



City of
Joondalup

**MID YEAR REVIEW OF ANNUAL BUDGET
FOR THE 2009/10 FINANCIAL YEAR**

NOTES TO AND FORMING PART OF THE REVISED 2009/2010 BUDGET STATEMENT

1. Rates

| Adopted Budget 2009/10 | Revised Budget 2009/10 | Variance Increase / (Decrease) |
|-------------------------------|-------------------------------|---------------------------------------|
| \$63,695,321 | \$64,075,031 | \$379,710 |

The **net increase** of **\$379,710** is comprised of:

An overall increase in Instalment Interest and Administration charges of \$199,704 and \$220,126, partly offset by a shortfall on interim rates raised of \$(40,120).

2. Government Grants and Subsidies

| Adopted Budget 2009/10 | Revised Budget 2009/10 | Variance Increase / (Decrease) |
|-------------------------------|-------------------------------|---------------------------------------|
| \$3,485,875 | \$2,789,340 | \$(696,535) |

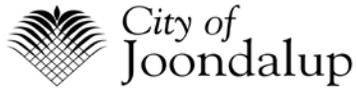
The **net decrease** of **\$(696,535)** is mainly the result of:

Increases

| | |
|-------------------------------------------------------------------------------------------------|-----------|
| a) Additional grant income for Financial Counselling for which there is offsetting expenditure. | \$22,707 |
| b) Eco-Business Grant previously not budgeted | \$53,472 |
| c) Increases to grants for Clubs in Focus \$24,697 and Joondalup Festival \$5,780. | \$30,477 |
| d) Local Government Reform Submission State Government grant | \$7,691 |
| e) Other grants and subsidies | \$3,598 |
| | \$117,945 |

Decreases

| | |
|-----------------------------------------------------------------------|-------------|
| f) Local Government Assistance Grant received in 2008/09 | (\$719,573) |
| g) Withdrawal of the grants for Leisure Centre – Holiday Programme | (\$53,606) |
| h) Withdrawal of the Youth Festival and Holiday programme grants | (\$7,000) |
| i) Reduction in other Community Development and Youth Services Grants | \$(34,301) |
| | \$(814,480) |



3. Contributions, Reimbursements and Donations

| Adopted Budget 2009/10 | Revised Budget 2009/10 | Variance Increase / (Decrease) |
|------------------------|------------------------|--------------------------------|
| \$2,093,364 | \$1,957,672 | \$(135,692) |

The **net decrease** of **\$(135,692)** is made up of various increases and decreases. The largest of these are:

Increases

| | |
|------------------------------------------------------------------------------------------------|-----------|
| a) Workers Compensation Claims Experience Bonus | \$65,672 |
| b) Insurance claim reimbursement | \$39,000 |
| c) Advertising Rebate from WALGA | \$26,962 |
| d) Increased property rentals mainly from Telco Towers | \$23,880 |
| e) Higher recovery of utility charges | \$23,034 |
| f) Other contributions, reimbursements and recoup of entitlements from other Local Governments | \$38,086 |
| g) Other property claims | \$6,718 |
| | \$223,352 |

Decreases

| | |
|----------------------------------------------------------------|-------------|
| h) COJ share of Recyclable Material sales from MRF | \$(196,800) |
| i) Reinstatement & Private Works | \$(115,500) |
| j) Lower Rates legal fee recovery (offset by reduced expenses) | \$(45,475) |
| k) Sundry contributions and reimbursements such as festivals | \$(1,269) |
| | \$(359,044) |

Increases relate to a variety of income items including a claims experience bonus from the City's insurer for good performance with workers compensation claims, a motor vehicle insurance payout for a claim from a prior financial year, a bulk discount advertising rebate for placing advertisements through the WALGA advertising program and the recovery of rentals and utility reimbursements from lessees.

In the case of decreases the revenue from the sale of Recyclable Materials from the Materials Recovery Facility is below expectations as a result of both lower volume and lower prices. The level of Reinstatement Work is greatly reduced principally as a result of Utilities undertaking the works themselves.

