

Relevant Information for Council

FILE: S122357 **DATE:** 10 August 2018

TO: Lord Mayor and Councillors

FROM: Bill Carter, Chief Financial Officer

THROUGH: Monica Barone, Chief Executive Officer

SUBJECT: Information Relevant To Item 6.2 – 2017/18 Quarter 4 Review – Delivery Program 2017-2021

For noting

This memo is for the information of the Lord Mayor and Councillors.

Purpose

At the meeting of the Corporate, Finance, Properties and Tenders Committee on 7 August 2018, further information was sought on the following:

Gunyama Park and Aquatic Centre

Further information was requested on the disparate budget amounts for the Gunyama Park and Aquatic Centre, as referenced on pages 24 (\$100.8 million) and page 26 (\$102.9 million).

The budget reference of \$102.9 million on page 26 reflects the capital project budgets as published within the 2017/18 long term financial plan. This amount included \$2.1M of demolition costs, since recognised as an operational expense, leaving a remaining capital project budget balance of \$100.8 million.

There are no changes to the overall total project cost.

Loss on Sale of Assets

Further information was requested on the amount stated as Loss on Sale of Assets.

This line item generally reflects the difference between the amounts realised for assets (generally vehicles or equipment) that are disposed of, against their residual book value.

In 2017/18, a small number of minor land parcels that have been historically treated as road reserve assets were identified as the value of the land under these roads. Under our accounting policy, the value of all land under roads held by Council before July 2008 is not recognised within our accounting records. This land is still held by Council, however the value needs to be de-recognised as an asset in our books, and the write off for this book entry "loss" is captured within this particular line item.

The loss was partially offset by gains on the sale of vehicles, plant and equipment where the proceeds realised exceeded the depreciated book values.

Memo from Bill Carter, Chief Financial Officer

Prepared by: Vicky Hobson, Senior Accountant

Approved



MONICA BARONE

Chief Executive Officer