



Shire of Victoria Plains

Long Term Financial Plan

2016 - 2031

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1.0 FOREWORD

The Shire of Victoria Plain's Long Term Financial Plan (LTFP) details the Shire's intended actions over the next fifteen years as a means of ensuring the Shire's financial sustainability. It is aligned to other core planning documents by which the Shire is accountable to the community including the Strategic Community Plan and the Shire's Corporate Business Plan. Information contained in other strategic plans including the Asset Management Plan and Workforce Plan has informed the LTFP which will form the basis for preparation of the Shire's future Annual Budgets.

The LTFP is a dynamic tool which analyses financial trends over a fifteen year period based on a range of assumptions and provides the Shire with information to assess resourcing requirements to achieve its strategic objectives.

The LTFP covers the period 2016/17 to 2030/31. There is a higher level of detail in the first 2 years of the LTFP however this is underpinned by a number of assumptions. The remaining years of the LTFP are shown as an overview using reasonable estimates. The Shire undertakes a focused review of its Strategic Community Plan every two years and a full review is planned every four years. This LTFP will be assessed in conjunction with these Strategic Community Plan reviews and reviews of other key strategic plans. As Annual Budgets are developed from the LTFP there may be some variations between the LTFP and budget, where these arise they will be explained in the Annual Budget.

2.1 PLANNING OVERVIEW

2.2 PLANNING FOR A SUSTAINABLE AND STABLE FUTURE

The Shire of Victoria Plains is planning for a positive, sustainable and stable future. The Shire seeks to maintain, and where possible, improve service levels into the future while maintaining a healthy financial position.

2.3 PLANNING PROCESS

The provision and maintenance of assets and facilities to the community while maintaining a healthy financial position is a high priority for the Shire of Victoria Plains.

Built on the most recent audited Annual Financial Report and adopted Annual Budget, a baseline was determined for operating revenue and expenditure. Modifications to this baseline were made over the 15 year term of the Plan to forecast operating revenue and expenditure based on the assumptions and forecasts utilised.

An important element of long term financial planning is planning for the future renewal of Shire assets. The Shire's Asset Management Plan applies a condition based estimation of remaining useful life where possible. Where condition information was unavailable, an age based estimation of remaining useful life was applied within the planning process.

Detailed planning is required for buildings due to the scale of renewal expenditure for these assets and the likelihood of usage/design upgrades when renewal occurs. Unfortunately, planning for the renewal of long lived assets is problematic due to the uncertainty of receiving future external contributions which are often subject to sudden unexpected change. It is important to note, capital works identified in this Plan where external contributions are a source of funding may be postponed if this funding does not eventuate. If renewal is postponed past its estimated useful life and optimum intervention point there is an increased risk of sudden asset failure resulting in a possible loss of service level.

A combination of financing techniques involving the use of cash backed reserves and long term borrowings have been utilised in the Plan to provide for asset expenditure requirements.

2.4 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 such as the provision of aged persons units;
- The level of grants and contributions for capital projects and operations will remain relatively stable over the term of the Plan;
- The District and State economy will remain stable over the long term; and
- Assets are expected to be adequately maintained and continue to provide existing levels of service.

For a detailed analysis of all assumptions and their associated risks please refer to section 13.0

3.1 FINANCIAL STRATEGIC OVERVIEW

3.2 FORECAST SIGNIFICANT EVENTS

Road maintenance and road renewal remains a high priority for the Shire due to the strategic economic benefit the road network provides to the district. Although of high importance, adequate maintenance, renewal and upgrading of the road network remains highly dependent on the receipt of external grants and contributions.

Aged care, through the provision of aged person's units within the towns of Bolgart and Callingiri, is one of the immediate projects in this LTFP.

3.3 FINANCIAL MANAGEMENT STRATEGY

In the process of developing the LTFP the Shire of Victoria Plains considered its overall financial strategy for the term of the Plan. The Plan was prepared considering the specific financial constraints set out in the following table and the inherent financial constraints within the local, state and national economy.

