

City of Karratha

Variance Commentary

As at 31 July 2026

Revenue - Operating Activities		Explanation of Variances		
Amount		Nature	Timing	Permanent
69,890,928	▲	Rates	Rates completed in July were budgeted for August.	
259,642	▲	Fees & Charges	Karratha Airport - Lease outside terminal is invoiced two months in advance.	
105,451	▲	Fees & Charges		Regulatory Services - Increased building permit applications, including Perdaman and Woodside housing projects and Project Dorothy dwellings.
70,256,021	▲		Positive Variances	
(6,996,700)	▼	Operating Grants	Mulataga Development - Delay in award of contract by Development WA. Final claim to be submitted upon contract commencement anticipated in August 2026.	
(446,411)	▼	Operating Grants	City Projects - Contributions from Woodside, Rio and Development WA towards Bathgate Road are subject to timing, with the variance expected to be reflected in the following reporting period.	
(195,833)	▼	Operating Grants	City Projects - Regional Road Group and Department of Transport contributions are subject to timing of funding and payment arrangements, with the variance expected to be reflected in the following reporting period.	
(115,777)	▼	Interest		Interest Income lower than previous estimates due to timing of transfers and current interest rates.
(7,754,721)	▼		Negative Variances	
62,501,300	▲		Net Positive Variance Attributable to Material Items	

Expenditure - Operating Activities		Explanation of Variances		
Amount		Nature	Timing	Permanent
6,996,700	▲	Materials & Contractors	Infrastructure Services - Mulataga Development - Delay in award of contract by Dev WA. Next payment to be made to Dev WA upon contract commencement anticipated in August 2026.	
1,167,757	▲	Materials & Contractors	Information Technology - The variance is due to the monthly recognition of prepayments, resulting in expenditure being recognised progressively over the relevant period.	
691,322	▲	Materials & Contractors	City Projects - Wickham Recreation Precinct - Works are progressing in line with expectations, with the next progress claim currently pending submission. The associated expenditure will be reflected in the following reporting period.	
354,269	▲	Other Expenses	Community Development & Youth Service - Large Community Grants awaiting acquittal.	
273,206	▲	Materials & Contractors	Waste Services - Waste Management - Cell 3/4 Design consultancy costs relating to delayed invoicing will be reflected in subsequent reporting period.	
246,484	▲	Materials & Contractors	Arts, Culture & Events - Cossack Art Awards - Outstanding payments are expected to be processed in the following month, resulting in the variance being reflected in the subsequent reporting period.	
241,498	▲	Materials & Contractors	Arts, Culture & Events - FeNaCINg - Outstanding payments are expected to be processed in the following month, resulting in the variance being reflected in the subsequent reporting period.	
137,570	▲	Materials & Contractors	Planning services - Karratha City Centre Precinct Structure Plan project underway Coastal Hazard Risk Management Adaptation Plan project has progressed with the Draft Hazard Assessment received by the City (being reviewed) The contract for the Gap Ridge North Technical Feasibility Study has progressed with Concept Plan developed (being reviewed) It is anticipated that the active progression of these three projects will increase expenditure on Strategic Planning & Lands projects in the first half of the 2026/27 financial year	
129,856	▲	Other Expenses	City Growth - Major grant awaiting previous year acquittal to make current year payment.	
10,238,662	▲		Positive Variances	
0	▼		Negative Variances	
10,238,662	▲		Net Positive Variance Attributable to Material Items	

Outflows - Investing Activities		Explanation of Variances		
Amount		Nature	Timing	Permanent
2,652,864	▲	Buildings	City Projects - Housing Development Baynton Apartments Bajamalu - Delay to fabrication of apartments.	
1,632,606	▲	Infrastructure Misc Structures	Waste Services - 7 Mile Waste Facility Cell Development - Construct - Works are progressing in line with expectations, with the next progress claim currently pending submission. The associated expenditure will be reflected in the following reporting period.	
230,000	▲	Roads	Fleet & Plant - Parks & Gardens - Skidsteer and tractor have been ordered, with delivery expected in December 2026. Expenditure will be reflected upon receipt of the plant.	
120,000	▲	Parks & Open Spaces	Parks & Natural Areas - Ovals - The replacement of synthetic turf at various cricket facilities has been impacted by procurement lead times associated with seasonal contracted works. Expenditure will be reflected as the works progress.	
110,000	▲	Roads	Fleet & Plant - Strategic Projects -The RFQ process for two dual-cab vehicles has closed and is currently being evaluated and processed. Expenditure will be reflected upon completion of the procurement process and vehicle delivery.	
4,745,470	▲		Positive Variances	
0	▼		Negative Variances	
4,745,470	▲		Net Positive Variance Attributable to Material Items	

Outflows - Financing Activities		Explanation of Variances		
Amount		Nature	Timing	Permanent
0	▲		Positive Variances	
(22,306,806)	▼	Reserves	Transfers to Reserve - current year transfers recognised in budget but not yet reconciled for transfer	
(22,306,806)	▼		Negative Variances	
(22,306,806)	▼		Net Negative Variance Attributable to Material Items	