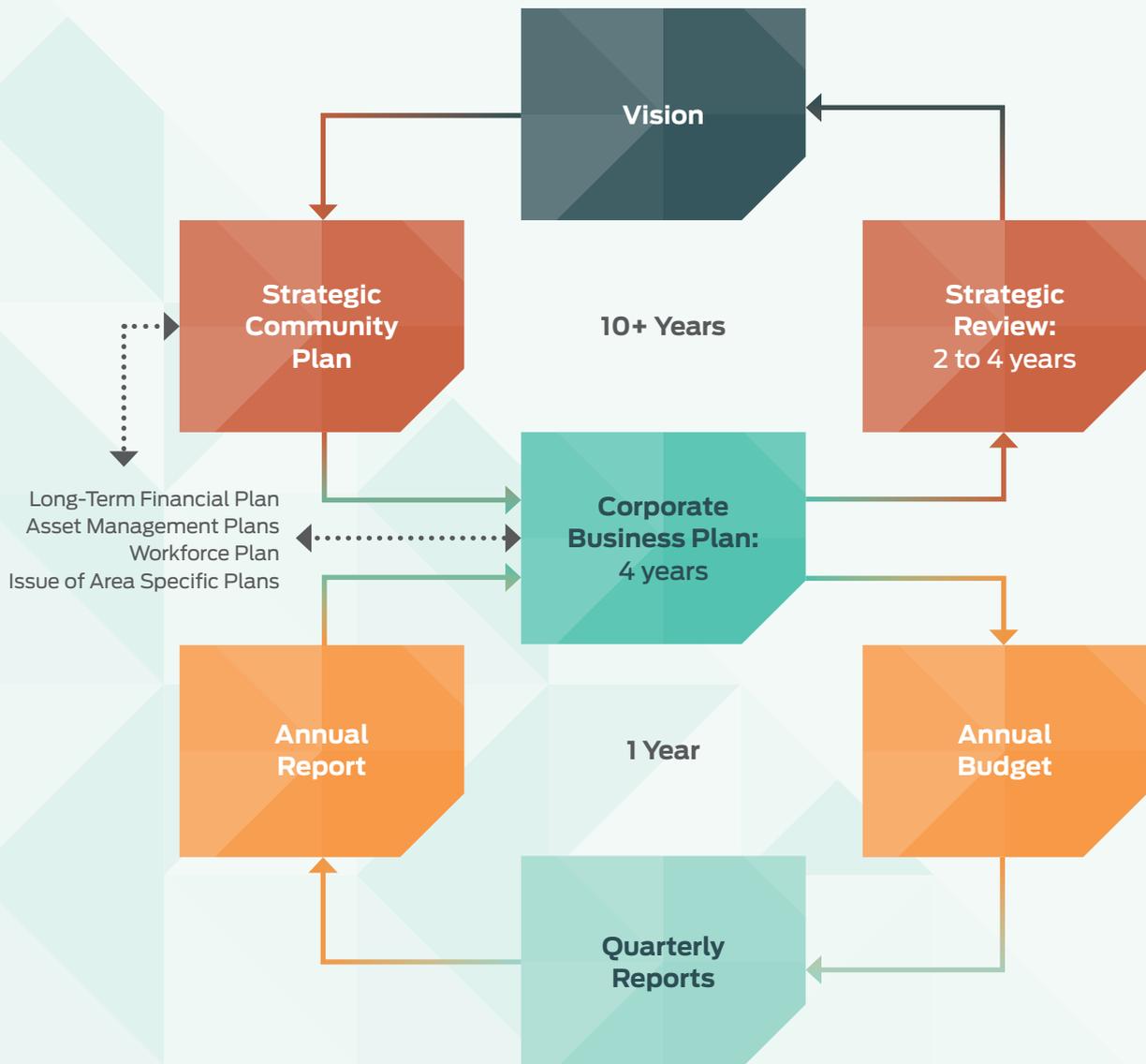
## Our goals:

The Strategic Community Plan 2022-32 has four goals that outline the intent of our efforts towards accomplishing our vision. This annual report documents our progress against each of these four goals:

- **Our Community**  
We honour our people and our cultural heritage — ensuring wellbeing, diversity, creativity, and strong civic dialogue and engagement.
- **Our Economy**  
We build prosperity for all, enabling sustained and diversified economic and employment growth.
- **Our Built and Natural Environment**  
We treasure and protect our natural environment and provide sustainable and resilient infrastructure and built form.
- **Our Leadership**  
We are united in our actions to connect, listen, support and advocate, thereby leveraging the potential of our people, places and resources.

## Integrated planning framework

Our integrated planning framework outlines the planning processes that ensure alignment with our community's aspirations, as set out in the Strategic Community Plan. During the 2024-25 financial year, the Town undertook a review of its framework in line with regulated changes requiring the establishment of a Council Plan.



**Integrated Planning and Reporting Cycle**

## Sustainability

In December 2022 the Town adopted its first Environmental Sustainability Strategy, and it continues to track well. This five-year strategy sets out the Town's plan for protecting our natural environment while supporting social and economic growth. It provides pathways for systemic transformation in our practices and the way we deliver infrastructure and services.

Environmental sustainability requires an integrated approach that considers environmental factors in social and economic development. It is based on the concept that each of these domains need to be in balance if humans are to live a quality life.

The strategy grounds our sustainability approach under five key impact areas, each with corresponding actions to be completed within its five-year scope.

The five key impact areas are:

- Climate change and energy
- Waste
- Water
- Natural environment
- Sustainable development, planning and infrastructure.



# Year in review



**190,000**

visits to  
Wanangkura Stadium



**132,134**

visits to  
JD Hardie Youth and  
Community Hub



**90,000**

visits to aquatics  
facilities



**584**

tonnes co-mingled  
recycling diverted  
from landfill



**47%**

increase in tonnes  
to landfill



**35,430**

visits to  
Hedland Libraries



**1,594**

community  
programmes and  
activities delivered



**48,965**

people attended  
community events



**7**

building permits, on  
average, approved  
every week



**13**

new public art pieces  
introduced



**135**

successful community  
grant applications



**\$2m**

invested into road and  
carpark reseals



**13%**

increase in  
website traffic



**15**

Council meetings



**2**

elections for  
Town of Port Hedland  
Councillors



**6**

new BBQs  
installed

# Year in review

## The Town also helped support:

- **5,346** crèche bookings
- **70** movie screenings, **nine** live shows, **six** community events and **17** workshops at the Matt Dann Theatre
- **5,605** swim school enrolments
- **1,900** gym memberships
- **5,000** facility bookings
- **8,949** public computer uses sessions at Hedland libraries
- **30,080** items borrowed through Hedland libraries (including e-resources)
- **58** residential swimming pool inspections completed
- **\$112 million** value of building approvals
- **\$33 million** value of development applications
- **\$2 million** secured from Community Sporting and Recreation Facilities Fund to support the development of Stage 3 of the JD Hardie Youth and Community Hub masterplan (JD Adventure Park)
- **\$22.5 million** election commitment secured from WA Labor Government to support the construction of new aquatic facility
- **\$10 million** from Federal Government for upgrades in Wedgefield Light Industrial Area



# Our achievements

We were very proud to be recognised as a leader in volunteer management, achieving an exemplary **100% score in Volunteer Management** during the recent Tier 3 WorkSafe Plan Audit conducted by LGIS. This outstanding result contributed to the Town receiving the **Platinum Certificate of Achievement from WorkSafe**, the highest level of recognition. This moved us up to a gold standard local government with LGIS. We were also named a finalist at the **WHS Foundation Awards** in the category of Volunteering WHS.

Our playground at Yikarra Park won a **Parks and Leisure Australia Commendation** for a playspace over \$500,000, after an upgrade which included new equipment, soft fall and vegetation.

In 2024, the Town of Port Hedland's Planning and Economic Development Team was awarded **Local Government Team of the Year — Band 1** by the Planning Institute of Australia. This recognition highlights the team's innovative planning solutions, exceptional customer service, and strong multidisciplinary collaboration in one of WA's most challenging environments. Key achievements include pioneering approaches to workforce accommodation, securing major community contributions from resource projects, and establishing a regional **Design Review Panel**. The award also reflects the team's commitment to professional development, positive workplace culture, and dedication to making Hedland a better place through sustainable, community-focused planning.



Our eight-year **Records Digitisation Project** represents a significant milestone in safeguarding critical information and modernising the Town's record management practices. It involved digitising approximately 80,000 property records, to transition from physical archives to a secure, searchable Electronic Document and Records Management System. This initiative enhances compliance with State regulations, improves operational efficiency and strengthens resilience against environmental risks such as heat, humidity and cyclones.

Port and South Hedland were recognised at the **2024 Tidy Town awards as the overall State Title Winner**. This award recognises the outstanding community collaboration of achievements and commitments to environmental sustainability, community engagement, and innovative waste management practices. Port and South Hedland were nominated by our partnership organisation, Care for Hedland, with which the Town collaborated on many of the initiatives as part of our Environmental Sustainability Strategy.

In addition to the state award, Hedland and the Town were also state finalists in the following categories:

- The Containers for Change basket installations, and
- Battery recycling, e-waste, and scrap metal at South Hedland Landfill and Town facilities.

The Tidy Town Awards is an initiative from the Keep Australia Beautiful Council that celebrates excellence in environmental management and sustainability practices across various towns in Western Australia.

Hedland libraries' unique literacy initiative **Outdoor Storytime, Under the Yarning Tree** received a commendation at the State Library of Western Australia's 2024 Library Board Awards for Innovation and Collaboration. Outdoor Storytime, Under the Yarning Tree provides a unique approach to literacy by integrating interactive storytelling, creative play and engagement activities to spark a lifelong love of reading and learning. Hedland libraries collaborate with local schools, daycare centres and community organisations to deliver Outdoor Storytime, ensuring its benefits reach a broad audience, supporting early childhood education across Hedland.

The Town was awarded \$22.5 million in an election commitment from the WA Labor Government toward the build of the new **Hedland Aquatic Centre**, as well as being awarded \$2 million by the WA State government toward the JD Adventure Park.

The Town worked with the Historical Society to undertake an **upgrade to Lion's Park**. We installed 45 trees, enhanced the visual amenity through increasing the landscaping footprint, and improved water efficiency through reducing unnecessary turf. In addition, the historical well on the site has been highlighted through the placement of footpaths and seating.

The Town has purchased **replacement trees** for those damaged by Cyclone Zelia, thanks to a donation of \$100,000 from BHP. We have also continued with our greening programme with 70 trees placed along North Circular Road and at Dreamer's Corner.

The Town completed the **Cooke Point footpath** running between Sutherland and Dempster Streets. The Town received a grant from the WABN for this project. This is part of the Town's ongoing Active Transport Strategy and enables continuous access to the foreshore.

# How your rates helped our community

Every year the Town develops an Annual Budget which estimates how much it will cost to deliver services over the year.

---

**42%**

## Other property and services

The Town maintains many properties, such as libraries, sporting and community assets, and the Civic Centre. Every year we need to invest money to keep these facilities in good condition.

---

**21%**

## Recreation and culture

The Town provides a variety of community focused facilities and services such as Wanangkura Stadium, the aquatic centres, the JD Hardie Youth and Community Hub, and the Matt Dann Theatre. Our annual events program is also funded through this budget.

---

**20%**

## Community amenities

The Town maintains a range of amenities including our open greenspaces and playgrounds.

---

**7%**

## Governance

This includes the cost of running Council meetings.

---

**3%**

## Economic services

The future of Hedland depends on a diverse and resilient economy, so we invest in a range of activities to attract businesses and support their continued operation.

---

**3%**

## Transport

Our transport budget allows us to build and maintain local roads, footpaths and shared paths.

---

**3%**

## Education, welfare and community safety

We work alongside education and community providers to facilitate opportunities for greater educational options and welfare support. The Town's community safety program includes collaborating with WA Police and various community networks to address anti-social behaviour and increase community safety.

---

**1%**

## Housing

The Town invests in private housing for staff to relieve pressure on the local housing market.

---



# Financial performance summary

The Town of Port Hedland continues to demonstrate strong financial management, with total assets of \$913 million and total liabilities of \$94 million, resulting in net asset of \$818 million.

Our working capital ratio remains healthy at 8.9:1 which demonstrates our robust financial health.

Over the last financial year we have maintained a disciplined approach to cost control, ensuring rates have remained affordable, while continuing to invest in community infrastructure and services. Our financial strategy has been to prioritise long-term financial resilience by managing operating costs responsibly and investing in capital works that align with community priorities.

Our surplus result from continuing operations is \$8.0 million and net result (including capital grants) is \$30.9 million. This has resulted in being \$9.3 million ahead of budget, largely due to favourable interest revenue and landfill income from commercial activities.

With continued investment in roads, bridges and community infrastructure, as well as our ongoing strong reserve of \$188.6 million, we are well positioned to support the Town's future strategic projects.



## \$107.3M

Total spend including:

- **\$37.2M** in employee wages (35%)
- **\$30M** in materials and contracts (28%)
- **\$28.7M** in non-cash depreciation expenses (27%)
- **\$5.5M** in utilities (5%)
- **\$5.8M** in other expenses (5%)



## \$115.4M

Funding from revenue sources including:

- **\$79.1M** rates (69%)
- **\$18.6M** in fee for service revenue (16%)
- **\$11M** in interest revenue (10%)
- **\$3.3M** in operating grants, subsidies and contributions (3%)
- **\$3.3M** in other revenue (3%)

### Operating revenue



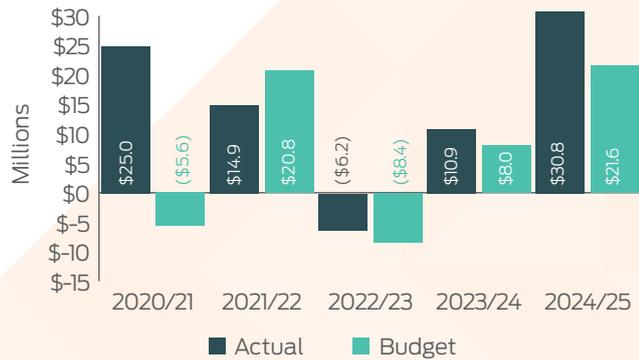
■ Rates	\$79,105,323
■ Grants Subsidies & Contributions	\$3,270,908
■ Fees & Charges	\$18,653,227
■ Interest Revenue	\$11,035,354
■ Other Revenue	\$3,345,400

### Operating expenses

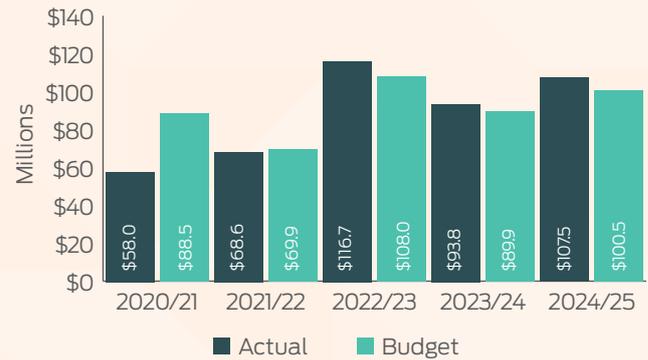


■ Employee Costs	\$37,237,585
■ Materials and Contracts	\$30,201,735
■ Utility charges	\$5,526,870
■ Depreciation	\$28,778,154
■ Finance costs	\$1,730,727
■ Insurance	\$1,801,817
■ Other expenses	\$2,256,265

### Results from operations



### Operating expenses



# Major projects

The Town of Port Hedland is committed to lifting the liveability of Hedland so that more people choose to make our community their home.

A big part of achieving this goal is delivering amenities that support people's way of life. For some we know that sport is a crucial element of regional living, while for others providing amenities for young families is what makes Hedland attractive.

We also know that the cost of housing has a big impact on whether people choose to relocate to, or stay in, Hedland, which is why the Town of Port Hedland has prioritised a project to build affordable housing for service workers. This will enable them to access secure housing and help to keep these service workers in town, utilising other businesses and amenities.

The Town of Port Hedland has invested in a range of projects that support improved liveability. Some of our highlights over the 2024-25 financial year include:

- We completed the refurbishment of Marquee Park in South Hedland. The park now features a junior learn to ride bike track with line marking and working traffic lights, refurbishment of the public ablutions, and renewal of the playground equipment and soft fall. These upgrades complete the Masterplan that Council endorsed in 2022.
- Stage 1 of Wedgefield Route 1 commenced, involving critical upgrade work for intersections and drains. This multi-year project has received \$13 million in Federal and State grants in addition to our own investment.
- Cooke Point Shared Path Stage 1 was completed which is a vital link for the Active Transport Strategy. The path runs along the beach between Keesing and Goode Streets. The Town will seek funding for Stage 2 of the path.
- We upgraded all irrigation and lighting control systems as well as the landscaping at Lion's Park.
- Our tree planting programme continued with mass planting on North Circular Road, Dreamer's Corner and Hamilton Road.
- The new pond at the wastewater treatment plant at the landfill was constructed and commissioned.
- Beach access stairs at the Sutherland Street seawall were installed.
- We have invested in renewals across our open spaces, including landscaping throughout Port and South Hedland, and playground renewals at Limestone Park and the Andrew McLaughlin Centre.
- The Andrew McLaughlin Centre was renovated to enable after school care to be based at the centre.
- The Town awarded the contract for design and construction of the destination playground at Spoilbank Marina. This \$4 million project has been entirely funded by Lotterywest. The playground reflects the many activities which occur at the port.
- We have commenced the upgrade of the Gilbert Street Flood Pumps, which are activated during times of high rain to ensure the West End is not flooded.
- The McGregor Oval Renewal was completed, which included new shelter roofing, bin locations, and a garden bed. In addition, ten trees were planted, and two hectares of top dressing was undertaken.
- Phase 2 of the Town's Enterprise Resource Planning (ERP) project to transition to a new cloud-based software platform was undertaken. This represents a multi-million-dollar investment in our administration's operational efficiencies into the future.



# Governance

## Democratic Governance

The role of governance within the Town of Port Hedland is to act as a guiding hand in accordance with relevant legislation, Town policies, our employee and councillor codes of conduct, and our values.

