

# Shire of Yalgoo Long Term Financial Plan

2013 – 2028



**UHY** Haines Norton



## Reliance

*The professional advice and opinion in this report has been prepared for the exclusive use of the Shire of Yalgoo and for the purposes specified in our letter of engagement. This report is supplied in good faith and reflects the knowledge, expertise and experience of the engagement consultant and is based on the information and representations provided by the Shire of Yalgoo. We accept no responsibility for any loss occasioned by any person acting or refraining from action as a result of reliance on the report, other than the Shire of Yalgoo.*

## Disclaimer

*The services provided in terms of this engagement comprise an advisory engagement, which is not subject to assurance or other standards issued by the Australian Auditing and Assurance Standard Board and, consequently no opinions or conclusions are intended to convey assurance either expressed or implied.*

*UHY Haines Norton, Perth, a Perth based partnership of trusts ("the Firm"), carries on business separately and independently from other UHY Haines Norton member firms around Australia and New Zealand and UHY member firms worldwide.*

*UHY Haines Norton is a member of Urbach Hacker Young International Limited, a UK company, and forms part of the international UHY network of legally independent accounting and consulting firms. UHY is the brand name for the UHY international network. The services described herein are provided by the Firm and not by UHY or any other member firm of UHY. Neither UHY nor any member of UHY has any liability for service provided by other members.*

## Copyright

© UHY Haines Norton (WA) Pty Ltd  
Chartered Accountants  
ABN 71 026 896 609

## Shire of Yalgoo

If you seek further information or have any questions relating to this Plan please contact:

The Shire of Yalgoo  
PO Box 40  
Yalgoo WA 6635  
Ph: 08 9962 8042  
Fax: 08 9962 8020  
Email: [pa@Yalgoo.wa.gov.au](mailto:pa@Yalgoo.wa.gov.au)  
[www.Yalgoo.wa.gov.au](http://www.Yalgoo.wa.gov.au)



## Document Management

Version: Final  
Status: Adopted  
Date of Adoption: 19<sup>th</sup> September 2013

### **C2013-0914 Adoption of Long Term Financial Plan 2013-2028**

That Council:

1. Adopt the Long Term Financial Plan 2013-2028 as prepared in accordance with the principle of r19DA (3) (c) of the Local Government (Administration) Regulations 1996; and
2. Submit the adopted Long Term Financial Plan 2013-2028 to the Department of Local Government and Communities.

Moved: Cr MR Valenzuela      Seconded: Cr S Willock      Motion put and carried 4/0

# Contents

Foreword.....	4
Executive Summary.....	5
Introduction .....	6
Strategic Planning and Policies .....	7
Scenario Modeling .....	9
Risk Management .....	10
Assumptions, Risk, Uncertainty and Sensitivity .....	11
Monitoring and Performance .....	19
Workforce Planning .....	23
Financial Summary.....	24
Forecast Capital Projects.....	30
Vision, Objectives and Services.....	37
Forecast Financial Statements .....	40
Forecast Significant Accounting Policies 2013-28.....	41
Statement 1. Forecast Statement of Comprehensive Income 2013 to 2028 by Nature or Type .....	50
Statement 2. Forecast Statement of Comprehensive Income 2013 to 2028 by Program.....	51
Statement 3. Forecast Statement of Financial Position 2013 to 2028 .....	52
Statement 4. Forecast Statement of Changes in Equity 2013 to 2028 .....	53
Statement 5. Forecast Statement of Cashflows 2013 to 2028 .....	54
Statement 6. Forecast Statement of Funding 2013 to 2028.....	55
Statement 7. Forecast Statement of Net Current Asset Composition 2013 to 2028 .....	56
Statement 8. Forecast Statement of Fixed Asset Movement 2013 to 2028.....	57
Statement 9. Forecast Statement of Fixed Asset Funding 2013 to 2028 .....	58
Statement 10. Forecast Ratios 2013 to 2028.....	59

## Shire President

I am very pleased to present to the Community the Shire of Yalgoo Long Term Financial Plan for the period 2013-2028.

The plan is part of the Shire's ongoing commitment to an integrated approach to planning for the District's future. It provides the Council and the community with a picture of the Shire's long term financial circumstances and assists us to meet our strategic outcomes and objectives.

The Shire will encounter many challenges and opportunities over the next 15 years. Changes in population levels and demographics bring with them changing Community needs and expectations. The Council will require a clear understanding of its capacity to meet these service expectations as it maintains a strong focus on sound financial management.

The Council welcomes community participation as we plan for a promising future of our District. I invite members of the Community to contact the Council staff or a Councillor if they have any questions.

Regards

Shire President



## Chief Executive Officer

The Shire of Yalgoo's Long Term Financial Plan is an important financial tool as we strive to achieve the strategies set out in the Council's Strategic Community Plan.

The plan will be used with the Corporate Business Plan, Asset Management Plan and Workforce Plan to achieve our goals and drive the Shire in achieving its vision of 'Inclusive and peaceful, prosperous and strong'.

The Shire has recently devoted significant resources into improving its strategic planning in line with the State reform agenda for local government. We have also investigated ways to improve services to the Community by resource sharing and collaboration with neighbouring local governments. This work continues as we constantly seek to improve our systems and service delivery.

The staff have worked closely with the Council to prepare this plan and to highlight the financial issues that will require decisions in the future. I thank the staff for their effort in producing this comprehensive document.

Best Wishes

Chief Executive Officer



## Planning for a Sustainable Future

The Shire of Yalgoo is planning for a positive and sustainable future. The Shire seeks to maintain, and where possible, improve service levels into the future while maintaining a healthy financial position. When preparing this Plan three scenarios relating to possible levels of future funding were considered. These scenarios were a base scenario to meet forecast service needs, funding increase of 5% and funding reduction of 5%.

## Assumptions

The plan has been prepared based on the following broad assumptions:

- The Shire population is forecast to remain stable;
- The Shire will maintain its current service levels and, where financially prudent, increase services;
- The level of grants and contributions for capital projects and operations will remain relatively stable over the term; and
- The Local and State economy will remain stable.

Assets are expected to be adequately maintained and continue to provide existing levels of service.

## Financial Summary

### Operations

The plan predicts a positive net result from operations for the term of the plan.

### Rates

Rates revenue is forecast to increase at 16.1% in the first year due to a significant increase in the mining rate in 2013/14 and increase by 4.7% in year's two to four and then 5.2% in subsequent years, comprising an inflationary increase of 3.2% per annum, and an additional 12.8% in the first year, 1.5% in years two to four and 2% in subsequent years.

### Grants

Grants and contributions for operations are expected to be \$2.1m in year one and then increase by 3.2% per annum. Capital Grants and contributions are forecast to be \$9.2m in year one due contributions for the upgrade of restricted access vehicle routes and are expected to decreasing to \$1.4m in year seven and increase by 3.2% per annum thereafter.

### Financing

Cash backed reserves are forecast to increase from \$2.1m to \$5.3m over the 15 years while borrowings will reduce from \$0.4m to nil by June 2023. This will place the Shire in a strong financial position.

## Strategic Financial Issues

The Shire has responsibility for the maintenance of a large asset base including a significant part of the District's road network. To assist with this task the Shire receives external grants from the Federal and State Government. Without this external source of revenue the Shire would be faced with the prospect of a substantial rate increase to maintain its current service levels.

## Major Projects

Capital works are based on the Shire's adopted capital works program to 2016-17. Expenditure from 2017-18 and subsequent years is reliant on the receipt of funding and based on information from the Shire's Asset Management Plan with no specific projects identified.

New assets included in the Plan are the Yalgoo Community Hub and the construction of the Sports Oval. Caravan Park Redevelopment works and Works Depot improvements are also included.

# Introduction

## Planning Framework

This Long Term Financial Plan has been prepared to achieve compliance with the *Local Government (Administration) Regulations 1996*.

Development of the plan has also been influenced by the Department of Local Government's Framework and Guidelines for Long Term Financial Planning.

Council has adopted the following Policies which impact on the Shire's long term financial planning.

- Capitalisation of Asset Policy; and
- Reserve Accounts – Purposes and Balances Policy.

## Community

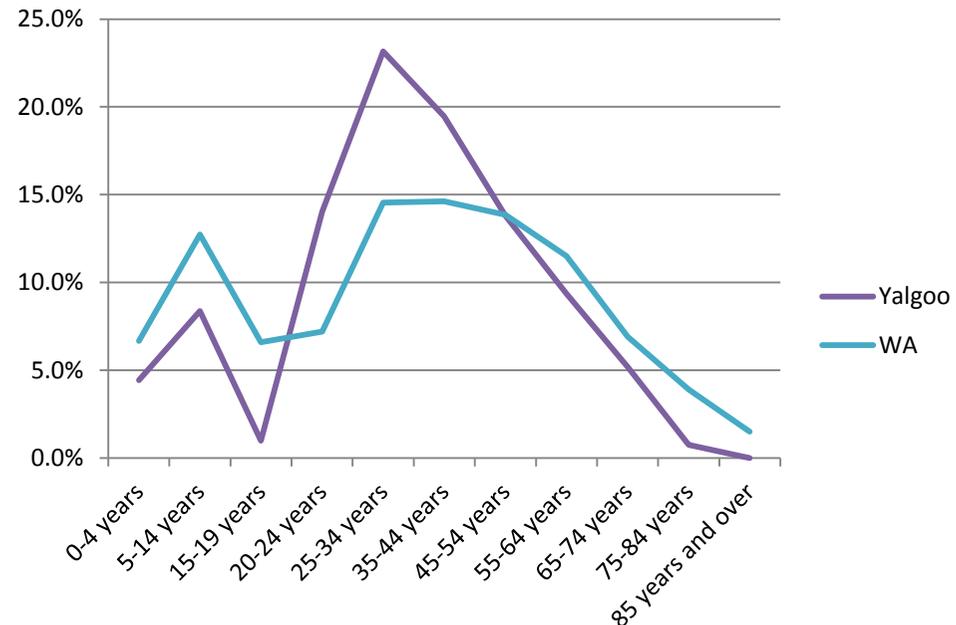
The Shire of Yalgoo is located in the Midwest of Western Australia, approximately 500 kilometres north of Perth. It is 220 kilometres from the nearest regional centre of Geraldton and covers a total area of 28,216 square kilometres, making it one of the larger Shires in the Region.

Compared to the State population average, the Shire has a lower proportion of children and teenagers, a substantially higher percentage of people aged 24-54 and a lower percentage of residents aged over 54.

## Key Statistics: Shire of Yalgoo 2012

Number of Elected Members	5
Number of Staff	22
Annual revenue	\$3,985,416 <sup>1</sup>
Rates revenue	\$1,507,194 <sup>1</sup>
Number of Dwellings	84
Distance from Perth (km)	524
Area (sq. km)	33,258
Population (Est.)	406 <sup>2</sup>

Graph 1 Shire of Yalgoo Resident Population by Age Group



<sup>1</sup> WALGA – WA Local Government Directory 2013

<sup>2</sup> Australian Bureau of Statistics, 2011 Census Data (LGA59350),2012

## Linkage With Other Plans

The Long Term Financial Plan is one component of a number of integrated strategic planning practices the Shire has developed, or is developing, in response to the Department of Local Government's Integrated Planning and Reporting Framework.

This plan includes, and influences, other strategic planning activities as a mechanism to action the strategies contained in Shire's Community Strategic Plan. The plan links to other Strategic documents as follows.

### **Strategic Community Plan**

The Council's Strategic Community Plan is currently being developed. The Shire have engaged with the community through a number of consultative programs all of which have informed this plan.

The Strategic Community is being prepared to cover at least the next 10 years and sets out the community's vision, aspirations and values. To achieve this vision a series of outcomes and strategies were developed. Many strategies may be required to achieve a single outcome and many outcomes needed to achieve a single objective as represented in the diagram to follow.

### Strategic Community Plan structure



The individual strategies all require actions that may require additional human and physical resources. In addition, achieving these strategies may require a series of actions over time as they may not be able to be achieved concurrently taking into account limited financial resources.

To achieve the Shire's strategic outcomes requires careful operational planning and prioritisation. This planning process is formalised as a Corporate Business Plan which operates on a rolling 4 years basis.

### **Corporate Business Plan**

The Corporate Business Plan contains details of the actions and resources (human and financial) to achieve each strategy. It is a 4 year plan which acts as an organisational guide to the Council and management.

The financial capacity to undertake these tasks is evidenced in the long term financial plan for the period. This long term financial planning provides an assurance the actions contained in the Corporate Business Plan can be adequately resourced over the next 4 years and highlight the long term consequences of the application of human and financial resource to undertaking various projects.

The first year of the 2013-17 Corporate Business Plan will be 'sliced off' to form the draft annual budget for consideration by the Council.

### **Capital Works Plan**

The Shire has developed a five year capital works plan. This capital works plan incorporates expenditure estimates for the main asset classes and is an information source for the capital program as set out in this plan.

## **Asset Management Planning**

The Shire of Yalgoo has formal asset management plans for the following asset classes:

- Transport;
- Property; and
- General.

These plans are currently being developed to ensure compliance with the Asset Management Framework and Guidelines for Western Australian Local Governments.

These plans will aim to set service standards for assets and apply financial resources to the renewal of assets over the next 10+ years.

Recommendations within the Asset Management Plans would generally influence the Shire's Capital Works Plan which in turn will be used as a basis for forecasting future capital expenditure.

## **Other Plans**

A plant replacement program has been developed as part of the long term financial planning process and provides input into this Plan.

## **Relevant Council Policies**

Council currently has adopted a long term financial planning, policy which provides clear direction on expectations for long term financial planning.



## Scenario Modelling

Scenarios were developed to test the financial impact of reduced levels of funding for both operations and capital. Scenario modeling was undertaken to consider the net result, and the level of asset renewal capability of the Shire under various levels of funding.

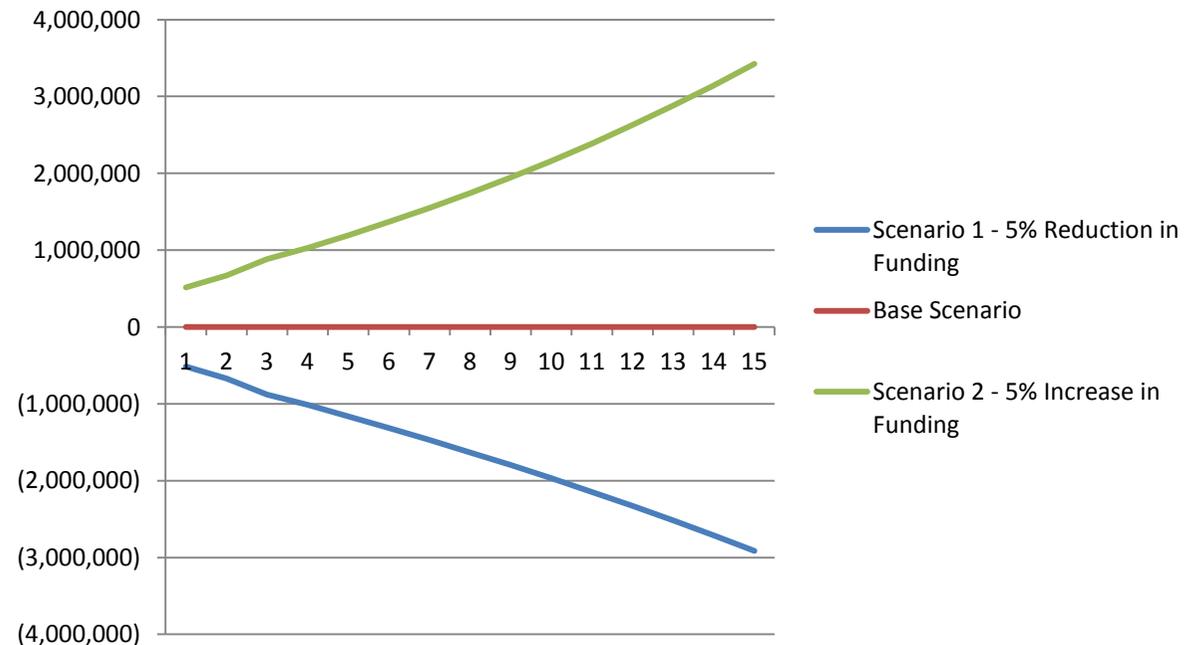
To ascertain the impact, operational funding was adjusted in year 1 of the Plan by the percentage shown in the adjacent table and capital funding was adjusted through the term of the Plan. All other assumptions remained the same across the three scenarios.

Over the 15 years of the Plan the variation in estimated Surplus/Deficit carried forward as a consequence of the funding level is shown in graph 2.

The Base Scenario was selected as the most appropriate and has been used for the remainder of the Plan. The Base scenario includes funding to ensure the current levels of service are maintained.

The adjacent table reflects the impact of a change in funding levels (other assumptions remaining the same).

**Graph 2 Scenario Comparison – Estimated Surplus/Deficit C/Fwd June 30**



Estimated Surplus/Deficit June 30 Carried Forward		
Funding Level	Variance from Base Level In Year 15	Average Variance Per Annum
Scenario 1 – 5% Decrease in Funding	(\$2,914,690)	(\$1,669,613)
Scenario 2 – 5% Increase in Funding	\$3,426,390	\$1,835,013

## Risk Management

The Shire provides a diverse range of services and facilities to the general public which exposes it to risks. As part of the implementation of Integrated Planning and Reporting the Shire intends to formalise its risk based management practices to improve the management of identified risks.

The Shire has a practice of conducting a regular review of insurance levels of its assets by the Chief Executive and Managers to ensure the level is adequate to protect the Shire's assets. The Shire's insurer is LGIS.

Recent amendments to applicable Financial Management Regulations requires the investment of surplus funds (including cash reserves) to be in Term Deposits held by Authorised Deposit taking Institutions or Treasury Bonds.

The Shire seeks to engage experienced and qualified personnel in areas of high risk and provides them with appropriate ongoing training and equipment to ensure they are able to undertake their roles with minimal risk to the Community and the Shire.



## Certainty of Assumptions

Included in the following pages is a detailed analysis of the assumptions used in the preparation of this plan and the level of risk associated with each assumption.

The impact of the assumptions on issues identified as carrying a high risk have been separately disclosed as has the sensitivity of movements in these assumptions on the financial forecasts set out in this plan.

## Sensitivity Analysis

Where it has been assessed a high level of uncertainty applies to the assumption outcomes, sensitivity analysis has been used to help quantify the potential financial impact of a change in the assumption.

Those assumptions with a high level of uncertainty and a higher dollar value present the greatest risk a movement will result in unexpected and detrimental consequences. The details of this analysis are shown adjacent to each assumption on the following pages.

