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FOR THE PERIOD ENDED 31 JANUARY 2023**

**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
	\$	%				
<b>Opening funding surplus / (deficit)</b>	(311,295)	(9.23%)	▼	Timing In Applications		
<b>Revenue from operating activities</b>						
Rates	1,917,944	71.65%	▲	Annual Rate Raised and pro rata over 12 months		
Operating grants, subsidies and contributions	(230,271)	(25.44%)	▼	Project Schedule		
Fees and charges	663,404	38.43%	▲	Annual Rate Raised and pro rata over 12 months		
Interest earnings	68,927	195.41%	▲	Surplus Held In Trust		
Other revenue	55,991	81.15%	▲	Increase In Visitors		
Profit on disposal of assets	(8,750)	(100.00%)	▼			
<b>Expenditure from operating activities</b>						
Employee costs	(522,504)	(22.53%)	▼	Timing of Pay Periods		
Materials and contracts	361,348	17.64%	▲	Cost of Materials Increase		
Depreciation on non-current assets	2,685,074	100.00%	▲			
Interest expenses	6,997	57.22%	▲			
Insurance expenses	(92,106)	(71.92%)	▼	Schedule of Payment Quarterly		
Other expenditure	15,606	7.10%	▲	Staff Training		
Loss on disposal of assets	20,412	100.00%	▲	Replacement of plant		
Non-cash amounts excluded from operating activities	(2,692,615)	(99.85%)	▼	Depreciation Posted after Annual Financial Report		
<b>Investing activities</b>						
Proceeds from non-operating grants, subsidies and contributions	4,508,196	80.64%	▲	Koojan West Road		
Proceeds from disposal of assets	(292,091)	(87.19%)	▼	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	883,484	9.05%	▲	Increase In Cost of Material		
<b>Financing activities</b>						
Proceeds from new debentures	(1,000,000)	(100.00%)	▼	Application Schedule		
Transfer from reserves	(2,075,000)	(100.00%)	▼	Project Schedule		
Repayment of debentures	(50,138)	0.00%	▼	Schedule of Payments		
Transfer to reserves	90,262	64.47%	▲	Interest Transfers to Reserves		
<b>Closing funding surplus / (deficit)</b>	4,011,552	(137.60%)	▲	Schedule of Operations/Projects		