Governance provides support and advice where necessary to members of Council, as well as internal and external stakeholders. This aims to ensure maximisation of sound, orderly decision-making and project implementation. Where required, it also assists with compliance with legislative requirements.

Good governance results in:

- Strong organisational culture,
- Sustainability and growth,
- Organisational and departmental accountability,
- Improved communication,
- Robust working relationships,
- Reduced risk exposure,
- Increased funding potential,
- Enhanced reputation, and
- Delivery of efficient and effective services to the Town.

The Town of Port Hedland Council consists of elected local members who act as representatives of the Town and in the community's interests. At present the Council has a Mayor and eight councillors. The Town of Port Hedland holds elections every two years to re-elect half of the available positions. Each position once elected is held for four years. The position of Deputy Mayor is allocated internally by the councillors. All members of the public who are registered on the State Electoral Role and are registered within the Town as an eligible member can, and are encouraged to, vote.

*The role of governance within the Town of Port Hedland is to act as a guiding hand in accordance with relevant legislation.*



## The role of Council

The role of the Mayor and councillors is to consider matters that apply to the local community and make decisions on behalf of the community in regard to those matters. This includes the making of local laws and policies, setting strategic direction, improvement projects, funding for local clubs/committees and community leadership.

It is the role of the Mayor to:

- Preside at meetings according to the relevant legislation,
- Provide leadership and direction to the Port Hedland community,
- Conduct both civic and ceremonial duties on behalf of the Town,
- Act as the voice of the Town, and
- Engage with the CEO on matters affecting the Town and the execution of the Town's functions.

Under section 5.34 of the *Local Government Act 1995* (WA) the Deputy Mayor is permitted to perform the functions of the Mayor when authorised to do so.

The role of Council Members is to:

- Represent the interests of the community,
- Provide leadership and direction to the Port Hedland community,
- Engage in conversation with the community and Council, and
- Participate in Council Meetings and decision-making processes.



## Council meetings

The Town holds Ordinary Council Meetings generally every four weeks on a Wednesday evening in Chambers at the Port Hedland Civic Centre. The Mayor presides over these meetings which are also attended by councillors, the CEO and business unit directors. Reports are presented to the Council on matters requiring consideration and include information and advice to assist with decision making. Members of the community are welcome to attend meetings and raise questions based on matters presented in the agenda during question time.

Council meetings, inclusive of question time, are recorded in the Council Minutes, which are later published on the Council website to the extent permitted by law.

Special Meetings are held as required and are called when matters require consideration before the next Ordinary Meeting is due to take place. Procedure and protocol are similar to Ordinary Council Meetings.



## Elected Member attendance

Name	Ordinary Council Meetings		Special Council Meetings		Electors Meetings		Total	
	# Held in term	# Attended	# Held in term	# Attended	# Held in term	# Attended	# Held in term	# Attended
Mayor Peter Carter	13	11	4	3	1	1	18	15
Ash Christensen	13	12	4	4	1	1	18	17
Sven Arentz	6	4	2	2	0	0	8	6
Flo Bennett	4	2	1	1	0	0	5	3
Camilo Blanco	13	12	4	4	1	1	18	17
Lorraine Butson	13	13	4	4	1	1	18	18
Adrian McRae	13	11	4	4	1	1	18	16
Ambika Rebello	11	10	3	2	1	0	15	12
Tim Turner	6	3	2	1	0	0	8	4

## Audit and Risk Committee attendance

The *Local Government Act 1995* requires that all local governments establish an audit committee.

The committee plays a key role in assisting a local government to fulfil its governance and oversight responsibilities in relation to financial reporting, internal control structure,

risk management systems, legislative compliance, ethical accountability, and the internal and external audit functions.

Attendance at Audit and Risk Committee meetings during the financial year is outlined below.

Name	ARC Committee Meetings		Special ARC Committee Meetings		Total	
	# Held in term	# Attended	# Held in term	# Attended	# Held in term	# Attended
Ash Christensen	1	1	0	0	1	1
Tim Turner	3	3	1	1	4	4
Flo Bennett	1	0	0	0	1	0
Camilo Blanco	2	2	1	1	3	3
Lorraine Butson	2	2	1	1	3	3

## Review of local laws — Governance

Under the *Local Government Act 1995* (Act) and as part of its legislative functions, Council is able to make and review local laws as a way of providing good governance to the community and reflecting current community standards.

Local laws made by local governments cover such issues as the activities permitted on public land, animal management, and use of facilities. In accordance with Section 3.16 of the *Local Government Act 1995*, local laws are required to be reviewed within an eight-year period after their commencement to determine if they should remain unchanged, repealed or amended.

The Town did not adopt any local laws in 2024-25.

## Elected Member remuneration

The remuneration, fees, allowances or expenses provided to elected members are determined by the Salaries and Allowances Tribunal in accordance with Section 7B of the *Salaries and Allowances Act 1975*.

In July 2022, the Council endorsed an Elected Member Allowances, Facilities and Expenses Policy, which sets out the fees and allowances payable and the permitted expenses that may be reimbursed to elected members as follows.

- Meeting attendance fees,
- Mayoral allowances,
- Deputy mayoral allowances, and
- Information and communication technology (ICT) allowances.

The policy allows elected members to receive up to the maximum annual allowances and fees determined by the tribunal and as approved in the budget. In addition, the policy provides for reimbursement for childcare and travel costs incurred as a result of attendance at a Council or committee meeting.

During 2024-25, the Town provided various allowances, fees and expense reimbursements to elected members as follows:

Description	2024-25 Actual (\$)	2024-25 Budget (\$)
Mayor allowance	60,000	60,000
Deputy Mayor allowance	13,750	15,000
Meeting attendance fees	243,836	297,951
Childcare expenses	0	0
Other expenses	94,936	61,000
Annual allowance for ICT expenses	15,168	18,000
<b>Total</b>	<b>427,690</b>	<b>451,951</b>

## Councillor community engagement

As members of the community many of our councillors also participate on local committees. Please refer to the table below for details on each elected member's involvement.

Committee/Meeting Group	Meeting Frequency	Membership 2024-25	Proxy 2024-25
<b>BHP Stakeholder Engagement Group</b>	Quarterly	Mayor Carter	Cr Butson
<b>East Pilbara District Health Advisory Committee</b>	Monthly (second Wednesday of every month)	Deputy Mayor Christensen	Cr McRae
<b>Hedland Community Road Safety Group</b>	3 monthly	Deputy Mayor Christensen (Chair)	Mayor Carter
<b>Hedland Housing Solutions Steering Committee</b>	3 monthly	Deputy Mayor Christensen (Chair)	Mayor Carter
<b>Hedland Senior High School Independent Public Board</b>	Once per term (approximately every 12 weeks)	Cr Bennett	
<b>Kimberley / Pilbara / Gascoyne Joint Development Assessment Panel (JDAP)</b>	As and when required	Mayor Carter Cr Blanco	Deputy Mayor Christensen
<b>Local Emergency Management Committee (LEMC)</b>	Quarterly (third Thursday of the month)	Mayor Carter	Deputy Mayor Christensen
<b>North West Defence Alliance</b>	As and when required	Mayor Carter	Cr Arentz
<b>Pilbara Country Zone (WALGA)</b>	Bi-monthly	Mayor Carter Deputy Mayor Christensen	Cr Turner Cr Rebello
<b>Pilbara Regional Road Group (RRG)</b>	As and when required	Deputy Mayor Christensen	Cr Turner
<b>Port Hedland Industries Council – Community Industry Forum</b>	3 monthly (second Wednesday of the month)	Cr Rebello	Cr Arentz
<b>Port Hedland Technical Advisory and Consultative Committee (TACC)</b>	Twice per year	Cr Blanco	Cr Butson

Committee/Meeting Group	Meeting Frequency	Membership 2024-25	Proxy 2024-25
Regional Aviation Consultation Group (RACG)	As required	Mayor Carter	Cr McRae
Regional Capitals Alliance WA (RCAWA)	Bi-monthly	Mayor Carter	Deputy Mayor Christensen
The Port of Port Hedland Community Consultative Committee	Four monthly	Cr Butson	Cr Rebello
Regional Capitals Australia	Monthly	Mayor Carter (Deputy Chair)	
WALGA Roadwise Recognised Advisory Committee	Quarterly or as required	Deputy Mayor Christensen	Cr Arentz



## Corporate governance

### Audit and Risk Management

To ensure a culture of continuous improvement, the Town operates an internal Audit and Risk Business Unit. It is the role of this unit to identify and improve on any actual or perceived weaknesses of our internal processes and ensure a robust risk management framework. In addition to this, external auditors are engaged by both the Office of the Auditor General for financial oversight, as well as the Town for ongoing business improvement. This ensures that there are objective third parties providing oversight and advice to the Town. The result of both approaches builds a more resilient and efficient organisation to provide greater benefits to the community. A Three-Year Strategic Internal Audit Plan is in place, under which three independent audits are conducted per financial year. Recommendations arising from these audits are reported and monitored through the Town's Audit, Risk and Compliance (ARC) Committee.

In addition to the internal practices, State Government legislation provides oversight of the Town's operational excellence through the *Local Government (Audit) Regulations 1996 (WA)*. Under these regulations, each local government must complete and submit a Compliance Audit Return (CAR) annually to the Department of Local Government, Sport and Cultural Industries. The CAR for 2024 reviewed practices from 1 January 2024 to 31 December 2024 and was considered to have a high compliance standard on submission. These findings were presented to the Town's ARC Committee on 11 March 2025 and were subsequently adopted at the Ordinary Council Meeting on 26 March 2025, with an additional amendment motion carried.

In addition to audit, the Town has implemented a robust Risk Management Framework which was developed in accordance with the *International Standard for Risk Management (AS/NZ ISO 31000:2018)*. The purpose of the framework is to assist the Town in integrating consistent, effective risk management practices, processes and principles across the organisation.

*It is the role of this unit to identify and improve on any actual or perceived weaknesses of our internal processes and ensure a robust risk management framework.*

## Regional Price Preference — Procurement

The Town of Port Hedland, along with other neighbouring local governments, has enabled a Regional Price Preference as allowed by legislation. This policy enables the Town to allocate a percentage preference to potential suppliers who can demonstrate adherence to the requirements. To be eligible for consideration under the policy a potential supplier/contractor must be able to demonstrate:

- They have had a permanent office and permanent staff in the 'prescribed' area for at least six months before bids being sought,
- They are registered and licensed in Western Australia, and
- A majority of the goods and/or services are to be supplied from Town sources or be located within neighbouring municipalities with reciprocal Regional Price Preference policies which benefit Town businesses.

The Regional Price Preference can be claimed in part or full depending on the submission received. The applicable discount is calculated as a percentage and may vary between contracts.

During the 2024-25 Financial Year the Town released 35 public Requests for Tenders, EOI Panels and Proposals and 37 RFQs. Seven of the 35 tenders and eight of the 35 RFQs were awarded to local suppliers.

## Official Conduct Report

The *Local Government Act 1995* requires the Town to report on any number of official conduct complaint findings recorded under Section 5.121 during a financial year.

Three complaint findings were made in accordance with Section 5.121 for the 2024-25 financial year.

## FOI Statistics

In accordance with Section 10(1) of the *Freedom of Information Act 1992*, individuals and organisations have the right to access documents held by the Town of Port Hedland, subject to the exemptions outlined in the Act.

## Access Outcomes

Access Type	Personal	Non-Personal	Total for Outcome
Full access to all requested documents	0	0	0
Edited access	7	8	15
Withdrawn by applicant	1	0	1
Access deferred	0	1	1
Refused to deal with application	0	0	0
Access outside FOI		28	28
<b>TOTALS</b>	<b>8</b>	<b>37</b>	<b>45</b>

## Capital Grants, Subsidies and Contributions

As per regulation 19BE of the *Local Government (Administration) Regulations 1996* below are the amounts of capital grants, subsidies and contributions received by the Town of Port Hedland in the last three financial years for replacing and renewing assets.

Financial Year 2024-25	\$21,402,196
Financial Year 2023-24	\$5,718,558
Financial Year 2022-23	\$9,583,965

## Record-Keeping Practices

The Town of Port Hedland adheres to the *State Records Act 2000*, ensuring effective management of corporate records. Proper record-keeping practices enhance the Town's efficiency and accountability to its stakeholders.

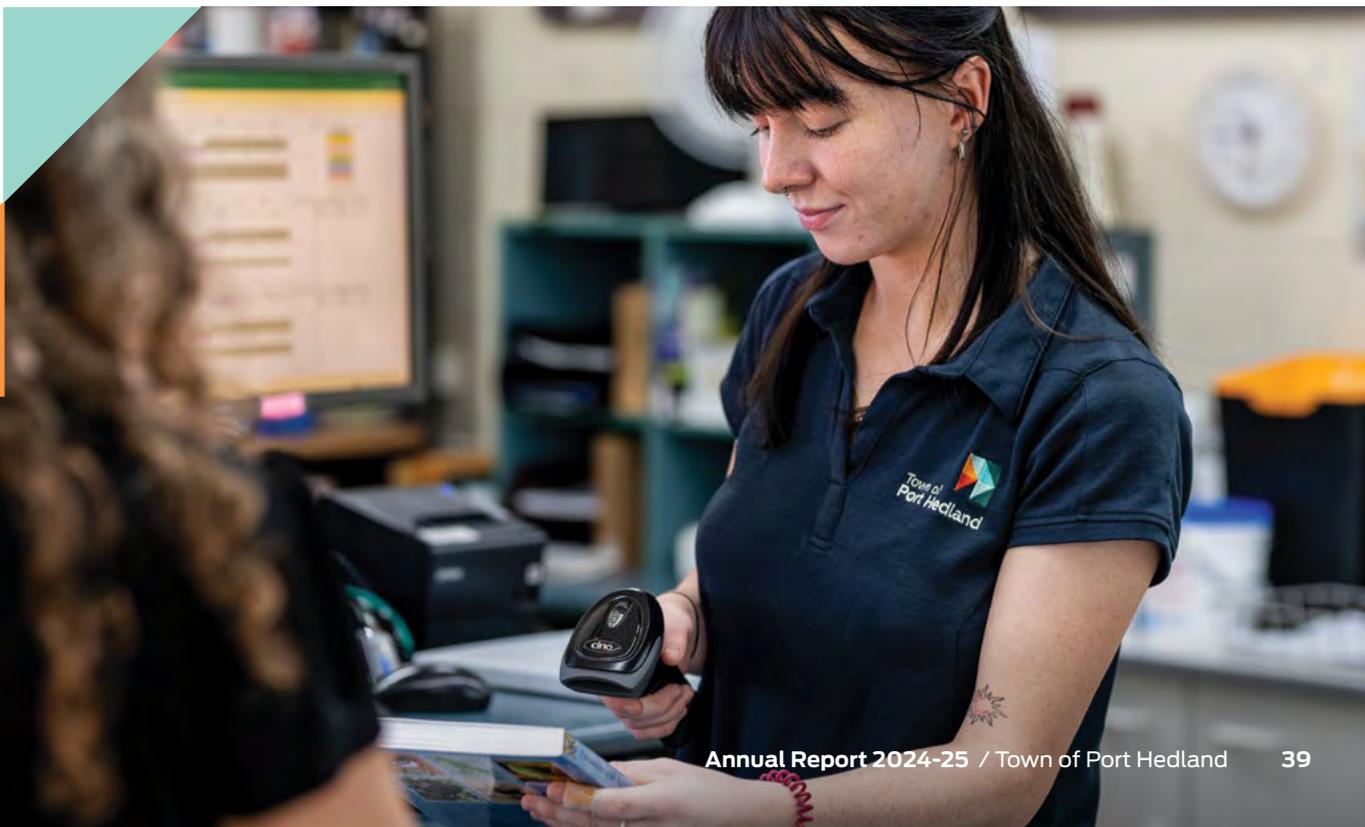
The current Record-Keeping Plan was approved by the State Records Commission in 2025 with the next review scheduled in 2029.

## Commitment to Record-Keeping

The Town of Port Hedland is dedicated to maintaining high standards in record-keeping through the following initiatives:

- **Registered Records:** 16,590 records were entered into the corporate record-keeping system.
- **Digitisation:** 2,822 property files were digitised and registered.
- **Training:** Training sessions on the corporate record-keeping system were provided to 30 new employees within their first month of employment.
- **File Creation:** 607 new files were created in the 2024-25 financial year.
- **File Closure:** 276 files/volumes were closed in the current financial year.
- **Records Destruction:** Approximately 200 boxes of source records were destroyed.
- **Disposal of Inactive Records:** 150 boxes of inactive temporary records were disposed of.

The Town remains committed to upholding excellent record-keeping practices to serve its community effectively.





# People and culture

The achievements of the Town of Port Hedland are testament to the hard-working team of employees who choose to live and work in Hedland. We have a diverse workforce with people relocating from around Australia and the world to work in our region.

The Town of Port Hedland is committed to retaining organisational talent through comprehensive employee training and development initiatives.

## Employee remuneration

Regulation 19B of *Local Government (Administration) Regulations 1996* requires disclosure of the number of employees within the Town of Port Hedland entitled to an annual salary of \$130,000 or more and the number of those employees entitled to an annual salary that falls within each band of \$10,000 over \$130,000.

Remuneration paid or provided to the CEO during the 2024–25 financial year: \$367,950. This does not include non-monetary benefits.

The Town of Port Hedland had two Chief Executive Officers during the reporting period.

Employee remuneration — Salary Range	Number of employees
130,000 – 139,999	25
140,000 – 149,999	8
150,000 – 159,999	4
160,000 – 169,999	8
170,000 – 179,999	2
180,000 – 189,999	1
210,000 – 219,999	3
240,000 – 249,999	1
<b>TOTAL</b>	<b>52</b>



## Traineeships

### Shape Your Future Traineeship Program

Launched in 2022, the Town's Shape Your Future traineeship program continues to grow in strength. This year we welcomed four new full-time trainees in the areas of sport and recreation, aquatics and community recreation, ICT and waste services alongside our existing trainees and apprentice. The Town also welcomed three school-based trainees to the teams working in library, projects and assets and sport and recreation.