# Assumptions, Risk, Uncertainty and Sensitivity

## Revenue – Assumptions, Risks, Uncertainties and Sensitivity.

Disclosure/Assumption	Assessed Financial Risk	Impact for High Financial Risk Assumptions	Level of Uncertainty	Financial impact and sensitivity for assumption with high level of uncertainty
<b>District Growth in Population:</b> The number of residents in the Shire is expected to remain stable.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
<b>Rates Level Increase:</b> Total rates increase of 16.1% in year one due to a significant increase in the mining rate in 2013/14 and increase by 4.7% in year's two to four and then 5.2% in subsequent years, comprising an inflationary increase of 3.2% per annum, and an additional 12.8% in the first year, 1.5% in years two to four and 2% in subsequent years	Medium	Not assessed as high financial risk.	High	± \$17,494 to the value of rates per 1% in the first year of the Plan.
<b>Operating Grants and Contributions:</b> First year adjusted for prepaid Financial Assistance Grants. Increase in line with forecast inflation thereafter.	High	The road maintenance program and general operations of the Shire are dependent on levels of Federal Financial Assistance Grants. Changes in the levels of these grants would impact directly on the Shire's ability to meet future service levels.	Medium	± \$420,499 to the value of operating grants and contributions per 1% movement in the value over the life of the Plan.
<b>Non-Operating Grants and Contributions:</b> Capital Grants and contributions are forecast to be \$9.2m in year one due to contributions for the upgrade of restricted access vehicle routes. Thereafter they remain in line with funding requirements identified for various capital works.	High	The Capital works program is highly dependent on Government grants and contributions. Changes in these levels would impact directly on the amount spent on capital projects and ultimately impact on service levels.	High	± \$321,300 to the value of non-operating grants and contributions per 1% movement in the value over the life of the Plan.
<b>Fees and Charges:</b> Increased in line with forecast inflation after the first year.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.

# Assumptions, Risk, Uncertainty and Sensitivity

## Revenue – Assumptions, Risks, Uncertainties and Sensitivity. (Continued)

Disclosure/Assumption	Assessed Financial Risk	Impact for High Financial Risk Assumptions	Level of Uncertainty	Financial impact and sensitivity for assumption with high level of uncertainty
<b>Interest Earnings:</b> Interest earning of an average rate of 3.0% per annum on end of year cash balances.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
<b>Other Revenue:</b> Increases in line with inflation.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
<b>Profit on Asset Disposal:</b> Profit on asset disposal results from a mis-allocation of depreciation over the life of the asset. As the level of depreciation is considered appropriate no profit on asset disposals has been included.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.

# Assumptions, Risk, Uncertainty and Sensitivity

## Expenditure – Assumptions, Risks, Uncertainties and Sensitivity.

Disclosure/Assumption	Assessed Financial Risk	Impact for High Financial Risk Assumptions	Level of Uncertainty	Financial impact and sensitivity for assumption with high level of uncertainty
<b>Employee Costs:</b> Increase annually by inflation plus the inclusion of recommendations from the Workforce Plan.	Medium	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
<b>Materials and Contracts:</b> Increase annually by inflation and in accordance with the 2013/14 Budget.	High	The road preservation program and general operations of the Shire are dependent on levels of Federal Financial Assistance Grants. Changes in the levels of these grants would impact directly on the Shire's ability to meet future service levels.	Medium	Not assessed as high level of uncertainty.
<b>Utilities:</b> Reduce in the first year in accordance with the 2013/14 Budget and then increase annually by 1% more than inflation thereafter.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
<b>Depreciation:</b> Depreciation has been calculated using an average depreciation rate based on historical depreciation rates.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
<b>Insurance:</b> Increase by 1% more than inflation after the first year.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
<b>Other Expenditure:</b> Base year increased in line with inflation.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
<b>Loss on Asset Disposal:</b> A loss on asset disposal results from a mis-allocation of depreciation over the life of the asset. As the level of depreciation is considered appropriate no loss on asset disposals has been included.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.

## Assets – Assumptions, Risks, Uncertainties and Sensitivity

# Assumptions, Risk, Uncertainty and Sensitivity

Disclosure/Assumption	Assessed Financial Risk	Impact for High Financial Risk Assumptions	Level of Uncertainty	Financial impact and sensitivity for assumption with high level of uncertainty
<b>Revaluations:</b> In line with annual inflation.	Low	The revaluation of assets to their fair value may result in changes in asset ratio analysis and depreciations leading to a change in the net result. The revaluation of assets will have no impact on Cashflows.	High	± \$181,079 to the value of property plant and equipment per 1% movement in the value over the life of the Plan. ± \$448,123 to the value of infrastructure assets per 1% movement in the value over the life of the Plan.
<b>Impairment of Assets:</b> No impairment of assets has been assumed over the life of the Plan. Impairment of assets usually occurs due to unplanned or unforeseen events such as natural disasters.	High	A widespread major impairment event may result in a requirement for high levels of expenditure to maintain service levels.	Medium	Unable to be quantified.
<b>Infrastructure Assets:</b> Expenditure for 2013/14 and 2014/15 is in accordance with the Capital Works Plan. From 2019/20 specific capital projects have not been identified in the Plan.	High	The Capital works program is highly dependent on Government grants and contributions. Changes in these levels would impact directly on the amount spent on capital projects and ultimately on service levels.	High	± \$321,300 to the value of infrastructure assets per 1% movement in the capital grants received over the life of the Plan.
<b>Property Plant and Equipment:</b> Building expenditure for 2013/14 to 2015/16 is in accordance with the Capital Works Plan and plant expenditure is based on the Plant Replacement Program.	Medium	Not assessed as high financial risk as the frequency of capital grants for buildings is not as pervasive as roadwork's and plant and equipment replacement is not influenced by external grant funds.	Medium	Not assessed as high level of uncertainty.

# Assumptions, Risk, Uncertainty and Sensitivity

## Liabilities – Assumptions, Risks, Uncertainties and Sensitivity.

Disclosure/Assumption	Assessed Financial Risk	Impact for High Financial Risk Assumptions	Level of Uncertainty	Financial impact and sensitivity for assumption with high level of uncertainty
<b>Borrowings:</b> New borrowings to be considered for capital works where required.	Medium	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
<b>Employee Entitlements:</b> It has been assumed the Shire will be in a position to meet its obligations in relation to employee entitlements.	Medium	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.

## Equity Risks, Uncertainties and Sensitivity

Disclosure/Assumption	Assessed Financial Risk	Impact for High Financial Risk Assumptions	Level of Uncertainty	Financial impact and sensitivity for assumption with high level of uncertainty
<b>Cash Backed Reserves:</b> It has been assumed the Shire will invest cash reserves in term deposits with banking institutions and these funds will be available for use during the term of the Plan.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
<b>Revaluation Surplus:</b> Increasing in line with inflation based revaluation.	Low	The revaluation of assets to their fair value may result in changes in asset ratio analysis and depreciations leading to a change in the net result. The revaluation of assets will have no impact on Cashflows.	High	± \$181,079 to the value of property plant and equipment per 1% movement in the value over the life of the Plan. ± \$448,123 to the value of infrastructure assets per 1% movement in the value over the life of the Plan.

# Assumptions, Risk, Uncertainty and Sensitivity

## Other - Assumptions, Risks, Uncertainties and Sensitivity.

Disclosure/Assumption	Assessed Financial Risk	Impact for High Financial Risk Assumptions	Level of Uncertainty	Financial impact and sensitivity for assumption with high level of uncertainty
<b>Ownership of Strategic Assets:</b> The Shire does not intend for the ownership of any strategic assets to be transferred to another party over the term of the Plan.	High	Any significant changes to the ownership of strategic assets would require an amendment to this Plan and depending on the circumstance be subject to community consultation.	Low	Not assessed as high level of uncertainty.
<b>Inflators:</b> Forecast inflation at 3.2% per annum.	Medium	Not assessed as high financial risk.	High	± \$ 883,738 to operating revenue per 1% movement in the inflators over the life of the Plan. ± \$1,023,520 to operating expenditure per 1% movement in the inflators over the life of the Plan.
<b>Carbon Tax:</b> Nil impact considered as impact unable to be determined. However, higher than inflation increases to various expenditure items provides some allowance for possible cost increases arising from the carbon tax.	Low	Not assessed as high financial risk.	High	The Shire is unable to be determined at present as the impact will largely be indirect.
<b>Commercial Activities:</b> The Shire has no plans to undertake a significant commercial activity during the period of the Plan.	Medium	Not assessed as high financial risk.	Low	Not assessed as High level of uncertainty.
<b>General Economic Forecasts for State:</b> The economic forecast for the State is closely linked the success of the mining industry and demand for minerals this is forecast to continue.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.

# Assumptions, Risk, Uncertainty and Sensitivity

Disclosure/Assumption	Assessed Financial Risk	Impact for High Financial Risk Assumptions	Level of Uncertainty	Financial impact and sensitivity for assumption with high level of uncertainty
<p><b>General Economic Forecasts for Region:</b> Historically, the region’s economy is heavily dependent on mining and pastoral activity and this remains the assumption for the term of this Plan.</p> <p>The Shire of Yalgoo is located in the Midwest of Western Australia, approximately 500 kilometres north of Perth and 220 kilometres from the Regional centre Geraldton. The Shire covers a total area of 28,216 square kilometres, making it one of the larger Shires in the Region.</p> <p><b>A continuation of the current mining and pastoral activity is assumed for the term of this Plan.</b></p>	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.

## Monitoring

The plan will be the subject to an annual review to take into account changing circumstances.

Monitoring of the Shire's financial rigidity and financial position is undertaken by preparing and monitoring various ratios.

## Performance Assessment

A series of performance indicators in the form of financial ratios are utilised to assess the financial performance of the Shire.

To maintain comparability across the Industry these ratios and their respective target ranges have been derived from the Department of Local Government's Model Long Term Financial Plan and *Regulation 50 of Local Government (Financial Management) Regulation 1996*.

Graphs of these financial ratios are presented on the following pages together with the formula used to calculate the ratio, a brief description of what the ratio indicates and an assessment of the impact of the ratio on the Shire's future.

## Ratio Targets

The Department of Local Government Advisory Standard<sup>3</sup> provides target levels for each of the ratios. These target levels are represented on the ratio graphs as a red or green line. The red line represents the level at which a 'basic standard' is met, the green line representing the level at which an 'advanced standard' is met.



---

<sup>3</sup> Department of Local Government, *Integrated Planning and Reporting, Advisory Standard, 2012*

# Monitoring and Performance

## Current Ratio

$$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$$

**Indication:** A measure of the Shire’s immediate liquidity and the capacity to meet short term financial obligations from unrestricted current assets.

**Commentary:** As expected for a local government with a forecast balanced position the current ratio is below 1.0 and does not indicate a threat to the long term financial position of the Shire.

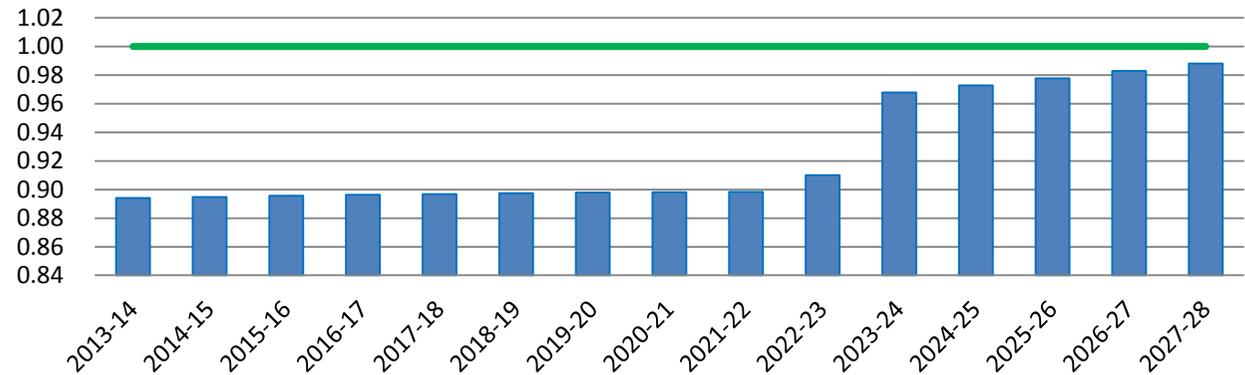
## Operating Surplus Ratio

$$\frac{\text{operating revenue minus operating expense}}{\text{own source operating revenue}}$$

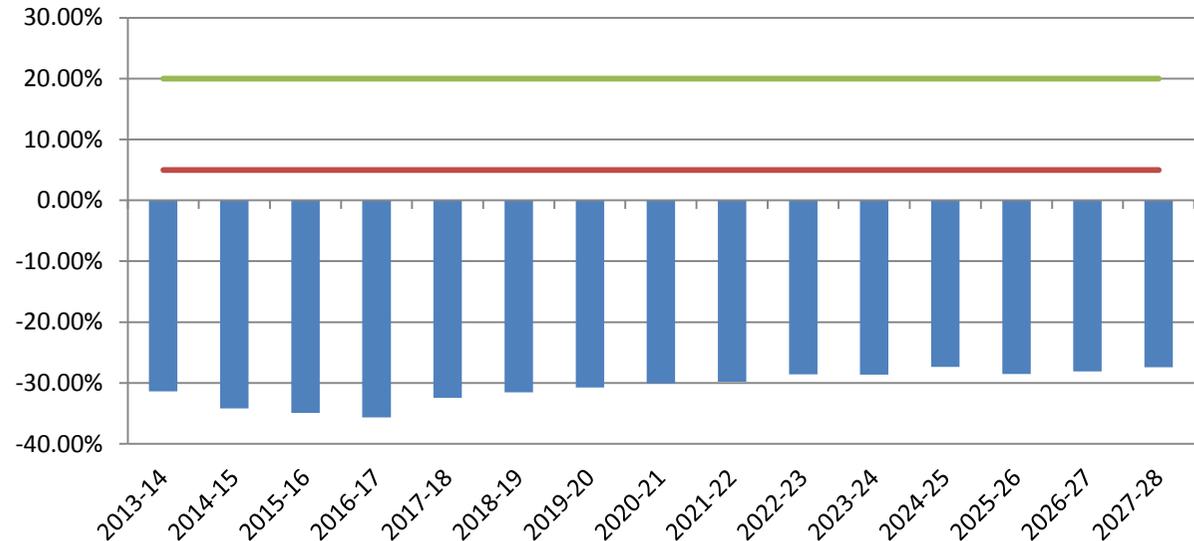
**Indication:** A measure of the extent to which own source revenues raised cover operational expenses.

**Commentary:** While the ratio is below the target throughout the term of the Plan, the trend is improving over the period. The ratio is not considered to indicate a threat to the Shire’s long term financial position but does indicate the Shire’s reliance on external capital grants.

Graph 1 Forecast Ratio Analysis – Current Ratio



Graph 2 Forecast Ratio Analysis – Operating Surplus Ratio



# Monitoring and Performance

## Own Source Revenue Coverage Ratio

$$\frac{\text{own source operating revenue}}{\text{operating expense}}$$

**Indication:** A measure of the extent of the Shire’s ability to cover costs using only discretionary revenue.

**Commentary:** The ratio indicates the Shire’s reliance on external funding and is in the acceptable range.

## Debt Service Coverage Ratio

$$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$$

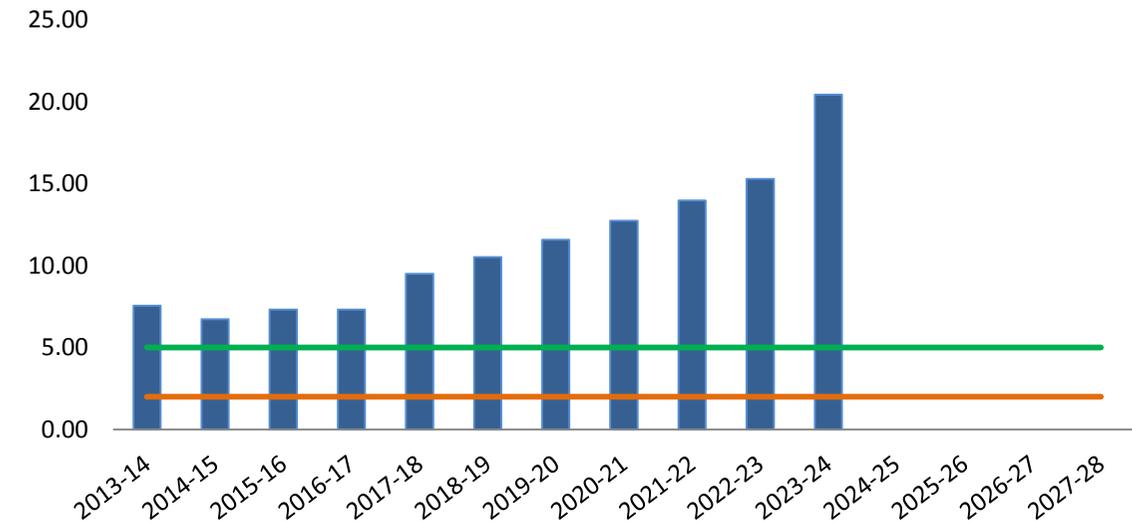
**Indication:** A measure of the extent of the Shire’s capacity to generate sufficient cash to cover debt payments.

**Commentary:** The ratio is above the target range and continues to improve over time as existing borrowings are paid off and the operating result improves.

**Graph 3** Forecast Ratio Analysis – Own Source Revenue Coverage Ratio



**Graph 4** Forecast Ratio Analysis – Debt Service Coverage Ratio



# Monitoring and Performance

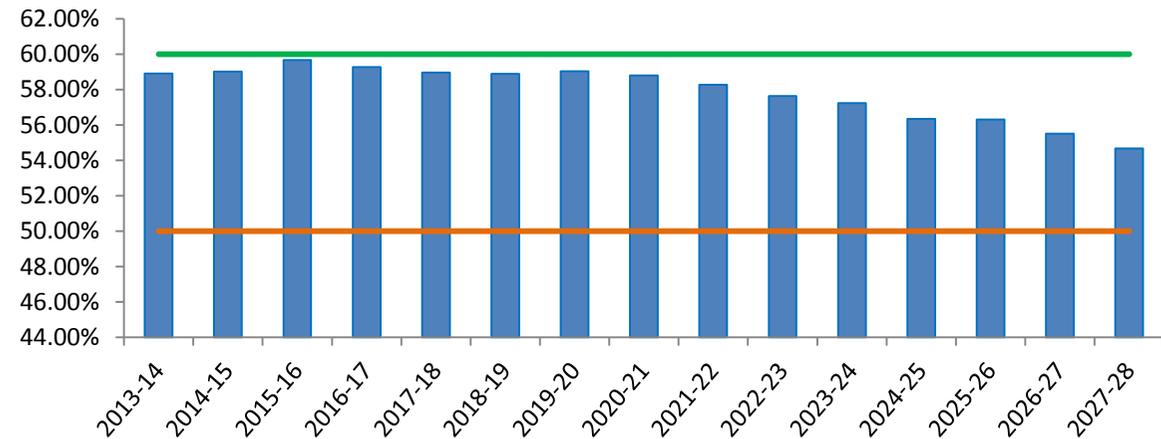
## Asset Consumption Ratio

*depreciated replacement cost of assets*  
*current replacement cost of depreciable assets:*

**Indication:** A measure of the extent to which assets managed by the Shire are being replaced as they reach the end of their useful lives.

**Commentary:** The ratio is within the acceptable range, limited reliance should be placed on the ratio due to possible changes to the estimated replacement cost of assets with the introduction of fair value for all asset classes.