4. Fees and Charges

| Adopted Budget 2009/10 | Revised Budget 2009/10 | Variance Increase / (Decrease) |
|------------------------|------------------------|--------------------------------|
| \$27,767,095 | \$27,094,995 | \$(672,100) |

The net decrease of \$(672,100) is made up of the following major variations:

Increases

| | |
|----------------------------------------------------------------|-----------|
| a) Parking Fines Enforcement Registry Charges | \$130,000 |
| b) Property Rental Income | \$121,586 |
| c) Adshell Advertising Commission | \$89,350 |
| d) Parking Infringement Fees | \$40,000 |
| e) Property Purchase Enquiry Fees | \$50,836 |
| f) Leisure Centre increase in Admission Fees and Learn to Swim | \$64,832 |
| g) Dog Registrations | \$34,452 |
| h) Other Infringements, Hire and Service Charges | \$59,290 |
| | <hr/> |
| | \$590,346 |

Decreases

| | |
|---------------------------------------------------------------|---------------|
| i) Waste Management Refuse Charges | \$(486,709) |
| j) Parking Fees | \$(471,600) |
| k) Withdrawal of Cat Registration Local Laws | \$(219,450) |
| l) Poundage Fees and Animal Law Infringements, including Cats | \$(54,626) |
| m) Licenses and Registrations | \$(30,061) |
| | <hr/> |
| | \$(1,262,446) |

Parking Infringements are higher resulting from previous year's lodgements with Fines Enforcement Registry being received in the current year, plus an increase in the general level of infringements issued.

Property Rental income increase of \$121,586 is mainly due to a correction to the classification of revenue and is offset by a reduction in Other Revenue (refer note 6.)

The increase in Adshell Advertising Commission recognises arrears of income previously subject to a contractual dispute.

The increase in the Leisure Centre revenue is the result of an increase in the overall level of participation generally across core service areas. It is anticipated that this trend will continue with the opening of the Craigie Leisure Centre 50m pool.

The shortfall in budgeted Refuse Charges occurred due to the Council's decision to reduce the fee by \$10 per collection service. This followed the State Government's decision to defer by six months an increase in the Landfill Levy after Council had already adopted its Budget for 2009/10.

Parking fee income is being affected by commuters using the availability of free parking in locations such as City North, Basketball Stadium and Lakeside Shopping Centre. Strategies are being pursued to optimise the use of paid parking in the CBD.

The City's proposed Cat Local Law was disallowed by the Joint Standing Committee on Delegated Legislation. The State Government is proceeding with its own legislation for the control of cats.

Other Infringements, Hire and Service Charges includes a general range of services such as Eating House Licences and Infringements under the Local Government Act.

5. Interest Earnings

| Adopted Budget 2009/10 | Revised Budget 2009/10 | Variance Increase / (Decrease) |
|------------------------|------------------------|--------------------------------|
| \$2,193,760 | \$3,720,632 | \$1,526,872 |

The **increase** of **\$1,526,872** is caused by variations in the size and return of the investment portfolio as follows:

The total of interest earned in respect of investment income is forecast to increase from the Adopted budget by \$1,527k due to average earnings interest rate achieved of 4.68% compared to the estimated budget rate of 3.15% for the year, and by a higher level of funds invested resulting from Capital Expenditure being lower than the budget.

6. Other Revenue

| Adopted Budget 2009/10 | Revised Budget 2009/10 | Variance Increase / (Decrease) |
|------------------------|------------------------|--------------------------------|
| \$100,000 | \$9,327 | \$(90,673) |

The **decrease** of **\$(90,673)** is as follows:

The reduction in Other Revenue is mainly due to the reclassification of Rental income \$(100,000) and is offset by an increase in Fees & Charges (refer note 4).