The Town's ongoing commitment to traineeships and apprenticeships delivers tangible career pathways for the Hedland community. This program continues to grow and strengthen as we prepare to launch the 2026 Shape Your Future program, consisting of six traineeship roles across parks and gardens, governance, community services, aquatics and community recreation, finance, and sport and recreation. In addition, we will be offering one apprenticeship role in the workshop and fleet team. The Town is also looking to host six school-based trainees, working alongside Hedland Senior High School and Programmed Apprenticeships & Traineeships, as part of the 2026 Shape Your Future program.

We continue to work within other local partnerships to strengthen career pathways for members of our community.

## Our successes for 2024-25

- Two existing Certificate III in Sport, Aquatics and recreation full-time traineeship completions.
- One existing Certificate III in Information Technology full-time traineeship completion.
- One existing Certificate III in Sport and Recreation school-based traineeship completion.
- Two new school-based trainees employed completing Certificate II in Workplace Skills.
- One new school-based trainee completing a Certificate II in Sport and Recreation.
- Four new full-time trainees employed completing a variety of traineeships including Certificate IV in Business Administration, Certificate III in Sport, Aquatics and Recreation, and Certificate III in Information and Communication Technology.



# Communications and community engagement

## Communications

The Town of Port Hedland is committed to sharing information and supporting an ongoing conversation with our community, our partners and our stakeholders. This includes asking for feedback when we have big decisions to make.

Over the 2024-25 financial year we have continued to enhance our communication channels, which has seen our online community and engagement in these channels increase. We have over 15,000 people viewing our website each month, almost 4,000 followers on LinkedIn, and our Facebook followers number over 15,000. Views, followers and engagement continue to increase month on month. Our monthly e-newsletter, In the Loop, has over 8,000 subscribers and an open rate that is well above industry standard.

A big part of keeping our community updated is engaging with local, national and occasionally, international media. The Town published more than 51 proactive media releases in the 2024-25 year which helped drive positive media coverage of our work and achievements.

## Engagement and consultation

The Town of Port Hedland remains committed to ongoing conversations with our community. Regularly listening and engaging helps ensure we are headed in the right direction, our plans acknowledge expectations, and that community members have ample opportunity to provide feedback and seek additional information on big decisions that the Council will consider.

Our engagement and consultation activity is spread across a range of different functions, from planning applications to broad community engagement, and helps us determine our strategic direction. Council has a statutory obligation to publicly notify certain types of development applications and transactions.

This year, we have consolidated our engagement channels and developed a Town of Port Hedland Engagement Hub that sits on our website and acts as a 'one stop shop' for the community to have their say. We also provide information to the community in our social media channels, the local newspaper and radio stations, our outdoor signage, digital billboards, our e-newsletter and direct mail to residents when required.



*Regularly listening and engaging helps ensure we are headed in the right direction.*

## **Highlights**

Over the year the Town asked the Hedland community for feedback on a range of topics, including:

### **Hedland on the Horizon — precinct structure plans**

We advanced the development of two major precinct structure plans for the West End and South Hedland Town Centre, conducting background research and engagement planning. These plans aim to guide future land use, infrastructure, public spaces, and community facilities in alignment with community aspirations and the WA planning framework. Extensive stakeholder and community engagement was initiated, with both projects tendered together to ensure consistency and cost efficiency. The West End plan will support revitalisation following the state's Voluntary Buyback Scheme, while the South Hedland plan will replace the 2014 structure plan and respond to new residential growth and infrastructure projects. These plans will shape the future of Port Hedland's two key centres and ensure development reflects local needs and opportunities.

### **Local housing strategy**

During the year we progressed preparation of a local housing strategy to address critical housing shortages and affordability challenges impacting residents and key service workers. The strategy has been informed by extensive stakeholder and community engagement conducted between November 2024 and February 2025, including workshops, pop-up sessions, and an online survey. Evidence-based analysis identified key barriers such as limited housing diversity, high construction costs, and market pressures from employer-subsidised housing. A major initiative launched during the year was the Key Worker Housing Project in South Hedland, with a proposed \$40 million investment to deliver affordable dwellings.

The strategy will outline short-, medium-, and long-term actions to improve housing supply, affordability and liveability, and establish a framework for ongoing monitoring and advocacy to state and federal governments. The draft strategy is expected to be released for public consultation in early 2026.

### **Our Place, Our Story — place branding**

In 2024–25 we commenced development of a new place brand to better reflect the Town's identity, culture, and future opportunities. This work lays the foundation for a suite of strategic documents to be released in 2026, including a Destination Management Plan, Resident Attraction and Retention Plan, Investment Facilitation Plan, and a new marketing strategy. The year focused on the discovery phase, which involved extensive engagement with residents, businesses, Traditional Owners, FIFO workers, tourists, and government stakeholders. Through workshops, surveys, and market research, the Town captured diverse perspectives on what makes Hedland unique and how it can be better promoted as a place to live, visit and invest. The place brand will be supported by a dedicated website and visual identity, designed to foster local pride and position Hedland as a vibrant, inclusive and forward-looking community.

### **Public Health Plan**

The Town continued to progress the development of a Public Health Plan, which is a legislative requirement under the *Public Health Act 2016*.

In 2024, we asked the community for feedback on public health and health services in our community, with a focus on accessibility and other social determinants of health. We received an overwhelming response, and these findings will soon be presented in the final plan.



# Detailed performance



# Our community

The Town of Port Hedland Strategic Community Plan 2022-32 includes a goal for our community to honour our people and our cultural heritage – ensuring wellbeing, diversity, creativity and strong civic leadership and dialogue are at the heart of community life. By honouring the rich cultural heritage of our people and place, we can shape a future that is inclusive, vibrant and resilient.

Through this focus, we aim to achieve:

- Improved levels of health, safety and wellbeing for all members of our community, with a focus on prevention, connection and care.
- Inclusive community engagement and representative participation where all voices are heard and valued in shaping local decisions.
- A diverse and dynamic lifestyle, supported by cultural expression, recreation and opportunities for all ages and backgrounds.
- Accessible, welcoming and well-used community facilities and services that reflect local needs and aspirations.
- Stronger community pride and ownership with high levels of satisfaction in our events, spaces and services.

The 2023-2027 Corporate Business Plan sets out how the Council will contribute to achieving the community's vision. Following is an overview of our progress to date.



## Community services

The Community Services Directorate continues to play a central role in delivering on the Town of Port Hedland's Strategic Community Plan 2022-32, particularly the goal to honour our people and cultural heritage, ensure wellbeing, diversity, creativity, and encourage strong civic leadership as a fundamental characteristic of Hedland.

## Recreation and leisure

Recreation and leisure services remain a cornerstone of community wellbeing. The Town's facilities — including Wanangkura Stadium, Port and South aquatic centres, Gratwick Gym, and sports fields — recorded strong attendance and usage. Registrations for this year's Ship to Shore event were up by 34.5% on the previous year, with 686 people participating. In addition, Wanangkura Stadium welcomed 190,000 visits, our two aquatic centres recorded 90,000 visits with swim school enrolments reaching 5,605 and exceeding regional benchmarks, while Gratwick Gym attracted 36,455 visitors, reinforcing the community's strong engagement with health and fitness opportunities.

Strategic planning is underway for a new aquatic facility, with construction proposed to begin in 2027. Asset management plans have been developed for all major facilities, and the equity and access framework is guiding inclusive infrastructure upgrades and programming.

## Youth engagement and community development

This year saw significant growth in youth engagement and community development initiatives. The JD Hardie Youth and Community Hub recorded over 132,000 visits, with 1,061 programs and 49 events delivered, well above regional benchmarks. The Youth Advisory Council matured in its second year, expanding its leadership development work and civic engagement opportunities for young people aged 15–24.

Our Community Safety Plan continues to guide evidence-based interventions. The POP Framework (Place-based Opportunity Projects) has delivered targeted initiatives in food security and hazardous waste, while Harmony Week, NAIDOC Week and Youth Week have strengthened cultural connection and inclusion.

The community engagement framework is now being implemented across the organisation, supported by training and digital tools like the Have Your Say website, enabling more inclusive and representative participation in decision-making.

The team continues to deliver high-impact services, particularly in Aboriginal engagement and community grants. While participation remains strong, opportunities exist to improve satisfaction in access and inclusion, especially for seniors and people with disability. We are well positioned to deepen our impact through targeted programming and strategic partnerships.

## Community development

### Events, arts and culture

Port Hedland's events program attracted 39,000 participants over the year, with a standout success being Good Nights Hedland. Courthouse Gallery hosted 57 programs with 4,810 visitors, and the Matt Dann Theatre welcomed 8,547 attendees.

The Public Art Masterplan is now in draft, with an associated Action Plan and Implementation Framework. Planning is also underway for a new Performing Arts Centre, and technical upgrades at the Matt Dann Theatre are progressing.

### Libraries and lifelong learning

Library services remain well utilised, with 35,430 visits and strong program attendance. The service continues to support digital inclusion, intergenerational engagement, and literacy programs with Aboriginal themes. Satisfaction ratings remain above national averages, reflecting the library's relevance and accessibility.



# Our economy

The Town of Port Hedland Strategic Community Plan 2022-32 sets a goal for building prosperity for all — enabling sustained and diversified economic and employment growth.

Our economy is dominated by the mining industry with almost 80% of our output coming from the mining sector. To support our community now and into the future, we need to make progress in areas that will help achieve

- Greater investment that is crucial to support existing economic output,
- Increased collaboration across business, industry and stakeholders,
- Growth in local and regional education and training opportunities,
- Increased and diversified local employment opportunities,
- Local business growth, attraction and retention,
- Greater awareness of business opportunities in Hedland,
- Greater availability of housing stock and serviced land, and
- Completion of key community infrastructure projects.

The 2023-2027 Corporate Business Plan sets out how the Council will contribute to achieving diversified economic and employment growth over the next four years. Below is an overview of our progress on these actions.

## Supporting local business

During the year the Town of Port Hedland launched a number of initiatives to help support existing local businesses and encourage more to set up and diversify.

The Town joined the Small Business Friendly Local Government Alliance Network, hosted by the Small Business Development Corporation. The primary objectives of the program are to reduce red tape; enhance the customer service experience for local

business; make payments on time; have processes in place to resolve disputes; and introduce activities to improve the business environment.

The Town has clear processes which need to be followed when procuring goods and services. We know that some local businesses may not be familiar with these local government processes and using platforms like VendorPanel. To help lift awareness and understanding, we ran dedicated workshops for local businesses interested in knowing more about how to win work with the Town.

We continue to promote our Economic Development and Diversification Fund to encourage sustainable economic growth, local job creation and improved liveability across Port Hedland.

The fund encompasses two streams:

- The business development stream — designed to support local businesses and organisations to generate new revenue opportunities through the development of feasibility studies and business cases.
- The economic diversification stream — designed to support new or expanded business operations with demonstrable benefits to local employment, economic output and/or liveability.

The Town awarded grants to Elevation Health to operate an Allied Health Clinic in South Hedland, and to Hedland Eye Care for the acquisition of a modern topography system.

This year we also saw the activation of Marapikurinya Park pop-ups with licences awarded to two local businesses Earth & Sea Treats and Thai Style Cuisine.

## Housing

A key enabler for supporting the Town's residential- Housing is critical economic infrastructure. The Town continues to advocate for increased public and private investment into housing for our community. A major initiative launched during the year was the Service Worker Housing project in South Hedland, with a proposed \$40 million investment to deliver affordable dwellings. Securing affordable housing is a key to attracting and retaining workers in sectors such as education, tourism, childcare, retail and hospitality – industries which contribute to the amenity and liveability of our community. In addition, we progressed the preparation of a local housing strategy which will identify further work the Town can undertake to support housing investment across Hedland.

## Tourism

Tourism is an important industry that brings a range of economic and social benefits to Port Hedland. The Town continued its support for the Port Hedland Visitor Centre by funding operations and management of the Centre for a further two years, to 31 October 2026.

The Town also commenced work on Port Hedland's first Destination Management Plan, which is expected to be finalised in 2026. This plan will outline strategies to enhance Port Hedland as a vibrant tourism destination, ensuring a sustainable and memorable visitor experience, focusing on improving attractions, events, infrastructure and services to support visitor economy growth while benefiting the local community.

Demand for the Town's tourism infrastructure remained strong with more than 4,660 vehicles passing through the RV Overflow facility during the 2024 visitor season. People stayed an average of 2.2 nights in Port Hedland and close to 62% were first-time visitors, reinforcing the facility's important role in attracting tourists to our Town. Visitors who stayed at the facility spent an estimated \$3.37 million in the community, an increase of 20% from the previous year.



# Our built and natural environment

The Town of Port Hedland Strategic Community Plan 2022-32 includes a goal to treasure and protect our natural environment and provide sustainable and resilient infrastructure and built form.

Progress in this area includes:

- Increased protection and conservation of natural environments, habitats and biodiversity,
- Increased environmental initiatives being developed and led by local young people,
- Improved perceptions of safety, cleanliness and functionality of built form,
- Increased provision of sustainable and resilient built form,
- Greater community member participation in urban renewal projects,
- Increased satisfaction with attractiveness of the urban landscape, and
- Increased cultural narratives being expressed in public art and wayfinding signage.

The 2023-2027 Corporate Business Plan sets out how the Council will contribute to protecting our natural environment. Below is an overview of our progress on these actions.

## Natural environment and sustainability

The impact of the Town's Environmental Sustainability Strategy was acknowledged at the 2024 WA Tidy Towns Sustainable Communities Awards, where we were chosen as the overall winner. We then went on to represent WA at the National Awards and received six awards. Through the Town's ongoing efforts and partnership with Care for Hedland Environmental Association, we have enabled a strong reputation of environmentally conscious decision-making and leadership.

Entering the second year of our partnership with Care for Hedland has facilitated a series of positive outcomes for Port Hedland, including the return of the Hedland Sustainable Living Show Day, an expansion of the Containers for Change exchange points from 10 to 25 across Port and South Hedland, and a wide-reaching education platform delivering environmental stewardship messaging to the community.



#### Key achievements:

- WA Tidy Towns/Sustainable Communities Award won for Port and South Hedland.
- Eight sustainability newsletters jointly produced and distributed.
- Three Hedland Sustainability Advisory Group meetings with active participation from over nine local stakeholders.
- Eight clean-up events involving 133 participants, collecting 863kg of waste and 46kg of recyclables.
- 15,029 KL of recycled water utilised.
- Captain Cleanup visited all local primary schools and early learning centres.
- Greenhouse audits completed for three TOPH staff houses.
- FOGO business case developed.
- Great Gardens Awards received 44 entries across 12 categories.
- 6,167 children and 13,598 adults engaged in sustainability activities.
- 27+ drink container cages deployed, and 7.2+ million containers recycled via Wedgefield Refund Point.
- First Hedland Sustainable Living Show Day held.
- 35 compost bins distributed, diverting 206.5kg of food waste and saving 0.43t CO<sub>2</sub> emissions from landfill.

The Town's environmental services team has continued its efforts to protect the community with ongoing proactive mosquito control activities, diseases surveillance and investigation, and thorough compliance auditing for food services, which has led to successful legal action taken against premises demonstrating ongoing non-compliance.

## Waste management

While the Town's resource recovery and recycling efforts continued, 62,000 tonnes of solid waste was deposited at the landfill. This was a significant 47% increase from the previous year. The majority of this waste (80%) is generated from construction and demolition as well as commercial and industrial waste.

We saw an increase of 23% in liquid waste received at the South Hedland Wastewater Treatment Plant from 17,000 tonnes to 21,000 tonnes. A further 662 tonnes of scrap metal and 93 tonnes of tyres were diverted from landfill and recycled.

Complying with the recent changes to legislation, the Town diverted 30 tonnes of eWaste to recycling during the year.

By partnering with Big Bag Recovery and PalletON we diverted bulka bags and pallets away from landfill.

The Town saw an 875% increase in green waste collection over the year, from 57 tonnes in the previous year to 556 tonnes. Of those, 507 tonnes came from post cyclone collection after severe tropical cyclone Zelia.





## Built environment

In 2024-25, Port Hedland experienced strong development and construction activity, reflecting growing confidence in our future. The Town approved **67 development applications** with an estimated combined value of \$331 million, including major projects such as the Hedland Village Mixed-Use Shopping Centre, Anderson Street Hotel (302 rooms), serviced apartments, and large-scale workforce accommodation developments. These investments signal Hedland's transition toward economic diversification and improved liveability.

Building activity remained robust, with **267 building approvals issued**, including **49 new residential dwellings**, representing over \$112 million in works. While housing supply continues to lag behind demand, the Town actively supported developers through streamlined approvals and pre-lodgement engagement to alleviate housing pressures.

The Town also advanced key infrastructure and renewal works, investing **\$9.2 million** into upgrades across roads, drainage, community buildings, shade structures, car parks and staff housing. This renewal program ensures existing assets remain fit-for-purpose and supports sustainable growth.

Renewable energy projects gained momentum, highlighted by APA Group's **80-hectare solar farm at Boodarie**, which supports BHP's decarbonisation efforts. Smaller-scale solar installations at the Airport and strong uptake of rooftop solar in building approvals further demonstrate Hedland's shift toward clean energy.

These achievements underscore the Town's commitment to enabling development, maintaining critical infrastructure, and fostering a resilient, future-ready built environment.



# Our leadership

The Town's Strategic Community Plan 2022-32 includes a goal to be united in our actions to connect, listen, support and advocate — leveraging the potential of our people, places and resources.

Progress under this theme includes:

- Greater brand recognition and reputation,
- Increased visitation,
- Increased community awareness and positive perception of the Town of Port Hedland's transparency and accountability,
- Achievement of industry benchmarks for financial and governance performance,
- Improving customer satisfaction, and
- Increased utilisation of the Town's assets and amenities.

## Advocacy

In 2024–25, the Town of Port Hedland continued to advocate for solutions to the region's most pressing challenges, with a strong focus on **housing, childcare, healthcare, community safety and liveability**.

The Town worked closely with State and Federal Governments to progress initiatives that unlock economic growth and improve quality of life for residents. A key priority was securing support for the **Key Worker Housing project**, designed to address the critical housing shortage that limits workforce availability and constrains essential services. With rental prices for houses averaging **\$1,100 per week** and only **49 residential building permits issued in the last year**, the need for affordable housing remains urgent.