Financial Constraint	Long Term Financial Strategy
Borrowings – Purpose	The Shire's plan is to use funds from borrowings for the following purposes: <ul style="list-style-type: none"> (a) The acquisition of community assets that have a long service life (10 years and above) and will set the term of the repayments to be no more than the estimated useful life of the asset; or (b) The financing of commercial activities and land developments that offer net positive future cash flow with low financial risk.
Borrowings – Level	The Shire plans to constrain the level of borrowing for community assets to results in a debt service coverage ratio not less than 5 and a borrowings to revenue ratio of no more than 50%.
Asset Renewal	The Shire will structure its operating revenue and expenditure with the goal of achieving the future renewal of its assets within a planned useful life. The level and timing of asset renewal may be subject to the receipt of external grants and contributions.
Services	The Shire plans to maintain current service levels and where possible, improve levels where funds are available into the future while maintaining a healthy financial position. The range and level of services will be considered annually within the Shire's corporate business planning process.
Operating Surplus	The Shire plans to achieve an improved operating surplus ratio over the term of the plan.
Rates	The Shire plans to maintain a smooth and predictable approach to the movement in rates revenue referenced to movements in expenditure over the term. To achieve its overall financial strategy, the Shire plans to increase rate revenue by the CPI inflator used in this plan (2%) plus an additional (1%) for a total of (3%).

3.0 FINANCIAL STRATEGIC OVERVIEW (Continued)

3.3 FINANCIAL SUSTAINABILITY

As a local government, the Shire provides essential transport, facilities and services to support the local community. To undertake this role, the Shire has in the past and expects in the future, to receive grants and contributions from external bodies including the State and Federal Governments. In the absence of this external assistance the Shire would not be able, by reliance on property rate revenue alone, to support the extent of the facilities and services it currently provides to the community.

Recognising that the current levels of services and facilities were established and are maintained with external contributions, the Shire is not in a position to be independently financially sustainable. Although not expecting to achieve an independent financial status, the Shire considers it can maintain the long term sustainability of its current service levels providing it continues to receive external support, in line with past levels, for both operations and the renewal of significant community assets.

It is within this context that the Shire plans for a sustainable financial future and applies its overall financial strategy.

4.1 COMMUNITY PROFILE, VISION AND OBJECTIVES

4.2 COMMUNITY

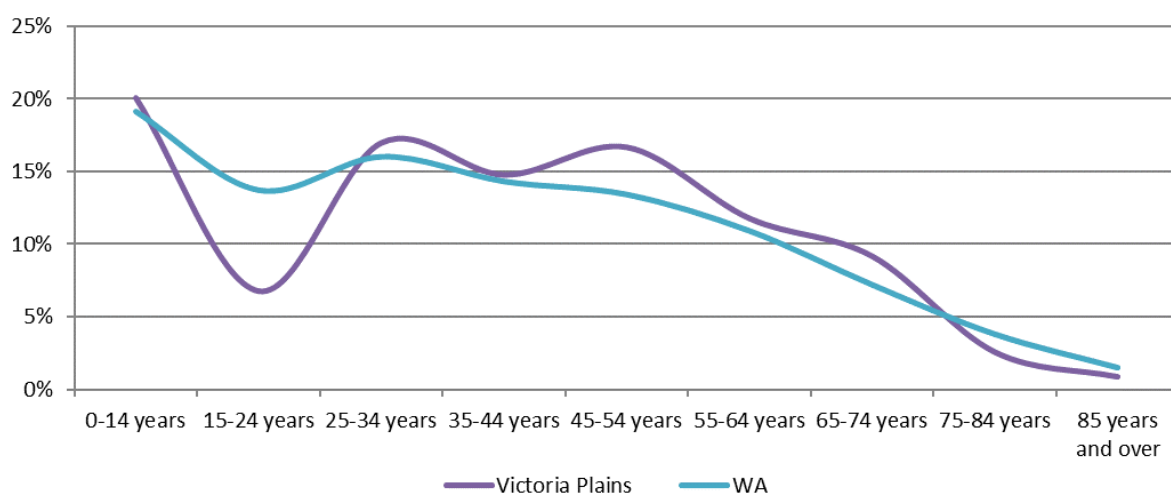
The Shire of Victoria Plains is a unique community, with a number of distinctive townsites and settlements spread out over an expanse of 256,973 hectares, including Bolgart in the south, leading to the more centrally located town of Calingiri, with Yerecoin and Piawaning in the North-east and New Norcia, Gillingarra and Mogumber towards the west.