7. Employee Costs

| Adopted Budget 2009/10 | Revised Budget 2009/10 | Variance Increase / (Decrease) |
|------------------------|------------------------|--------------------------------|
| \$41,641,592 | \$42,245,385 | \$603,793 |

The **increase** of **\$603,793** in employee costs is mainly attributable to additional pressures on staff resources as follows:

The original 2009/10 budget for employee costs was set very tight. 12 vacant positions were frozen and not filled. Casual staff positions and the provision for backfilling of positions during annual leave and sick leave were severely pruned. There was also an expectation for the level of saving that would be achieved based on staff turnover and the gap that invariably exists between an officer leaving and a new appointment commencing.

These targets have not all been able to be achieved. The need to maintain the delivery of services and the budget program has meant that some additional resources have been required. Staff turnover has been dramatically less than expected with few savings. There has also been higher than expected growth in the value of accrued leave entitlements.

8. Materials and Contracts

| Adopted Budget 2009/10 | Revised Budget 2009/10 | Variance Increase / (Decrease) |
|------------------------|------------------------|--------------------------------|
| \$39,052,324 | \$40,447,508 | \$1,395,184 |

The **net increase** of **\$1,395,184** is made up of various amounts:

Increases

| | |
|---------------------------------------|-------------|
| a) Building Asset Management | \$600,375 |
| b) Various External Contract Services | \$378,538 |
| c) Refuse Services | \$675,832 |
| d) Professional Fees & Charges | \$360,181 |
| e) Sponsorships | \$50,000 |
| | \$2,064,926 |

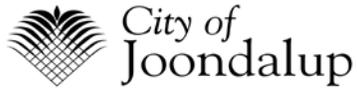
Decreases

| | |
|---------------------------------|-------------|
| f) Tipping Fees Domestic & Bulk | \$(546,933) |
| g) Contributions & Donations | \$(162,640) |
| | \$(709,573) |

In the development of the adopted budget the City sought to cut as much expenditure as it could to achieve the budget parameters. Subsequently it has been identified in the building asset management area that there have been significant cuts that should not have been made and are not sustainable. These relate to services that are essential to the continued use of the City's buildings and facilities. An additional \$600k is required to undertake these for the balance of the financial year.

Due to unexpected events and an error in the adopted budget it has become necessary to propose an increase in External Contract Services. An additional \$100,000 has been allowed for Street Cleaning as the result of a budget error, \$100,000 for additional drainage maintenance needed to be undertaken by winter, \$30,000 for replacement of playground equipment that has been vandalised and destroyed, \$40,000 to replace corroded floodlighting poles, \$30,000 for repair of the jetty at Neil Hawkins Park and \$22,000 for pump replacements.

Refuse Services have increased \$675,832 due largely to issues with the Materials Recovery Facility. The City has been invoiced \$280,832 by the operator, the City of Wanneroo, to correct previous years invoice errors. The errors arise from the incorrect calculation of costs attributable to the Materials Recovery Facility and the new calculations have been audited.



Downtime has also been an issue at the facility and approximately \$154,000 of the increase is attributable to the need to transport recyclable material to a third party facility. Provision has been included to cover expected additional costs to the end of the financial year.

Professional Fees & Charges includes legal fees which have been increased by \$250,915 to continue with litigation that the City is currently dealing with. Lodgement Fees for unpaid parking infringements are \$96,810 over budget, offset by higher Fines Enforcement Recovery revenue.

Tipping fees for both domestic rubbish and bulk collections are less than budget by \$405,683 and \$141,250 respectively, as a result of the deferred Landfill Levy increase.

Contributions to the Arena Community Sport and Recreation Association facilities project expenditure is partly deferred pending the appointment of a builder and additional payments totalling \$162,640 are to be phased into budgets 2010/11 and 2011/12.

A sponsorship payment of \$50,000 has been allowed for to be made to the Whitfords Volunteer Sea Rescue towards the purchase of a new boat.