Advocacy efforts also extended to **childcare infrastructure**, recognising its vital role in enabling workforce participation and supporting families.



A previous study estimated a shortfall of **300 childcare places**, and the Town committed **\$3 million** to a partnership with Rose Nowers to increase local capacity while pursuing external funding opportunities.

These efforts have delivered tangible results, including:

- A **\$22.5 million election commitment** from both WA Labor and Liberal Governments to support a new aquatics centre.
- A **\$2 million commitment from the WA Labor Government** toward the JD Hardie Adventure Park redevelopment.
- A **visit from the Lotterywest Board to Port Hedland**, strengthening relationships and future funding opportunities for community projects.

The Town continued to engage with government and industry partners on health services, education and community safety, reinforcing its commitment to collaborative solutions that deliver long-term benefits for the Pilbara region. These efforts aim to ensure Hedland remains a vibrant, inclusive community and a cornerstone of Western Australia's economy.



Meetings during the year included:

- Briefing with Department of Home Affairs on 15/7/2024
- Senator Fatima Payman and Mayor 1:1 on 27/7/2024
- Department Local Government, Sport and Cultural Industries on 6/8/2024
- Dr Helen Haines MP — Independent Federal Member for Indi on 13/8/2024
- Hon Dan Tehan MP — Shadow Minister for Immigration and Citizenship on 14/8/2024
- Anthony Chisholm and Darren Chester on 14/8/2024
- Office of Ted O'Brien MP on 14/8/2024
- Hon Darren Chester MP on 14/8/2024
- Office of Hon Peter Dutton MP on 14/8/2024
- Office of Hon Paul Fletcher MP on 14/8/2024
- Office of Minister Madeleine King — Challenges facing Hedland — housing and childcare on 14/8/2024
- Office of Prime Minister — Future made in Australia on 14/8/2024
- Office of Minister Anne Aly, Minister for Early Childhood Education, Youth — Childcare and early development on 14/8/2024
- Office of Minister Kristy McBain, Minister for Regional Development, Local Government and Territories — Housing challenges in the Pilbara on 14/8/2024
- Minister Hannah Beazely office Chief of Staff & Policy Advisor on 26/9/2024
- Melissa Price MP on 20/3/2025
- Hon Stephen Dawson MLC on 20/3/2025
- Labor Candidate Karen Wheatland and Senator Ghosh on 10/4/2025
- Department Local Government, Sport, and Cultural Industries on 17/4/2025
- Lotterywest Board visit on 6/5/2025





## Enabling infrastructure

Over the year the Town continued increasing its capability of digital infrastructure to support the delivery of strategic outcomes in line with the Town's Digital Roadmap 2024-27.

This includes undertaking Phase 2 of the Enterprise Resource Planning project, transitioning from its previous legacy system of 16 years onto a cloud-based platform for improved digital access and performance. Online forms can now transition to digital workflows for better efficiency, accuracy and service.

We have also introduced several new software systems to support Council and Town administration service delivery including:

- Upgrade of Council Chambers for improved audio and live streaming,
- Process mapping software for knowledge retention and system review and improvement,
- Commenced implementing a new roster, award, time and attendance system,
- Commenced implementing a new venue management system, and
- Established a revised information management framework in line with new Privacy and Responsible Information Sharing (PRIS) legislation.



# Financial statements





**TOWN OF PORT HEDLAND  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

**Table of contents**

Statement by CEO	2
Statement of comprehensive income	3
Statement of financial position	4
Statement of changes in equity	5
Statement of cash flows	6
Statement of financial activity	7
Index of notes to the financial report	8
Independent auditor's report	51

The Town of Port Hedland conducts the operations of a local government with the community vision:

*"Together, we create a thriving, resilient and inclusive future for our diverse community"*

Principal place of business:  
13 McGregor street  
Port Hedland WA 6721



**TOWN OF PORT HEDLAND  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

**TOWN OF PORT HEDLAND  
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 Town of Port Hedland 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

9th day of

December 2025



\_\_\_\_\_  
Temporary Chief Executive Officer

Kenneth Donohoe

\_\_\_\_\_  
Name of CEO



**TOWN OF PORT HEDLAND  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2024**

	Note	2025 Actual \$	2025 Budget \$	2024 Restated * \$
<b>Revenue</b>				
Rates	2(a),28	79,105,323	76,470,647	68,960,590
Grants, subsidies and contributions	2(a)	3,270,908	3,859,753	4,271,845
Fees and charges	2(a)	18,653,227	14,918,110	15,814,225
Interest revenue	2(a)	11,035,354	8,160,833	10,612,181
Other revenue	2(a)	3,345,400	2,812,590	1,817,429
		<b>115,410,212</b>	<b>106,221,933</b>	<b>101,476,270</b>
<b>Expenses</b>				
Employee costs	2(b)	(37,237,585)	(38,610,094)	(34,114,373)
Materials and contracts		(30,201,735)	(26,259,704)	(23,941,592)
Utility charges		(5,526,870)	(5,762,155)	(5,371,259)
Depreciation		(28,778,154)	(25,367,600)	(25,382,363)
Finance costs	2(b)	(1,730,727)	(921,173)	(1,749,553)
Insurance		(1,801,817)	(1,779,017)	(1,691,508)
Other expenditure	2(b)	(2,256,265)	(1,825,553)	(1,934,114)
		<b>(107,533,153)</b>	<b>(100,525,296)</b>	<b>(94,184,762)</b>
		<b>7,877,059</b>	<b>5,696,637</b>	<b>7,291,508</b>
Capital grants, subsidies and contributions	2(a)	21,402,196	15,775,000	5,718,558
Profit on asset disposals		529,892	192,410	212,402
Fair value adjustments to Investment Property	12	5,278	-	(3,340,355)
Impairment loss - Property Plant & Equipment & Infrastructure		(175,328)	-	(1,405,528)
Impairment reversal - Property Plant & Equipment & Infrastructure		1,152,062	-	-
		<b>22,914,100</b>	<b>15,967,410</b>	<b>1,185,077</b>
<b>Net result for the period</b>	27(b)	<b>30,791,159</b>	<b>21,664,047</b>	<b>8,476,585</b>
<b>Other comprehensive income for the period</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	19	52,491,976	-	1,301
<b>Total other comprehensive income for the period</b>	19	<b>52,491,976</b>	<b>-</b>	<b>1,301</b>
<b>Total comprehensive income for the period</b>		<b>83,283,135</b>	<b>21,664,047</b>	<b>8,477,886</b>

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

\* See note 33 for details regarding the correction of prior period errors



**TOWN OF PORT HEDLAND**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2024**

		2025	2024	1 July 2023
	Note	Actual	Restated *	Restated *
		\$	\$	\$
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	3	42,469,609	64,045,945	14,839,729
Trade and other receivables	5	11,563,423	5,123,068	3,654,175
Other financial assets	4(a)	155,000,000	120,000,000	166,010,505
Inventories	6	1,002,714	1,034,335	790,369
Other assets	7	3,475,781	2,416,230	1,568,958
<b>TOTAL CURRENT ASSETS</b>		<b>213,511,527</b>	<b>192,619,578</b>	<b>186,863,736</b>
<b>NON-CURRENT ASSETS</b>				
Trade and other receivables	5	21,392	32,084	17,051
Other financial assets	4(b)	159,239	142,442	396,421
Other assets	7	1,264,441	1,296,052	1,327,663
Property, plant and equipment	8	216,123,042	145,132,958	144,170,417
Infrastructure	9	429,003,407	430,409,360	426,684,747
Right-of-use assets	11(a)	270,154	41,111	110,475
Investment property	12	41,692,185	41,686,907	45,027,262
Rehabilitation asset	13	10,421,725	11,369,154	11,896,893
<b>TOTAL NON-CURRENT ASSETS</b>		<b>698,955,585</b>	<b>630,110,068</b>	<b>629,630,929</b>
<b>TOTAL ASSETS</b>		<b>912,467,112</b>	<b>822,729,646</b>	<b>816,494,665</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	14	7,844,564	4,295,013	5,916,011
Other liabilities	15	11,197,910	5,048,422	3,895,936
Lease liabilities	11(b)	48,960	36,498	133,000
Borrowings	16	2,098,787	2,008,577	1,922,253
Employee related provisions	17	2,604,302	2,182,510	1,940,522
Other provisions	18	70,410	2,391,971	2,391,971
<b>TOTAL CURRENT LIABILITIES</b>		<b>23,864,933</b>	<b>15,962,991</b>	<b>16,199,693</b>
<b>NON-CURRENT LIABILITIES</b>				
Trade and other payables	14	16,670	13,471	13,471
Other liabilities	15	36,683,189	37,607,350	38,531,510
Lease liabilities	11(b)	224,970	-	34,425
Borrowings	16	17,871,610	19,970,392	21,978,966
Employee related provisions	17	693,914	461,137	459,227
Other provisions	18	14,913,670	13,799,284	12,840,238
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>70,404,023</b>	<b>71,851,634</b>	<b>73,857,837</b>
<b>TOTAL LIABILITIES</b>		<b>94,268,956</b>	<b>87,814,625</b>	<b>90,057,530</b>
<b>NET ASSETS</b>		<b>818,198,156</b>	<b>734,915,021</b>	<b>726,437,135</b>
<b>EQUITY</b>				
Retained surplus		344,335,138	328,090,861	321,658,107
Reserve accounts	31	188,629,087	174,082,205	172,038,374
Revaluation surplus	19	285,233,931	232,741,955	232,740,654
<b>TOTAL EQUITY</b>		<b>818,198,156</b>	<b>734,915,021</b>	<b>726,437,135</b>

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

\* See note 33 for details regarding the correction of prior period errors



**TOWN OF PORT HEDLAND  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2024**

	Note	Retained surplus \$	Reserve accounts \$	Revaluation surplus \$	Total equity \$
<b>Reported balance as at 1 July 2023</b>		<b>319,315,471</b>	<b>172,038,374</b>	<b>224,757,390</b>	<b>716,111,235</b>
Correction of error	33	2,342,636	-	7,983,264	10,325,900
<b>Restated balance as at 1 July 2023</b>		<b>321,658,107</b>	<b>172,038,374</b>	<b>232,740,654</b>	<b>726,437,135</b>
Comprehensive income for the period					
*Restated net result for the period		8,050,776	-	-	8,050,776
*Restated other comprehensive income for the period	19	-	-	1,301	1,301
Total comprehensive income for the period		8,050,776	-	1,301	8,052,077
Transfers from reserve accounts	31	43,706,355	(43,706,355)	-	-
Transfers to reserve accounts	31	(45,750,186)	45,750,186	-	-
<b>Reported Balance as at 30 June 2024</b>		<b>326,174,034</b>	<b>174,082,205</b>	<b>228,192,980</b>	<b>728,449,219</b>
Correction of error	33	425,809	-	3,434,289	3,860,098
<b>Restated Balance as at 30 June 2024</b>		<b>328,090,861</b>	<b>174,082,205</b>	<b>232,741,955</b>	<b>734,915,021</b>
Comprehensive income for the period					
Net result for the period		30,791,159	-	-	30,791,159
Other comprehensive income for the period	19	-	-	52,491,976	52,491,976
Total comprehensive income for the period		30,791,159	-	52,491,976	83,283,135
Transfers from reserve accounts	31	56,428,805	(56,428,805)	-	-
Transfers to reserve accounts	31	(70,975,687)	70,975,687	-	-
<b>Balance as at 30 June 2025</b>		<b>344,335,138</b>	<b>188,629,087</b>	<b>285,233,931</b>	<b>818,198,156</b>

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

\* See note 33 for details regarding the correction of prior period errors



**TOWN OF PORT HEDLAND  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2024**

	Note	2025 Actual \$	2024 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Rates		78,442,682	67,647,308
Grants, subsidies and contributions		4,684,165	4,350,210
Fees and charges		12,795,740	16,736,051
Interest revenue		11,036,362	10,612,181
Goods and services tax received		1,107,085	4,476,197
Other revenue		3,382,922	947,295
		<u>111,448,956</u>	<u>104,769,242</u>
<b>Payments</b>			
Employee costs		(36,282,830)	(33,761,481)
Materials and contracts		(32,559,250)	(32,175,834)
Utility charges		(5,782,295)	(5,580,833)
Finance costs		(1,040,546)	(1,208,896)
Insurance paid		(1,981,922)	(1,692,167)
Other expenditure		(2,281,922)	(1,720,722)
		<u>(79,928,765)</u>	<u>(76,139,933)</u>
<b>Net cash provided by operating activities</b>	20(b)	31,520,191	28,629,309
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for purchase of property, plant & equipment	8(a)	(16,911,056)	(10,810,580)
Payments for construction of infrastructure		(11,857,266)	(19,940,491)
Proceeds from capital grants, subsidies and contributions		11,540,657	6,875,935
Changes to proceeds/(redemption) of term deposits		(35,000,000)	46,000,000
Proceeds from sale of property, plant & equipment		1,191,727	505,220
<b>Net cash (used in)/provided by investing activities</b>		<u>(51,035,938)</u>	<u>22,630,084</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings	30(a)	(2,008,572)	(1,922,250)
Payments for principal portion of lease liabilities	30(b)	(52,017)	(130,927)
<b>Net cash (used in) financing activities</b>		<u>(2,060,589)</u>	<u>(2,053,177)</u>
<b>Net (decrease)/increase in cash held</b>		(21,576,336)	49,206,216
Cash at beginning of year		64,045,945	14,839,729
<b>Cash and cash equivalents at the end of the year</b>	20(a)	<u>42,469,609</u>	<u>64,045,945</u>

Non-cash investing and financing movements are disclosed at note 20.(c)

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



**TOWN OF PORT HEDLAND  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE YEAR ENDED 30 JUNE 2024**

	Note	2025 Actual \$	2025 Budget \$	2024 Restated* \$
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from operating activities</b>				
General rates	28	77,808,770	75,162,184	67,691,265
Rates excluding general rates	28	1,296,553	1,308,463	1,269,325
Grants, subsidies and contributions		3,270,908	3,859,753	4,271,845
Fees and charges		18,653,227	14,918,110	15,814,225
Interest revenue		11,035,354	8,160,833	10,612,181
Other revenue		3,345,400	2,812,590	1,817,429
Profit on asset disposals		529,892	192,410	212,402
Revaluation increment		1,152,062	-	-
Fair value adjustments to investment property	12	5,278	-	-
		<u>117,097,444</u>	<u>106,414,343</u>	<u>101,688,672</u>
<b>Expenditure from operating activities</b>				
Employee costs		(37,237,585)	(38,610,094)	(34,114,373)
Materials and contracts		(30,201,735)	(26,259,704)	(23,941,592)
Utility charges		(5,526,870)	(5,762,155)	(5,371,259)
Depreciation		(28,778,154)	(25,367,600)	(25,382,363)
Finance costs		(1,730,727)	(921,173)	(1,749,553)
Insurance		(1,801,817)	(1,779,017)	(1,691,508)
Other expenditure		(2,256,265)	(1,825,553)	(1,934,114)
Impairment loss		-	-	(1,405,528)
Loss on asset disposals		(175,328)	-	-
Fair value adjustments to investment property		-	-	(3,340,355)
		<u>(107,708,481)</u>	<u>(100,525,296)</u>	<u>(98,930,645)</u>
Non-cash amounts excluded from operating activities	29(a)	27,426,557	24,282,638	29,838,210
<b>Amount attributable to operating activities</b>		<u>36,815,520</u>	<u>30,171,685</u>	<u>32,596,237</u>
<b>INVESTING ACTIVITIES</b>				
<b>Inflows from investing activities</b>				
Capital grants, subsidies and contributions		21,402,196	15,775,000	5,718,558
Proceeds from disposal of assets		1,191,727	432,500	505,220
Proceeds from deferred income		-	864,000	-
		<u>22,593,923</u>	<u>17,071,500</u>	<u>6,223,778</u>
<b>Outflows from investing activities</b>				
Right of use assets received - non cash	11(a)	(289,449)	-	-
Acquisition of property, plant and equipment	8(a)	(16,911,056)	(26,036,068)	(10,810,580)
Acquisition of infrastructure	9(a)	(28,310,760)	(24,302,101)	(19,940,491)
		<u>(45,511,265)</u>	<u>(50,338,169)</u>	<u>(30,751,071)</u>
Non-cash amounts excluded from investing activities	29(b)	289,449	-	-
<b>Amount attributable to investing activities</b>		<u>(22,627,893)</u>	<u>(33,266,669)</u>	<u>(24,527,293)</u>
<b>FINANCING ACTIVITIES</b>				
<b>Inflows from financing activities</b>				
Proceeds from new leases - non cash	30(b)	289,449	-	-
Transfers from reserve accounts	31	56,428,805	33,699,170	43,706,355
		<u>56,718,254</u>	<u>33,699,170</u>	<u>43,706,355</u>
<b>Outflows from financing activities</b>				
Repayment of borrowings	30(a)	(2,008,572)	(2,044,935)	(1,922,250)
Payments for principal portion of lease liabilities	30(b)	(52,017)	(34,425)	(130,927)
Transfers to reserve accounts	31	(70,975,687)	(36,264,863)	(45,750,186)
		<u>(73,036,276)</u>	<u>(38,344,223)</u>	<u>(47,803,363)</u>
Non-cash amounts excluded from financing activities	29(c)	(289,449)	-	-
<b>Amount attributable to financing activities</b>		<u>(16,607,471)</u>	<u>(4,645,053)</u>	<u>(4,097,008)</u>
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>				
<b>Surplus or deficit at the start of the financial year</b>	29(d)	8,371,132	8,022,184	4,399,196
Amount attributable to operating activities		36,815,520	30,171,685	32,596,237
Amount attributable to investing activities		(22,627,893)	(33,266,669)	(24,527,293)
Amount attributable to financing activities		(16,607,471)	(4,645,053)	(4,097,008)
<b>Surplus or deficit after imposition of general rates</b>	29(d)	<u>5,951,288</u>	<u>282,147</u>	<u>8,371,132</u>

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

\* See note 33 for details regarding the correction of prior period errors



**TOWN OF PORT HEDLAND  
FOR THE YEAR ENDED 30 JUNE 2024  
INDEX OF NOTES TO THE FINANCIAL REPORT**

Note 1	Basis of preparation	9
Note 2	Revenue and expenses	10
Note 3	Cash and cash equivalents	12
Note 4	Other financial assets	12
Note 5	Trade and other receivables	13
Note 6	Inventories	13
Note 7	Other Assets	14
Note 8	Property, plant and equipment	15
Note 9	Infrastructure	17
Note 10	Fixed assets	19
Note 11	Leases	21
Note 12	Investment property	22
Note 13	Rehabilitation asset	24
Note 14	Trade and other payables	25
Note 15	Other liabilities	26
Note 16	Borrowings	27
Note 17	Employee related provisions	28
Note 18	Other provisions	29
Note 19	Revaluation surplus	30
Note 20	Notes to the statement of cash flows	31
Note 21	Contingent liabilities	32
Note 22	Capital commitments	32
Note 23	Related party transactions	33
Note 24	Financial risk management	35
Note 25	Events occurring after the end of the reporting period	39
Note 26	Other material accounting policies	40
Note 27	Function and activity	41
<b>Information required by legislation</b>		
Note 28	Rating information	43
Note 29	Determination of surplus or deficit	44
Note 30	Borrowing and lease liabilities	45
Note 31	Reserve accounts	47
Note 32	Trust funds	48
Note 33	Correction of prior period error	49



# TOWN OF PORT HEDLAND

## 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 Town of Port Hedland 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 Town 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 Town 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
 (Where useful life of the above assets has been reduced, impairment is provided for.)
- Expected credit losses on financial assets - Note 5
- Investment property - Note 12
- Estimated useful life of rehabilitation assets - Note 13
- Measurement of employee benefits - Note 17
- Measurement of provisions - Note 18

Fair value hierarchy information can be found in Note 26

##### The local government reporting entity

All funds through which the Town 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 32 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 have had no material impact on the financial report on initial application.