**Graph 5** Forecast Ratio Analysis – Asset Consumption Ratio



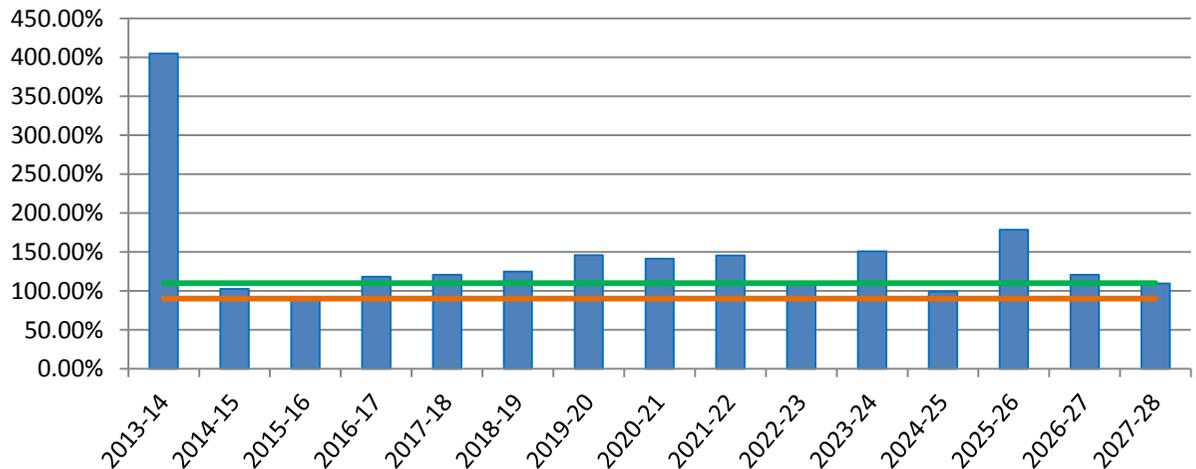
## Asset Sustainability Ratio

*capital renewal and replacement expenditure*  
*depreciation expense*

**Indication:** A measure of the aged condition of the Shire’s physical assets.

**Commentary:** Whilst the ratio is above the ideal range in year one and a number of the out years, this is reliant upon the Shire receiving the forecast level of Capital grants to fund renewal expenditure.

**Graph 6** Forecast Ratio Analysis – Asset Sustainability Ratio



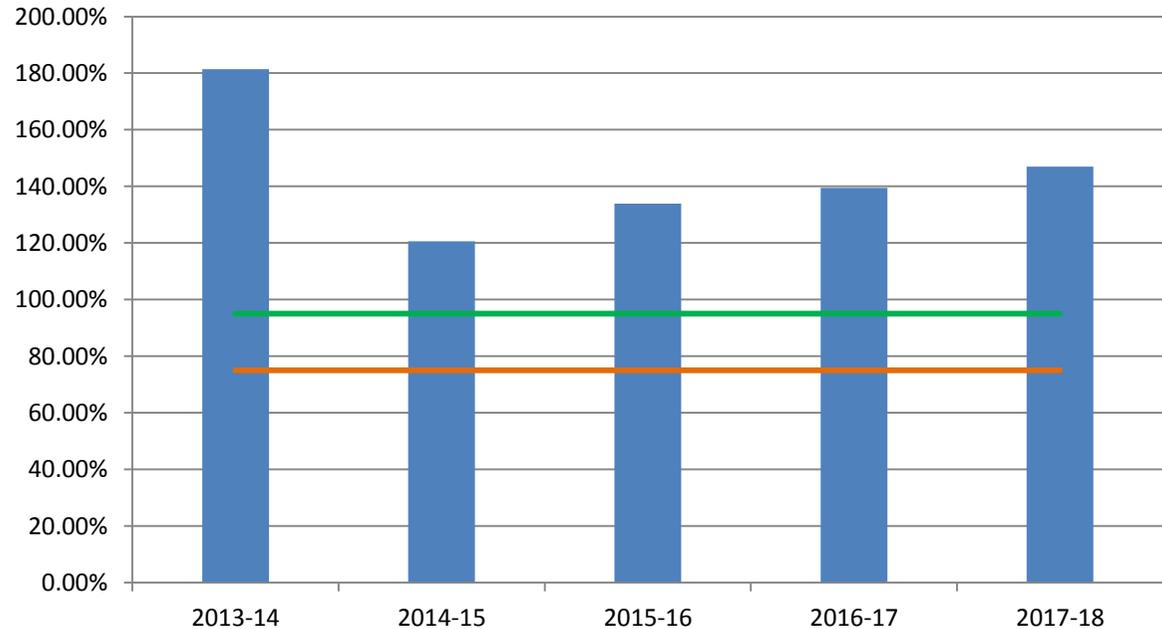
## Asset Renewal Funding Ratio

*NPV of planned capital renewals over 10 years*  
*NPV of required capital expenditure over 10 years*

**Indication:** The Shire’s financial capacity to fund asset renewal to support existing service levels. (This ratio is based on the ten years forecast expenditure and as such is only able to be calculated of the first five years of the Plan).

**Commentary:** The ratio indicates assets are planned to be adequately renewed in the future, but this is dependent upon the Shire receiving the forecast level of Capital grants to fund renewal expenditure.

**Graph 7** Forecast Ratio Analysis – Asset Renewal Funding Ratio



## Workforce Planning

The Shire currently employs 20 Full Time Equivalent (FTE) employees to deliver the range of services to the community and to maintain existing assets.

The Shire has developed a Workforce Plan that sets out the level of human resources required to achieve the strategies set out in the Strategic Community Plan.

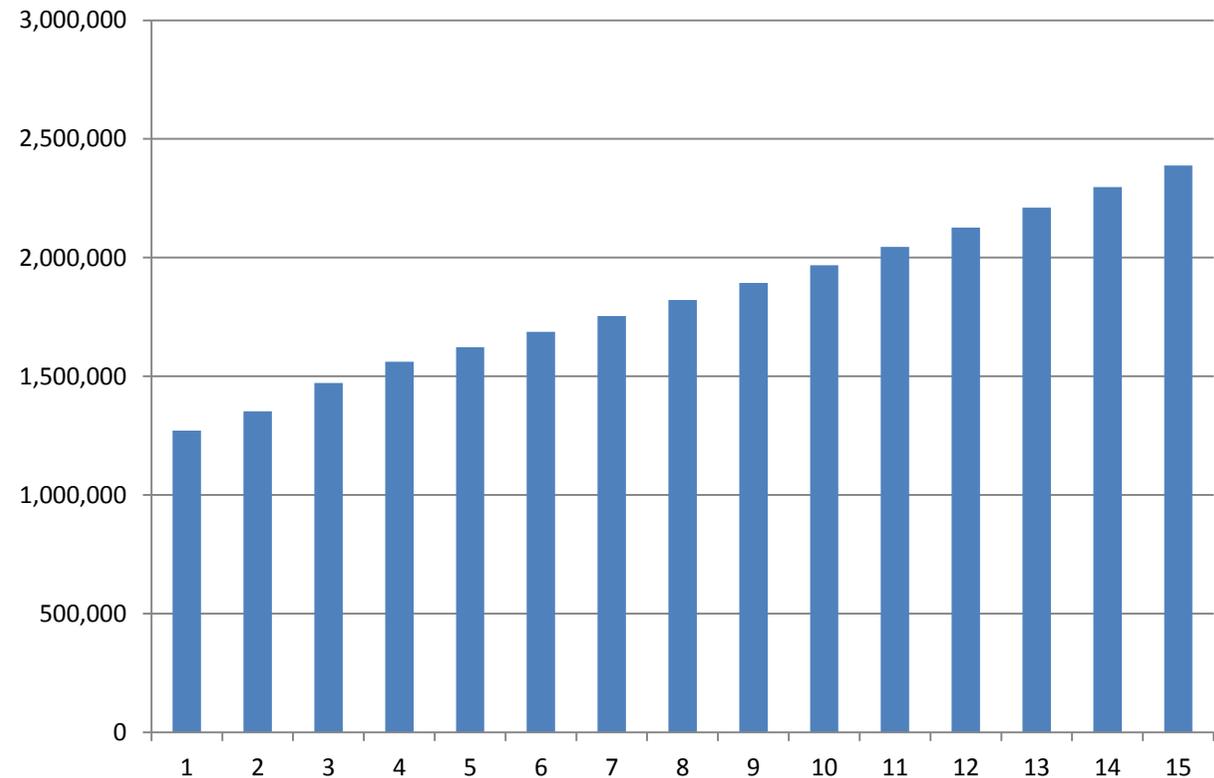
Additional staffing resources beyond the 2013/2014 level have been modeled into the Long Term Financial Plan.

Council encourages work life balance, multi skilling, flexibility and effective application of staff capability.

### ***Change in Employee Costs***

Employee costs are forecast to increase over the life of the Plan at 0.8% above inflation plus the inclusion of costs reflected in the Workforce Plan.

**Graph 8** *Total Employee Costs*



## Operations

The graph adjacent plots the operating revenues and expenses over the periods as columns and the net result (revenues less expenses excluding asset revaluation changes) as a line.

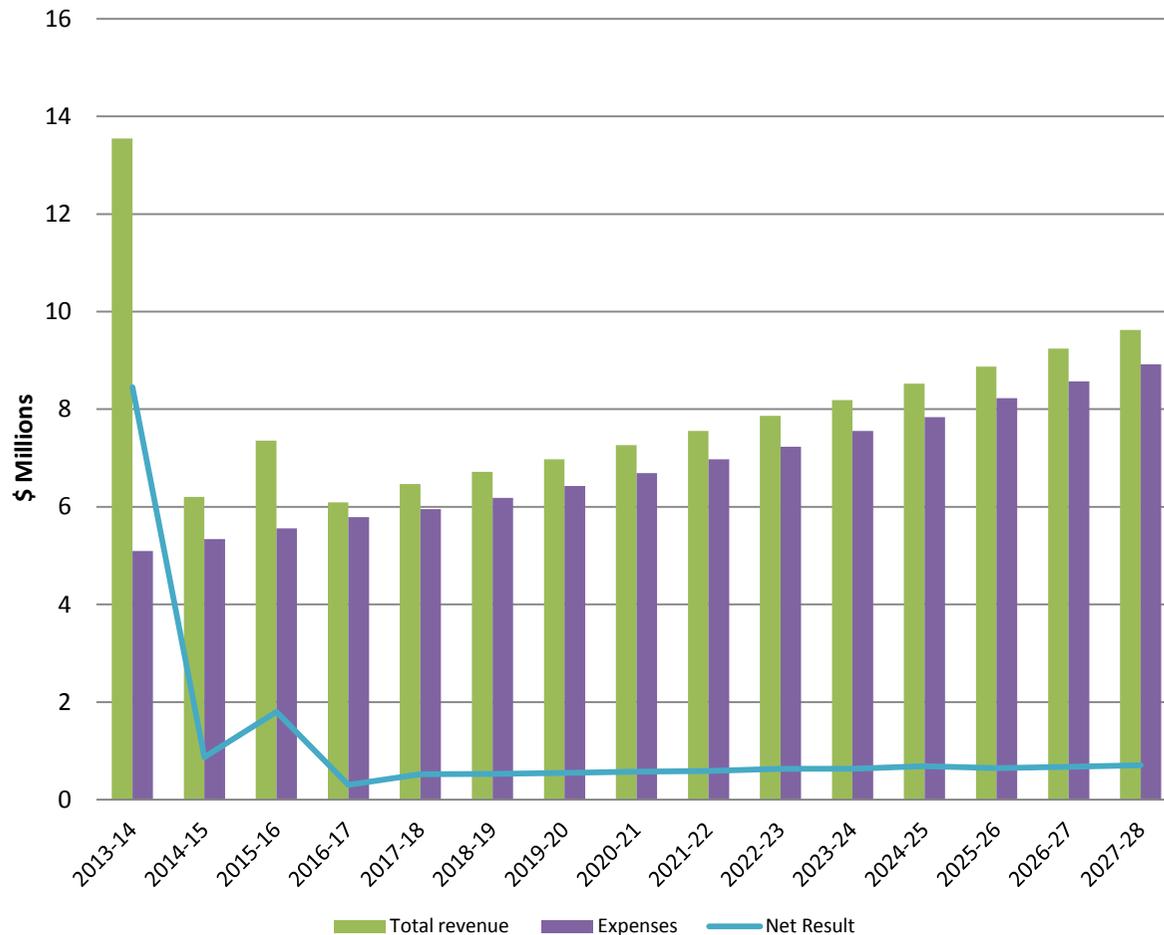
The Shire expects the operating net result to remain stable over the life of the plan with an average net result of approximately \$1.2m totaling \$18,151,879 for the 15 years. Recording a positive result over the period suggests the Shire is maintaining its asset base.

While projecting a steady increase in operating expenses over the period, the level of grants and contributions for capital projects results in variations in the net result particularly between year two and three.

It should be noted, without the grants and contributions for capital projects the Shire would record a negative operating result for each of the forecast years, commencing in 2013-14 with (\$701,973).

The Shire is also heavily reliant on receiving \$42,049,893 over the 15 years in untied operating grants, subsidies and contributions to maintain the current level of operations and services.

**Graph 9 Forecast Revenue, Expenses and Net Result**



## Rates Revenue

Rate revenue is forecast to increase with an inflator of 16.1% in the first year due to a significant increase in the mining rate in 2013/14 and increase by 4.7% in year's two to four and 5.2% in subsequent years (3.2% Inflation and an additional 12.8% in 2013-14, 1.5% in year's two to four and then 1.5% in subsequent years for service growth). Rates are expected to generate \$1.7m in 2013-14 increasing to \$3.5m in 2027-28.

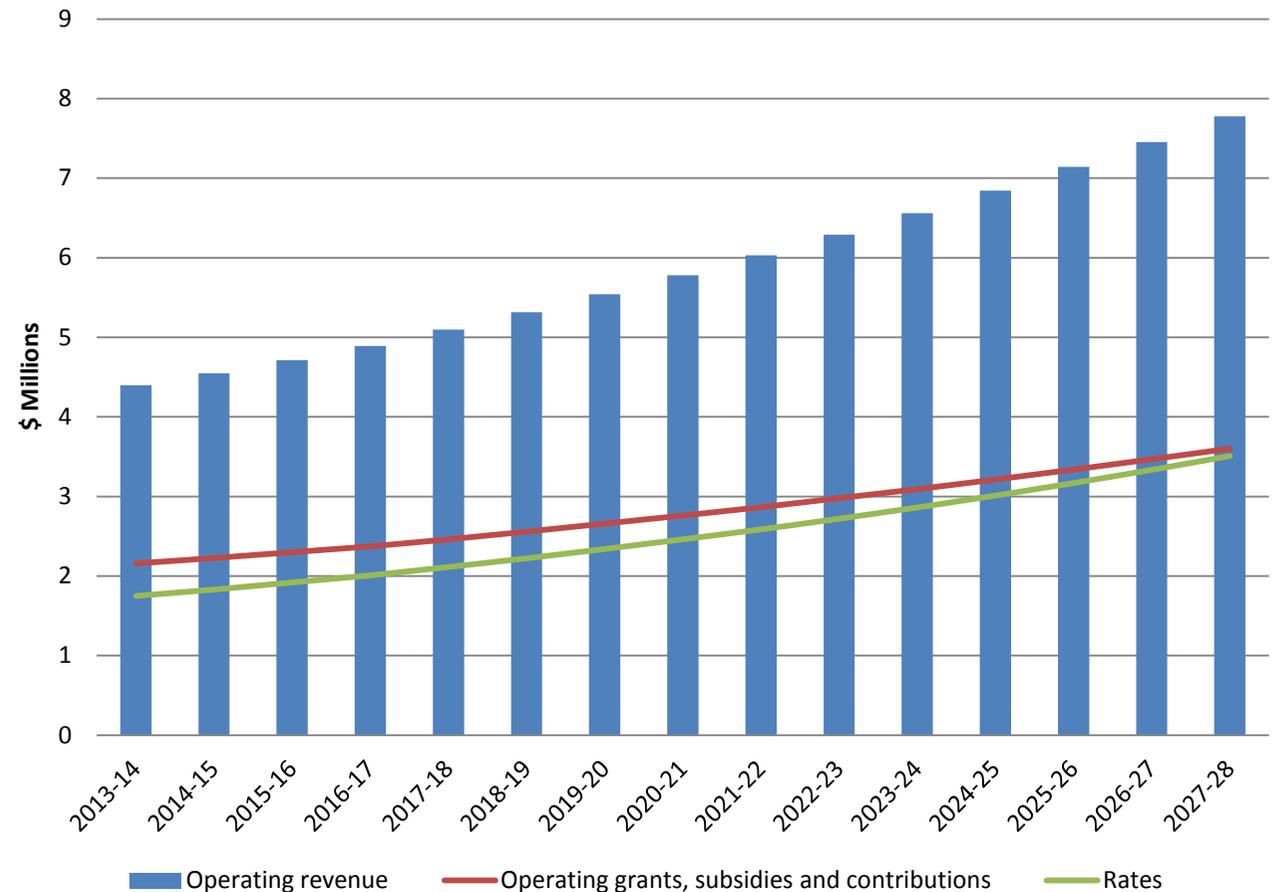
## Operating Grants

Grants and contributions for operating purposes are planned to increase from \$2.1m in 2013-14 to \$3.6m in 2027-28. The assumption is for a 3.2% inflationary increase annually over the period. There is a high level of uncertainty surrounding this forecast as the actual level of grants allocation has not been determined and is subject to the amount of Federal funds allocated to W.A. and the allocation methodology adopted by the WA Local Government Grants Commission.

## Capital grants

Grants and contributions for specific capital projects are expected to be high in the first year of the plan due to contributions for the upgrade of restricted access vehicle routes. Major projects include housing renewal, Caravan Park redevelopment and Works Depot Workshop. In all other years Capital grants are forecast to remain in line with historical levels.