Surrounded by seven local governments, the Shire recorded a population of 915 in the 2011 ABS Census. The highest numbers in age groups form around the 5-14 year olds and the 25 to 64 year old groups. Very low numbers are seen in the 15 - 24 year age group and then again in the 75 to 85 plus. The ABS population projection for the Shire over the past ten years (2001 to 2011) is that the 2001 figure reduced by approximately 4.5%.

Traditionally and predominantly a successful farming district, the Shire boasts Australia's only Monastic Town, New Norcia which welcomes approximately 60,000 visitors to the town each year. In addition, each town features a community hall, and there is a recreation centre, the Shire Administration, public library and sports oval in Calingiri. Both Bolgart and Mogumber have public libraries while Bolgart and Calingiri have caravan parks, and the Victoria Plains Tourism Association holds an annual Wildflower Walk in various reserves each year.

Even though the Shire has a small population, it is filled with community energy and enthusiasm, making it a special place to live.

4.1.1 SHIRE OF VICTORIA PLAINS RESIDENT POPULATION BY AGE GROUP



4.0 COMMUNITY PROFILE, VISION AND OBJECTIVES (Continued)

4.3 VISION

The Shire's vision strategic vision adopted in the Strategic Community Plan 2013.14-2022.23 is:

The Shire of Victoria Plains – Many Localities – One Perfect Lifestyle – A Place to Grow

4.4 GOALS

The goals included in the Strategic Plan are the broad outcomes which in the long term will ensure that the vision is achieved. They are the broad description of how the Shire will set about achieving the vision. The Shire's goals provide the foundation for ensuring alignment between the Council's vision and the activities which are approved and undertaken. By constantly seeking alignment of all actions with the vision Council will ensure that the Community Strategic Plan is implemented over the long term.

The following four goals will guide the achievement of the Community Strategic Plan.

GOAL 1:

GROWTH Plan for and facilitate sustainable growth and development

GOAL 2:

COMMUNITY Increase the sustainability of the community

GOAL 3:

SHIRE INFRASTRUCTURE Responsibly maintain as fit for purpose

GOAL 4:

GOVERNANCE Ensure good governance of the Shire

5.0 KEY CURRENT INFORMATION

5.1 KEY STATISTICS: SHIRE OF VICTORIA PLAINS 2015¹

Number of Elected Members	9
Number of Staff	25
Number of Electors	581
Number of Dwellings	510
Distance from Perth (km)	140
Area (sq. km)	2,563
Population (Est.)	931