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

These amendments may result in changes to the fair value of certain non-financial assets on revaluation. The standard is applied prospectively. In the current year, the changes have been applied in the valuation of specialised building assets. For other assets, impact will be quantified upon the next revaluation cycle.

##### New accounting standards for application in future years

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

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

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

**TOWN OF PORT HEDLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**2. REVENUE AND EXPENSES**

**(a) Revenue**

**Contracts with customers**

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

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

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

**Revenue recognition**

Rate revenue was recognised from the rate record as soon as practicable after the Town 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	-	-	79,105,323	-	79,105,323
Grants, subsidies and contributions	3,270,908	-	-	-	3,270,908
Fees and charges	18,133,424	-	519,803	-	18,653,227
Interest revenue	-	-	335,136	10,700,218	11,035,354
Other revenue	-	-	-	3,345,400	3,345,400
Capital grants, subsidies and contributions	-	21,402,196	-	-	21,402,196
<b>Total</b>	<b>21,404,332</b>	<b>21,402,196</b>	<b>79,960,262</b>	<b>14,045,618</b>	<b>136,812,408</b>

**For the year ended 30 June 2024**

Nature	Contracts with customers	Capital grant/contributions	Statutory requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	-	-	68,960,590	-	68,960,590
Grants, subsidies and contributions	4,271,845	-	-	-	4,271,845
Fees and charges	15,510,329	-	303,896	-	15,814,225
Interest revenue	-	-	456,915	10,155,266	10,612,181
Other revenue	-	-	-	1,817,429	1,817,429
Capital grants, subsidies and contributions	-	5,718,558	-	-	5,718,558
<b>Total</b>	<b>19,782,174</b>	<b>5,718,558</b>	<b>69,721,401</b>	<b>11,972,695</b>	<b>107,194,828</b>

**TOWN OF PORT HEDLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**2. REVENUE AND EXPENSES (Continued)**

**(a) Revenue (Continued)**

Note	2025	2024
	\$	\$
<b>Assets and services acquired below fair value</b>		
Contributed assets	16,453,494	-
	16,453,494	-
<b>Interest revenue</b>		
Interest on investments	10,700,218	10,155,266
Trade and other receivables overdue interest	277,778	456,915
Other interest revenue	57,358	-
	11,035,354	10,612,181
The 2025 original budget estimate in relation to: Trade and other receivables overdue interest was \$280,000.		
<b>Fees and charges relating to rates receivable</b>		
Charges on instalment plan	49,168	45,538
The 2025 original budget estimate in relation to: Charges on instalment plan was \$65,000.		
<b>(b) Expenses</b>		
<b>Auditors remuneration</b>		
- Audit of the Annual Financial Report	180,448	164,741
- Internal audit	41,220	75,805
- Other Audits	8,400	-
	230,068	240,546
<b>Employee Costs</b>		
Employee benefit costs	34,696,109	32,325,292
Other employee costs	2,541,476	1,789,081
	37,237,585	34,114,373
<b>Finance costs</b>		
Provisions: unwinding of discount	18 619,771	540,657
Borrowings	1,105,684	1,206,715
Lease liabilities	5,272	2,181
	1,730,727	1,749,553
<b>Other expenditure</b>		
Impairment losses on rates and statutory receivables	-	(29,637)
Impairment losses on trade receivables	71,573	(21,455)
Bad debt expenditure	38,734	355,680
Grants	1,673,119	702,648
Elected members remuneration	381,860	565,535
Sundry expenses	90,979	361,343
	2,256,265	1,934,114

**TOWN OF PORT HEDLAND  
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	22,468,609	24,044,945
Term deposits	20,001,000	40,001,000
<b>Total cash and cash equivalents</b>	<b>42,469,609</b>	<b>64,045,945</b>
Held as		
- Unrestricted cash and cash equivalents	8,840,522	9,963,740
- Restricted cash and cash equivalents	33,629,087	54,082,205
	<b>42,469,609</b>	<b>64,045,945</b>

**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**

Note	2025 \$	2024 \$
<b>(a) Current assets</b>		
Financial assets at amortised cost	155,000,000	120,000,000
	<b>155,000,000</b>	<b>120,000,000</b>
<b>Other financial assets at amortised cost</b>		
Term deposits	155,000,000	120,000,000
	<b>155,000,000</b>	<b>120,000,000</b>
Held as		
- Restricted other financial assets at amortised cost	20(a) 155,000,000	120,000,000
	<b>155,000,000</b>	<b>120,000,000</b>
<b>(b) Non-current assets</b>		
Financial assets at fair values through other comprehensive income	159,239	142,442
	<b>159,239</b>	<b>142,442</b>
<b>Financial assets at fair values through other comprehensive income</b>		
Financial assets at fair values through other comprehensive income [describe]	159,239	142,442
	<b>159,239</b>	<b>142,442</b>

**MATERIAL ACCOUNTING POLICIES**

**Other financial assets at amortised cost**

The Town 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 0 (ob) 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 values through other comprehensive income**

The Town classifies the following financial assets at fair value through other comprehensive income:

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

**Impairment and risk**

Information regarding impairment and exposure to risk can be found at Note 24.

**TOWN OF PORT HEDLAND  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

**7. OTHER ASSETS**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<b>Other assets - current</b>		
Prepayments	472,366	1,195,935
Accrued income	3,003,415	1,220,295
	<u>3,475,781</u>	<u>2,416,230</u>
<b>Non-current assets</b>		
Prepayments	1,264,441	1,296,052
	<u>1,264,441</u>	<u>1,296,052</u>

**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.

**TOWN OF PORT HEDLAND  
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				Total property			Plant and equipment			Total property, plant and equipment
	Note	Land	Buildings - non-specialised	Buildings - specialised	Land	Buildings	Total property	Furniture and equipment	Plant and equipment	Work in progress	
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>*Restated balance at 1 July 2023</b>		11,265,277	26,148,954	72,498,135	11,265,277	98,647,089	109,912,366	3,450,248	7,050,468	23,757,335	144,170,417
Additions		116,740	5,790,656	11,136,023	116,740	16,926,679	17,043,419	1,317,236	3,654,504	(11,204,579)	10,810,580
Disposals		-	-	-	-	-	-	-	(292,819)	-	(292,819)
Revaluation (loss) / reversals transferred to profit or loss		-	(4,550)	(507,335)	-	(511,885)	(511,885)	-	-	-	(511,885)
*Depreciation		-	(1,495,378)	(4,762,224)	-	(6,257,602)	(6,257,602)	(1,009,448)	(1,776,285)	-	(9,043,335)
<b>*Restated balance at 30 June 2024</b>		11,382,017	30,439,682	78,364,599	11,382,017	108,804,281	120,186,298	3,758,036	8,635,868	12,552,756	145,132,958
<b>Comprises:</b>											
Restated Gross balance amount at 30 June 2024		11,382,017	39,419,012	122,322,640	11,382,017	161,741,652	173,123,669	8,901,835	15,746,770	12,552,756	210,325,030
Restated Accumulated depreciation at 30 June 2024		-	(8,974,780)	(42,940,822)	-	(51,915,602)	(51,915,602)	(5,143,799)	(7,110,902)	-	(64,170,303)
Restated Accumulated impairment loss at 30 June 2024		-	(4,550)	(1,017,219)	-	(1,021,769)	(1,021,769)	-	-	-	(1,021,769)
<b>*Restated balance at 30 June 2024</b>	8(b)	11,382,017	30,439,682	78,364,599	11,382,017	108,804,281	120,186,298	3,758,036	8,635,868	12,552,756	145,132,958
Additions		-	443,399	1,662,216	-	2,105,615	2,105,615	63,439	1,731,526	13,010,476	16,911,056
Disposals		-	-	-	-	-	-	-	(661,834)	-	(661,834)
Revaluation increments / (decrements) transferred to revaluation surplus		48,903	10,773,328	42,321,668	48,903	53,094,996	53,143,899	-	-	-	53,143,899
Asset write off		-	-	(6,800)	-	(6,800)	(6,800)	-	-	-	(6,800)
Depreciation		-	(1,810,572)	(5,813,780)	-	(7,624,352)	(7,624,352)	(1,339,795)	(1,862,370)	-	(10,826,517)
Transfers		(20)	743,378	11,242,457	(20)	11,985,835	11,985,815	497,808	(53,343)	-	12,430,280
<b>Balance at 30 June 2025</b>		11,430,900	40,589,215	127,770,360	11,430,900	168,359,575	179,790,475	2,979,488	7,789,847	25,563,232	216,123,042
<b>Comprises:</b>											
Gross balance amount at 30 June 2025		11,430,900	45,134,287	164,868,571	11,430,900	210,002,858	221,433,758	9,192,103	13,177,632	25,563,232	269,366,725
Accumulated depreciation at 30 June 2025		-	(4,545,072)	(37,098,211)	-	(41,643,283)	(41,643,283)	(6,212,615)	(5,387,785)	-	(53,243,683)
<b>Balance at 30 June 2025</b>	8(b)	11,430,900	40,589,215	127,770,360	11,430,900	168,359,575	179,790,475	2,979,488	7,789,847	25,563,232	216,123,042

\* See note 33 for details regarding the correction of prior period errors

**TOWN OF PORT HEDLAND  
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			Total property			Plant and equipment			Total property, plant and equipment	
	Note	Land \$	Buildings - non-specialised \$	Buildings - specialised \$	Land \$	Buildings \$	Total property \$	Furniture and equipment \$	Plant and equipment \$		Work in progress \$
<b>*Restated balance at 1 July 2023</b>		11,265,277	26,148,954	72,498,135	11,265,277	98,647,089	109,912,366	3,450,248	7,050,468	23,757,335	144,170,417
Additions		116,740	5,790,656	11,136,023	116,740	16,926,679	17,043,419	1,317,236	3,654,504	(11,204,579)	10,810,580
Disposals		-	-	-	-	-	-	-	(292,819)	-	(292,819)
Revaluation (loss) / reversals transferred to profit or loss		-	(4,550)	(507,335)	-	(511,885)	(511,885)	-	-	-	(511,885)
*Depreciation		-	(1,495,378)	(4,762,224)	-	(6,257,602)	(6,257,602)	(1,009,448)	(1,776,285)	-	(9,043,335)
<b>*Restated balance at 30 June 2024</b>		11,382,017	30,439,682	76,364,599	11,382,017	108,804,281	120,186,298	3,758,036	8,635,868	12,552,756	145,132,958
<b>Comprises:</b>											
Restated Gross balance amount at 30 June 2024		11,382,017	39,419,012	122,322,640	11,382,017	161,741,652	173,123,669	8,901,835	15,746,770	12,552,756	210,325,030
Restated Accumulated depreciation at 30 June 2024		-	(8,974,780)	(42,940,822)	-	(51,915,602)	(51,915,602)	(5,143,799)	(7,110,902)	-	(64,170,303)
Restated Accumulated impairment loss at 30 June 2024		-	(4,550)	(1,017,219)	-	(1,021,769)	(1,021,769)	-	-	-	(1,021,769)
<b>*Restated balance at 30 June 2024</b>	8(b)	11,382,017	30,439,682	76,364,599	11,382,017	108,804,281	120,186,298	3,758,036	8,635,868	12,552,756	145,132,958
Additions		-	443,399	1,662,216	-	2,105,615	2,105,615	63,439	1,731,526	13,010,476	16,911,056
Disposals		-	-	-	-	-	-	-	(661,834)	-	(661,834)
Revaluation increments / (decrements) transferred to revaluation surplus		48,903	10,773,328	42,321,668	48,903	53,094,996	53,143,899	-	-	-	53,143,899
Asset write off		-	-	(6,800)	-	(6,800)	(6,800)	-	-	-	(6,800)
Depreciation		-	(1,810,572)	(5,813,780)	-	(7,624,352)	(7,624,352)	(1,339,795)	(1,862,370)	-	(10,826,517)
Transfers		(20)	743,378	11,242,457	(20)	11,985,835	11,985,815	497,808	(53,343)	-	12,430,280
<b>Balance at 30 June 2025</b>		11,430,900	40,589,215	127,770,360	11,430,900	168,359,575	179,790,475	2,979,488	7,789,847	25,563,232	216,123,042
<b>Comprises:</b>											
Gross balance amount at 30 June 2025		11,430,900	45,134,287	164,868,571	11,430,900	210,002,858	221,433,758	9,192,103	13,177,632	25,563,232	269,366,725
Accumulated depreciation at 30 June 2025		-	(4,545,072)	(37,098,211)	-	(41,643,283)	(41,643,283)	(6,212,615)	(5,387,785)	-	(53,243,683)
<b>Balance at 30 June 2025</b>	8(b)	11,430,900	40,589,215	127,770,360	11,430,900	168,359,575	179,790,475	2,979,488	7,789,847	25,563,232	216,123,042

\* See note 33 for details regarding the correction of prior period errors

**TOWN OF PORT HEDLAND  
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	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
<b>(i) Fair value - as determined at the last valuation date</b>					
<b>Land and buildings</b>					
Land - market value	Level 2	Market approach	Independent registered valuer	June 2025	Price per square meter
Total land					
Buildings - non specialised	Level 3	Market & Cost approach	Independent registered valuer	June 2025	Highest and best use in accordance with current market, and construction costs and current condition, residual values and remaining useful life assessment inputs.
Buildings - specialised	Level 3	Cost approach	Independent registered valuer	June 2025	Construction costs and current condition, residual values and remaining useful life assessment inputs.
Total buildings					
<b>(ii) Cost</b>					
Furniture and equipment	Level 2	Cost approach	Cost	NA	Direct cost
Plant and equipment	Level 2	Cost approach	Cost	NA	Direct cost

## TOWN OF PORT HEDLAND 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 and bridges	Infrastructure - drainage	Infrastructure - paths and cycles	Infrastructure - parks and ovals	Infrastructure - other	Infrastructure - bus shelters	Infrastructure - depot	Infrastructure - work in progress	Total infrastructure
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>*Restated Balance at 1 July 2023</b>	259,510,369	32,712,517	40,745,059	24,754,864	50,175,364	562,106	720,521	17,503,947	426,684,747
Additions	4,790,155	3,112,381	1,456,232	56,321	7,914,692	-	-	2,610,710	19,940,491
(Disposals)	-	-	-	-	(426,119)	-	-	-	(426,119)
Impairment (losses) / reversals	-	-	-	(215,936)	(251,588)	-	-	-	(467,524)
*Depreciation	(9,332,589)	(502,521)	(1,056,611)	(2,008,208)	(2,365,619)	(39,340)	(17,347)	-	(15,322,235)
<b>*Restated Balance at 30 June 2024</b>	254,967,935	35,322,377	41,144,680	22,587,041	55,046,730	522,766	703,174	20,114,657	430,409,360
<b>Comprises:</b>									
Restated Gross balance at 30 June 2024	398,493,708	43,597,447	61,871,183	37,196,492	67,743,498	763,443	901,754	20,114,657	630,682,182
Restated Accumulated depreciation at 30 June 2024	(143,525,773)	(8,275,070)	(20,726,503)	(14,609,451)	(12,696,768)	(240,677)	(198,580)	-	(200,272,822)
<b>*Restated Balance at 30 June 2024</b>	254,967,935	35,322,377	41,144,680	22,587,041	55,046,730	522,766	703,174	20,114,657	430,409,360
<b>Additions#</b>	15,405,624	2,548,563	2,625,553	282,199	3,773,366	122,979	-	3,552,476	28,310,760
Revaluation increments / (decrements) transferred to revaluation surplus	-	-	-	-	-	(174,105)	-	-	(174,105)
Asset write off	-	(168,528)	-	-	-	-	-	-	(168,528)
Depreciation	(9,890,035)	(716,129)	(1,358,674)	(1,944,815)	(2,919,264)	(53,818)	(61,065)	-	(16,943,800)
Transfers (net)	(964,667)	911,439	(40,169)	(64,609)	(12,270,576)	(1,698)	-	-	(12,430,280)
<b>Balance at 30 June 2025</b>	259,518,857	37,897,722	42,371,390	20,859,816	43,630,256	416,124	642,109	23,667,133	429,003,407
<b>Comprises:</b>									
Gross balance at 30 June 2025	412,071,527	47,528,983	64,415,074	34,517,250	54,880,592	548,417	901,754	23,667,133	638,530,730
Accumulated depreciation at 30 June 2025	(152,552,670)	(9,631,261)	(22,043,684)	(13,657,434)	(11,250,336)	(132,293)	(259,645)	-	(209,527,323)
<b>Balance at 30 June 2025</b>	259,518,857	37,897,722	42,371,390	20,859,816	43,630,256	416,124	642,109	23,667,133	429,003,407

# Asset additions included non-cash additions. Refer to note 20(c).

\* See note 33 for details regarding the correction of prior period errors

**TOWN OF PORT HEDLAND  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

**9. INFRASTRUCTURE (Continued)**

(b) Carrying amount measurements

Asset class as determined at the last valuation date	Fair value hierarchy	Valuation technique	Basis of valuation	Date of last valuation	Inputs used
Infrastructure - roads and bridges	Level 3	Cost approach, using current replacement cost	Independent registered valuer	June 2023	Construction costs and current condition, residual values and remaining useful life assessment inputs.
Infrastructure - drainage	Level 3	Cost approach, using current replacement cost	Independent registered valuer	June 2023	Construction costs and current condition, residual values and remaining useful life assessment inputs.
Infrastructure - paths and cycles	Level 3	Cost approach, using current replacement cost	Independent registered valuer	June 2023	Construction costs and current condition, residual values and remaining useful life assessment inputs.
Infrastructure - parks and ovals	Level 3	Cost approach, using current replacement cost	Independent registered valuer	June 2023	Construction costs and current condition, residual values and remaining useful life assessment inputs.
Infrastructure - other	Level 3	Cost approach, using current replacement cost	Independent registered valuer	June 2023	Construction costs and current condition, residual values and remaining useful life assessment inputs.
Infrastructure - bus shelters	Level 3	Cost approach, using current replacement cost	Independent registered valuer	June 2025	Construction costs and current condition, residual values and remaining useful life assessment inputs.
Infrastructure - depot	Level 3	Cost approach, using current replacement cost	Independent registered valuer	June 2023	Construction costs and current condition, residual values and remaining useful life assessment inputs.

