

**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD ENDED 31 DECEMBER 2022**

**NOTE 13
EXPLANATION OF MATERIAL VARIANCES**

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

The material variance adopted by Council for the 2022-23 year is \$5,000 or 5.00% whichever is the greater.

Nature or type	Var. \$	Var. %	Explanation of positive variances		Explanation of negative variances	
			Timing	Permanent	Timing	Permanent
	\$	%				
Opening funding surplus / (deficit)	(311,295)	(9.23%)	▼	Project Schedules		
Revenue from operating activities						
Rates	2,300,352	100.26%	▲	Annual Rate Raised Pro Rata over financial year		
Operating grants, subsidies and contributions	(126,770)	(16.34%)	▼	Pending Projects		
Fees and charges	798,059	53.93%	▲	Annual Rate Raised Pro- Rata over financial year		
Interest earnings	64,443	213.15%	▲	Surplus Held In Trust		
Other revenue	59,836	101.17%	▲	Increase In Visitors		
Profit on disposal of assets	(7,500)	(100.00%)	▼			
Expenditure from operating activities						
Employee costs	(832,969)	(41.90%)	▼	Payroll Schedules		
Materials and contracts	264,247	15.05%	▲	Cost of Materials Increase		
Utility charges	27,413	12.88%	▲	Timing		
Depreciation on non-current assets	2,301,492	100.00%	▲			
Interest expenses	5,250	50.09%	▲			
Insurance expenses	(110,402)	(100.57%)	▼	Quarterly Installments		
Loss on disposal of assets	17,496	100.00%	▲	Plant Replacement		
Non-cash amounts excluded from operating activities	(2,307,367)	(99.82%)	▼	Depreciation Posted after Annual Financial Report		
Investing activities						
Proceeds from non-operating grants, subsidies and contributions	4,387,724	91.56%	▲	Projects Koojan Rood		
Proceeds from disposal of assets	(335,000)	(100.00%)	▼	Asset Register is being reconciled and updated with the current building valuations for the Annual Financial Report		
Payments for property, plant and equipment and infrastructure	839,603	10.04%	▲	Minor Increase in Cost		
Financing activities						
Proceeds from new debentures	(1,000,000)	(100.00%)	▼			
Transfer from reserves	(2,075,000)	(100.00%)	▼	Project Schedules		
Repayment of debentures	(50,138)	0.00%	▼	Schedule of Payment		
Transfer to reserves	90,262	64.47%	▲	Interest on Reserves held		
Closing funding surplus / (deficit)	3,994,121	(115.82%)	▲	Project Schedules		