9. Utilities

| Adopted Budget 2009/10 | Revised Budget 2009/10 | Variance Increase / (Decrease) |
|------------------------|------------------------|--------------------------------|
| \$4,052,858 | \$3,969,901 | \$(82,957) |

The **net increase** of **\$(82,957)** is made up of variances to budget as follows:

The original budget allowed for significant increase in utilities ahead of anticipated charges which have not matched estimates. In particular Electricity is \$(138,525) below the budget, while charges for Water are over budget by \$47,395.

10. Depreciation of Non-Current Assets

| Adopted Budget 2009/10 | Revised Budget 2009/10 | Variance Increase / (Decrease) |
|------------------------|------------------------|--------------------------------|
| \$17,042,401 | \$21,010,867 | \$3,968,466 |

The **net increase** of **\$3,968,466** is made up of the following variations:

| | |
|----------------------------------|-------------|
| a) Buildings | \$3,714,341 |
| b) Computer Software & Equipment | \$96,045 |
| c) Heavy Vehicles | \$61,294 |
| d) Light Vehicles | \$9,673 |

| | |
|-------------------------|-------------|
| e) Mobile & Other Plant | \$89,832 |
| f) Other | \$(2,718) |
| | \$3,968,467 |

Buildings were re-valued in 2008/09 and adjusted at the end of the previous financial year after the adoption of the 2009/10 Budget. Depreciation for the Mid Year Review has been calculated on the re-valued amounts.

11. Insurance Expense

| Adopted Budget 2009/10 | Revised Budget 2009/10 | Variance Increase / (Decrease) |
|------------------------|------------------------|--------------------------------|
| \$1,147,444 | \$1,210,033 | \$62,589 |

The **net increase** of **\$62,589** is made up of the following variations:

| | |
|-----------------------------|------------|
| a) Industrial Special Risks | \$55,257 |
| b) Motor Vehicles | \$21,843 |
| c) Public Liability | \$8,848 |
| d) Other General Insurances | \$(23,359) |
| | \$62,589 |

Following the Buildings revaluation in 2008/09 property insurances were adjusted to reflect the increased values which were received after the budget was adopted. Additional heavy vehicles also gave rise to higher Motor Vehicle insurances, partly offset by reduced general insurances.

12. Capital Grants and Subsidies and Capital Contributions

| Adopted Budget 2009/10 | Revised Budget 2009/10 | Variance Increase / (Decrease) |
|------------------------|------------------------|--------------------------------|
| \$13,313,838 | \$12,318,483 | \$(995,355) |

The **net increase** of **\$(995,355)** is made up as follows:

Increases

| | |
|--------------------------------------------|-----------|
| a) State Government Road Grants | \$389,905 |
| b) Commonwealth Grants for Paths Programme | \$245,574 |
| c) Kingsley Memorial Club Rooms | \$200,000 |
| d) Commonwealth Community Crime Prevention | \$60,000 |
| e) Other Grants received on various areas | \$88,666 |
| | \$984,145 |

Decreases

| | |
|-------------------------------------------|---------------|
| f) Seacrest Community Facility | \$(1,304,500) |
| g) Ocean Reef Development Contribution | \$(375,000) |
| h) CCTV Project | \$(250,000) |
| i) Disability Access for Public Transport | \$(50,000) |
| | \$(1,979,500) |

In terms of increased Capital Grant and Contribution income there is a net general increase in the allocation of Federal Road Grants for the Road Preservation programme. Additional Commonwealth Funding has been approved for the Paths Programme including coastal dual paths at Hillarys Boat Harbour \$124,940 and Burns Beach \$120,634 (note this requires a matching contribution refer note 14 items a) and b)).

A \$200,000 Grant from Department of Sport and Recreation is to be received for the Kingsley Memorial Club Rooms, following the acquittal of the expenditure completed in the previous financial year. The final \$60,000 Commonwealth Community Crime Prevention Grant instalment for the CBD CCTV was received in 2009/10 which was unbudgeted because it had been expected in 2008/09.