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

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

**TOWN OF PORT HEDLAND  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

**10. FIXED ASSETS**

**(a) Depreciation**

**Depreciation rates**

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

<b>Asset class</b>	<b>Useful life</b>
Land - freehold land	N/A
Buildings	
- substructure	1 to 150 years
- superstructure	2 to 90 years
- roof	10 to 131 years
- finishes and fittings	1 to 140 years
- services	1 to 86 years
- hotwater/airconditioning	2 to 18 years
Furniture and equipment	2 to 40 years
Plant and equipment	1 to 30 years
Bridges	1 to 100 years
Sealed roads and streets	
- formation	not depreciated
- pavement seal	50 to 180 years
- bituminous seals	55 to 150 years
- asphalt surfaces	15 to 35 years
- formation	not depreciated
- pavement	50 years
- gravel sheet	12 years
Kerbing	1 to 30 years
Formed Roads	
- formation	not depreciated
- pavement	12 to 15 years
Infrastructure - Parks and ovals	1 to 999 years
Infrastructure - Bus shelters	15 years
Infrastructure - Depot	5 to 999 years
Infrastructure - Drainage	1 to 120 years
Infrastructure - Other	1 to 100 years
Right of use (buildings)	Based on the remaining lease
Right of use (plant and equipment)	Based on the remaining lease
Amortisation of rehabilitation asset	Based on the remaining life of landfill asset

**(b) Fully depreciated assets in use**

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

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Buildings - non specialised	4,192	-
Buildings - specialised	972,806	1,190,000
Furniture and equipment	3,505,153	1,746,430
Plant and equipment	1,400,736	1,494,582
Infrastructure - roads and bridges	15,134,848	6,482
Infrastructure - parks and ovals	279,338	731,399
Infrastructure - other	204,328	39,732
	<b>21,501,401</b>	<b>5,208,625</b>

**TOWN OF PORT HEDLAND**  
**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 Town 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 Town'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, investment properties, 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 Town.

Whilst the regulatory framework only requires a revaluation to occur every five years, it also provides for the Town 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 Town 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.

**TOWN OF PORT HEDLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**11. LEASES**

**(a) Right-of-use assets**

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

Note	Right-of-use	Right-of-use	Total right-of-use
	assets - land and buildings	assets - plant and equipment	
	\$	\$	\$
<b>Balance at 1 July 2023</b>	88,340	22,135	110,475
Depreciation	(47,229)	(22,135)	(69,364)
<b>Balance at 30 June 2024</b>	41,111	-	41,111
Gross balance amount at 30 June 2024	264,951	318,747	583,698
Accumulated depreciation at 30 June 2024	(223,840)	(318,747)	(542,587)
<b>Balance at 30 June 2024</b>	41,111	-	41,111
Additions *	289,449	-	289,449
Depreciation	(60,406)	-	(60,406)
<b>Balance at 30 June 2025</b>	270,154	-	270,154
Gross balance amount at 30 June 2025	554,400	-	554,400
Accumulated depreciation at 30 June 2025	(284,246)	-	(284,246)
<b>Balance at 30 June 2025</b>	270,154	-	270,154

\* Right of use asset additions are non-cash additions. Refer to note 20(c).

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

	2025	2024
	\$	\$
Depreciation on right-of-use assets	(60,406)	(69,364)
Finance charge on lease liabilities	(4,976)	(2,181)
<b>Total amount recognised in the statement of comprehensive income</b>	<b>(65,382)</b>	<b>(71,545)</b>
Total cash outflow from leases	(56,993)	(133,108)
<b>(b) Lease liabilities</b>		
Current	48,960	36,498
Non-current	224,970	-
	<b>273,930</b>	<b>36,498</b>

**MATERIAL ACCOUNTING POLICIES**

**Leases**

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

At the commencement date, a right-of-use asset is recognised at cost and lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Town 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 30(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 Town anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

**TOWN OF PORT HEDLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

	2025	2024
	\$	\$
<b>12. INVESTMENT PROPERTY</b>		
<b>Airport land</b>		
Carrying balance at 1 July	41,686,907	45,027,262
Net gain/(loss) from fair value adjustment	5,278	(3,340,355)
Closing balance at 30 June	41,692,185	41,686,907
<b>Amounts recognised in profit or loss for investment properties</b>		
Rental income	924,160	924,160
Direct operating expenses from property that generated rental income	(31,611)	(31,611)
Fair value gain recognised in profit or loss	5,278	(3,340,355)

In August 2015, The Town of Port Hedland announced that it had resolved to enter into an agreement with AMP Capital and the Infrastructure Group to enter into a 50 year lease for the land at Port Hedland International Airport and for the sale of the airport business.

The sale was finalised on 11 March 2016, and the Port Hedland International Airport operations transferred to the new airport operator. On this date, the Town of Port Hedland recognised the land at Port Hedland International Airport as an investment property.

**Valuation of investment property**

The investment property was revalued in June 2024 in line with AASB 13 Fair Value Measurement.

Description of investment property	Extend	Title Area (m2)	Lease plan area (m2)
Lot 9004 on Deposited Plan 404823	Whole	1,506,084	1506084
Lot 435 on Deposited Plan 404824	Whole	600,000	600,000
Lot 436 on Deposited Plan 402661	Whole	99,966	99,966
Lot 437 on Deposited Plan 404824	Whole	33,349	33,349
Lot 438 on Deposited Plan 404824	Whole	33,405	33,405
Lot 439 on Deposited Plan 404824	Whole	33,349	33,349
Lot 16 on Deposited Plan 163352	Whole	106,993	106,998
Lot 15 on Deposited Plan 161311	Whole	34,423	34,398
Lot 29 on Deposited Plan 404824	Whole	105,145	105,091
Part of Lot 9006 on Deposited Plan 404823	Part	329,316	302,831
Part of Lot 9007 on Deposited Plan 404824	Part	2,472,149	2,458,909
Part of Lot 9008 on Deposited Plan 404824	Part	3,104,307	2,864,578
		8,458,486	8,178,958

**Amounts recognised in income statement for investment property**

The investment property is leased out as an operating lease over 50 years. The lessee paid upfront for the use of the investment property. The rental income amount of \$924,160 for the period 1 July 2024 to 30 June 2025 is included in revenue.

		2025	2024
Note		\$	\$
Lease premium prepaid received		46,207,830	46,207,830
Amount recognised		(8,600,480)	(7,676,320)
		37,607,350	38,531,510
Current liability - lease premium prepaid	15	924,160	924,160
Non-current liability - lease premium prepaid	15	36,683,189	37,607,350
		37,607,349	38,531,510

**TOWN OF PORT HEDLAND  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

**12. INVESTMENT PROPERTY (Continued)**

**(b) Net carrying value of Airport Reserve**

The Town committed to post transition completion of major works at the Airport. These funds are allocated to the Airport Reserve.

Note	2025 Actual	2025 Budget	2024 Actual
31	1,595,891	3,495,891	3,385,991

**(c) Additional information**

An upside agreement was signed, ensuring an additional ten million dollars income over the next 50 years based on passenger number growth. This is billable yearly in arrears when passenger growth exceeds a set baseline passenger number. During the current year \$144,672 was recognised as revenue.

**MATERIAL ACCOUNTING POLICIES**

**Investment property**

Investment property is principally freehold land, held for long-term rental yields and not occupied by the Town. Investment property is carried at fair value, in accordance with the material accounting policies disclosed at Note 10.

**Fair value of investment property**

An independent valuation was performed to determine the fair value of investment property. The fair value was determined based on the market comparable approach that reflects recent transaction prices for similar properties on a vacant possession basis.

As the property is subject to a lease the fair value has been determined on the present value of the towns remainder interest and the value of unearned lease payments received in advance.

These inputs are determined to be level 3 inputs.

**TOWN OF PORT HEDLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**13. REHABILITATION ASSETS**

	2025	2024
	\$	\$
<b>Non-current</b>		
Landfill rehabilitation	13,244,931	13,244,931
Less: Accumulated amortisation	<u>(2,823,206)</u>	<u>(1,875,777)</u>
	10,421,725	11,369,154
<b>Balance at 1 July</b>	11,369,154	11,896,893
Amortisation	(947,429)	(947,429)
Revaluation of landfill	-	419,690
<b>TOTAL REHABILITATION ASSET</b>	<u>10,421,725</u>	<u>11,369,154</u>

**Amortisation**

The estimated useful life of rehabilitation assets is 12 years for the current and prior years.

**MATERIAL ACCOUNTING POLICIES**

The rehabilitation asset refers to the discounted present value of the future capping expenditure of the landfill site located in South Hedland and is amortised on a straight-line basis.

The rehabilitation asset is subsequently measured using the revaluation method.

**TOWN OF PORT HEDLAND  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

**14. TRADE AND OTHER PAYABLES**

**Current**

	2025	2024
	\$	\$
Trade creditors	575,866	5,708
Prepaid rates	323,439	892,341
Accrued salaries and wages	1,089,661	1,022,364
Statutory liabilities	608,110	195,379
Bonds and levies	109,079	110,599
Accrued expenditure	4,924,657	1,925,576
Retentions	213,752	143,046
	7,844,564	4,295,013

**Non-current**

Bonds and levies	16,670	13,471
	16,670	13,471

**MATERIAL ACCOUNTING POLICIES**

**Financial liabilities**

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

**TOWN OF PORT HEDLAND  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

**15. OTHER LIABILITIES**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Operating grant/contributions liabilities	1,095,791	778,151
Capital grant/contributions liabilities	9,177,959	3,346,111
Lease premium prepaid	924,160	924,160
	<u>11,197,910</u>	<u>5,048,422</u>
<b>Non-current</b>		
Lease premium prepaid	36,683,189	37,607,350
	<u>36,683,189</u>	<u>37,607,350</u>
<b>Reconciliation of changes in capital grant/contribution liabilities</b>		
Opening balance	3,346,111	2,251,080
Additions	7,789,334	5,349,735
Revenue from capital grant/contributions held as a liability at the start of the period	(1,957,486)	(4,254,704)
	<u>9,177,959</u>	<u>3,346,111</u>
<b>Expected satisfaction of capital grant/contribution liabilities</b>		
Less than 1 year	8,943,860	3,346,111
1 to 2 years	234,099	-
	<u>9,177,959</u>	<u>3,346,111</u>

**MATERIAL ACCOUNTING POLICIES**

**Capital grant/contribution liabilities**

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

**TOWN OF PORT HEDLAND  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

**16. BORROWINGS**

	Note	2025			2024		
		Current	Non-current	Total	Current	Non-current	Total
<b>Secured</b>		\$	\$	\$	\$	\$	\$
WATC loans		2,098,787	17,871,610	19,970,397	2,008,577	19,970,392	21,978,969
<b>Total secured borrowings</b>	30(a)	2,098,787	17,871,610	19,970,397	2,008,577	19,970,392	21,978,969

**MATERIAL ACCOUNTING POLICIES**

**Borrowing costs**

The Town 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 26(i)) due to the unobservable inputs, including own credit risk.

**Risk**

Details of individual borrowings required by regulations are provided at Note 30(a).

Information regarding exposure to risk can be found at Note 24.

**TOWN OF PORT HEDLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**17. EMPLOYEE RELATED PROVISIONS**

**Employee related provisions**

**Current provisions**

**Employee benefit provisions**

	2025	2024
	\$	\$
Annual leave	1,875,990	1,642,355
Long service leave	599,380	540,155
Other employee leave provisions	128,932	-
	2,604,302	2,182,510
<b>Total current employee related provisions</b>	2,604,302	2,182,510

**Non-current provisions**

**Employee benefit provisions**

Long service leave	693,914	461,137
	693,914	461,137
<b>Total non-current employee related provisions</b>	693,914	461,137
<b>Total employee related provisions</b>	3,298,216	2,643,647

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:

**Amounts are expected to be settled on the following basis:**

Note	2025	2024
	\$	\$
Less than 12 months after the reporting date	1,197,726	1,074,540
More than 12 months from reporting date	2,100,490	1,569,107
	3,298,216	2,643,647

**MATERIAL ACCOUNTING POLICIES**

**Employee benefits**

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

**TOWN OF PORT HEDLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**18. OTHER PROVISIONS**

	<b>Landfill rehabilitation</b>	<b>Other Provisions</b>	<b>Library reinstatement</b>	<b>Provision for Guarantee fees</b>	<b>Total</b>
	\$	\$	\$	\$	\$
<b>Opening balance at 1 July 2024</b>					
Current provisions	-	2,391,971	-	-	2,391,971
Non-current provisions	13,783,961	-	15,323	-	13,799,284
	13,783,961	2,391,971	15,323	-	16,191,255
Additional provision	494,615	-	-	70,410	565,025
Amounts used	-	(1,991,971)	-	-	(1,991,971)
Unused amounts reversed	-	(400,000)	-	-	(400,000)
Charged to profit or loss					
- unwinding of discount	619,771	-	-	-	619,771
<b>Balance at 30 June 2025</b>	14,898,347	-	15,323	70,410	14,984,080
<b>Comprises</b>					
Current	-	-	-	70,410	70,410
Non-current	14,898,347	-	15,323	-	14,913,670
	14,898,347	-	15,323	70,410	14,984,080

**MATERIAL ACCOUNTING POLICIES**

**Provisions**

Provisions are recognised when the Town 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.

**TOWN OF PORT HEDLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**19. REVALUATION SURPLUS**

	2025 Opening balance	Total Movement on revaluation	2025 Closing balance	Restated 2024 Opening balance	Restated Total Movement on revaluation	Restated 2024 Closing balance
	\$	\$	\$	\$	\$	\$
<b>Property, plant and equipment</b>						
Revaluation Surplus - Land	7,359,718	48,903	7,408,621	7,359,718	-	7,359,718
Revaluation Surplus - Buildings	6,401,982	53,094,996	59,496,978	6,401,982	-	6,401,982
Revaluation Surplus - Furniture, Fittings & Equipment	385,359	-	385,359	385,359	-	385,359
<b>Subtotal</b>	<b>14,147,059</b>	<b>53,143,899</b>	<b>67,290,958</b>	<b>14,147,059</b>	<b>-</b>	<b>14,147,059</b>
<b>Infrastructure</b>						
Revaluation Surplus - Roads & bridges	151,758,454	-	151,758,454	151,758,454	-	151,758,454
Revaluation Surplus - Drainage	6,181,925	-	6,181,925	6,181,925	-	6,181,925
Revaluation Surplus - Paths & cycleways	29,252,370	-	29,252,370	29,252,370	-	29,252,370
Revaluation Surplus - Open spaces	4,540,221	-	4,540,221	4,540,221	-	4,540,221
Revaluation Surplus - Other infrastructure	547,551	-	547,551	547,551	-	547,551
Revaluation Surplus - Bus shelters	482,609	(174,105)	308,504	482,609	-	482,609
Revaluation Surplus - Depot	-	-	-	-	-	-
<b>Subtotal</b>	<b>192,763,130</b>	<b>(174,105)</b>	<b>192,589,025</b>	<b>192,763,130</b>	<b>-</b>	<b>192,763,130</b>
<b>Investment property</b>						
Revaluation Surplus - Airport land	25,293,347	-	25,293,347	25,293,347	-	25,293,347
<b>Subtotal</b>	<b>25,293,347</b>	<b>-</b>	<b>25,293,347</b>	<b>25,293,347</b>	<b>-</b>	<b>25,293,347</b>
<b>Intangibles</b>						
Revaluation Surplus - Landfill	536,114	(494,615)	41,499	534,813	1,301	536,114
<b>Subtotal</b>	<b>536,114</b>	<b>(494,615)</b>	<b>41,499</b>	<b>534,813</b>	<b>1,301</b>	<b>536,114</b>
Revaluation Surplus - Local government trust investment	2,305	16,797	19,102	2,305	-	2,305
	<b>2,305</b>	<b>16,797</b>	<b>19,102</b>	<b>2,305</b>	<b>-</b>	<b>2,305</b>
	<b>232,741,955</b>	<b>52,491,976</b>	<b>285,233,931</b>	<b>232,740,654</b>	<b>1,301</b>	<b>232,741,955</b>

**TOWN OF PORT HEDLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**20. 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 \$	2024 \$
Cash and cash equivalents	3	42,469,609	64,045,945
<b>Restrictions</b>			
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	33,629,087	54,082,205
- Financial assets at amortised cost	4	155,000,000	120,000,000
		<u>188,629,087</u>	<u>174,082,205</u>
The restricted financial assets are a result of the following specific purposes to which the assets may be used:			
Restricted reserve accounts	31	188,629,087	174,082,205
<b>Total restricted financial assets</b>		<u>188,629,087</u>	<u>174,082,205</u>

**(b) Reconciliation of net result to net cash provided by operating activities**

Net result		30,791,159	8,476,585
Non-cash items:			
Adjustments to fair value of investment property		(5,278)	3,340,355
Depreciation/amortisation		28,778,154	25,382,363
(Profit)/loss on sale of asset		(529,892)	(212,402)
Loss on revaluation of fixed assets	8(a), 9(a)	175,328	1,405,528
Bad debt write off - SSL		-	264,484
Assets received for substantially less than fair value		(16,453,494)	-
(Increase)/decrease in trade and other receivables		(6,429,663)	(1,483,926)
(Increase)/decrease in other assets		(1,027,940)	(815,661)
(Increase)/decrease in inventories		31,621	(243,966)
Increase/(decrease) in trade and other payables		3,552,751	(1,620,998)
Increase/(decrease) in employee related provisions		654,569	243,898
Increase/(decrease) in other provisions		(1,701,790)	540,657
Increase/(decrease) in other liabilities		5,225,327	228,326
Capital grants, subsidies and contributions		(11,540,661)	(6,875,934)
Net cash provided by/(used in) operating activities		<u>31,520,191</u>	<u>28,629,309</u>

**(c) Non-cash investing and financing activities**

Acquisition of infrastructure below fair value	9(a)	16,453,494	-
Movement in other provision through revaluation surplus	18	494,615	-
Acquisition of right of use assets by means of a lease	11(a)	289,449	-

**(d) Undrawn borrowing facilities**

<b>Credit standby arrangements</b>			
Credit card limit		300,000	215,000
Credit card balance at balance date		(58,429)	(46,399)
<b>Total amount of credit unused</b>		<u>241,571</u>	<u>168,601</u>
<b>Loan facilities</b>			
Loan facilities - current	16	2,098,787	2,008,577
Loan facilities - non-current	16	17,871,610	19,970,392
<b>Total facilities in use at balance date</b>		<u>19,970,397</u>	<u>21,978,969</u>
<b>Unused loan facilities at balance date</b>		<u>241,571</u>	<u>168,601</u>

**TOWN OF PORT HEDLAND  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

**21. CONTINGENT LIABILITIES**

In compliance with the Contaminated Sites Act 2003 Section 11, the Town of Port Hedland has listed sites to be possible sources of contamination.