**Graph 10 Forecast Revenue**



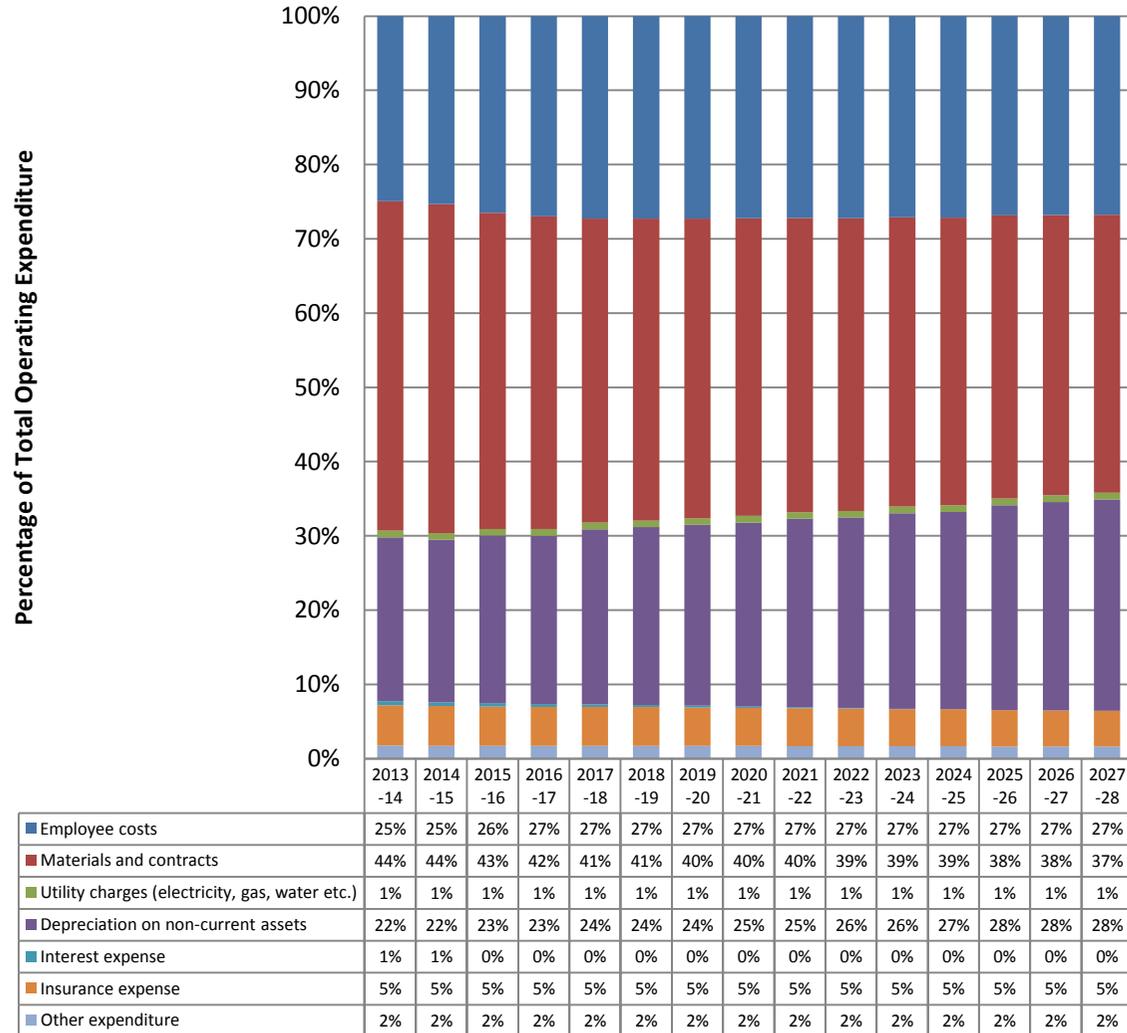
## Expenses Proportions

The graph adjacent shows the change in the proportion of operating expenditure items over the term of the plan.

Employee costs are expected to increase marginally as a percentage of total costs over time increasing from 25% to 27% of forecast operating expenditure. Employee costs are forecast to increase above inflation in line with recommendations within the Workforce Plan. Materials and Contracts are expected to decrease from 44% to 37% of forecast operating expenditure. Other components of operating expenditure are expected to remain relatively stable over the period.

Employee costs and materials and contracts remain the dominant operating expenditure components making up just over 27% and 37% of the costs respectively in the last year of the plan.

**Graph 11 Forecast Operating Expenditure**



## Asset Management Planning

The Shire of Yalgoo has developed an initial asset management plan covering the following asset classes:

- Transport;
- Property; and
- General.

The plan sets service standards for assets, and contains work schedules applying financial resources to the renewal of assets over the next 15+ years.

These renewal schedules inform the Shire's Long Term Financial Plan and Corporate Business Plan and are used as a basis for forecasting capital expenditure.

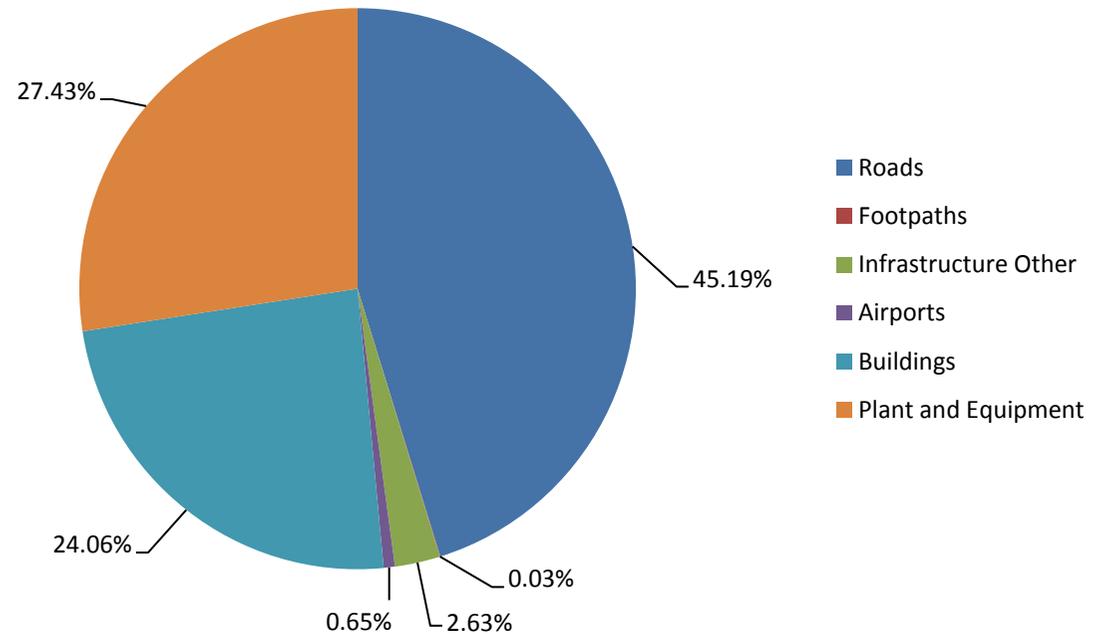
## Capital Works

The majority of the capital expenditure during the forecast period is expended on roads infrastructure.

This proportion of expenditure demonstrates the clear priority the Shire has for maintaining its most substantial assets, the road asset network, plant & equipment and buildings. Over the 15 year period the Shire will spend \$46.1m on assets with \$27.8m of this being on Roads and \$12.6m on Plant & Equipment.

The table to the right details the forecast spend on each class of assets.

## Total Capital Works Expenditure



Asset Class	Total Expenditure
Roads	\$20,837,113
Footpaths	\$15,000
Infrastructure - Other	\$1,212,634
Airport	\$300,000
Buildings	\$11,095,616
Plant and Equipment	\$12,649,023
<b>Total</b>	<b>\$46,109,386</b>

## Capital Trends

### Asset Renewal

In the first years of the plan there is a mix of capital renewal and new assets. This mix changes to be dominated by renewal of assets at the end of the plan.

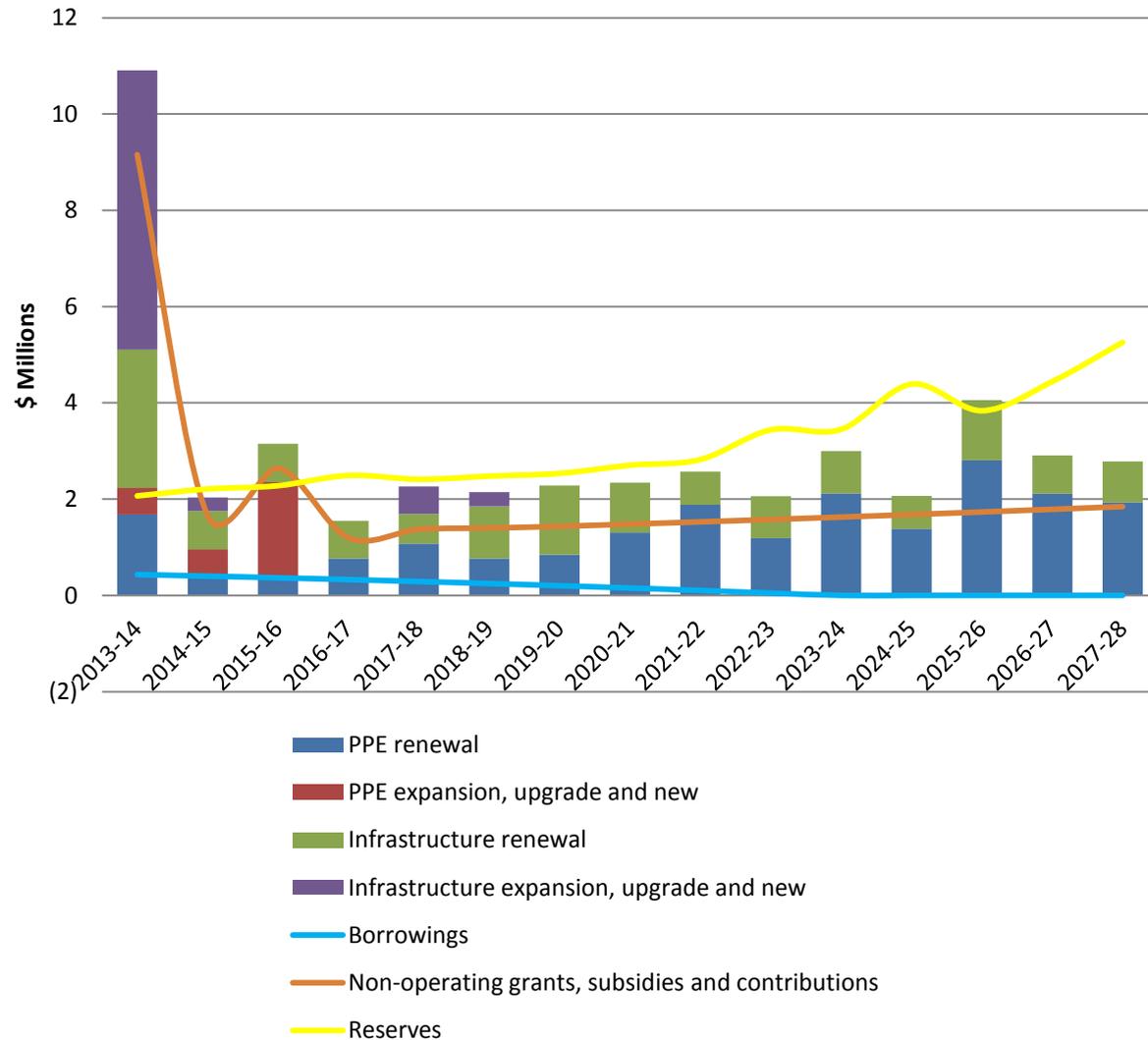
As asset management planning is further developed the exact asset renewal requirements will become more apparent.

### New or Expanded Assets

The Shire is planning for construction of the Yalgoo Community Hub in 2015-16, replacement of the Depot Workshop and construction of the Sports Oval in 2014-15, these projects are funded from a mix of capital grants, and general revenue. These projects are represented in the graph under the headings of 'Infrastructure' and 'PPE', 'expansion, upgrade and new'. The peak in the level of non-operating grants is due to these projects.

This capital expenditure occurs against a backdrop of reducing borrowings and increasing cash reserve balances. This provides the Shire with the capacity to borrow or use reserves in the future for unplanned major capital projects.

Graph 12 Forecast Capital Expenditure



## Financing

In general, the finances of the Shire are expected to improve over the term with a reduction in the level of borrowings outstanding and an increase in cash savings in the form of reserves as represented in Graph 13 adjacent.

### Borrowings

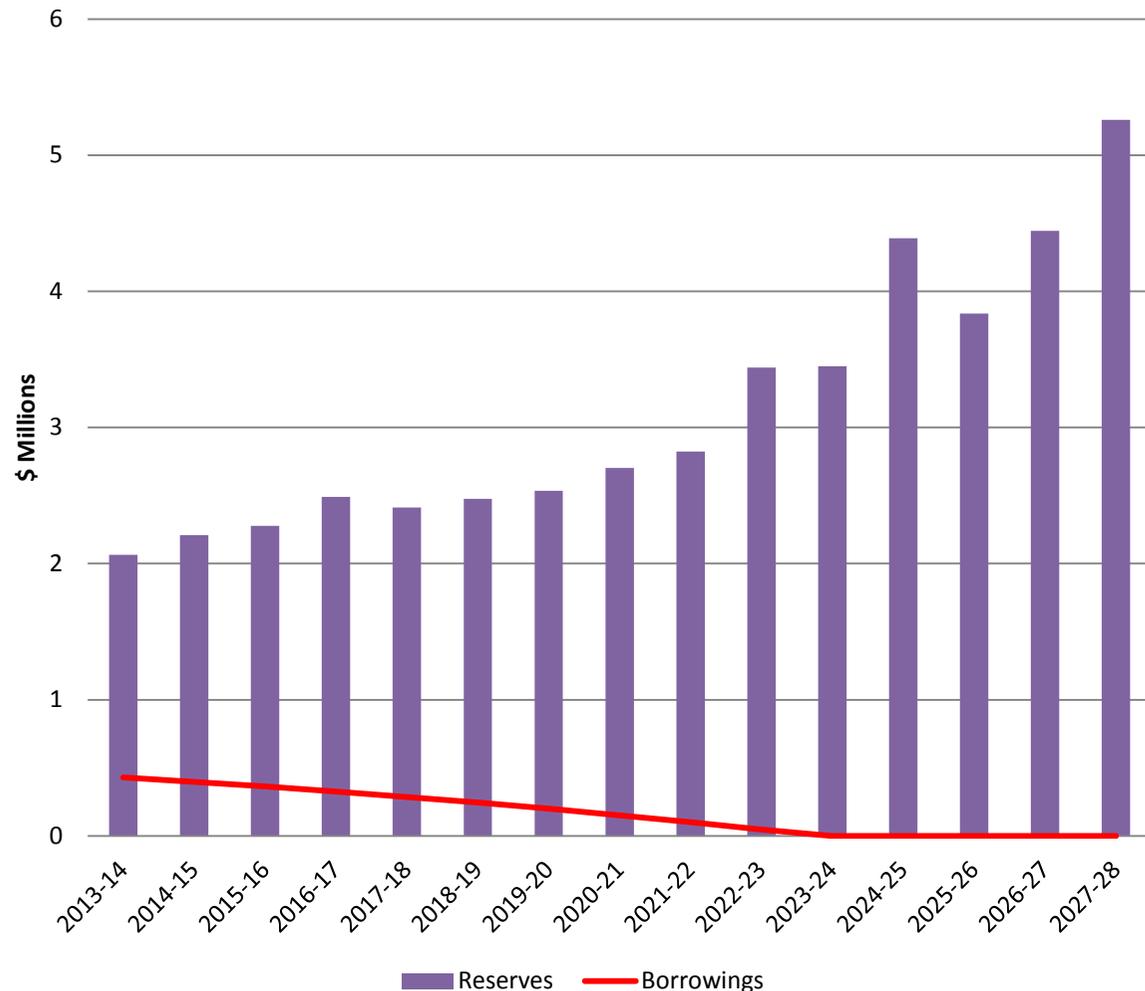
The principal outstanding on borrowings reduces over the life of the plan with all loans expected to be paid by 2023-24.

As existing loans come to an end, no new borrowings have been specifically identified. This provides the Shire with increasing capacity to borrow in response to unplanned events or urgent issues over the life of the plan.

### Cash Reserves

The balance of cash reserves are forecast to increase over the term of the plan. The majority of the increase in movement in reserves, from 2013-14 to 2027-28, relates to the Plant Reserve (\$2.1m) and Building Reserve (\$0.6m).

**Graph 13 Forecast Borrowings and Reserves**



# Forecast Capital Projects

## Capital Projects

The table below sets out the capital projects included within the plan.

Strategy / Action No.	Asset class	Project	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1.1.2.1	Infrastructure Other	Construct Sports Oval		270,000													
	<b>Infrastructure Other Total</b>			<b>270,000</b>													
1.1.3.1	Buildings	Yalgoo Community Hub: Community and Youth Centre			2,000,000												
		Yalgoo Hub - CSRFF	32,714														
		Yalgoo Hub - MWIP	26,571														
		Yalgoo Hub (CYC) - CLGF 12-13	120,411														
		Yalgoo Hub - Waterpark hard cover	40,000														
		Yalgoo Hub - Sporting Equip Shed	12,000														
		Yalgoo Hub - Bungarra	20,000														
	<b>Buildings Total</b>		<b>251,696</b>		<b>2,000,000</b>												
2.1.1.1	Infrastructure Other	Footpaths	15,000														
		Community Park	50,000														
		PF Tip - Ramp Facility	40,000														
		Yalgoo Tip - Fencing	20,000														
		Yalgoo Town Sewerage Upgrade	5,000														
		RDAF Round 5 Grant project	132,000														
		Payne's Find Solar Security Lighting	9,001														
		Diesel Fuel Tank	15,000														
	<b>Infrastructure Other Total</b>		<b>286,001</b>		-												
2.1.2.1	Infrastructure Other	Payne's Find Beautification	84,000														
	<b>Infrastructure Other Total</b>		<b>84,000</b>														
3.3.6.2	Buildings	Caravan Park Redevelopment - TIRF	250,000														
		Caravan Park Redevelopment - CLGF 2012-13	250,000														
	<b>Buildings Total</b>		<b>500,000</b>														

# Forecast Capital Projects

Strategy / Action No.	Asset class	Project	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
3.4.1.2	Footpaths	Pedestrian Maze and Signage		-													
		Footpaths (General)		15,000													
	<b>Footpaths Total</b>			<b>15,000</b>													
	Infrastructure Other	Headworks					572,633										
		<b>Infrastructure Other Total</b>					<b>572,633</b>										
	Airports	Yalgoo Airstrip: Animal Exclusion Fence						150,000									
		Payne's Find Airstrip: Animal Exclusion Fence							150,000								
	<b>Airports Total</b>							<b>300,000</b>									
	Roads	Road Renewals		450,000	450,000	781,781	614,071	1,080,100	1,435,200	1,034,812	687,196	877,435	878,933	680,006	1,244,887	789,247	846,503
		Yalgoo – Ninghan Road: Widen and Resheet Gravel Section		340,758													
		YA-MO Rd Deflector Mine intersection		250,000													
		YA-MO Rd - RRG MRWA SLK 0-13 Formation		474,313													
		YA MO Rd - CLGF 13-14 SLK 13-23 Formation		271,524													
		YA MO Rd - R2R SLK 13-23 Formation		304,918													
		YA MO Rd - RRG MRWA SLK 13-23 Seal		228,138													
		YA MO Rd - CLGF 13-14 SLK 13-23 Seal		150,000													
		YA MO Rd - CLGF 12-13 SLK 0-6 Seal		255,000													
		YA NI Rd - RRG MRWA SLK 11-40 Widen/Resheet		433,488													
		YA-NI Rd - SinsoSteel 7.4kms		800,000													
		YA-NI Rd - Top Iron ??kms		5,000,000													
		YA NO Rd - Hills SLK 15-20 Resheet		85,190													
		Grids - replace broken/damaged		50,000													
		Yalgoo Ningnan Rd Widening				343,613											
	<b>Roads Total</b>		<b>8,302,571</b>	<b>790,758</b>	<b>793,613</b>	<b>781,781</b>	<b>614,071</b>	<b>1,080,100</b>	<b>1,435,200</b>	<b>1,034,812</b>	<b>687,196</b>	<b>877,435</b>	<b>878,933</b>	<b>680,006</b>	<b>1,244,887</b>	<b>789,247</b>	<b>846,503</b>