The largest decrease resulted from the Seacrest Community Facility grant which was partly received in the previous financial year, with only the balance to be received by June 2010.

The Ocean Reef Development Contribution is now not expected in 2009/10. Also Disability Access for Public Transport will now not occur as it is deemed a State responsibility.

Grant funding for two additional CCTV projects was budgeted in 2009/10. \$100k for Tom Simpson Park was actually received in 2008/09. A submission for the remaining grant is being prepared but is not expected in 2009/10 and both the expenditure (refer note 13) as well as the income have been reduced.

13. Capital Projects

| Adopted Budget 2009/10 | Revised Budget 2009/10 | Variance Increase / (Decrease) |
|------------------------|------------------------|--------------------------------|
| \$8,762,441 | \$8,824,052 | \$61,611 |

The **net increase** of **\$61,611** is made up of the following major variations:

Additional Projects

| | |
|----------------------------------------|-----------|
| a) Financial System Development | \$171,750 |
| b) Materials Recovery Facility Upgrade | \$400,000 |
| | \$571,750 |

Variances to Projects

| | |
|-----------------------------------------------------|-------------|
| c) Ocean Reef Development | \$(22,679) |
| d) Projects not progressing or previously completed | \$(461,420) |
| e) Other Minor Variances | \$(26,040) |
| | \$(510,139) |

\$(510,139)

The Financial System Development represents the final components of the new Financial System implementation in 2008/09. This project along with the funding although not budgeted was carried over from 2008/09.

The improvements to the Materials Recovery Facility were originally intended to be paid for in 2008/09 and were not budgeted in 2009/10. This was the subject of a report to Council in September 2009 (refer CJ215-09/09). The \$400,000 will be funded from the reserve as was intended in 2008/09.

The remaining variance includes a Turf Vacuum Machine & Vertidrain \$(85,000) and Customer response Unit Truck \$(50,000) and two small trucks \$(100,000) which were purchased in 2008/09. In addition some projects are no longer progressing including a CCTV project \$(150,000), which was to be funded from a grant, and the Cat Holding Facility \$(40,000).

14. Capital Works

| Adopted Budget 2009/10 | Revised Budget 2009/10 | Variance Increase / (Decrease) |
|------------------------|------------------------|--------------------------------|
| \$30,036,541 | \$26,237,471 | \$(3,799,070) |

The **net decrease of \$(3,799,070)** includes the following major variations:

Additional Works

| | |
|-------------------------------------------------------------------|-------------|
| a) Hillarys Boat Harbour - Coastal Shared Path Upgrade 1 km north | \$249,880 |
| b) Burns Beach - Coastal Shared Path Upgrade 1.6 km south | \$241,268 |
| c) Emerald Park Landscape Masterplan Project | \$210,333 |
| d) Marina Boulevard - Marmion Avenue to Venturi Drive | \$112,415 |
| e) Lighting of Sorrento Beach Carparks and Pathways | \$100,000 |
| f) RCLIP - Macdonald Reserve | \$594,837 |
| g) RCLIP - Forrest Park | \$401,917 |
| h) RCLIP - Seacrest Park | \$610,913 |
| i) Additional projects brought forward from previous year | \$257,398 |
| | <hr/> |
| | \$2,778,961 |

Variance to Projects

| | |
|---------------------------------------------------------|---------------|
| a) Seacrest Community Sport Facility | \$(2,609,100) |
| b) Joondalup Administration Building - concrete repairs | \$(100,000) |
| c) Ocean Reef Boat Ramp Replacement Toilets | \$70,000 |
| d) Marmion Beach Public Toilet Block reconstruction | \$119,313 |
| e) Ellersdale Park - Warwick | \$(113,000) |
| f) West Coast Drive - Beach Road to the Plaza | \$130,580 |
| g) Moore Dr/Connolly Dr Carry Forward | \$(1,994,000) |
| h) Burns Beach Rd Carry Forward | \$(400,000) |

| | |
|------------------------------|---------------|
| i) Connolly Dr Carry Forward | \$(563,984) |
| j) Other Carry Forwards | \$(1,055,367) |
| k) Net Other Variances | \$(62,473) |
| | \$(6,578,031) |