In 2017 the Town, in conjunction with Port Hedland International Airport, undertook a detailed site investigation on airport land to establish a baseline of contamination prior to entering a lease arrangement. Findings of note include significant PFAS contamination resulting from historical fire fighting operations and hydrocarbon contamination from underground fuel and oil storage.

To date, hydrocarbon contamination has been remediated with a closure report issued to Department of Water and Environmental Regulation (DWER). PFAS contamination remains as technology is not available to remediate on such a scale. A draft Remediation Plan has been submitted to DWER and action will be taken when reasonable remediation opportunities are identified.

The Town is working with Air services Australia to provide ongoing monitoring of PFAS contamination and review options for remediation. As this time, the Town is unable to estimate the potential costs associated with remediation of the sites.

In addition, the Town in conjunction with PHIA have completed the construction of a formalised Asbestos Containment Cell to safely contain ACM disposed of inappropriately across the site in historical dump points. This has effectively eliminated future risk and provided compliant containment in line with DWER requirements.

**22. CAPITAL COMMITMENTS**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Contracted for:		
- capital expenditure projects	7,460,777	12,411,594
- plant & equipment purchases	970,070	109,616
	<b>8,430,847</b>	<b>12,521,210</b>
Payable:		
- not later than one year	8,131,229	11,371,382
- payable later than one year	299,618	1,149,828
	<b>8,430,847</b>	<b>12,521,210</b>

**TOWN OF PORT HEDLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**23. RELATED PARTY TRANSACTIONS**

**(a) Council member remuneration**

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

Note	2025	2024
	\$	\$
Mayor's annual allowance	60,000	80,840
Mayor's meeting attendance fees	43,444	49,384
Mayor's other expenses	2,955	7,783
Mayor's annual allowance for ICT expenses	2,000	3,500
Mayor's travel and accommodation expenses	50,243	18,223
	<u>158,642</u>	<u>159,730</u>
Deputy Mayor's annual allowance	13,750	20,210
Deputy Mayor's meeting attendance fees	30,805	32,921
Deputy Mayor's other expenses	1,454	9,491
Deputy Mayor's annual allowance for ICT expenses	2,000	3,500
Deputy Mayor's travel and accommodation expenses	11,944	7,146
	<u>59,953</u>	<u>73,268</u>
All other council member's meeting attendance fees	169,587	219,517
All other council member's All other council member expenses	4,567	66,545
All other council member's annual allowance for ICT expenses	11,168	23,345
All other council member's travel and accommodation expenses	23,773	23,130
	<u>209,095</u>	<u>332,537</u>
23(b)	<u>427,690</u>	<u>565,535</u>

**(b) Key management personnel (KMP) compensation**

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

Short-term employee benefits	1,255,488	1,485,333
Post-employment benefits	151,358	170,995
Employee - other long-term benefits	162,081	164,461
Employee - termination benefits	-	179,317
Council member costs	427,690	565,535
23(a)	<u>1,996,617</u>	<u>2,565,641</u>

*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 Town'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.

**TOWN OF PORT HEDLAND  
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
 FOR THE YEAR ENDED 30 JUNE 2025**

**23. RELATED PARTY TRANSACTIONS (Continued)**

**(c) Transactions with related parties**

Transactions between related parties and the Town 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:

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
Purchase of goods and services	23,056	34,672

**(d) Related parties**

**The Town's main related parties are as follows:**

*Key management personnel*

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Town, directly or indirectly, including any council member, are considered key management personnel.

**TOWN OF PORT HEDLAND  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

**24. FINANCIAL RISK MANAGEMENT**

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

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

The Town 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**

Cash and cash equivalents are invested in fixed interest rate term deposits which do not expose the Town 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.

**Borrowings**

New borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Town 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 Town 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).

**(b) Credit risk**

**Trade and other receivables**

The Town's major trade and other receivables comprise contractual non-statutory user fees and charges, grants, contributions and reimbursements. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Town manages this risk by monitoring outstanding debt and employing debt recovery policies.

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

The Town 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.

**TOWN OF PORT HEDLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**24. FINANCIAL RISK MANAGEMENT (Continued)**

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
<b>30 June 2025</b>					
<b>Trade receivables</b>					
Expected credit loss	0.46%	2.11%	7.94%	63.46%	
Gross carrying amount	6,433,824	1,051,933	125,293	96,156	7,707,206
Loss allowance	29,383	22,232	9,954	61,021	122,590
<b>30 June 2024</b>					
<b>Trade receivables</b>					
Expected credit loss	0.53%	2.29%	8.91%	31.33%	
Gross carrying amount	1,285,860	71,524	60,744	118,548	1,536,676
Loss allowance	6,821	1,639	5,413	37,144	51,017

**Rates receivable**

Most rates receivable are debts arising from outstanding rates and interest charges. The ECL has been calculated based on known and anticipated changed circumstances, that may impact the recoverability of receivables for rateable properties for which a lease is held.

	Less than 1 year past due	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
<b>30 June 2025</b>					
<b>Rates receivables less prepaid rates</b>					
Expected credit loss	0.21%	0.84%	2.25%	10.45%	
Gross carrying amount	2,240,504	277,880	98,883	140,218	2,757,485
Loss allowance	4,641	2,334	2,220	14,647	23,842
<b>30 June 2024</b>					
<b>Rates receivables less prepaid rates</b>					
Expected credit loss	0.89%	6.24%	9.85%	40.37%	
Gross carrying amount	1,651,847	182,127	85,711	179,610	2,099,295
Loss allowance	14,781	11,365	8,446	72,503	107,095

**TOWN OF PORT HEDLAND  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

**24. 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	
	2025	2024	2025	2024
<b>Opening loss allowance as at 1 July</b>	\$ 51,017	\$ 72,472	\$ 107,095	\$ 136,732
Increase/Decrease in loss allowance recognised in profit or loss during the year	71,573	(21,455)	(83,253)	(29,637)
<b>Closing loss allowance at 30 June</b>	122,590	51,017	23,842	107,095

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 Town, 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.

**TOWN OF PORT HEDLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**24. 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 Town manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

The contractual undiscounted cash flows of the Town'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.

	<b>Due within 1 year</b>	<b>Due between 1 &amp; 5 years</b>	<b>Due after 5 years</b>	<b>Total contractual cash flows</b>	<b>Carrying amount</b>
	\$	\$	\$	\$	\$
<b>2025</b>					
Trade and other payables	7,861,235	-	-	7,861,235	7,861,235
Borrowings	2,975,684	9,805,159	13,442,728	26,223,571	19,970,397
Lease liabilities	61,301	246,189	-	307,490	273,930
	<u>10,898,220</u>	<u>10,051,348</u>	<u>13,442,728</u>	<u>34,392,296</u>	<u>28,105,562</u>
<b>2024</b>					
Trade and other payables	4,295,013	-	-	4,295,013	4,295,013
Borrowings	2,008,574	9,284,731	10,685,664	21,978,969	21,978,969
Lease liabilities	36,498	-	-	36,498	36,498
	<u>6,340,085</u>	<u>9,284,731</u>	<u>10,685,664</u>	<u>26,310,480</u>	<u>26,310,480</u>

**TOWN OF PORT HEDLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**25. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD**

The Mayor resigned on 25 August 2025, and due to the previous resignations of four Councillors since October 2024, more than half of the offices of members of the Council were vacant.

Under the *Local Government Act 1995*, Commissioners can be appointed to fulfil the role of the Council and exercise its powers if more than half of the Council becomes vacant.

The Minister for Local Government, Hon. Hannah Beazley, announced the appointment of three Commissioners on 1 September 2025.

The three Commissioners will replace the Council until an election is held on 28 March 2026 and the new Council holds its first meeting.

**TOWN OF PORT HEDLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

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

**g) Fair value of assets and liabilities**

Fair value is the price that the Town 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.

**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 Town 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 Town 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 Town 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 Town'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

**TOWN OF PORT HEDLAND  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

**27. FUNCTION AND ACTIVITY**

**(a) Service objectives and descriptions**

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

<b>Objective</b>	<b>Description</b>
<p><b>Governance</b> To provide a decision making process for the efficient allocation of scarce resources.</p>	Includes all 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 providing legal services on all matters which do not concern specific local government services.
<p><b>General purpose funding</b> To collect revenue to allow for the provision of services.</p>	Rates, general purpose government grants, interest revenue.
<p><b>Law, order, public safety</b> To provide services to help ensure a safer and environmentally conscious community.</p>	Fire prevention and volunteer bush fire brigade, animal control, support of State Emergency Services, emergency services, the Town's CCTV network, and community safety and crime prevention initiatives.
<p><b>Health</b> To provide an operational framework for environmental and community health.</p>	Vermin control, environmental health, food and public health regulation and compliance, and health.
<p><b>Education and welfare</b> To provide services to disadvantaged persons, the elderly, children and youth.</p>	Community partnership funding, disability access initiatives, community services administration, facilities including the JD Hardie Centre and asset management associated with key community buildings.
<p><b>Housing</b> To provide and maintain adequate housing.</p>	Primarily centred around the provision of housing to employees, and asset management activities.
<p><b>Community amenities</b> To provide services required by the community.</p>	Strategic town planning and development control, all aspects of waste management such as waste collection, landfill operations, and waste minimisation; cemeteries, public toilets, cyclone preparation and response, and sanitation and litter collection.
<p><b>Recreation and culture</b> To establish and effectively manage infrastructure and resources which will help the social well-being of the community.</p>	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, galleries and other cultural facilities.
<p><b>Transport</b> To provide safe, effective and efficient transport services to the community.</p>	Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities, and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.
<p><b>Economic services</b> To help promote the Town and its economic well-being.</p>	Tourism and area promotion, strategic projects, leasing and administration of commercial properties, building regulation, land development, and saleyards and markets.
<p><b>Other property and services</b> To monitor and control operating accounts.</p>	Private works operation, plant repair and costs.

**TOWN OF PORT HEDLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**27. FUNCTION AND ACTIVITY (Continued)**

**(b) Income and expenses**

	<b>2025</b>	<b>2024</b>
	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>
<b>Income excluding grants, subsidies and contributions and capital grants, subsidies and contributions</b>		
Governance	455,229	113,686
General purpose funding	87,419,082	79,618,503
Law, order, public safety	73,551	119,771
Education and welfare	158,579	153,052
Housing	45,131	-
Community amenities	14,206,399	10,765,475
Recreation and culture	3,939,957	2,779,353
Transport	1,177,396	92,354
Economic services	212,568	1,690,899
Other property and services	6,138,644	2,083,734
	<b>113,826,536</b>	<b>97,416,827</b>
<b>Grants, subsidies and contributions and capital grants, subsidies and contributions</b>		
General purpose funding	2,675,251	7,171,935
Law, order, public safety	1,545	133,906
Education and welfare	106,090	147,548
Community amenities	17,163	39,146
Recreation and culture	704,821	454,304
Transport	2,593,901	438,757
Economic services	-	45,000
Other property and services	18,574,333	1,559,807
	<b>24,673,104</b>	<b>9,990,403</b>
<b>Total income</b>	<b>138,499,640</b>	<b>107,407,230</b>
<b>Expenses</b>		
Governance	(7,048,751)	(7,860,035)
General purpose funding	(7,458,067)	(17,385,965)
Law, order, public safety	(1,966,138)	(1,802,688)
Health	(650,791)	(593,690)
Education and welfare	(3,474,598)	(3,294,213)
Housing	(1,319,624)	-
Community amenities	(11,277,166)	(7,873,691)
Recreation and culture	(22,618,827)	(16,935,952)
Transport	(3,495,884)	(2,947,519)
Economic services	(2,988,989)	(2,391,502)
Other property and services	(45,409,646)	(37,845,390)
<b>Total expenses</b>	<b>(107,708,481)</b>	<b>(98,930,645)</b>
<b>Net result for the period</b>	<b>30,791,159</b>	<b>8,476,585</b>
<b>(c) Assets</b>		
Governance	1,375,822	20,687,929
General purpose funding	25,100,900	189,343,539
Law, order, public safety	3,080,339	554,784
Health	2,400	196,339
Education and welfare	32,207,586	23,607,422
Housing	52,962,342	47,176,001
Community amenities	59,301,651	57,979,486
Recreation and culture	202,446,261	154,867,079
Transport	307,872,840	307,768,555
Economic services	5,417,989	3,157,255
Other property and services	222,698,982	17,391,251
Unallocated	-	16
<b>Total assets</b>	<b>912,467,112</b>	<b>822,729,656</b>

**TOWN OF PORT HEDLAND  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

**28. RATING INFORMATION**

**(a) General rates**

RATE TYPE Rate description	Rate in \$	Number of properties	2024/25 Actual		2024/25 Actual		2024/25 Actual		2024/25 Actual		2024/25 Actual		2024/25 Actual		2023/24 Actual	
			rateable value*	rate revenue	interim rates	interim rates										
GRV Residential	0.067000	5,415	185,060,340	12,398,373	(52,746)	12,345,627	12,398,373	-	12,398,373	12,398,373	-	12,398,373	12,398,373	-	12,398,373	12,393,873
GRV Commercial	0.089570	577	64,273,610	5,756,987	(803,841)	4,953,146	5,756,987	400,000	6,156,987	5,756,987	400,000	6,156,987	5,756,987	400,000	6,156,987	5,497,081
GRV Mass accommodation	0.133000	19	18,538,140	2,465,573	-	2,465,573	2,465,573	-	2,465,573	2,465,573	-	2,465,573	2,465,573	-	2,465,573	2,465,573
UV Pastoral	0.120000	18	2,279,739	273,569	(360)	273,209	273,569	-	273,569	273,569	-	273,569	273,569	-	273,569	183,029
UV Mining	0.227571	458	236,707,151	53,867,683	3,903,532	57,771,215	53,867,683	-	53,867,682	53,867,682	-	53,867,682	53,867,682	-	53,867,682	47,071,729
UV Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	79,980
<b>Total general rates</b>		6,487	506,848,980	74,762,185	3,046,585	77,808,770	74,762,184	400,000	75,162,184	74,762,184	400,000	75,162,184	74,762,184	400,000	75,162,184	67,691,265
<b>Minimum payment</b>																
GRV Residential	1,300	878		1,141,400		1,141,400	1,141,400		1,141,400	1,141,400		1,141,400	1,141,400		1,141,400	1,136,200
GRV Commercial	1,900	164		311,600		311,600	311,600		311,600	311,600		311,600	311,600		311,600	319,200
GRV Mass accommodation	1,900	-		-		-	-		-	-		-	-		-	-
UV Pastoral	1,900	4		7,600		7,600	7,600		7,600	7,600		7,600	7,600		7,600	13,600
UV Mining	250	91		22,750		22,750	22,750		22,750	22,750		22,750	22,750		22,750	9,500
UV Other	2,000	-		-		-	-		-	-		-	-		-	-
<b>Total minimum payments</b>		1,137		1,483,350		1,483,350	1,483,350		1,483,350	1,483,350		1,483,350	1,483,350		1,483,350	1,478,500
<b>Total general rates and minimum payments</b>		7,624	506,848,980	76,245,535	3,046,585	79,292,120	76,245,534	400,000	76,645,534	76,245,534	400,000	76,645,534	76,245,534	400,000	76,645,534	69,169,765
Discounts																-
Concessions						(186,797)									(168,127)	-
<b>Total rates</b>						79,105,323									76,470,647	68,960,590

**(b) Rates related information**

Rates instalment interest	45,538
Rates overdue interest	403,705
Rates written off	-
	38,734