# Forecast Capital Projects

Strategy / Action No.	Asset class	Project	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28			
			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$			
3.4.1.5	Buildings	Works Depot: Replace Workshop		550,000																
		Anglican Church Heritage Preservation Works	8,000	100,000																
		30 Selwyn St	150,000																	
		Weekes St Housing x 74 Weekes St	541,373																	
		Yalgoo Hall - flooring	15,000																	
		Museum works	10,000																	
		Admin Building - extend/renovate - plans	20,000																	
		Building Renewals				468,219	235,929	19,900		446,314	841,326	700,000	748,980	1,000,000	488,879	1,000,000	1,000,000			
		<b>Buildings Total</b>			<b>744,373</b>	<b>650,000</b>		<b>468,219</b>	<b>235,929</b>	<b>19,900</b>		<b>446,314</b>	<b>841,326</b>	<b>700,000</b>	<b>748,980</b>	<b>1,000,000</b>	<b>488,879</b>	<b>1,000,000</b>	<b>1,000,000</b>	
		3.4.1.6	Plant and Equipment	Plant and Equipment Renewal		307,792	357,210	299,448	842,812	747,771	845,256	858,151	1,042,286	485,066	1,371,668	385,265	2,319,300	1,114,383	935,115	
Forklift	40,000																			
FUSO Works Truck	73,000																			
Tandem Dolly	28,000																			
Side Tipper - Roadwest	95,000																			
Works Maint Ute	40,000																			
Sundry Small Plant	20,000																			
Trailer - 7 x 4	4,500																			
Trailer - 8 x 5	5,000																			
Air Compressor - Depot	10,000																			
CDO Car	38,000																			
Works Ute	80,000																			
Project Executive Vehicle	46,000																			
CEO 4WD	80,000																			
Admin Car	38,000																			
Computers and Server	45,000																			
Side Tipper	95,000																			
	<b>Plant and Equipment Total</b>		<b>737,500</b>	<b>307,792</b>	<b>357,210</b>	<b>299,448</b>	<b>842,812</b>	<b>747,771</b>	<b>845,256</b>	<b>858,151</b>	<b>1,042,286</b>	<b>485,066</b>	<b>1,371,668</b>	<b>385,265</b>	<b>2,319,300</b>	<b>1,114,383</b>	<b>935,115</b>			
<b>Grand Total</b>			<b>10,906,141</b>	<b>2,033,550</b>	<b>3,150,823</b>	<b>1,549,448</b>	<b>2,265,445</b>	<b>2,147,771</b>	<b>2,280,456</b>	<b>2,339,277</b>	<b>2,570,808</b>	<b>2,062,501</b>	<b>2,999,581</b>	<b>2,065,271</b>	<b>4,053,066</b>	<b>2,903,630</b>	<b>2,781,618</b>			

# Vision, Objectives and Services

## Vision

The Shires strategic vision adopted in the Strategic Community Plan 2013 is:

*“Inclusive and peaceful, prosperous and strong.”*

## Objectives

The following key objectives are captures in the Shires’ Strategic Community plan and considered within the Long Term Financial Plan.

**Social** – An educated, respectful and inclusive community – a place where people feel they belong. .

**Environment** – An environment that is managed well and appreciated by all.

**Economic** – A modern and sustainable economy that provides for our growing community.

**Civic Leadership** – To be a Shire that serves our community with integrity and leadership.

# Vision, Objectives and Services

## Service Programs

The Shire of Yalgoo delivers services to its community in line with the Strategic Community Plan 2013 under reporting programs defined by the *Local Government (Financial Management) Regulations 1996*. The Shire services and their associated Strategies have been listed under each Program with the colour of the strategy aligned to the colour represented in the Shire's Strategic Community Plan.

Program	Shire Services	Associated Strategies
<b>Community Amenities</b>	Cemetery	1.1.5
	Community Bus	1.1.6
	Drainage, stormwater & flood management	3.4.1 ♦ 3.4.2
	Environmental health	1.4.1
	Environmental initiatives	2.2.4 ♦ 2.1.7
	Public conveniences	3.3.4
	Recycling services	2.4.3
	Sanitation	2.4.1 ♦ 2.4.2
	Town planning	1.2.4 ♦ 1.2.6 ♦ 1.2.7 ♦ 2.4.2 ♦ 2.4.3
	Townscape presentation	3.4.3 ♦ 3.4.6
	Vegetation management	1.1.1 ♦ 1.1.2 ♦ 1.1.3 ♦ 2.1.7 ♦ 2.3.1 ♦ 3.5.2
	Waste dump point	3.3.4
	<b>Economic Services</b>	Building control
Economic development		1.2.1 ♦ 1.2.2 ♦ 1.2.4 ♦ 1.3.5 ♦ 3.3.5
Marketing, lobbying and promotion		2.1.6 ♦ 3.3.5 ♦ 3.4.4 ♦ 4.4.1
Police licensing services		3.4.5
Tourism management		2.2.4 ♦ 3.3.1 ♦ 3.3.2 ♦ 3.3.4 ♦ 3.3.6
Visitors centre		3.3.2 ♦ 3.3.3 ♦ 3.3.6
<b>Health</b>	Pest control	1.4.6 ♦ 1.4.7
	Food quality	1.2.1 ♦ 1.2.2 ♦ 1.2.4 ♦ 1.3.5 ♦ 3.3.5
	Health and medical services	2.1.6 ♦ 3.3.5 ♦ 3.4.4 ♦ 4.4.1
<b>Governance</b>	Community engagement	4.1.1 ♦ 4.1.2 ♦ 4.1.3 ♦ 4.1.4 ♦ 4.2.2
	Council elections	4.2.3
	Council leadership	4.2.3 ♦ 4.3.1 ♦ 4.3.2
	Council's customer service	4.2.1
	Regional collaboration	2.4.3 ♦ 4.4.1

# Vision, Objectives and Services

Program (Cont'd)	Shire Services (Cont'd)	Associated Strategies (Cont'd)
Law, Order, Public Safety	Crime prevention	1.3.8 ♦ 4.3.4
	Animal Control	4.3.4
	Emergency services	2.2.1 ♦ 2.2.2 ♦ 2.2.3 ♦ 4.3.4
	Ranger services	4.3.4
Other Property and Services	Financial management	4.3.1 ♦ 4.3.2
Housing	Staff housing	3.2.4
	Affordable housing	3.1.1 ♦ 3.1.2 ♦ 3.1.3
Transport	Air Strip	3.3.4 ♦ 3.4.1
	Asset and Infrastructure Maintenance	2.1.2 ♦ 3.4.1
	Roads and Associated Infrastructure	2.1.3 ♦ 3.4.1 ♦ 3.4.4
	Street lighting	3.4.1 ♦ 3.4.2
	Verges and footpaths	2.1.7
Recreation and Culture	Community halls	1.1.3 ♦ 1.1.4 ♦ 2.1.1
	Community recreation centre	3.3.4
	Heritage	2.1.4 ♦ 2.1.5
	Indigenous community consultation	1.2.3 ♦ 1.3.3 ♦ 2.3.1 ♦ 2.3.2 ♦ 2.3.3
	Libraries	3.3.4
	Parks and sporting facilities	1.1.1 ♦ 1.1.2
	Playgrounds	3.3.4
	Recreation services	1.3.1 ♦ 1.3.2 ♦ 1.3.4 ♦ 1.3.6 ♦ 1.3.7
	TV and radio rebroadcasting	3.4.3

## Nature or Type

A number of statements in the plan are disclosed using nature or type of descriptors of revenue and expenditure (for example Rates and Employee Costs). This classification is in accordance with Schedule 1 of the Local Government (Financial Management) Regulation 1996.

## **Financial Statements**

The following forecast financial statements have been prepared and are included at the end of the Plan.

These forecast statements have been prepared within a framework which accords with the Australia Accounting Standards.

**Statements of Comprehensive Income** Often referred to as the operating statement, it shows the revenues and expenses over the periods classified by two methods (by Program and Nature or Type) to disclose a net result.

### **Statement of Financial Position**

More commonly referred to as the Balance Sheet, this statement discloses the forecast changes in the balance of assets and liability accounts over the periods.

### **Statement of Changes in Equity**

This statement discloses the changes in equity over the forecast period. It shows the impact of operations on net assets and the movement in cash backed and revaluation reserves.

### **Statement of Cash flows**

Represents the forecast cash inflows and outflows and discloses the changes to the balance of cash over the period.

### **Statement of Funding**

A statement combining operating and capital revenues and expenses and discloses the opening and closing net current budget surplus (deficit) funding position for each year.

### **Statement of Net Current Asset Composition**

A statement combining Statement showing how the closing estimated surplus/deficit has been calculated.

### **Statement of fixed asset movements**

A summary of the impact of the plan on the value of fixed assets over the period. It discloses the movements in the net value of property, plant, and equipment and infrastructure.

### **Statement of fixed asset funding**

A summary of the capital expenditure by asset class and the source of funding for each class.

Forecast Ratios.

The forecast ratios required by the regulations and discussed earlier under monitoring and performance.

# Forecast Significant Accounting Policies 2013-2028

## Significant Accounting Policies

### *Basis of Preparation*

The significant accounting policies which have been adopted in the preparation of these forecast financial statements are:

The forecast financial statements have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations.

Except for cash flow and rate setting information, the report has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

### *Critical Accounting Estimates*

The preparation of forecast financial statements in conformity with Australian Accounting Standards requires management to make judgments, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates and forecasts.

### *The Local Government Reporting Entity*

All Funds through which the Council controls resources to carry on its functions have been included in the forecast financial statements.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated.

All monies held in the Trust Fund are excluded from the forecast financial statements.

### *Goods and Services Tax*

Receivables and payables in the statement of financial position are stated inclusive of applicable GST. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

### *Cash and Cash Equivalents*

Cash and cash equivalents include cash on hand, cash at bank, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities in the statement of financial position.

### *Trade and Other Receivables*

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

### *Inventories*

#### *General*

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

# Forecast Significant Accounting Policies 2013-2028

## ***Land held for Resale***

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Finance Costs and holding charges incurred after development is completed are expensed.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale.

Land held for resale is classified as current except where it is held as non-current based on Council's intention to release for sale.

## ***Fixed Assets***

Each class of fixed assets is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses

### ***Mandatory Requirements to Revalue Non-Current Assets***

Effective from 1 July 2012, the Local Government (Financial Management) Regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

The amendments allow for a phasing in of fair value in relation to fixed assets over three years as follows:

- a) For the financial year ending on 30 June 2013, the fair value of all of the assets of the local government that are plant and equipment; and
- b) For the financial year ending on 30 June 2014, the fair value of all of the assets of the local government –
  - (i) That are plant and equipment; and
  - (ii) That are –
    - (I) Land and buildings; or
    - (II) Infrastructure; and
- c) For a financial year ending on or after 30 June 2015, the fair value of all of the assets of the local government.

Therefore in accordance with the regulations, each asset class must be revalued at least every 3 years.

Council has commenced the process of adopting Fair Value in accordance with the Regulations.

Relevant disclosures, in accordance with the requirements of Australian Accounting Standards, have been made in the financial report as necessary.

### ***Land Under Control***

In accordance with Local Government (Financial Management) Regulation 16(a), the Council is required to include as an asset (by 30 June 2013), Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or regional significance.

Upon initial recognition, these assets were recorded as cost in accordance with AASB 116. They were then classified as Land and revalued along with other land in accordance with the other policies detailed in this Note.

Whilst they were initially recorded at cost, fair value at the date of acquisition was deemed cost as per AASB 116.

Consequently, these assets were initially recognised at cost but revalued along with other items of Land and Buildings at 30 June 2013.

# Forecast Significant Accounting Policies 2013-2028

## **Initial Recognition**

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate portion of variable and fixed overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the statement of comprehensive income in the period in which they are incurred.

## **Revaluation**

When performing a revaluation, the Council uses a mix of both independent and management valuations using the following as a guide:

Revalued assets are carried at their fair value being the price that would be received to sell the asset, in an orderly transaction between market participants at the measurement date (Level 1 inputs in the fair value hierarchy).

For land and buildings, fair value will be determined based on the nature of the asset class. For land and non-specialised buildings, fair value is determined on the basis of observable open market values of similar assets, adjusted for conditions and comparability at their highest and best use (Level 2 inputs in the fair value hierarchy).

With regards to specialised buildings, fair value is determined having regard for current replacement cost and both observable and unobservable costs. These include construction costs based on recent contract prices, current condition (observable Level 2 inputs in the fair value hierarchy), residual values and remaining useful life assessments (unobservable Level 3 input in the fair value hierarchy).

For infrastructure and other asset classes fair value is determined to be the current replacement cost of an asset (Level 2 inputs in the fair value hierarchy) less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset (Level 3 inputs in the fair value hierarchy).

Increase in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decrease that offset previous increases of the same asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit and loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Those assets carried as a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses, are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from the determined using fair value at reporting date.

In addition, the amendments to the Financial Management Regulations mandating the use of Fair Value imposes a fair minimum of 3 years revaluation requirement. As a minimum, all asset carried at a revalued amount, will be revalued at least every 3 years.

# Forecast Significant Accounting Policies 2013-2028

## **Transitional Arrangement**

During the time it takes to transition the carrying value of non-current assets from the cost approach to the fair value approach, the Council may still be utilizing both methods across differing asset classes.

Those assets carried at cost will be carried in accordance with the policy detailed in the **Initial Recognition** section as detailed above.

Those assets carried at fair value will be carried in accordance with the **Revaluation** Methodology section as detailed above.

## **Early Adoption of AASB 13 – Fair Value Measurement**

Whilst the new accounting standard in relation to Fair Value, AASB 13 – *Fair Value Measurement* does not become applicable until the year ended 30 June 2014 (in relation to Council), given the legislative need to commence using Fair Value methodology for this reporting period, the Council chose to early adopt AASB 13 (as allowed for in the standard).

As a consequence, the principles embodied in AASB 13 – *Fair Value Measurement* have been applied to this reporting period (year ended 30 June 2013).

Due to the nature and timing of the adoption (driven to legislation) the adoption of this standard has had no effect on previous reporting periods.

## **Land under Roads**

In Western Australia, all land under roads is Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB1051 - Land Under Roads and the fact Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulation 4(2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail. Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Council.

## **Depreciation of Non-Current Assets**

All non-current assets having a limited useful life are separately and systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

Depreciation is recognised on a straight-line basis, using an effective average rate.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The forecast financial statements assume an appropriate depreciation rate is being charged. On the basis of an appropriate depreciation rate being charged no material gains or losses on disposal of assets are forecast to occur.

When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

## **Intangible Assets**

### **Easements**

Due to legislative changes, Easements are required to be recognised as assets.

They are initially recognised at cost and have an indefinite useful life.

# Forecast Significant Accounting Policies 2013-2028

## **Financial Instruments**

### **Classification**

Council classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

#### ***(i) Financial assets at fair value through profit and loss***

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

#### ***(ii) Loans and receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position.

#### ***(iii) Held-to-maturity investments***

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity. If the Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

#### ***(iv) Available-for-sale financial assets***

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

### **Recognition and Derecognition**

Regular purchases and sales of financial assets are recognised on trade-date – the date on which Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or losses are initially recognised at fair value and transaction costs are expensed in the forecast statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the forecast statement of comprehensive income as gains and losses from investment securities.

# Forecast Significant Accounting Policies 2013-2028

## Subsequent Measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the forecast statement of comprehensive income within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the statement of comprehensive income as part of revenue from continuing operations when the Council's right to receive payments is established. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

## Impairment

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss- measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the forecast statement of comprehensive income. Impairment losses recognised in the statement of comprehensive income on equity instruments classified as available-for-sale are not reversed through the statement of comprehensive income.

## Estimation of Fair Value

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at balance date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

# Forecast Significant Accounting Policies 2013-2028

## ***Impairment***

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

At the end of each reporting period, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in profit or loss. Any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

## ***Trade and Other Payables***

Trade payables and other payables represent liabilities for goods and services provided to the Council prior to the end of the financial year that are unpaid and arise when the Council becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

## ***Employee Benefits***

Provision is made for the Council's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements.

## ***Borrowings Costs***

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

## ***Provisions***

Provisions are recognised when:

- a) The Council has a present legal or constructive obligation as a result of past events;
- b) for which it is probable that an outflow of economic benefits will result; and
- c) that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

# Forecast Significant Accounting Policies 2013-2028

## ***Leases***

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the company, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Leased assets are amortised over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

## ***Investments in Associates***

Associates are entitled in which the Council has significant influence through holding, directly or indirectly, 20% or more of the voting power of the Council. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Council's share of net assets of the associated entity. In addition, the Council's share of the profit or loss of the associate entity is included in the Council's profit and loss.

The carrying amount of the investment includes goodwill relating to the associate. Any discount on acquisition, whereby the Council's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit and loss in the period in which the investment is acquired. Profits and losses resulting from transactions between the Council and the associate are eliminated to the extent of the Council's interest in the associate.

## ***Joint Venture***

The Shires interest in a joint venture has been recognised in the financial statements by including its share of any assets, liabilities, revenues and expenses of the joint venture within the relevant items reported in the statement of financial position and operating statement of comprehensive financial position income.

The Council's interests in joint venture entities are recorded using the equity method of accounting in the financial report.

Where the Council contributes assets to the joint venture or if the Council purchases assets from the joint venture, only the portion of the gain or loss that is not attributable to the Council's share of the joint venture shall be recognised. The Council recognise the full amount of any loss when the contribution results in a reduction in the net realisable value of current assets or an impairment loss.

# Forecast Significant Accounting Policies 2013-2028

## ***Rates, Grants, Donations and Other Contributions***

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, those conditions are forecast to be discharged as at the reporting date.

## ***Superannuation***

The Council contributes to a number of Superannuation Funds on behalf of employees. All funds to which the Council contributes are defined contribution plans.

## ***Rounding Off Figures***

All figures shown in this forecast financial statements, are rounded to the nearest dollar.

## ***Comparative Figures***

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

## ***Current and Non-Current Classification***

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where the Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on Council's intentions to release for sale.

## ***New Accounting Standards and Interpretations for application in Future Periods***

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Council for the forecast annual reporting periods.

The Council assessments of these new/amended standards and interpretations have been considered and are not considered to have any material effect, or impact on Council with the exception of the introduction of AASB13.

AASB 13 defines fair value, establishes a framework for measuring fair value and requires disclosures about fair value measurements.

AASB 13 requires:

-Inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and

-Enhanced disclosures regarding all assets and liabilities (including, but not limited to financial assets and financial liabilities) measured at fair value.

AASB 13 will have particular relevance to the process of the Council adopting fair value methodology in relation to its assets as mandated from 1 July 2012. Apart from the changes in value in relation to assets to be revalued (which are mandated by legislation and not changes to the standard) it is not expected to significantly impact the Council as the framework embodied in AASB 13 does not differ significantly from that which is present in existing standards.