The two shared path projects are additional as a result of a successful grant application (refer note 12) but require a matching City contribution. Emerald Park and Sorrento Beach Lighting are carried forward projects from 2008/09. Marina Boulevard is also a carried forward from 2008/09 and the associated grant funds weren't received until 2009/10.

The original Seacrest Community Sport Facility project has now been split into its three separate new components which show as additions with the original project shown as a deletion. The Ocean Reef Boat Ramp Toilet project was an urgent unbudgeted replacement of an existing dangerous facility that was authorised by Council in August 2009. Marmion Beach Toilet Block and Westcoast Drive are both part of the overall streetscape enhancement of Westcoast Drive. The over expenditure for these two is largely covered by reductions to a number of other small projects. Joondalup Administration Building is a reduction because it will now be staged over two years. Ellersdale Park is a project saving.

15. Motor Vehicle Replacement

| Adopted Budget 2009/10 | Revised Budget 2009/10 | Variance Increase / (Decrease) |
|-------------------------------|-------------------------------|---------------------------------------|
| \$1,326,000 | \$1,016,053 | \$(309,947) |

The **net decrease of \$(309,947)** is predominantly made up as follows:

A Water Truck intended to be replaced by a new truck will instead be replaced by an existing surplus truck. There will be a requirement for a new tank but the saving will still be \$(150,000). In addition the replacement of a utility vehicle will be deferred until next financial year due to reconsideration of the specification \$(30,000) and several Toyota, Holden and Falcon utilities will now be replaced with lower cost Hyundai Getz vehicles \$(58,000). A range of other smaller variances occurred due to differences in pricing.

16. Loan Repayment (Principal)

| Adopted Budget 2009/10 | Revised Budget 2009/10 | Variance Increase / (Decrease) |
|-------------------------------|-------------------------------|---------------------------------------|
| \$1,152,466 | \$886,575 | \$(265,891) |

Due to the delays in the Aquatic Facilities Upgrade at the Craigie Leisure Centre the additional loan will now be sought in March this financial year.

17. Surplus Carried Forward

| Adopted Budget 2009/10 | Revised Budget 2009/10 | Variance Increase / (Decrease) |
|-------------------------------|-------------------------------|---------------------------------------|
| \$550,328 | \$1,554,349 | \$1,004,021 |

The increase in the surplus carried forward was due to a number of variations compared to original estimates. The largest variation however is the 2009/10 1st quarter Local Government Assistance Grant which the State Government paid early and was received prior to the 30 June 2009. There is an offsetting reduction in Grant income in 2009/10 refer note 2 above.

18. Loans

| Adopted Budget 2009/10 | Revised Budget 2009/10 | Variance Increase / (Decrease) |
|-------------------------------|-------------------------------|---------------------------------------|
| \$5,685,000 | \$6,685,000 | \$1,000,000 |

The Aquatic Facilities Upgrade at the Craigie Leisure Centre was originally budgeted to be partly funded in the 2008 /09 year and was deferred due to delays in progress of works at the time. A total of \$5.8 million will now be raised in April 2010. The remaining loan funds are for the West Coast Drive project.

19. Transfer to / (from) Reserves

| Adopted Budget 2009/10 | Revised Budget 2009/10 | Variance Increase / (Decrease) |
|-------------------------------|-------------------------------|---------------------------------------|
| \$(8,404,598) | \$(5,042,593) | \$(3,362,005) |

There are several main contributors to the variations in reserve fund transfers. A higher than expected value of carried forward works and projects from 2008/09 which has been transferred out of the Carried Forward Works Reserve in 2009/10, \$2,171k and a contribution to the Materials Recovery Facility of \$400k from the Waste Reserve which had been intended to take place in 2008/09. These are offset by a proposed carry forward to 2010/11 of \$5,015k for RCLIP grant funds and Capital Works and higher than expected interest earnings on invested reserve funds which have been transferred to reserves, \$754k.



