

City of Karratha

Variance Commentary

As at 30 April 2025

Revenue - Operating Activities		Explanation of Variances		
Amount		Nature	Timing	Permanent
2,347,720	▲	Fees & Charges		Waste Services - Received more class 3 contaminated waste than forecast.
381,296	▲	Interest		Interest Income exceeds previous estimates due to higher interest rates, by end of financial year these will taper off as interest rates decline.
307,873	▲	Fees & Charges		Karratha Airport - Revenue for landings and passengers has exceeded the ytd budget, reflecting a better than expected result
82,052	▲	Fees & Charges		Karratha Leisureplex - Increased performance across all admission areas
3,118,942	▲		Positive Variances	
(2,330,229)	▼	Operating Grants	SP&I - Project Management - Awaiting partnership income to be journaled over for the Light purchase and the Shade design.	
(2,159,096)	▼	Operating Grants	Financial Services - Change in Accounting policy for FAGS recognition. FAGS Grant not yet received	
(535,473)	▼	Other		Loss on Asset Disposal - Disposal losses on KATS club and various Roads
(144,602)	▼	Fees & Charges	Karratha Leisureplex - Dept of Education - joint use agreement still to be invoiced	
(57,340)	▼	Rates	Rates - Ex Gratia Rates to be processed	
(5,226,739)	▼		Negative Variances	
(2,107,797)	▼		Net Negative Variance Attributable to Material Items	

Expenditure - Operating Activities		Explanation of Variances		
Amount		Nature	Timing	Permanent
328,050	▲	Materials & Contractors	Sanitation - Invoices not yet received for Karratha Leisureplex, Karratha Airport, and Karratha & Dampier Litter	
268,481	▲	Other Expenses	Waste Services - 7 Mile - Expenditure for tip shop office extension to be incurred in June.	
223,652	▲	Materials & Contractors	Engagement & Partnerships - Community Development RFQ not awarded and will be re-advertised	
207,500	▲	Insurance	Operations - Footpath & Kerb Maintenance - Program delayed	
205,817	▲	Materials & Contractors	Parks & Gardens - Delay in invoices for slashing and top soiling at Millars Well Oval and Karratha Open Spaces.	
188,477	▲	Depreciation		Depreciation - Minor variances across cost centres due to timing of capitalisations.
165,693	▲	Materials & Contractors	Waste Services - Budget for Landfill cell design. Expenditure will be incurred in May.	
144,000	▲	Materials & Contractors	Karratha Airport - timing of invoice related to the Route Development Consultant to be received in May.	
94,696	▲	Materials & Contractors	SP&I - Project Management - Saylor Park - Waiting final invoicing once minor defects are complete.	
1,826,366	▲		Positive Variances	
(243,272)	▼	Employee Costs		Employment Costs - Variances across the City due to vacancies and limited staffing January to April
(98,243)	▼	Materials & Contractors		Building Maintenance - The Quarter - Unforeseen Reactive Works for reglazing due to vandalism.
(82,613)	▼	Other Expenses	Engagement & Partnerships - Community Grants awarded earlier than forecast	
(70,632)	▼	Materials & Contractors		Parks & Gardens - Unforeseen Reactive Works for tree maintenance from Cyclone Sean.
(494,760)	▼		Negative Variances	
1,331,606	▲		Net Positive Variance Attributable to Material Items	

Inflows - Investing Activities		Explanation of Variances		
Amount		Nature	Timing	Permanent

285,805	▲	Non Operating Grants	Operations - LRCI funding received for KRMO Lighting and Coolawanyah Dewitt Road. To be transferred to correct account	
285,805	▲		Positive Variances	
285,805	▲		Net Positive Variance Attributable to Material Items	

Outflows - Investing Activities		Explanation of Variances		
Amount		Nature	Timing	Permanent
968,012	▲	Infrastructure	Coolawanyah & Dewitt Rd Intersection Reconstruction - Delays to contractors returning to site and approval delays for works.	
654,238	▲	Equipment	Karratha Airport - Checked Baggage Screening machine replacement contract delayed, tender has been awarded	
581,894	▲	Infrastructure	Ten Year Footpath Program delayed and off track due to Contractor availability	
649,371	▲	Buildings	Housing/Hancock Way - Awaiting invoices for committed works.	
470,389	▲	Infrastructure	Road Reseal Program delayed. Dampier Reseal scheduled for June	
436,565	▲	Furniture & Equipment	Information Technology - Hardware - Purchase of laptops, monitors and accessories delayed due to programmed phasing of works.	
301,635	▲	Infrastructure	Karratha Airport Water Mains - Awaiting invoices for committed works.	
283,455	▲	Infrastructure	Community Programs - REAP - Trailer Stage purchase delayed	
246,730	▲	Work in Progress		Cherratta and Woodbrook Road Resheeting - Direct employment costs for capital works not budgeted for
221,642	▲	Infrastructure	KRMO Oval Playing Surface & Lighting - Final claim due in April/May, variance relates to timing of cash flows	
200,000	▲	Work in Progress	Andover Park Stage 2 - Project on hold, cancellation of Concrete contractor has prevented these works from commencing.	
166,883	▲	Infrastructure		Parks & Gardens - Effluent Reuse System (ERS) upgrade - Delays to invoices being received.
165,480	▲	Work in Progress	KRMO Stadium Terraced Seating - Works planned for June, on track	
124,701	▲	Work in Progress	Karratha Airport Furniture & Equipment - Delay in project to install additional cameras throughout the airport	
483,162	▲	Buildings	Building Maintenance - Main Administration Building renovation - awaiting final invoices.	
77,376	▲	Infrastructure	Roebourne Streetscape Masterplan - Construction works on-going, variance relates to cashflow prediction.	
70,000	▲	Work in Progress	Wickham Rec Hard Court Shade Design - Design progressing well, underspend relates to cashflow forecast, Project is on track.	
53,010	▲	Infrastructure	Reader Head Lookout - Works planned to take place in May/June.	
51,980	▲	Infrastructure	Community Facilities - Commitments for equipment purchases made for aquatics and fitness. Currently tracking as expected.	
50,000	▲	Equipment	Community Facilities - Commitments for equipment purchases made for Roebourne aquatics. Currently tracking as expected.	
25,152	▲	Plant	Karratha Leisureplex - Plant room replacement program	
6,281,675	▲		Positive Variances	
(309,233)	▼	Plant	Karratha Airport - Purchase of Skid Steer and 4x4 Tractor earlier than expected.	
(309,233)	▼		Negative Variances	
5,972,442	▲		Net Positive Variance Attributable to Material Items	

Outflows - Financing Activities		Explanation of Variances		
Amount		Nature	Timing	Permanent

3,259,368	▲	Reserves	Transfer to Reserves - Interim reconciliation completed, some transfers from Infrastructure Reserve actioned prior to end of year	
3,259,368	▲		Positive Variances	
3,259,368	▲		Net Positive Variance Attributable to Material Items	