

RELEVANT INFORMATION FOR COMMITTEE

FILE: **DATE:** 11 December 2015
TO: Lord Mayor and Councillors
FROM: Bill Carter, Chief Financial Officer
THROUGH: Monica Barone, Chief Executive Officer
SUBJECT: Information Relevant to Item 6.2 - Public Presentation of the 2014/15
Financial Statements and Auditors Reports - At Council - 14 December
2015

Recommendation

That the Lord Mayor and Councillors note the information contained in this memo.

Purpose

To clarify why the variance in last year's budgeted Enforcement Income was not identified in Note 16 Material Budget Variations to the 2014/15 Annual Financial Statements.

Background

The format of the Income Statement is prescribed in the Local Government Code of Accounting Practice and Financial Reporting approved by the Office of Local Government. The Code applies to each NSW council in respect of its general purpose financial statements, special purpose financial statements and special schedules to provide a consistent framework that allows comparison of performance across councils.

Note 16 to the Financial Statements sets out the details of **Material Budget Variations of 10%** or more between Council's Original Budget and its Actual results for the year as shown in the Income Statement.

In the Income Statement, groupings of income and expenditure are shown at a high level. Enforcement Income 'is part of "Other Revenues" as set out in Note 3d of the statements.

While Enforcement Income was below budget by 13%, overall the Other Revenues group was below budget by 2% and not required to be included in Note 16.

The format and content of the City's Quarterly Financial Reports are not prescribed. It is within these reports that explanations for variations in financial performance are reported at a more 'granular' level, to provide Council and the public with more detailed information. An explanation for the unfavourable variance for Enforcement Income was provided in the Quarter 4 report to Council in August 2015

Bill Carter, CFO

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Attachments

Approved

P. M. Barone
Monica Barone,
Chief Executive Officer