City of Joondalup
Revised Budget Rate Setting Statement 2009/10

| | Notes | Adopted Budget | Revised Budget | Variance \$ | Variance % | Feb YTD Budget | Feb YTD Actual | YTD Variance \$ | YTD Variance % |
|------------------------------------------------------|-------|---------------------|---------------------|--------------------|---------------|---------------------|---------------------|--------------------|----------------|
| OPERATING REVENUE | | | | | | | | | |
| Rates | 1 | (63,695,321) | (64,075,031) | 379,710 | 1% | (63,665,321) | (64,072,192) | 406,871 | 1% |
| Grants and Subsidies | 2 | (3,485,875) | (2,789,340) | (696,535) | (20%) | (2,656,557) | (2,024,175) | (632,382) | (24%) |
| Contributions Reimbursements and Donations | 3 | (2,093,364) | (1,957,672) | (135,692) | (6%) | (1,414,692) | (1,122,745) | (291,948) | (21%) |
| Profit on Asset Disposals | | (98,335) | (60,306) | (38,029) | (39%) | (83,761) | (59,959) | (23,802) | (28%) |
| Fees and Charges | 4 | (27,767,095) | (27,094,995) | (672,100) | (2%) | (23,939,581) | (23,801,864) | (137,718) | (1%) |
| Investment Earnings | 5 | (2,193,760) | (3,720,632) | 1,526,872 | 70% | (1,468,211) | (2,482,005) | 1,013,794 | 69% |
| Other Revenue/Income | 6 | (100,000) | (9,327) | (90,673) | (91%) | (66,667) | (29,014) | (37,653) | (56%) |
| Total Operating Revenue | | (99,433,749) | (99,707,302) | 273,552 | 0% | (93,294,790) | (93,591,954) | 297,162 | 0% |
| OPERATING EXPENSES | | | | | | | | | |
| Employee Costs | 7 | 41,641,592 | 42,245,385 | (603,793) | (1%) | 27,967,268 | 27,623,931 | 343,337 | 1% |
| Materials and Contracts | 8 | 39,052,324 | 40,447,507 | (1,395,183) | (4%) | 25,326,326 | 23,551,143 | 1,775,183 | 7% |
| Utilities (gas, electricity, water etc.) | 9 | 4,052,858 | 3,969,901 | 82,957 | 2% | 2,714,558 | 2,276,264 | 438,294 | 16% |
| Depreciation of Non-Current Assets | 10 | 17,042,401 | 21,010,867 | (3,968,466) | (23%) | 11,380,473 | 14,028,608 | (2,648,134) | (23%) |
| Loss on Asset Disposal | | 107,515 | 109,217 | (1,702) | (2%) | 65,575 | 39,229 | 26,346 | 40% |
| Interest Expenses | | 448,077 | 439,147 | 8,930 | 2% | 249,922 | 147,780 | 102,142 | 41% |
| Insurance Expenses | 11 | 1,147,444 | 1,210,033 | (62,589) | (5%) | 1,116,464 | 1,193,361 | (76,897) | (7%) |
| Other Expenses | | - | - | - | 0% | - | 1,282 | (1,282) | (100%) |
| Total Operating Expenses | | 103,492,211 | 109,432,057 | (5,939,846) | (6%) | 68,820,586 | 68,861,598 | (41,011) | 0% |
| (SURPLUS)/DEFICIT FROM OPERATIONS | | 4,058,462 | 9,724,755 | (5,666,294) | (140%) | (24,474,204) | (24,730,356) | 256,151 | 1% |
| ADJUSTMENTS FOR NON-CASH MOVEMENTS | | | | | | | | | |