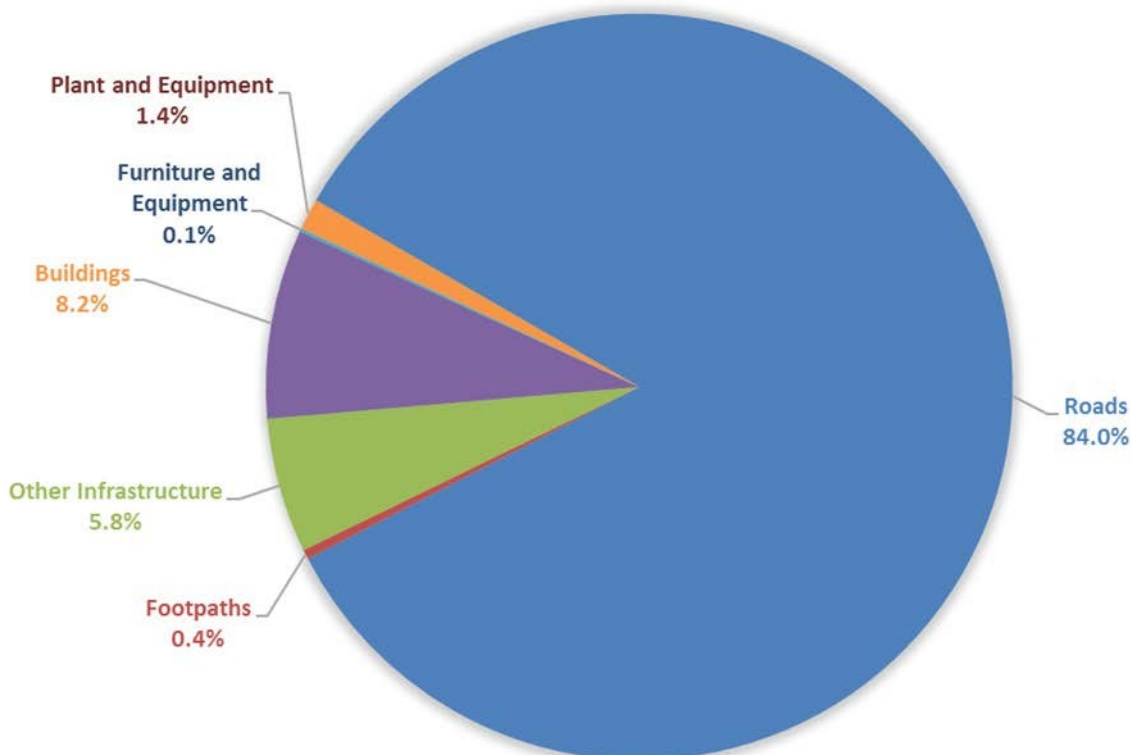
5.2 KEY FINANCIAL INFORMATION²

Rates Revenue	\$2,158,419
Fees and Charges	\$217,878
Operating Revenue	\$4,050,202
Operating Expenditure	\$4,331,778
Net Assets	\$111,596,377
Cash Backed Reserves	\$899,263
Long Term Borrowings	\$411,611

5.3 KEY ASSET INFORMATION

The Shire controls an asset network with a written down value of over \$112m, of which Roads, Other Infrastructure and Buildings constitute the largest component values, as reflected in the chart below

5.3.1 ASSET VALUE BY CLASS SHIRE OF VICTORIA PLAINS 2015



¹ Australian Bureau of Statistics, Basic Community Profile (LGA58540)