**TOWN OF PORT HEDLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**29. DETERMINATION OF SURPLUS OR DEFICIT**

Note	2024/25 (30 June 2025 carried forward) \$	2024/25 Budget (30 June 2025 carried forward) \$	2023/24 (Restated 30 June 2024 carried forward) \$
<b>(a) Non-cash amounts excluded from operating activities</b>			
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> .			
<b>Adjustments to operating activities</b>			
	Less: Profit on asset disposals	(529,892)	(192,410)
	Less: Premium prepaid	(924,160)	(924,160)
	Add: Legal fees prepaid	-	31,611
8 (a), (9a)	Add: Impairment and asset write off	175,328	1,405,528
	Add: Write off SSL	-	233,315
	Less: Revaluation Increment	(1,152,062)	-
10(a)	Add: Depreciation	28,778,154	25,382,363
<b>Non-cash movements in non-current assets and liabilities:</b>			
	Adjustment to Other Infrastructure	189,616	19,641
12	Investment property	(5,278)	3,340,355
	Pensioner deferred rates	10,692	(15,033)
	Employee benefit provisions	232,777	1,910
	Other provisions	619,771	540,657
	Prepaid TAG fees	31,611	34,425
	<b>Non-cash amounts excluded from operating activities</b>	<b>27,426,557</b>	<b>29,838,210</b>
<b>(b) Non-cash amounts excluded from investing activities</b>			
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> .			
<b>Adjustments to investing activities</b>			
20(c)	Infrastructure received for substantially less than fair value	16,453,494	-
	Non cash capital grants, subsidies and contributions	(16,453,494)	-
11(a)	Right of use assets received - non cash	289,449	-
	<b>Non-cash amounts excluded from investing activities</b>	<b>289,449</b>	<b>-</b>
<b>(c) Non-cash amounts excluded from financing activities</b>			
The following non-cash revenue or expenditure has been excluded from amounts attributable to financing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .			
<b>Adjustments to financing activities</b>			
30(b)	Non cash proceeds from new leases	(289,449)	-
	<b>Non-cash amounts excluded from financing activities</b>	<b>(289,449)</b>	<b>-</b>
<b>(d) Surplus or deficit after imposition of general rates</b>			
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.			
<b>Adjustments to net current assets</b>			
31	Less: Reserve accounts	(188,629,087)	(174,082,205)
	Less: Rates Receivable	-	(28,553)
	Less: Movement in Assets as a result of reinstatement	(962,438)	-
	TAG Fee Prepaid	(31,611)	(31,615)
	Add: Current liabilities not expected to be cleared at end of year	-	-
16	- Current portion of borrowings	2,098,787	2,008,577
	- Lease premium prepaid	924,160	924,160
11(b)	- Current portion of lease liabilities	48,960	(36,498)
	- Employee benefit provisions	2,475,371	540,155
	- Deferred income	380,552	-
	- Airport provisions	-	2,391,971
	<b>Total adjustments to net current assets</b>	<b>(183,695,306)</b>	<b>(168,285,455)</b>
<b>Net current assets used in the Statement of financial activity</b>			
	Total current assets	213,511,527	192,619,578
	Less: Total current liabilities	(23,864,933)	(15,962,991)
	Less: Total adjustments to net current assets	(183,695,306)	(168,285,455)
	<b>Surplus or deficit after imposition of general rates</b>	<b>5,951,288</b>	<b>8,371,132</b>

**TOWN OF PORT HEDLAND  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

**30. 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	
Staff housing		9,826,950	\$ -	(304,988)	9,521,962	\$ -	(319,350)	9,202,612	
Staff housing		99,262	-	(2,340)	96,922	-	(3,239)	93,683	
Seawalls		5,146,217	-	(478,539)	4,667,678	-	(447,375)	4,220,303	
Seawalls		4,818,640	-	(356,868)	4,461,772	-	(425,900)	4,035,872	
Depot facility		4,010,150	-	(779,515)	3,230,635	-	(812,708)	2,417,927	
<b>Total</b>		<b>23,901,219</b>	<b>\$ -</b>	<b>(1,922,250)</b>	<b>21,978,969</b>	<b>\$ -</b>	<b>(2,008,572)</b>	<b>19,970,397</b>	

Purpose	Loan number	Institution	Interest rate	Date final payment is due	Borrowing finance cost payments	
					Actual for year ending 30 June 2024	Budget for year ending 30 June 2025
Staff housing	393250	WA Treasury Corporation	4.85%	1/03/2043	\$ (488,937)	\$ (399,805)
Staff housing	425341	WA Treasury Corporation	4.90%	1/03/2043	(4,818)	(4,663)
Seawalls	393249	WA Treasury Corporation	4.39%	1/03/2033	(214,690)	(194,481)
Seawalls	425344	WA Treasury Corporation	4.49%	1/03/2033	(207,907)	(205,080)
Depot facility	393246	WA Treasury Corporation	4.18%	1/03/2028	(150,030)	(116,712)
<b>Total</b>					<b>(1,046,382)</b>	<b>(920,741)</b>

**TOWN OF PORT HEDLAND  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

**30. BORROWING AND LEASE LIABILITIES (Continued)**

(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	Lease term
Port Hedland library		\$ 87,646	-	\$(51,148)	\$ 36,498	\$ 289,449	\$(52,017)	\$ 273,930	
Graiwick gym equipment		\$ 79,779	-	\$(79,779)	-	-	-	-	
<b>Total lease liabilities</b>	11(b)	<b>167,425</b>	<b>-</b>	<b>\$(130,927)</b>	<b>36,498</b>	<b>289,449</b>	<b>\$(52,017)</b>	<b>273,930</b>	<b>5 years</b>
<b>Lease finance cost payments</b>									
Purpose	Lease number	Institution	Interest rate	Date final payment is due	Actual for year ending 30 June 2024	Budget for year ending 30 June 2025	Actual for year ending 30 June 2024	Budget for year ending 30 June 2025	Lease term
Port Hedland library		Sentinel Countrywide Retail	5.20%	1/02/2030	\$ (2,181)	(431)	\$ (2,181)	(431)	5 years
<b>Total finance cost payments</b>					<b>(2,181)</b>	<b>(431)</b>	<b>(2,181)</b>	<b>(431)</b>	

# TOWN OF PORT HEDLAND NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2025

## 31. RESERVE ACCOUNTS

	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
<b>Restricted by council</b>												
(a) Reserves cash backed - Employee leave reserve	2,182,509	292,862	-	2,475,371	1,525,612	-	-	1,525,612	1,375,612	806,897	-	2,182,509
(b) Reserves cash backed - Plant reserve	5,100,302	2,897,632	(5,162,636)	2,835,398	5,056,668	2,897,632	(4,886,835)	3,067,465	2,749,607	8,425,522	(6,074,827)	5,100,302
(c) Reserves cash backed - Unfinished works & committed works reserve	14,707,036	24,451,209	(15,001,248)	24,156,997	13,622,554	-	-	13,622,554	16,715,475	11,440,863	(13,449,302)	14,707,036
(d) Reserves cash backed - Housing reserve	1,369,238	104,719	-	1,473,957	3,310,805	104,719	(500,000)	2,915,524	583,965	3,050,000	(2,264,727)	1,369,238
(e) Reserves cash backed - Airport reserve	3,385,991	109,900	(1,900,000)	1,595,891	3,385,991	109,900	-	3,495,891	4,285,991	-	(900,000)	3,385,991
(f) Reserves cash backed - Spoilbank reserve	123,202	3,158	-	126,360	123,201	3,159	-	126,360	123,202	-	-	123,202
(g) Reserves cash backed - Asset management reserve	14,943,103	22,923,394	(14,891,311)	22,975,186	16,223,641	21,937,924	(16,989,777)	21,171,788	16,878,358	5,359,801	(7,295,056)	14,943,103
(h) Reserves cash backed - Waste management reserve	13,052,060	4,633,232	(3,060,570)	14,630,722	13,119,140	3,220,399	(3,060,324)	13,279,215	10,790,246	6,775,419	(4,513,605)	13,052,060
(i) Reserves cash backed - Strategic reserve	91,651,791	11,963,087	(16,413,140)	87,201,738	87,333,895	6,387,984	(8,262,234)	85,459,645	93,404,698	6,974,000	(8,726,907)	91,651,791
(j) Reserves cash backed - Cyclone emergency response reserve	1,163,070	1,018,459	-	2,181,529	1,163,070	30,268	-	1,193,338	80,410	1,082,660	-	1,163,070
(k) Reserves cash backed - Financial risk reserve	18,550,810	128,208	-	18,679,018	19,250,810	128,208	-	19,379,018	18,550,810	-	-	18,550,810
(l) Reserves cash backed - Landfill establishment reserve	7,853,093	2,443,827	-	10,296,920	6,255,956	1,444,670	-	7,700,626	6,500,000	1,835,024	(481,931)	7,853,093
	174,082,205	70,975,687	(56,428,805)	188,629,087	170,371,333	36,264,863	(33,699,170)	172,937,026	172,038,374	45,750,186	(43,706,365)	174,082,205

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

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

### Name of the reserve account

- | Name of the reserve account   | Purpose of the reserve account   |
|---|--|
| (a) Reserves cash backed - Employee leave reserve                     | To ensure that adequate funds are available to finance employee leave entitlements.  |
| (b) Reserves cash backed - Plant reserve                              | To fund the plant replacement program.   |
| (c) Reserves cash backed - Unfinished works & committed works reserve | To transfer unspent municipal funded expenditure on specific projects to enable identification of carryover expenditure into the next financial year.  |
| (d) Reserves cash backed - Housing reserve                            | To fund the maintenance, refurbishment, redevelopment and construction of Local Government provided housing.   |
| (e) Reserves cash backed - Airport reserve                            | To fund the future Port Hedland International Airport Capital Works commitments.   |
| (f) Reserves cash backed - Spoilbank reserve                          | To fund the Port Hedland Spoilbank development.  |
| (g) Reserves cash backed - Asset management reserve                   | To fund the ongoing maintenance, refurbishment, renewal, replacement and development of Council owned infrastructure assets within the Town operations.  |
| (h) Reserves cash backed - Waste management reserve                   | To fund strategic projects as included in the Town's Strategic Community Plan and Corporate Business Plan.   |
| (i) Reserves cash backed - Strategic reserve                          | To provide funds to mitigate against financial risks including legal cases with penalties awarded against the Town and SAT rulings upholding valuation objections on high value properties likely to cause significantly large refunds and other unknown events potentially resulting in financial loss to the Town. |
| (j) Reserves cash backed - Cyclone emergency response reserve         | To fund the closure and repatriation of the existing landfill facility situated at North Circular road. South Hedland while also planning for the design, development and construction of a new landfill facility on a suitable designated site.   |

**TOWN OF PORT HEDLAND  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

**32. 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:

	<b>1 July 2024</b>	<b>Amounts received</b>	<b>Amounts paid</b>	<b>30 June 2025</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Public open space	376,379	-	-	376,379
Mosquito control	4,389	610	-	4,999
Nomination bond	100	-	(100)	-
	<b>380,868</b>	<b>610</b>	<b>(100)</b>	<b>381,378</b>

**TOWN OF PORT HEDLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**33. CORRECTION OF PRIOR PERIOD ERROR**

During the year the following restatements have been made relating to prior period balances. The restatements have been made by retrospectively applying the corrections and adjustments to each affected financial statement line item.

**a) Reinstatement of Property, plant and equipment and Infrastructure assets previously devalued to \$Nil in prior years**

During the financial year ended 30 June 2023, the Town applied to nil values to certain Property, Plant and Equipment and Infrastructure Assets whose existence could not be confirmed, pending a comprehensive verification exercise to reconfirm whether the assets actually existed and corresponding values. The comprehensive verification which involved the Town's finance and engineering personnel commenced in 2023-24 and was completed in the current 2024-25 financial year. An independent valuer was then engaged by the Town to perform an independent valuation on the verified assets with the values being determined as of 30 June 2023 to enable the retrospective correction of the previous devaluation which occurred in 2022-23 financial year. Where the assets were acquired in 2023, these respective purchase amounts were taken to represent their fair values as at 30 June 2023.

The following is a summary of the outcomes of this verification exercise and related valuation process:

- Items of property, plant and equipment, previously devalued to \$Nil in 2022-23 and whose existence was confirmed through the verification exercised was revalued at \$747,736 as at 30 June 2023.
- Items of infrastructure assets, previously devalued to \$Nil and whose existence was confirmed amounted to \$9,578,164 at 30 June 2023.
- Further, as at 30 June 2024 the Town had partially recognised \$3,434,289 being the fair value for some of the assets that had been devalued to \$Nil as at 30 June 2023. However, following the determination of the full valuation impact for all assets as at 30 June 2023 (as noted above), this partial revaluation recognised in 30 June 2024 is reversed.

As a consequence of the above, the Town has determined that:

- Property, plant and equipment was understated by \$747,736 at 30 June 2023 and \$671,306 at 30 June 2024.
- Infrastructure assets were understated by \$9,578,164 at 30 June 2023 and \$5,794,496 at 30 June 2024.
- Depreciation was understated by \$425,809 for the year ended 30 June 2024
- Other comprehensive income overstated by \$3,434,289 for the year ended 30 June 2024
- Revaluation surplus was understated by \$10,325,900 at 30 June 2023 and \$6,891,611 at 30 June 2024.
- Retained surplus overstated by \$425,809 as at 30 June 2024.

**b) Reversal of incorrectly recognised impairment expense**

During the financial year ended 30 June 2023, an amount of \$3,090,651 was transferred from the Asset Revaluation Reserve to Asset Impairment (Infrastructure) Expense, resulting in a total expense of \$3,625,464. This adjustment was made as the decrement in fair values for asset classes of depot and other infrastructure were assessed to be insufficient.

Following the above restatements to the revaluations, it was determined that had the corrected revaluation been applied as at 30 June 2023, there would have been sufficient surplus within the reserve of \$2,342,636 (Other infrastructure \$2,044,953 and Depot \$297,683) for the decrement in these assets to be recognised against the revaluation reserve rather than through impairment loss. Accordingly, as a consequence of the above:

- Retained surplus was understated by \$2,342,636 as at 30 June 2023 and 30 June 2024.
- Revaluation surplus was overstated by \$2,342,636 as at 30 June 2023 and 30 June 2024.

The financial impact of correcting the above misstatements are indicated below:

**STATEMENT OF COMPREHENSIVE INCOME**  
**(EXTRACT)**

	2024 Reported	Increase/ (Decrease)	2024 Restated
Depreciation	(24,956,554)	(425,809)	(25,382,363)
<b>Net result for the period</b>	<b>8,902,394</b>	<b>(425,809)</b>	<b>8,476,585</b>
<b>Other comprehensive income for the period</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Changes in asset revaluation surplus	3,435,590	(3,434,289)	1,301
<b>Total other comprehensive income for the period</b>	<b>3,435,590</b>	<b>(3,434,289)</b>	<b>1,301</b>
<b>Total comprehensive income for the period</b>	<b>12,337,984</b>	<b>(3,860,098)</b>	<b>8,477,886</b>

**TOWN OF PORT HEDLAND  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

**33. CORRECTION OF PRIOR PERIOD ERROR (Continued)**

**STATEMENT OF FINANCIAL POSITION  
(EXTRACT)**

	30-Jun-2024 Reported	Increase/ (Decrease)	30-Jun-2024 Restated	1-Jul-2023 Reported	Increase/ (Decrease)	1-Jul-2023 Restated
				\$		
Property, plant and equipment	144,461,652	671,306	145,132,958	143,422,681	747,736	144,170,417
Infrastructure	424,614,864	5,794,496	430,409,360	417,106,583	9,578,164	426,684,747
<b>TOTAL NON-CURRENT ASSETS</b>	<b>623,644,266</b>	<b>6,465,802</b>	<b>630,110,068</b>	<b>619,305,029</b>	<b>10,325,900</b>	<b>629,630,929</b>
<b>TOTAL ASSETS</b>	<b>816,263,844</b>	<b>6,465,802</b>	<b>822,729,646</b>	<b>806,168,765</b>	<b>10,325,900</b>	<b>816,494,665</b>
<b>NET ASSETS</b>	<b>728,449,219</b>	<b>6,465,802</b>	<b>734,915,021</b>	<b>716,111,235</b>	<b>10,325,900</b>	<b>726,437,135</b>
Retained surplus	326,174,034	1,916,827	328,090,861	319,315,471	2,342,636	321,658,107
Revaluation surplus	228,192,980	4,548,975	232,741,955	224,757,390	7,983,264	232,740,654
<b>TOTAL EQUITY</b>	<b>728,449,219</b>	<b>6,465,802</b>	<b>734,915,021</b>	<b>716,111,235</b>	<b>10,325,900</b>	<b>726,437,135</b>

**STATEMENT OF FINANCIAL ACTIVITY  
(EXTRACT)**

	30-Jun-2024 reported	Increase/ (Decrease)	30-Jun-2024 restated
Depreciation	(24,956,554)	(425,809)	(25,382,363)
Non-cash amount excluded from operating activities	29,412,401	425,809	29,838,210
<b>Amount attributable to operating activities</b>	<b>32,596,237</b>	<b>-</b>	<b>32,596,237</b>



# Auditor General

## INDEPENDENT AUDITOR'S REPORT

2025

Town of Port Hedland

To the Commissioners of the Town of Port Hedland

### Opinion

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

### Basis for opinion

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

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

### Emphasis of matter – Restatement of comparative figures

I draw attention to Note 33 to the financial report which states that the amounts reported in the previously issued 30 June 2024 financial report have been restated and disclosed as comparatives in this financial report. My opinion is not modified in respect of this matter.

### Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Commissioners 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 Commissioners for the financial report**

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

The Commissioners are responsible for overseeing the Town'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.

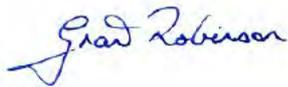
A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf).

## **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 Town of Port Hedland for the year ended 30 June 2025 included in the annual report on the Town's website. The Town's management is responsible for the integrity of the Town's website. This audit does not provide assurance on the integrity of the Town'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 Town 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  
17 December 2025





**Town of Port Hedland**

Civic Centre

McGregor Street

Port Hedland WA 6721

[council@porthedland.wa.gov.au](mailto:council@porthedland.wa.gov.au)

[www.porthedland.wa.gov.au](http://www.porthedland.wa.gov.au)