| Depreciation on Assets | 10 | (17,042,401) | (21,010,867) | 3,968,466 | 23% | (11,380,473) | (14,028,608) | 2,648,134 | 23% |
| Loss on Disposals | | (107,515) | (109,217) | 1,702 | 2% | (65,575) | (39,229) | (26,346) | (40%) |
| Profit on Disposals | | 98,335 | 60,306 | 38,029 | (39%) | 83,761 | 59,959 | 23,802 | (28%) |
| CASH (SURPLUS)/DEFICIT FROM OPERATIONS | | (12,993,119) | (11,335,023) | (1,658,097) | (13%) | (35,836,491) | (38,738,234) | 2,901,741 | 8% |
| NON-OPERATING REVENUE | | | | | | | | | |
| Non-operating Capital Grants and Subsidies | 12 | (12,888,838) | (12,318,483) | (570,355) | 4% | (9,821,373) | (5,663,285) | (4,158,088) | (42%) |
| Non-operating Capital Contributions | 12 | (425,000) | - | (425,000) | 100% | (425,000) | (35,337) | (389,663) | (92%) |
| Acquired Infrastructure Assets | | (4,880,000) | (4,880,000) | - | 0% | - | - | - | - |
| Total Non-Operating Revenue | | (18,193,838) | (17,198,483) | (995,355) | 5% | (10,246,373) | (5,698,622) | (4,547,751) | (44%) |
| CAPITAL EXPENDITURE | | | | | | | | | |
| Capital Projects | 13 | 8,762,441 | 8,824,052 | (61,611) | (1%) | 6,319,648 | 5,668,566 | 651,082 | 10% |
| Capital Works | 14 | 30,036,541 | 26,237,471 | 3,799,070 | 13% | 22,069,093 | 13,264,558 | 8,804,535 | 40% |
| Motor Vehicle Replacements | 15 | 1,326,000 | 1,016,053 | 309,947 | 23% | 1,016,000 | 504,100 | 511,900 | 50% |
| Loan Repayment Principal | 16 | 1,152,466 | 886,575 | 265,891 | 23% | 482,358 | 482,358 | - | 0% |
| Equity Investments | | - | - | - | - | - | 15,303 | (15,303) | (100%) |
| Total Capital Expenditure | | 41,277,448 | 36,964,151 | 4,313,297 | 10% | 29,887,099 | 19,934,885 | 9,952,214 | 33% |
| CAPITAL (SURPLUS)/DEFICIT | | 23,083,610 | 19,765,668 | 3,317,942 | 14% | 19,640,726 | 14,236,263 | 5,404,463 | 28% |
| (SURPLUS)/DEFICIT FROM OPERATIONS AND CAPITAL | | 10,090,491 | 8,430,645 | 1,659,845 | 16% | (16,195,765) | (24,501,971) | 8,306,204 | 51% |
| FUNDING | | | | | | | | | |
| Proceeds from Disposals | 15 | (423,500) | (284,900) | (138,600) | 33% | (372,000) | (217,661) | (154,339) | (41%) |
| Surplus Carried Forward | 17 | (550,328) | (1,554,349) | 1,004,021 | (182%) | (550,328) | (1,538,743) | 988,415 | 180% |
| Loans | 18 | (5,685,000) | (6,685,000) | 1,000,000 | (18%) | (5,685,000) | - | (5,685,000) | - |
| Transfer from Reserves | 19 | (10,460,013) | (12,528,672) | 2,068,659 | (20%) | - | - | - | - |
| Transfer to Reserves | 19 | 2,055,415 | 7,486,079 | (5,430,664) | (264%) | - | - | - | - |
| Transfer to Accumulated Surplus | | 4,880,000 | 4,880,000 | - | 0% | - | - | - | - |
| CLOSING FUNDS | | (92,935) | (256,197) | 163,261 | (176%) | (22,803,093) | (26,258,375) | 3,455,280 | 15% |