² Shire of Victoria Plains, Audited Annual Financial Report 2015

6.1 STRATEGIC PLANNING AND POLICIES

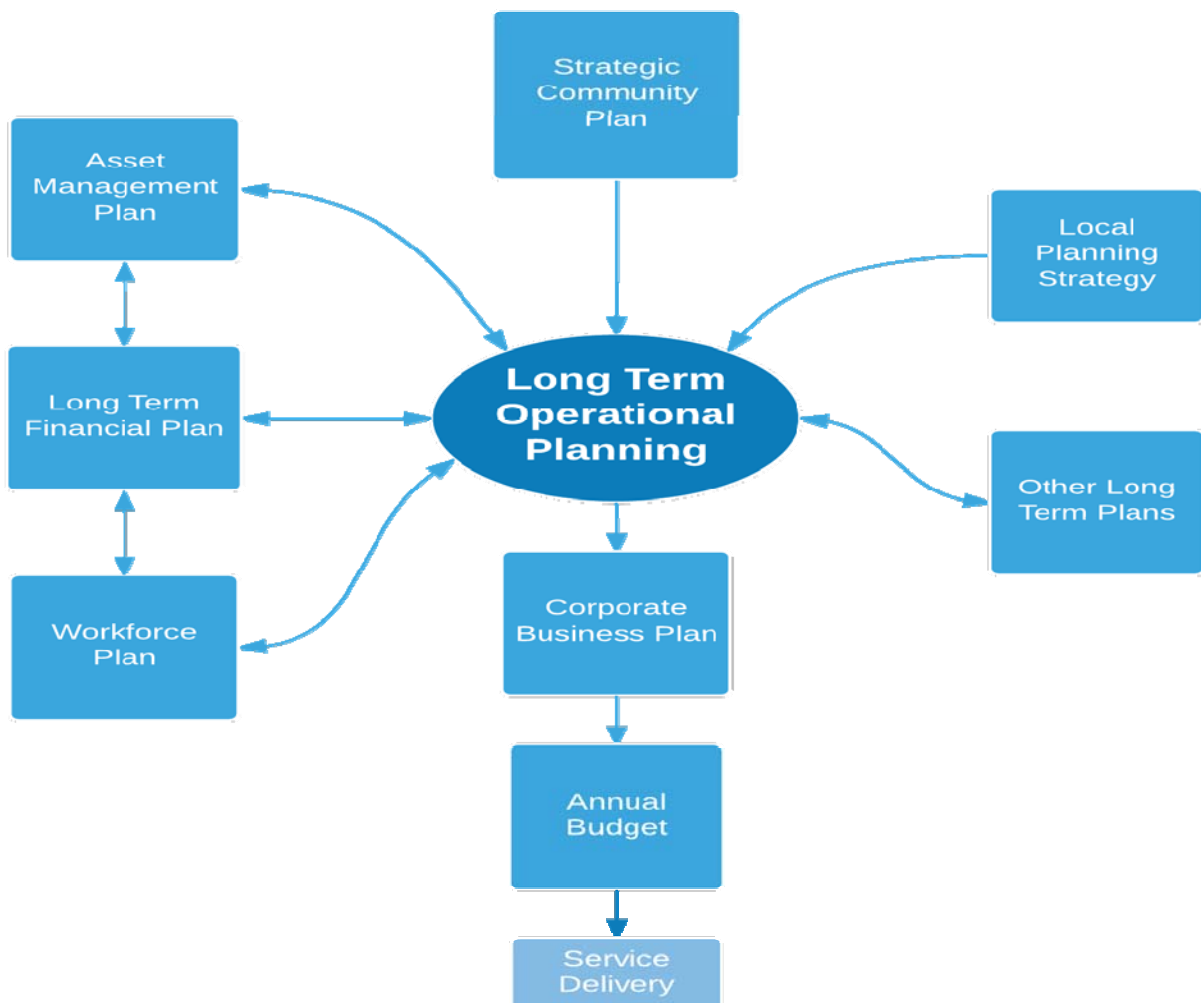
6.2 LINKAGE WITH OTHER PLANS

The Long Term Financial Plan (LTFP) is one component of a number of integrated strategic planning practices the Shire has developed and has been prepared to achieve compliance with the Local Government (Administration) Regulations 1996.

Development of the LTFP has been influenced by the Department of Local Government and Communities integrated Planning Framework and Guidelines.

This plan includes (and influences) other strategic planning activities as a mechanism to action the strategies contained in the Shire’s Strategic Community Plan, as illustrated in the diagram below.

6.3 STRATEGIC DOCUMENTS LINKAGE



7.0 OPERATIONS OVERVIEW (Continued)

The Strategic Community Plan has been prepared to cover at least the next 10+ years and sets out the community's goals, aspirations and values. To achieve these goals 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.

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.



6.4 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 resources to undertaking various projects.

The first year of the 2017-2021 Corporate Business Plan will be 'sliced off' to form the draft annual budget for consideration by the Council.

6.5 WORKFORCE AND OTHER STRATEGIC PLANS

The Workforce Plan and other strategic plans, integrate with the Long Term Financial Plan through their requirement for assets and financial resources. As far as possible, these requirements are met in the Plan.

7.0 OPERATIONS OVERVIEW (Continued)

6.6 ASSET MANAGEMENT PLANNING

The Shire of Victoria Plains has developed initial formal asset management plans for the following asset classes:

- Roads;
- Pathways;
- Buildings;
- Storm Water;
- Waste Water;
- Parks and Reserves; and
- Miscellaneous.

The plans set service standards for assets, and contain work schedules applying financial resources to the renewal of assets over the next 10+ 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.

BORROWING POLICY

As part of its financial strategy, the Council intends to minimise the level of borrowings to provide the capacity to borrow in the event of an emergency. No formal borrowing policy has been adopted by Council.