Amendments to the legislation requires the phasing in of fair value over the next three years, it is not possible to estimate the likely amount of the revaluations.

# Statement 1 - Forecast Statement of Comprehensive Income 2013 to 2028

	2010-11	2011-12	Base	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenues</b>																		
Rates	1,146,594	1,346,819	1,507,194	1,749,370	1,831,590	1,917,676	2,007,807	2,112,214	2,222,050	2,337,598	2,459,153	2,587,028	2,721,552	2,863,072	3,011,952	3,168,574	3,333,339	3,506,673
Operating grants, subsidies and contributions	2,136,675	5,319,772	1,610,443	2,157,298	2,226,330	2,297,573	2,371,096	2,462,748	2,557,996	2,656,982	2,759,855	2,866,768	2,977,886	3,093,373	3,213,403	3,338,158	3,467,825	3,602,602
Fees and charges	325,023	628,108	157,023	249,977	257,977	266,230	274,748	283,546	292,619	301,983	311,648	321,621	331,908	342,530	353,486	364,798	376,474	388,521
Service charges	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest earnings	170,950	103,316	127,244	144,413	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465
Other revenue	130,547	55,986	31,600	94,911	97,948	101,081	104,315	107,653	111,098	114,653	118,322	122,108	126,016	130,048	134,209	138,504	142,936	147,510
	3,909,789	7,454,001	3,433,504	4,395,969	4,545,310	4,714,025	4,889,431	5,097,626	5,315,228	5,542,681	5,780,443	6,028,990	6,288,827	6,560,488	6,844,515	7,141,499	7,452,039	7,776,771
<b>Expenses</b>																		
Employee costs	( 980,279)	( 1,158,194)	( 1,203,797)	( 1,270,931)	( 1,352,767)	( 1,471,628)	( 1,561,720)	( 1,623,134)	( 1,686,964)	( 1,753,317)	( 1,822,289)	( 1,893,982)	( 1,968,504)	( 2,045,967)	( 2,126,487)	( 2,210,189)	( 2,297,190)	( 2,387,627)
Materials and contracts	( 2,259,062)	( 3,815,966)	( 1,447,666)	( 2,262,635)	( 2,365,294)	( 2,366,229)	( 2,436,401)	( 2,436,969)	( 2,514,949)	( 2,595,435)	( 2,678,485)	( 2,764,194)	( 2,852,644)	( 2,943,933)	( 3,038,141)	( 3,135,362)	( 3,235,690)	( 3,339,238)
Utility charges (electricity, gas, water etc.)	( 86,637)	( 96,965)	( 49,600)	( 45,083)	( 46,976)	( 48,950)	( 51,006)	( 53,149)	( 55,381)	( 57,708)	( 60,132)	( 62,657)	( 65,288)	( 68,030)	( 70,888)	( 73,865)	( 76,968)	( 80,201)
Depreciation on non-current assets	( 1,099,619)	( 1,167,588)	( 1,286,239)	( 1,124,543)	( 1,168,429)	( 1,255,766)	( 1,312,376)	( 1,402,906)	( 1,480,433)	( 1,564,686)	( 1,657,626)	( 1,769,417)	( 1,854,930)	( 1,989,495)	( 2,082,244)	( 2,270,413)	( 2,406,414)	( 2,540,421)
Interest expense	( 43,327)	( 32,934)	( 31,800)	( 29,364)	( 27,353)	( 25,209)	( 22,924)	( 20,489)	( 17,892)	( 15,125)	( 12,174)	( 9,029)	( 5,676)	( 2,101)	0	0	0	0
Insurance expense	( 141,896)	( 174,429)	( 247,633)	( 275,557)	( 284,376)	( 293,475)	( 302,866)	( 312,558)	( 322,560)	( 332,883)	( 343,537)	( 354,531)	( 365,875)	( 377,582)	( 389,665)	( 402,134)	( 415,003)	( 428,284)
Other expenditure	( 55,517)	( 85,886)	( 63,760)	( 89,829)	( 92,938)	( 96,155)	( 99,485)	( 102,932)	( 106,501)	( 110,195)	( 114,017)	( 117,975)	( 122,071)	( 126,311)	( 130,700)	( 135,242)	( 139,946)	( 144,815)
	( 4,666,337)	( 6,531,962)	( 4,330,495)	( 5,097,942)	( 5,338,133)	( 5,557,412)	( 5,786,778)	( 5,952,137)	( 6,184,680)	( 6,429,349)	( 6,688,260)	( 6,971,785)	( 7,234,988)	( 7,553,419)	( 7,838,125)	( 8,227,205)	( 8,571,211)	( 8,920,586)
	( 756,548)	922,039	( 896,991)	( 701,973)	( 792,823)	( 843,387)	( 897,347)	( 854,511)	( 869,452)	( 886,668)	( 907,817)	( 942,795)	( 946,161)	( 992,931)	( 993,610)	( 1,085,706)	( 1,119,172)	( 1,143,815)
Non-operating grants, subsidies and contributions	1,773,798	1,091,469	2,059,106	9,153,325	1,660,758	2,643,613	1,200,000	1,372,633	1,400,000	1,435,200	1,481,126	1,528,522	1,577,435	1,627,913	1,680,006	1,733,766	1,789,247	1,846,503
Profit on disposal of assets	172,728	58,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loss on asset disposal	( 26,071)	( 30,228)	( 62,637)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>NET RESULT</b>	1,163,907	2,041,280	1,099,478	8,451,352	867,935	1,800,226	302,653	518,122	530,548	548,532	573,309	585,727	631,274	634,982	686,396	648,060	670,075	702,688
<b>Other Comprehensive Income</b>	0	0	0	797,508	1,136,678	1,194,862	1,288,294	1,327,850	1,390,635	1,448,391	1,507,761	1,566,053	1,634,442	1,680,173	1,759,253	1,797,029	1,898,348	1,964,327
<b>TOTAL COMPREHENSIVE INCOME</b>	1,163,907	2,041,280	1,099,478	9,248,860	2,004,613	2,995,088	1,590,947	1,845,972	1,921,183	1,996,923	2,081,070	2,151,780	2,265,716	2,315,155	2,445,649	2,445,089	2,568,423	2,667,015

# Statement 2 - Forecast Statement of Comprehensive Income 2013 to 2028

	2010-11	2011-12	Base	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenue</b>																		
Governance	0	399	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General purpose funding	3,131,899	4,325,933	3,036,017	3,900,549	4,034,037	4,186,395	4,344,918	4,535,682	4,735,302	4,944,197	5,162,805	5,391,588	5,631,031	5,881,642	6,143,951	6,418,516	6,705,919	7,006,775
Law, order, public safety	12,252	257,067	49,700	39,938	41,216	42,535	43,896	45,301	46,751	48,247	49,791	51,384	53,027	54,725	56,476	58,283	60,149	62,074
Health	303,695	66,175	14,123	17,952	18,526	19,119	19,731	20,362	21,013	21,686	22,380	23,096	23,835	24,598	25,385	26,198	27,036	27,901
Housing	18,184	10,868	12,000	553,757	12,780	13,189	13,611	14,047	14,497	14,961	15,440	15,934	16,444	16,970	17,513	18,073	18,651	19,248
Community amenities	9,985	64,801	13,300	13,725	114,165	1,914,618	15,086	15,570	16,067	16,581	17,112	17,660	18,224	18,808	19,410	20,031	20,673	21,335
Recreation and culture	296,644	22,637	697,117	271,900	275,644	5,823	6,008	6,202	6,401	6,605	6,817	7,035	7,259	7,491	7,729	7,976	8,231	8,494
Transport	1,614,693	3,580,577	1,480,553	7,950,025	1,398,606	854,912	1,314,861	1,491,170	1,522,330	1,561,445	1,611,411	1,662,976	1,716,192	1,771,110	1,827,785	1,886,274	1,946,635	2,008,927
Economic services	186,757	145,340	137,600	595,123	98,167	101,308	104,550	107,898	111,351	114,915	118,593	122,388	126,304	130,345	134,514	138,819	143,262	147,846
Other property and services	273,319	99,445	52,200	206,325	212,927	219,739	226,770	234,027	241,516	249,244	257,220	265,451	273,946	282,712	291,758	301,095	310,730	320,674
	5,847,428	8,573,242	5,492,610	13,549,294	6,206,068	7,357,638	6,089,431	6,470,259	6,715,228	6,977,881	7,261,569	7,557,512	7,866,262	8,188,401	8,524,521	8,875,265	9,241,286	9,623,274
<b>Expenses Excluding Finance Costs</b>																		
Governance	( 294,229)	( 297,500)	( 427,255)	( 469,437)	( 452,465)	( 466,993)	( 481,951)	( 497,422)	( 513,372)	( 529,838)	( 546,835)	( 564,392)	( 582,481)	( 601,194)	( 620,460)	( 640,434)	( 660,991)	( 682,200)
General purpose funding	( 227,255)	( 311,258)	( 170,806)	( 176,272)	( 181,913)	( 187,733)	( 193,741)	( 199,940)	( 206,338)	( 212,941)	( 219,756)	( 226,789)	( 234,045)	( 241,536)	( 249,265)	( 257,243)	( 265,475)	( 273,971)
Law, order, public safety	( 101,042)	( 365,711)	( 180,898)	( 179,789)	( 185,809)	( 193,458)	( 200,208)	( 208,269)	( 216,046)	( 224,217)	( 232,854)	( 242,309)	( 251,047)	( 261,645)	( 271,010)	( 283,825)	( 295,068)	( 306,455)
Health	( 85,215)	( 66,093)	( 98,718)	( 98,735)	( 102,018)	( 106,072)	( 109,728)	( 114,005)	( 118,168)	( 122,531)	( 127,128)	( 132,124)	( 136,809)	( 142,375)	( 147,390)	( 154,028)	( 159,956)	( 165,976)
Education and welfare	( 1,501)	( 162)	( 9,431)	( 9,733)	( 10,045)	( 10,366)	( 10,698)	( 11,040)	( 11,393)	( 11,757)	( 12,134)	( 12,522)	( 12,923)	( 13,336)	( 13,762)	( 14,202)	( 14,657)	( 15,126)
Housing	( 181,748)	( 252,888)	( 306,381)	( 304,844)	( 316,427)	( 330,898)	( 343,925)	( 359,310)	( 374,316)	( 390,116)	( 406,838)	( 425,095)	( 442,259)	( 462,759)	( 481,292)	( 505,917)	( 528,003)	( 550,512)
Community amenities	( 129,186)	( 186,813)	( 246,543)	( 335,833)	( 268,553)	( 278,109)	( 287,325)	( 297,455)	( 307,603)	( 318,160)	( 329,167)	( 340,833)	( 352,296)	( 365,022)	( 377,264)	( 391,684)	( 405,438)	( 419,513)
Recreation and culture	( 495,118)	( 524,839)	( 619,929)	( 621,760)	( 813,796)	( 834,515)	( 889,125)	( 844,473)	( 874,382)	( 905,630)	( 938,402)	( 973,631)	( 1,007,345)	( 1,046,236)	( 1,082,290)	( 1,127,679)	( 1,169,370)	( 1,211,836)
Transport	( 2,800,522)	( 4,136,453)	( 1,761,022)	( 2,155,931)	( 2,229,730)	( 2,330,233)	( 2,414,563)	( 2,520,187)	( 2,619,997)	( 2,725,466)	( 2,837,792)	( 2,962,915)	( 3,074,772)	( 3,217,030)	( 3,337,158)	( 3,514,655)	( 3,664,166)	( 3,814,802)
Economic services	( 304,571)	( 328,072)	( 508,488)	( 689,493)	( 712,587)	( 737,814)	( 762,795)	( 789,651)	( 816,887)	( 845,169)	( 874,587)	( 905,497)	( 936,472)	( 969,982)	( 1,003,114)	( 1,040,346)	( 1,076,933)	( 1,114,535)
Other property and services	( 19,807)	( 29,240)	( 31,861)	( 26,751)	( 37,437)	( 56,012)	( 69,795)	( 89,896)	( 108,286)	( 128,399)	( 150,593)	( 176,649)	( 198,863)	( 230,203)	( 255,120)	( 297,192)	( 331,154)	( 365,660)
	( 4,640,194)	( 6,499,029)	( 4,361,332)	( 5,068,578)	( 5,310,780)	( 5,532,203)	( 5,763,854)	( 5,931,648)	( 6,166,788)	( 6,414,224)	( 6,676,086)	( 6,962,756)	( 7,229,312)	( 7,551,318)	( 7,838,125)	( 8,227,205)	( 8,571,211)	( 8,920,586)
<b>Finance Costs</b>																		
General purpose funding	0	0	( 600)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing	( 37,066)	( 26,995)	( 25,500)	( 23,973)	( 22,326)	( 20,570)	( 18,697)	( 16,700)	( 14,570)	( 12,299)	( 9,876)	( 7,293)	( 4,538)	( 1,599)	0	0	0	0
Community amenities	( 6,261)	( 5,938)	( 5,700)	( 5,391)	( 5,027)	( 4,639)	( 4,227)	( 3,789)	( 3,322)	( 2,826)	( 2,298)	( 1,736)	( 1,138)	( 502)	0	0	0	0
	( 43,327)	( 32,933)	( 31,800)	( 29,364)	( 27,353)	( 25,209)	( 22,924)	( 20,489)	( 17,892)	( 15,125)	( 12,174)	( 9,029)	( 5,676)	( 2,101)	0	0	0	0
<b>NET RESULT</b>	1,163,907	2,041,280	1,099,478	8,451,352	867,935	1,800,226	302,653	518,122	530,548	548,532	573,309	585,727	631,274	634,982	686,396	648,060	670,075	702,688
<b>Other Comprehensive Income</b>	0	0	0	797,508	1,136,678	1,194,862	1,288,294	1,327,850	1,390,635	1,448,391	1,507,761	1,566,053	1,634,442	1,680,173	1,759,253	1,797,029	1,898,348	1,964,327
<b>TOTAL COMPREHENSIVE INCOME</b>	1,163,907	2,041,280	1,099,478	9,248,860	2,004,613	2,995,088	1,590,947	1,845,972	1,921,183	1,996,923	2,081,070	2,151,780	2,265,716	2,315,155	2,445,649	2,445,089	2,568,423	2,667,015

# Statement 3 - Forecast Statement of Financial Position 2013-2028

	2010-11	2011-12	Base	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>CURRENT ASSETS</b>																		
Unrestricted Cash and Equivalents	1,939,916	1,042,708	2,170,170	503,079	503,079	503,079	503,079	503,079	503,079	503,079	503,079	503,079	503,079	503,079	503,079	503,079	503,079	503,079
Restricted Cash and Cash Equivalent	0	2,388,322	1,439,101	2,064,967	2,208,890	2,277,263	2,490,812	2,411,389	2,476,670	2,533,999	2,703,493	2,822,066	3,439,615	3,448,994	4,390,235	3,836,973	4,443,462	5,259,429
Trade and Other Receivables	695,188	92,615	230,717	230,717	230,717	230,717	230,717	230,717	230,717	230,717	230,717	230,717	230,717	230,717	230,717	230,717	230,717	230,717
Inventories	1,473	680	37,354	37,354	37,354	37,354	37,354	37,354	37,354	37,354	37,354	37,354	37,354	37,354	37,354	37,354	37,354	37,354
<b>TOTAL CURRENT ASSETS</b>	<b>2,636,577</b>	<b>3,524,325</b>	<b>3,877,342</b>	<b>2,836,117</b>	<b>2,980,040</b>	<b>3,048,413</b>	<b>3,261,962</b>	<b>3,182,539</b>	<b>3,247,820</b>	<b>3,305,149</b>	<b>3,474,643</b>	<b>3,593,216</b>	<b>4,210,765</b>	<b>4,220,144</b>	<b>5,161,385</b>	<b>4,608,123</b>	<b>5,214,612</b>	<b>6,030,579</b>
<b>NON-CURRENT ASSETS</b>																		
Property Plant and Equipment	7,474,322	7,765,203	8,152,909	9,737,500	10,231,517	12,046,719	12,306,117	12,700,025	12,800,625	12,892,788	13,317,905	14,184,982	14,460,342	15,380,292	15,725,840	16,988,208	17,639,885	18,107,951
Infrastructure	15,515,606	16,036,878	16,837,082	25,512,097	26,846,280	27,923,159	29,004,240	30,496,373	32,209,724	34,012,437	35,451,227	36,566,543	37,885,183	39,224,194	40,383,054	42,119,037	43,429,294	44,812,276
<b>TOTAL NON-CURRENT ASSETS</b>	<b>22,989,928</b>	<b>23,802,081</b>	<b>24,989,991</b>	<b>35,249,597</b>	<b>37,077,797</b>	<b>39,969,878</b>	<b>41,310,357</b>	<b>43,196,398</b>	<b>45,010,349</b>	<b>46,905,225</b>	<b>48,769,132</b>	<b>50,751,525</b>	<b>52,345,525</b>	<b>54,604,486</b>	<b>56,108,894</b>	<b>59,107,245</b>	<b>61,069,179</b>	<b>62,920,227</b>
<b>TOTAL ASSETS</b>	<b>25,626,505</b>	<b>27,326,406</b>	<b>28,867,333</b>	<b>38,085,714</b>	<b>40,057,837</b>	<b>43,018,291</b>	<b>44,572,319</b>	<b>46,378,937</b>	<b>48,258,169</b>	<b>50,210,374</b>	<b>52,243,775</b>	<b>54,344,741</b>	<b>56,556,290</b>	<b>58,824,630</b>	<b>61,270,279</b>	<b>63,715,368</b>	<b>66,283,791</b>	<b>68,950,806</b>
<b>CURRENT LIABILITIES</b>																		
Trade and Other Payables	747,219	367,230	771,150	771,150	771,150	771,150	771,150	771,150	771,150	771,150	771,150	771,150	771,150	771,150	771,150	771,150	771,150	771,150
Current Portion of Long-term Liabilities	26,823	28,593	59,844	32,490	34,634	36,919	39,354	41,951	44,718	47,669	50,814	54,167	46,815	0	0	0	0	0
Provisions	120,235	163,734	155,767	155,767	155,767	155,767	155,767	155,767	155,767	155,767	155,767	155,767	155,767	155,767	155,767	155,767	155,767	155,767
<b>TOTAL CURRENT LIABILITIES</b>	<b>894,277</b>	<b>559,557</b>	<b>986,761</b>	<b>959,407</b>	<b>961,551</b>	<b>963,836</b>	<b>966,271</b>	<b>968,868</b>	<b>971,635</b>	<b>974,586</b>	<b>977,731</b>	<b>981,084</b>	<b>973,732</b>	<b>926,917</b>	<b>926,917</b>	<b>926,917</b>	<b>926,917</b>	<b>926,917</b>
<b>NON-CURRENT LIABILITIES</b>																		
Long-term Borrowings	488,602	460,009	400,166	397,041	362,407	325,488	286,134	244,183	199,465	151,796	100,982	46,815	0	0	0	0	0	0
Provisions	24,807	46,741	46,741	46,741	46,741	46,741	46,741	46,741	46,741	46,741	46,741	46,741	46,741	46,741	46,741	46,741	46,741	46,741
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>513,409</b>	<b>506,750</b>	<b>446,907</b>	<b>443,782</b>	<b>409,148</b>	<b>372,229</b>	<b>332,875</b>	<b>290,924</b>	<b>246,206</b>	<b>198,537</b>	<b>147,723</b>	<b>93,556</b>	<b>46,741</b>	<b>46,741</b>	<b>46,741</b>	<b>46,741</b>	<b>46,741</b>	<b>46,741</b>
<b>TOTAL LIABILITIES</b>	<b>1,407,686</b>	<b>1,066,307</b>	<b>1,433,668</b>	<b>1,403,189</b>	<b>1,370,699</b>	<b>1,336,065</b>	<b>1,299,146</b>	<b>1,259,792</b>	<b>1,217,841</b>	<b>1,173,123</b>	<b>1,125,454</b>	<b>1,074,640</b>	<b>1,020,473</b>	<b>973,658</b>	<b>973,658</b>	<b>973,658</b>	<b>973,658</b>	<b>973,658</b>
<b>NET ASSETS</b>	<b>24,218,819</b>	<b>26,260,099</b>	<b>27,433,665</b>	<b>36,682,525</b>	<b>38,687,138</b>	<b>41,682,226</b>	<b>43,273,173</b>	<b>45,119,145</b>	<b>47,040,328</b>	<b>49,037,251</b>	<b>51,118,321</b>	<b>53,270,101</b>	<b>55,535,817</b>	<b>57,850,972</b>	<b>60,296,621</b>	<b>62,741,710</b>	<b>65,310,133</b>	<b>67,977,148</b>
<b>EQUITY</b>																		
Retained Surplus	21,823,086	23,551,457	24,606,951	32,667,946	33,391,958	35,123,811	35,212,915	35,810,460	36,275,727	36,766,930	37,170,745	37,637,899	37,651,624	38,277,227	38,022,382	39,223,704	39,287,290	39,174,011
Reserves - Cash Backed	1,243,629	1,556,538	1,674,610	2,064,967	2,208,890	2,277,263	2,490,812	2,411,389	2,476,670	2,533,999	2,703,493	2,822,066	3,439,615	3,448,994	4,390,235	3,836,973	4,443,462	5,259,429
Reserves - Revaluation	1,152,104	1,152,104	1,152,104	1,949,612	3,086,290	4,281,152	5,569,446	6,897,296	8,287,931	9,736,322	11,244,083	12,810,136	14,444,578	16,124,751	17,884,004	19,681,033	21,579,381	23,543,708
<b>TOTAL EQUITY</b>	<b>24,218,819</b>	<b>26,260,099</b>	<b>27,433,665</b>	<b>36,682,525</b>	<b>38,687,138</b>	<b>41,682,226</b>	<b>43,273,173</b>	<b>45,119,145</b>	<b>47,040,328</b>	<b>49,037,251</b>	<b>51,118,321</b>	<b>53,270,101</b>	<b>55,535,817</b>	<b>57,850,972</b>	<b>60,296,621</b>	<b>62,741,710</b>	<b>65,310,133</b>	<b>67,977,148</b>