7.1 OPERATIONS OVERVIEW

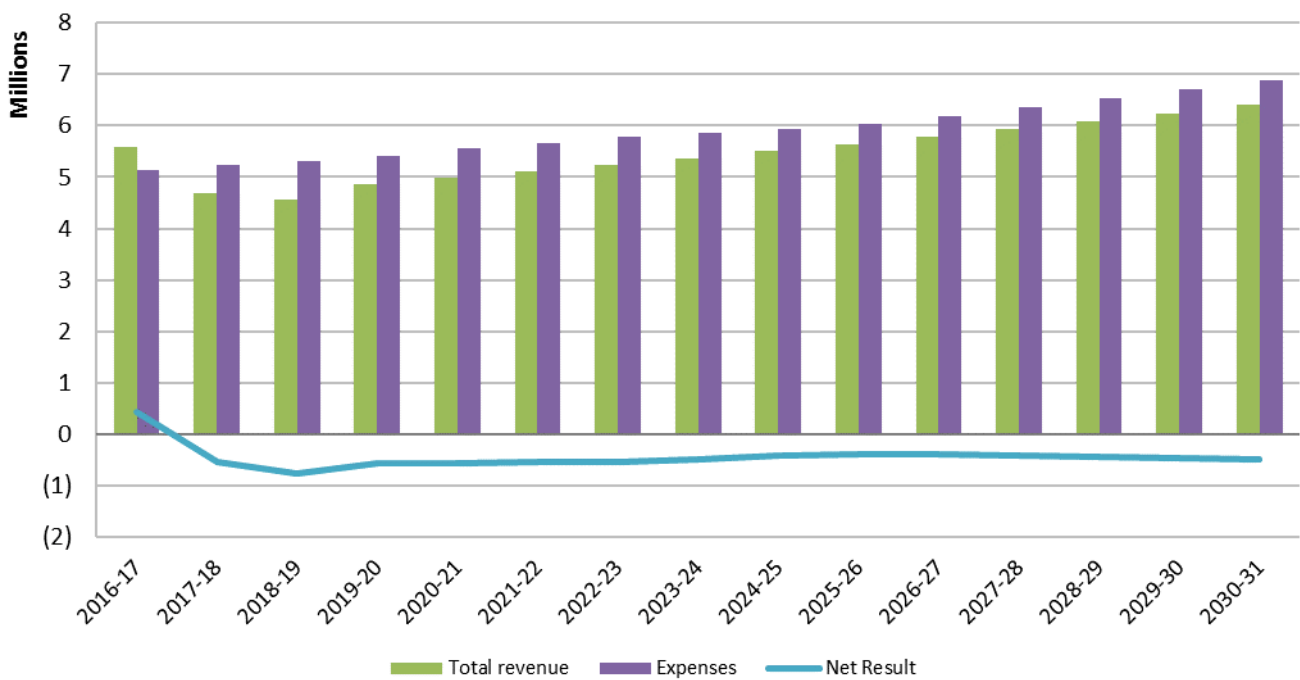
7.2 OPERATIONS

The chart below shows the operating revenues and expenses over the years (as columns) and the net result (being revenues less expenses, excluding asset revaluation changes) as a line.

Forecast decreases in capital grants during the first three years of the Plan result in significant fluctuations in revenue and the net result moving from positive to negative. From year five onwards, revenue and expenditure increase in line with inflation resulting in a stable net result all be it negative. This negative net result indicates the net assets of the Shire are decreasing over this period due to depreciation expense eroding the value of the fixed assets.

The Shire is reliant on receiving more than \$17.7m over the 15 years in untied operating grants, subsidies and contributions to maintain its current level of operations and services.

7.2.1 FORECAST REVENUE, EXPENSES AND NET RESULT



7.3 RATES REVENUE

General rate revenue is forecast to increase by 3% (CPI 2% + 1%) throughout the life of the Plan. These increases are to assist in the long term financial sustainability of the Shire and to maintain the level of service to the community in the face of forecast reductions in external grants and contributions. Rates are expected to generate \$2.3m in 2016-17, increasing to \$3.5m in 2030-2031.

7.4 NON OPERATING GRANTS AND CONTRIBUTIONS

Non-operating grants and contributions decrease below the 2015-2016 budget in year one due to limited grant availability. Current forecasts are for receipt of a grant of \$0.9m for the development of aged care units in 2016-2017 to meet forecast demand. The timing and extent of development of these units will be dependent on the availability of the grant funding.

7.0 OPERATIONS OVERVIEW (Continued)

7.5 WORKFORCE PLANNING

The Shire currently employs 20 full time equivalent (FTE) employees to deliver a range of services to the community and maintain existing assets.

The Shire's Workforce Plan has been considered in the development of this Long Term Financial Plan. No financial impacts are expected from the Workforce Plan with employee costs forecast to rise in line with CPI at 2%.

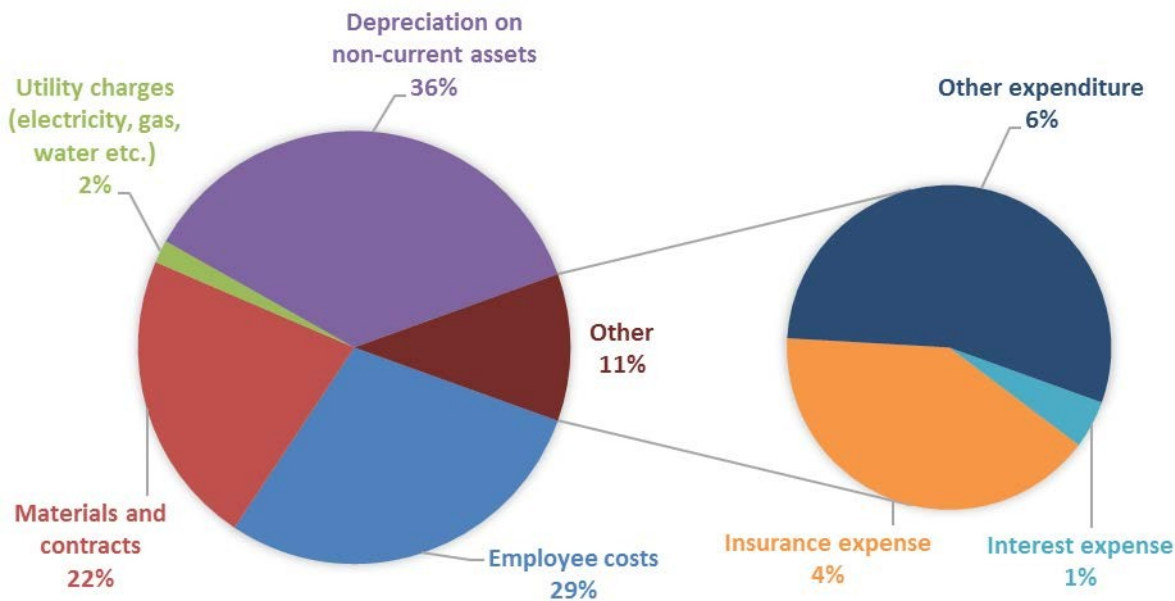
Council encourages a work life balance, multi skilling, flexibility and effective application of staff capability.

7.6 OPERATING EXPENDITURE

Over the duration of the Plan the operating expenditure components are forecast to remain relatively stable with the most significant change in the mix resulting from the decrease in interest expense as borrowings are repaid.

Employee costs, materials and contracts and depreciation remain the dominant operating expenditure components as reflected in the chart below.

7.6.1 COMPOSITION OF FORECAST OPERATING EXPENDITURE 2016-17 (TOTAL OPERATING EXPENDITURE \$5.1M)



7.7 MAINTENANCE EXPENDITURE

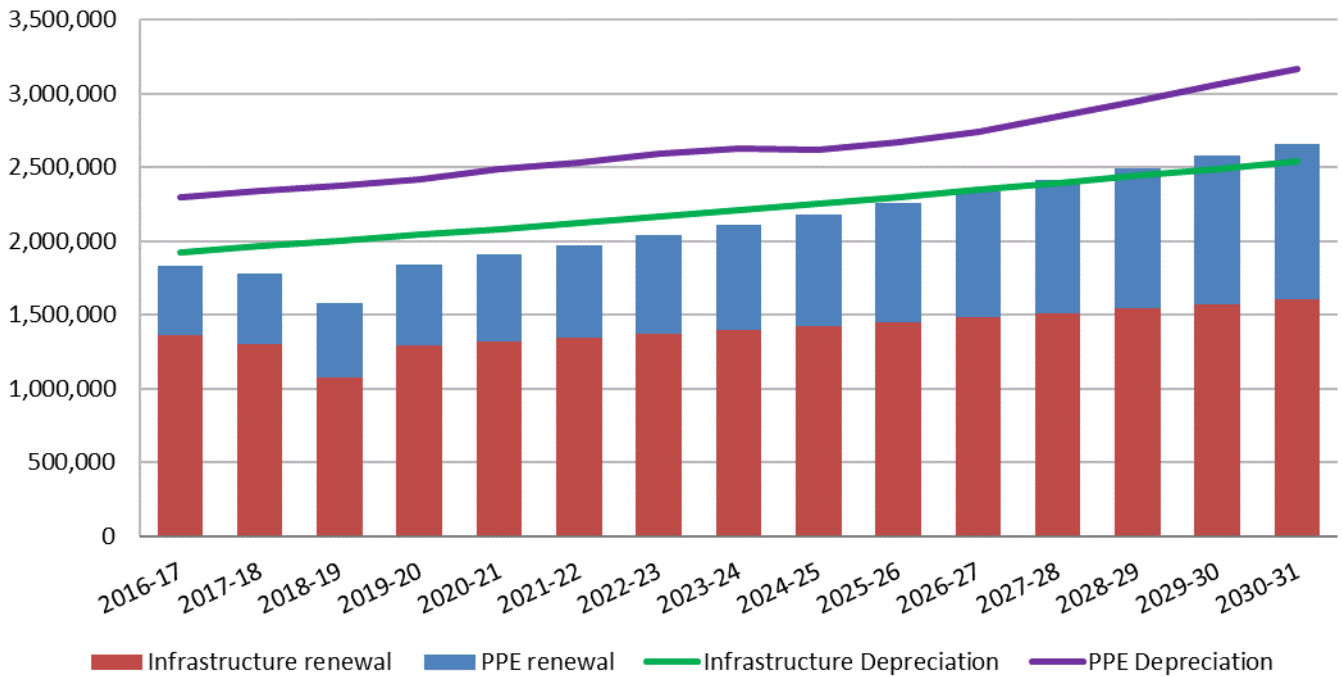
The current maintenance expenditure allocated in the annual operating budget is expected to continue at present levels with inflationary increases occurring each year.