# Statement 4 - Forecast Statement of Changes in Equity 2013-2028

	2010-11	2011-12	Base	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>RETAINED SURPLUS</b>																		
Opening Balance	20,113,004	21,823,086	23,625,545	24,606,951	32,667,946	33,391,958	35,123,811	35,212,915	35,810,460	36,275,727	36,766,930	37,170,745	37,637,899	37,651,624	38,277,227	38,022,382	39,223,704	39,287,290
Net Result	1,163,907	2,041,280	1,099,478	8,451,352	867,935	1,800,226	302,653	518,122	530,548	548,532	573,309	585,727	631,274	634,982	686,396	648,060	670,075	702,688
Amount transferred (to)/from Reserves	546,175	(312,909)	(118,072)	(390,357)	(143,923)	(68,373)	(213,549)	79,423	(65,281)	(57,329)	(169,494)	(118,573)	(617,549)	(9,379)	(941,241)	553,262	(606,489)	(815,967)
Closing Balance	21,823,086	23,551,457	24,606,951	32,667,946	33,391,958	35,123,811	35,212,915	35,810,460	36,275,727	36,766,930	37,170,745	37,637,899	37,651,624	38,277,227	38,022,382	39,223,704	39,287,290	39,174,011
<b>RESERVES - CASH/INVESTMENT BACKED</b>																		
Opening Balance	1,789,804	1,243,629	1,556,538	1,674,610	2,064,967	2,208,890	2,277,263	2,490,812	2,411,389	2,476,670	2,533,999	2,703,493	2,822,066	3,439,615	3,448,994	4,390,235	3,836,973	4,443,462
Amount transferred to/(from) Retained Surplus	(546,175)	312,909	118,072	390,357	143,923	68,373	213,549	(79,423)	65,281	57,329	169,494	118,573	617,549	9,379	941,241	(553,262)	606,489	815,967
Closing Balance	1,243,629	1,556,538	1,674,610	2,064,967	2,208,890	2,277,263	2,490,812	2,411,389	2,476,670	2,533,999	2,703,493	2,822,066	3,439,615	3,448,994	4,390,235	3,836,973	4,443,462	5,259,429
<b>ASSET REVALUATION RESERVES</b>																		
Opening Balance	1,152,104	1,152,104	1,152,104	1,152,104	1,949,612	3,086,290	4,281,152	5,569,446	6,897,296	8,287,931	9,736,322	11,244,083	12,810,136	14,444,578	16,124,751	17,884,004	19,681,033	21,579,381
Total Other Comprehensive Income	0	0	0	797,508	1,136,678	1,194,862	1,288,294	1,327,850	1,390,635	1,448,391	1,507,761	1,566,053	1,634,442	1,680,173	1,759,253	1,797,029	1,898,348	1,964,327
Closing Balance	1,152,104	1,152,104	1,152,104	1,949,612	3,086,290	4,281,152	5,569,446	6,897,296	8,287,931	9,736,322	11,244,083	12,810,136	14,444,578	16,124,751	17,884,004	19,681,033	21,579,381	23,543,708
<b>TOTAL EQUITY</b>	24,218,819	26,260,099	27,433,665	36,682,525	38,687,138	41,682,226	43,273,173	45,119,145	47,040,328	49,037,251	51,118,321	53,270,101	55,535,817	57,850,972	60,296,621	62,741,710	65,310,133	67,977,148

# Statement 5 - Forecast Statement of Cashflows 2013-2028

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cash Flows From Operating Activities</b>															
<b>Receipts</b>															
Rates	1,749,370	1,831,590	1,917,676	2,007,807	2,112,214	2,222,050	2,337,598	2,459,153	2,587,028	2,721,552	2,863,072	3,011,952	3,168,574	3,333,339	3,506,673
Operating grants, subsidies and contributions	2,157,298	2,226,330	2,297,573	2,371,096	2,462,748	2,557,996	2,656,982	2,759,855	2,866,768	2,977,886	3,093,373	3,213,403	3,338,158	3,467,825	3,602,602
Fees and charges	249,977	257,977	266,230	274,748	283,546	292,619	301,983	311,648	321,621	331,908	342,530	353,486	364,798	376,474	388,521
Interest earnings	144,413	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465
Other revenue	94,911	97,948	101,081	104,315	107,653	111,098	114,653	118,322	122,108	126,016	130,048	134,209	138,504	142,936	147,510
	4,395,969	4,545,310	4,714,025	4,889,431	5,097,626	5,315,228	5,542,681	5,780,443	6,028,990	6,288,827	6,560,488	6,844,515	7,141,499	7,452,039	7,776,771
<b>Payments</b>															
Employee costs	(1,270,931)	(1,352,767)	(1,471,628)	(1,561,720)	(1,623,134)	(1,686,964)	(1,753,317)	(1,822,289)	(1,893,982)	(1,968,504)	(2,045,967)	(2,126,487)	(2,210,189)	(2,297,190)	(2,387,627)
Materials and contracts	(2,262,635)	(2,365,294)	(2,366,229)	(2,436,401)	(2,436,969)	(2,514,949)	(2,595,435)	(2,678,485)	(2,764,194)	(2,852,644)	(2,943,933)	(3,038,141)	(3,135,362)	(3,235,690)	(3,339,238)
Utility charges	(45,083)	(46,976)	(48,950)	(51,006)	(53,149)	(55,381)	(57,708)	(60,132)	(62,657)	(65,288)	(68,030)	(70,888)	(73,865)	(76,968)	(80,201)
Insurance expenses	(29,364)	(27,353)	(25,209)	(22,924)	(20,489)	(17,892)	(15,125)	(12,174)	(9,029)	(5,676)	(2,101)	0	0	0	0
Interest expenses	(275,557)	(284,376)	(293,475)	(302,866)	(312,558)	(322,560)	(332,883)	(343,537)	(354,531)	(365,875)	(377,582)	(389,665)	(402,134)	(415,003)	(428,284)
Other expenditure	(89,829)	(92,938)	(96,155)	(99,485)	(102,932)	(106,501)	(110,195)	(114,017)	(117,975)	(122,071)	(126,311)	(130,700)	(135,242)	(139,946)	(144,815)
	(3,973,399)	(4,169,704)	(4,301,646)	(4,474,402)	(4,549,231)	(4,704,247)	(4,864,663)	(5,030,634)	(5,202,368)	(5,380,058)	(5,563,924)	(5,755,881)	(5,956,792)	(6,164,797)	(6,380,165)
<b>Net Cash Provided By (Used In) Operating Activities</b>	422,570	375,606	412,379	415,029	548,395	610,981	678,018	749,809	826,622	908,769	996,564	1,088,634	1,184,707	1,287,242	1,396,606
<b>Cash Flows from Investing Activities</b>															
Payments for purchase of property, plant & equipment	(2,233,569)	(957,792)	(2,357,210)	(299,448)	(842,812)	(747,771)	(845,256)	(858,151)	(1,042,286)	(485,066)	(1,371,668)	(385,265)	(2,319,300)	(1,114,383)	(935,115)
Payments for construction of infrastructure	(8,672,572)	(1,075,758)	(793,613)	(1,250,000)	(1,422,633)	(1,400,000)	(1,435,200)	(1,481,126)	(1,528,522)	(1,577,435)	(1,627,913)	(1,680,006)	(1,733,766)	(1,789,247)	(1,846,503)
Non-operating grants, subsidies and contributions	9,153,325	1,660,758	2,643,613	1,200,000	1,372,633	1,400,000	1,435,200	1,481,126	1,528,522	1,577,435	1,627,913	1,680,006	1,733,766	1,789,247	1,846,503
Proceeds from sale of plant & equipment	319,500	173,599	197,838	184,887	304,348	244,022	269,285	325,505	385,051	248,013	431,298	237,872	581,331	433,630	354,476
<b>Net Cash Provided By (Used In) Investing Activities</b>	(1,433,316)	(199,193)	(309,372)	(164,561)	(588,464)	(503,749)	(575,971)	(532,646)	(657,235)	(237,053)	(940,370)	(147,393)	(1,737,969)	(680,753)	(580,639)
<b>Cash Flows from Financing Activities</b>															
Repayment of debentures	(30,479)	(32,490)	(34,634)	(36,919)	(39,354)	(41,951)	(44,718)	(47,669)	(50,814)	(54,167)	(46,815)	0	0	0	0
<b>Net Cash Provided By (Used In) Financing Activities</b>	(30,479)	(32,490)	(34,634)	(36,919)	(39,354)	(41,951)	(44,718)	(47,669)	(50,814)	(54,167)	(46,815)	0	0	0	0
<b>Net Increase (Decrease) in Cash Held</b>	(1,041,225)	143,923	68,373	213,549	(79,423)	65,281	57,329	169,494	118,573	617,549	9,379	941,241	(553,262)	606,489	815,967
Cash at beginning of year	3,609,271	2,568,046	2,711,969	2,780,342	2,993,891	2,914,468	2,979,749	3,037,078	3,206,572	3,325,145	3,942,694	3,952,073	4,893,314	4,340,052	4,946,541
<b>Cash and Cash Equivalents at the End of Year</b>	2,568,046	2,711,969	2,780,342	2,993,891	2,914,468	2,979,749	3,037,078	3,206,572	3,325,145	3,942,694	3,952,073	4,893,314	4,340,052	4,946,541	5,762,508
<b>Reconciliation of Net Cash Provided By Operating Activities to Net Result</b>															
Net Result	8,581,508	548,832	1,460,818	255,362	340,471	412,632	392,306	500,078	446,217	931,989	323,074	1,180,381	(140,261)	807,312	998,900
Depreciation	1,425,911	1,487,532	1,595,174	1,359,667	1,580,557	1,598,349	1,720,912	1,730,857	1,908,927	1,554,215	2,301,403	1,588,259	3,058,734	2,269,177	2,244,209
Grants/Contributions for the development of assets	(9,584,849)	(1,660,758)	(2,643,613)	(1,200,000)	(1,372,633)	(1,400,000)	(1,435,200)	(1,481,126)	(1,528,522)	(1,577,435)	(1,627,913)	(1,680,006)	(1,733,766)	(1,789,247)	(1,846,503)
<b>Net Cash from Operating Activities</b>	422,570	375,606	412,379	415,029	548,395	610,981	678,018	749,809	826,622	908,769	996,564	1,088,634	1,184,707	1,287,242	1,396,606

# Statement 6 - Forecast Statement of Funding 2013-2028

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<b>FUNDING FROM OPERATIONAL ACTIVITIES</b>																
<b>Revenues</b>																
Rates	1,749,370	1,831,590	1,917,676	2,007,807	2,112,214	2,222,050	2,337,598	2,459,153	2,587,028	2,721,552	2,863,072	3,011,952	3,168,574	3,333,339	3,506,673	
Operating grants, subsidies and contributions	2,157,298	2,226,330	2,297,573	2,371,096	2,462,748	2,557,996	2,656,982	2,759,855	2,866,768	2,977,886	3,093,373	3,213,403	3,338,158	3,467,825	3,602,602	
Profit on asset disposal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Fees and charges	249,977	257,977	266,230	274,748	283,546	292,619	301,983	311,648	321,621	331,908	342,530	353,486	364,798	376,474	388,521	
Service charges	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Interest earnings	144,413	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465	131,465	
Other revenue	94,911	97,948	101,081	104,315	107,653	111,098	114,653	118,322	122,108	126,016	130,048	134,209	138,504	142,936	147,510	
	4,395,969	4,545,310	4,714,025	4,889,431	5,097,626	5,315,228	5,542,681	5,780,443	6,028,990	6,288,827	6,560,488	6,844,515	7,141,499	7,452,039	7,776,771	
<b>Expenses</b>																
Employee costs	(1,270,931)	(1,352,767)	(1,471,628)	(1,561,720)	(1,623,134)	(1,686,964)	(1,753,317)	(1,822,289)	(1,893,982)	(1,968,504)	(2,045,967)	(2,126,487)	(2,210,189)	(2,297,190)	(2,387,627)	
Materials and contracts	(2,262,635)	(2,365,294)	(2,366,229)	(2,436,401)	(2,436,969)	(2,514,949)	(2,595,435)	(2,678,485)	(2,764,194)	(2,852,644)	(2,943,933)	(3,038,141)	(3,135,362)	(3,235,690)	(3,339,238)	
Utility charges (electricity, gas, water etc.)	(45,083)	(46,976)	(48,950)	(51,006)	(53,149)	(55,381)	(57,708)	(60,132)	(62,657)	(65,288)	(68,030)	(70,888)	(73,865)	(76,968)	(80,201)	
Depreciation on non-current assets	(1,124,543)	(1,168,429)	(1,255,766)	(1,312,376)	(1,402,906)	(1,480,433)	(1,564,686)	(1,657,626)	(1,769,417)	(1,854,930)	(1,989,495)	(2,082,244)	(2,270,413)	(2,406,414)	(2,540,421)	
Loss on asset disposal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Interest expense	(29,364)	(27,353)	(25,209)	(22,924)	(20,489)	(17,892)	(15,125)	(12,174)	(9,029)	(5,676)	(2,101)	0	0	0	0	
Insurance expense	(275,557)	(284,376)	(293,475)	(302,866)	(312,558)	(322,560)	(332,883)	(343,537)	(354,531)	(365,875)	(377,582)	(389,665)	(402,134)	(415,003)	(428,284)	
Other expenditure	(89,829)	(92,938)	(96,155)	(99,485)	(102,932)	(106,501)	(110,195)	(114,017)	(117,975)	(122,071)	(126,311)	(130,700)	(135,242)	(139,946)	(144,815)	
	(5,097,942)	(5,338,133)	(5,557,412)	(5,786,778)	(5,952,137)	(6,184,680)	(6,429,349)	(6,688,260)	(6,971,785)	(7,234,988)	(7,553,419)	(7,838,125)	(8,227,205)	(8,571,211)	(8,920,586)	
	(701,973)	(792,823)	(843,387)	(897,347)	(854,511)	(869,452)	(886,668)	(907,817)	(942,795)	(946,161)	(992,931)	(993,610)	(1,085,706)	(1,119,172)	(1,143,815)	
<b>Funding Position Adjustments</b>																
Depreciation on non-current assets	1,124,543	1,168,429	1,255,766	1,312,376	1,402,906	1,480,433	1,564,686	1,657,626	1,769,417	1,854,930	1,989,495	2,082,244	2,270,413	2,406,414	2,540,421	
Net profit and losses on disposal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Movement in employee benefit provisions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Write-off of assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Net Funding From Operational Activities</b>	<b>422,570</b>	<b>375,606</b>	<b>412,379</b>	<b>415,029</b>	<b>548,395</b>	<b>610,981</b>	<b>678,018</b>	<b>749,809</b>	<b>826,622</b>	<b>908,769</b>	<b>996,564</b>	<b>1,088,634</b>	<b>1,184,707</b>	<b>1,287,242</b>	<b>1,396,606</b>	
<b>FUNDING FROM CAPITAL ACTIVITIES</b>																
<b>Inflows</b>																
Proceeds on disposal	319,500	173,599	197,838	184,887	304,348	244,022	269,285	325,505	385,051	248,013	431,298	237,872	581,331	433,630	354,476	
Non-operating grants, subsidies and contributions	9,153,325	1,660,758	2,643,613	1,200,000	1,372,633	1,400,000	1,435,200	1,481,126	1,528,522	1,577,435	1,627,913	1,680,006	1,733,766	1,789,247	1,846,503	
<b>Outflows</b>																
Purchase of land held for resale	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Purchase of property plant and equipment	(2,233,569)	(957,792)	(2,357,210)	(299,448)	(842,812)	(747,771)	(845,256)	(858,151)	(1,042,286)	(485,066)	(1,371,668)	(385,265)	(2,319,300)	(1,114,383)	(935,115)	
Purchase of infrastructure	(8,672,572)	(1,075,758)	(793,613)	(1,250,000)	(1,422,633)	(1,400,000)	(1,435,200)	(1,481,126)	(1,528,522)	(1,577,435)	(1,627,913)	(1,680,006)	(1,733,766)	(1,789,247)	(1,846,503)	
<b>Net Funding From Capital Activities</b>	<b>(1,433,316)</b>	<b>(199,193)</b>	<b>(309,372)</b>	<b>(164,561)</b>	<b>(588,464)</b>	<b>(503,749)</b>	<b>(575,971)</b>	<b>(532,646)</b>	<b>(657,235)</b>	<b>(237,053)</b>	<b>(940,370)</b>	<b>(147,393)</b>	<b>(1,737,969)</b>	<b>(680,753)</b>	<b>(580,639)</b>	
<b>FUNDING FROM FINANCING ACTIVITIES</b>																
<b>Inflows</b>																
Transfer from reserves	631,000	0	26,091	0	182,349	35,263	45,169	0	1,969	1,973	122,007	1,982	713,169	1,991	1,997	
New borrowings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Self supporting loan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Outflows</b>																
Transfer to reserves	(1,021,357)	(143,923)	(94,464)	(213,549)	(102,926)	(100,544)	(102,498)	(169,494)	(120,542)	(619,522)	(131,386)	(943,223)	(159,907)	(608,480)	(817,964)	
Advances to community groups	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Repayment of past borrowings	(30,479)	(32,490)	(34,634)	(36,919)	(39,354)	(41,951)	(44,718)	(47,669)	(50,814)	(54,167)	(46,815)	0	0	0	0	
<b>Net Funding From Financing Activities</b>	<b>(420,836)</b>	<b>(176,413)</b>	<b>(103,007)</b>	<b>(250,468)</b>	<b>40,069</b>	<b>(107,232)</b>	<b>(102,047)</b>	<b>(217,163)</b>	<b>(169,387)</b>	<b>(671,716)</b>	<b>(56,194)</b>	<b>(941,241)</b>	<b>553,262</b>	<b>(606,489)</b>	<b>(815,967)</b>	
Estimated Surplus/Deficit July 1 B/Fwd	1,431,582	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Estimated Surplus/Deficit June 30 C/Fwd</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

# Statement 7 - Forecast Statement of Net Current Asset Composition 2013-2028

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Estimated Surplus/Deficit July 1 B/Fwd</b>	1,431,582	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>CURRENT ASSETS</b>															
Unrestricted Cash and Equivalents	503,079	503,079	503,079	503,079	503,079	503,079	503,079	503,079	503,079	503,079	503,079	503,079	503,079	503,079	503,079
Restricted Cash and Cash Equivalent	2,064,967	2,208,890	2,277,263	2,490,812	2,411,389	2,476,670	2,533,999	2,703,493	2,822,066	3,439,615	3,448,994	4,390,235	3,836,973	4,443,462	5,259,429
Trade and Other Receivables	230,717	230,717	230,717	230,717	230,717	230,717	230,717	230,717	230,717	230,717	230,717	230,717	230,717	230,717	230,717
Inventories	37,354	37,354	37,354	37,354	37,354	37,354	37,354	37,354	37,354	37,354	37,354	37,354	37,354	37,354	37,354
<b>CURRENT LIABILITIES</b>															
Trade and Other Payables	( 771,150)	( 771,150)	( 771,150)	( 771,150)	( 771,150)	( 771,150)	( 771,150)	( 771,150)	( 771,150)	( 771,150)	( 771,150)	( 771,150)	( 771,150)	( 771,150)	( 771,150)
Reserves	( 2,064,967)	( 2,208,890)	( 2,277,263)	( 2,490,812)	( 2,411,389)	( 2,476,670)	( 2,533,999)	( 2,703,493)	( 2,822,066)	( 3,439,615)	( 3,448,994)	( 4,390,235)	( 3,836,973)	( 4,443,462)	( 5,259,429)
Current Self Supporting Loans Receivable	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Movement in Accrued Salaries and Wages	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Estimated Surplus/Deficit June 30 C/Fwd</b>	<b>0</b>														

# Statement 8- Forecast Statement of Fixed Asset Movements 2013-2028

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<b>CAPITAL WORKS - INFRASTRUCTURE</b>																
Roads	8,302,571	790,758	793,613	781,781	614,071	1,080,100	1,435,200	1,034,812	687,196	877,435	878,933	680,006	1,244,887	789,247	846,503	
Footpaths	0	15,000	0	0	0	0	0	0	0	0	0	0	0	0	0	
Infrastructure Other	370,001	270,000	0	0	572,633	0	0	0	0	0	0	0	0	0	0	
Airports	0	0	0	0	0	300,000	0	0	0	0	0	0	0	0	0	
<b>Total Capital Works - Infrastructure</b>	<b>8,672,572</b>	<b>1,075,758</b>	<b>793,613</b>	<b>781,781</b>	<b>1,186,704</b>	<b>1,380,100</b>	<b>1,435,200</b>	<b>1,034,812</b>	<b>687,196</b>	<b>877,435</b>	<b>878,933</b>	<b>680,006</b>	<b>1,244,887</b>	<b>789,247</b>	<b>846,503</b>	
<b>Represented by:</b>																
Additions - Assets at no cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Additions - Expansion, Upgrades and New	5,800,000	285,000	0	0	572,633	300,000	0	0	0	0	0	0	0	0	0	
Additions - Renewal	2,872,572	790,758	793,613	781,781	614,071	1,080,100	1,435,200	1,034,812	687,196	877,435	878,933	680,006	1,244,887	789,247	846,503	
<b>Total Capital Works - Infrastructure</b>	<b>8,672,572</b>	<b>1,075,758</b>	<b>793,613</b>	<b>781,781</b>	<b>1,186,704</b>	<b>1,380,100</b>	<b>1,435,200</b>	<b>1,034,812</b>	<b>687,196</b>	<b>877,435</b>	<b>878,933</b>	<b>680,006</b>	<b>1,244,887</b>	<b>789,247</b>	<b>846,503</b>	
<b>Asset Movement Reconciliation</b>																
Total Capital Works Infrastructure	8,672,572	1,075,758	793,613	781,781	1,186,704	1,380,100	1,435,200	1,034,812	687,196	877,435	878,933	680,006	1,244,887	789,247	846,503	
Depreciation Infrastructure	( 536,343)	( 557,962)	( 575,816)	( 594,241)	( 622,706)	( 642,633)	( 663,197)	( 684,419)	( 706,320)	( 728,923)	( 752,249)	( 776,320)	( 801,163)	( 826,800)	( 853,257)	
Net Book Value of disposed/Written Off assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Revaluation of Infrastructure assets (Inflation)	538,786	816,387	859,082	893,541	928,135	975,884	1,030,710	1,088,397	1,134,440	1,170,128	1,212,327	1,255,174	1,292,259	1,347,810	1,389,736	
<b>Net Movement in Infrastructure Assets</b>	<b>8,675,015</b>	<b>1,334,183</b>	<b>1,076,879</b>	<b>1,081,081</b>	<b>1,492,133</b>	<b>1,713,351</b>	<b>1,802,713</b>	<b>1,438,790</b>	<b>1,115,316</b>	<b>1,318,640</b>	<b>1,339,011</b>	<b>1,158,860</b>	<b>1,735,983</b>	<b>1,310,257</b>	<b>1,382,982</b>	
<b>CAPITAL WORKS - PROPERTY, PLANT AND EQUIPMENT</b>																
Buildings	1,496,069	650,000	2,000,000	468,219	235,929	19,900	0	446,314	841,326	700,000	748,980	1,000,000	488,879	1,000,000	1,000,000	
Plant and Equipment	737,500	307,792	357,210	299,448	842,812	747,771	845,256	858,151	1,042,286	485,066	1,371,668	385,265	2,319,300	1,114,383	935,115	
<b>Total Capital Works Property, Plant and Equipment</b>	<b>2,233,569</b>	<b>957,792</b>	<b>2,357,210</b>	<b>767,667</b>	<b>1,078,741</b>	<b>767,671</b>	<b>845,256</b>	<b>1,304,465</b>	<b>1,883,612</b>	<b>1,185,066</b>	<b>2,120,648</b>	<b>1,385,265</b>	<b>2,808,179</b>	<b>2,114,383</b>	<b>1,935,115</b>	
<b>Represented by:</b>																
Additions - Assets at no cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Additions - Expansion, Upgrades and New	552,000	550,000	2,000,000	0	0	0	0	0	0	0	0	0	0	0	0	
Additions - Renewal	1,681,569	407,792	357,210	767,667	1,078,741	767,671	845,256	1,304,465	1,883,612	1,185,066	2,120,648	1,385,265	2,808,179	2,114,383	1,935,115	
<b>Total Capital Works Property, Plant and Equipment</b>	<b>2,233,569</b>	<b>957,792</b>	<b>2,357,210</b>	<b>767,667</b>	<b>1,078,741</b>	<b>767,671</b>	<b>845,256</b>	<b>1,304,465</b>	<b>1,883,612</b>	<b>1,185,066</b>	<b>2,120,648</b>	<b>1,385,265</b>	<b>2,808,179</b>	<b>2,114,383</b>	<b>1,935,115</b>	
<b>Asset Movement Reconciliation</b>																
Total Capital Works Property, Plant and Equipment	2,233,569	957,792	2,357,210	767,667	1,078,741	767,671	845,256	1,304,465	1,883,612	1,185,066	2,120,648	1,385,265	2,808,179	2,114,383	1,935,115	
Depreciation Property, Plant and Equipment	( 588,200)	( 610,467)	( 679,950)	( 718,135)	( 780,200)	( 837,800)	( 901,489)	( 973,207)	( 1,063,097)	( 1,126,007)	( 1,237,246)	( 1,305,924)	( 1,469,250)	( 1,579,614)	( 1,687,164)	
Net Book Value of disposed/Written Off assets	( 319,500)	( 173,599)	( 197,838)	( 184,887)	( 304,348)	( 244,022)	( 269,285)	( 325,505)	( 385,051)	( 248,013)	( 431,298)	( 237,872)	( 581,331)	( 433,630)	( 354,476)	
Revaluation of Property, Plant and Equipment (Inflation)	258,722	320,291	335,780	394,753	399,715	414,751	417,681	419,364	431,613	464,314	467,846	504,079	504,770	550,538	574,591	
<b>Net Movement in Property, Plant and Equipment</b>	<b>1,584,591</b>	<b>494,017</b>	<b>1,815,202</b>	<b>259,398</b>	<b>393,908</b>	<b>100,600</b>	<b>92,163</b>	<b>425,117</b>	<b>867,077</b>	<b>275,360</b>	<b>919,950</b>	<b>345,548</b>	<b>1,262,368</b>	<b>651,677</b>	<b>468,066</b>	
<b>CAPITAL WORKS - TOTALS</b>																
<b>Capital Works</b>																
Total Capital Works Infrastructure	8,672,572	1,075,758	793,613	781,781	1,186,704	1,380,100	1,435,200	1,034,812	687,196	877,435	878,933	680,006	1,244,887	789,247	846,503	
Total Capital Works Property, Plant and Equipment	2,233,569	957,792	2,357,210	767,667	1,078,741	767,671	845,256	1,304,465	1,883,612	1,185,066	2,120,648	1,385,265	2,808,179	2,114,383	1,935,115	
<b>Total Capital Works</b>	<b>10,906,141</b>	<b>2,033,550</b>	<b>3,150,823</b>	<b>1,549,448</b>	<b>2,265,445</b>	<b>2,147,771</b>	<b>2,280,456</b>	<b>2,339,277</b>	<b>2,570,808</b>	<b>2,062,501</b>	<b>2,999,581</b>	<b>2,065,271</b>	<b>4,053,066</b>	<b>2,903,630</b>	<b>2,781,618</b>	
<b>Fixed Asset Movement</b>																
Net Movement in Infrastructure Assets	8,675,015	1,334,183	1,076,879	1,081,081	1,492,133	1,713,351	1,802,713	1,438,790	1,115,316	1,318,640	1,339,011	1,158,860	1,735,983	1,310,257	1,382,982	
Net Movement in Property, Plant and Equipment	1,584,591	494,017	1,815,202	259,398	393,908	100,600	92,163	425,117	867,077	275,360	919,950	345,548	1,262,368	651,677	468,066	
<b>Net Movement in Fixed Assets</b>	<b>10,259,606</b>	<b>1,828,200</b>	<b>2,892,081</b>	<b>1,340,479</b>	<b>1,886,041</b>	<b>1,813,951</b>	<b>1,894,876</b>	<b>1,863,907</b>	<b>1,982,393</b>	<b>1,594,000</b>	<b>2,258,961</b>	<b>1,504,408</b>	<b>2,998,351</b>	<b>1,961,934</b>	<b>1,851,048</b>	

# Statement 9- Forecast Statement of Fixed Asset Funding 2013-2028

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Capital Expenditure</b>															
Roads	8,302,571	790,758	793,613	781,781	614,071	1,080,100	1,435,200	1,034,812	687,196	877,435	878,933	680,006	1,244,887	789,247	846,503
Footpaths	0	15,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Infrastructure Other	370,001	270,000	0	0	572,633	0	0	0	0	0	0	0	0	0	0
Airports	0	0	0	0	0	300,000	0	0	0	0	0	0	0	0	0
Buildings	1,496,069	650,000	2,000,000	468,219	235,929	19,900	0	446,314	841,326	700,000	748,980	1,000,000	488,879	1,000,000	1,000,000
Plant and Equipment	737,500	307,792	357,210	299,448	842,812	747,771	845,256	858,151	1,042,286	485,066	1,371,668	385,265	2,319,300	1,114,383	935,115
<b>Total - Capital Expenditure</b>	<b>10,906,141</b>	<b>2,033,550</b>	<b>3,150,823</b>	<b>1,549,448</b>	<b>2,265,445</b>	<b>2,147,771</b>	<b>2,280,456</b>	<b>2,339,277</b>	<b>2,570,808</b>	<b>2,062,501</b>	<b>2,999,581</b>	<b>2,065,271</b>	<b>4,053,066</b>	<b>2,903,630</b>	<b>2,781,618</b>
<b>Funded By:</b>															
<b>Capital Grants &amp; Contributions</b>															
Roads	7,792,521	740,758	743,613	731,781	564,071	1,080,100	1,435,200	1,034,812	687,196	877,435	878,933	680,006	1,244,887	789,247	846,503
Infrastructure Other	185,000	270,000	0	0	572,633	0	0	0	0	0	0	0	0	0	0
Airports	0	0	0	0	0	300,000	0	0	0	0	0	0	0	0	0
Buildings	1,175,804	650,000	1,900,000	468,219	235,929	19,900	0	446,314	841,326	700,000	748,980	1,000,000	488,879	1,000,000	1,000,000
<b>Total - Capital Grants &amp; Contributions</b>	<b>9,153,325</b>	<b>1,660,758</b>	<b>2,643,613</b>	<b>1,200,000</b>	<b>1,372,633</b>	<b>1,400,000</b>	<b>1,435,200</b>	<b>1,481,126</b>	<b>1,528,522</b>	<b>1,577,435</b>	<b>1,627,913</b>	<b>1,680,006</b>	<b>1,733,766</b>	<b>1,789,247</b>	<b>1,846,503</b>
<b>Own Source Funding</b>															
Roads	510,050	50,000	50,000	50,000	50,000	0	0	0	0	0	0	0	0	0	0
Footpaths	0	15,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Infrastructure Other	185,001	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Buildings	320,265	0	100,000	0	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	418,000	134,193	159,372	114,561	538,464	503,749	575,971	532,646	657,235	237,053	940,370	147,393	1,737,969	680,753	580,639
<b>Total - Own Source Funding</b>	<b>1,433,316</b>	<b>199,193</b>	<b>309,372</b>	<b>164,561</b>	<b>588,464</b>	<b>503,749</b>	<b>575,971</b>	<b>532,646</b>	<b>657,235</b>	<b>237,053</b>	<b>940,370</b>	<b>147,393</b>	<b>1,737,969</b>	<b>680,753</b>	<b>580,639</b>
<b>Borrowings</b>															
<b>Total - Borrowings</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other (Disposals &amp; C/Fwd)</b>															
Plant and Equipment	319,500	173,599	197,838	184,887	304,348	244,022	269,285	325,505	385,051	248,013	431,298	237,872	581,331	433,630	354,476
<b>Total - Other (Disposals &amp; C/Fwd)</b>	<b>319,500</b>	<b>173,599</b>	<b>197,838</b>	<b>184,887</b>	<b>304,348</b>	<b>244,022</b>	<b>269,285</b>	<b>325,505</b>	<b>385,051</b>	<b>248,013</b>	<b>431,298</b>	<b>237,872</b>	<b>581,331</b>	<b>433,630</b>	<b>354,476</b>
<b>Total Capital Funding</b>	<b>10,906,141</b>	<b>2,033,550</b>	<b>3,150,823</b>	<b>1,549,448</b>	<b>2,265,445</b>	<b>2,147,771</b>	<b>2,280,456</b>	<b>2,339,277</b>	<b>2,570,808</b>	<b>2,062,501</b>	<b>2,999,581</b>	<b>2,065,271</b>	<b>4,053,066</b>	<b>2,903,630</b>	<b>2,781,618</b>

# Statement 10- Forecast Ratios 2013-2028

	Target Range		Average	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28		
<b>LIQUIDITY RATIOS</b>																				
<b>Current Ratio</b>	>	1.00	>	1.20	0.92	0.89	0.89	0.90	0.90	0.90	0.90	0.90	0.91	0.97	0.97	0.98	0.98	0.99		
<b>OPERATING RATIOS</b>																				
<b>Operating Surplus Ratio</b>	>	0.00%	>	15.00%	(30.62%)	(31.36%)	(34.19%)	(34.90%)	(35.63%)	(32.43%)	(31.53%)	(30.73%)	(30.05%)	(29.81%)	(28.58%)	(28.64%)	(27.36%)	(28.55%)	(28.09%)	(27.40%)
<b>Own Source Revenue Coverage Ratio</b>	>	50.00%	>	75.00%	45.07%	43.91%	43.44%	43.48%	43.52%	44.27%	44.58%	44.88%	45.16%	45.36%	45.76%	45.90%	46.33%	46.23%	46.48%	46.79%
<b>BORROWINGS RATIOS</b>																				
<b>Debt Service Cover Ratio</b>	>	2	>	5	11.17	7.55	6.73	7.31	7.32	9.51	10.51	11.58	12.73	13.96	15.28	20.42	-	-	-	-
<b>FIXED ASSET RATIOS</b>																				
<b>Asset Sustainability Ratio</b>	>	90.00%	>	110.00%	144.31%	404.98%	102.58%	91.64%	118.06%	120.66%	124.81%	145.75%	141.12%	145.29%	111.19%	150.77%	99.18%	178.52%	120.66%	109.49%
<b>Asset Consumption Ratio</b>	>	50.00%	>	60.00%	57.90%	58.90%	59.02%	59.67%	59.26%	58.95%	58.89%	59.04%	58.79%	58.27%	57.64%	57.24%	56.34%	56.30%	55.51%	54.66%
<b>Asset Renewal Funding Ratio</b>	>	75.00%	>	95.00%	144.47%	181.36%	120.59%	133.96%	139.45%	146.98%	N/A									