7.8 DEPRECIATION EXPENSE

Depreciation expense increases throughout the Plan from \$2.3m in year 1 to \$3.2m in year 15 as assets are revalued and renewed. Depreciation of infrastructure over the 15 years is \$33.3m, shown by the green line in the chart on the following page. The planned level of infrastructure asset renewal expenditure at \$21.0m is lower than estimated depreciation expense. Planned infrastructure asset renewals is reflected by the red columns with planned property, plant and equipment renewals totalling \$10.9m over the 15 years reflected by the blue columns.

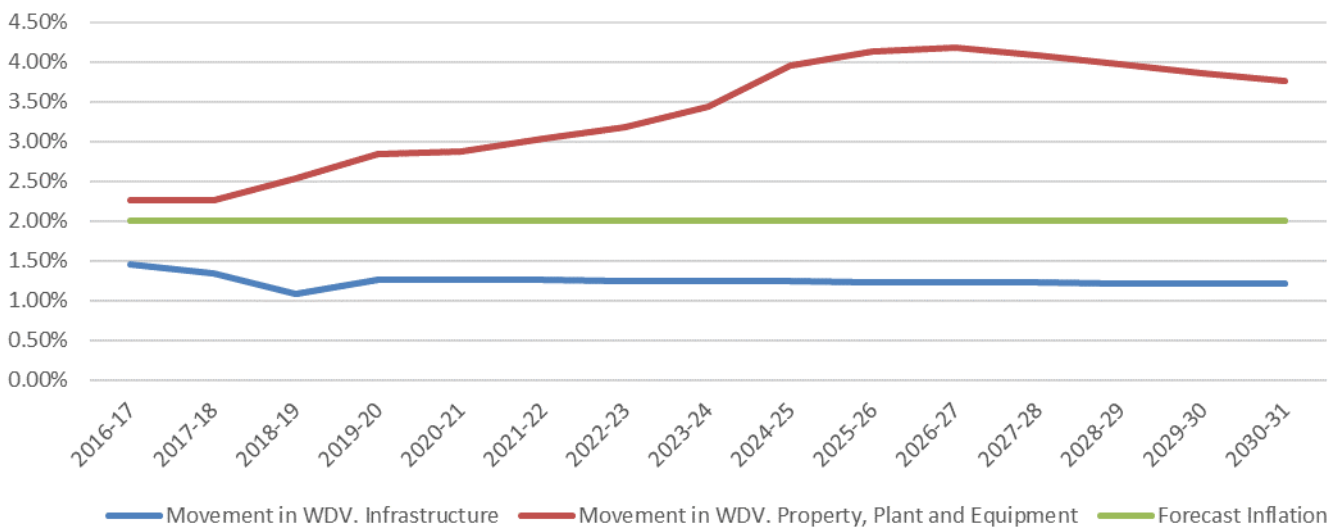
7.0 OPERATIONS OVERVIEW (Continued)

7.8.1 DEPRECIATION EXPENSE V ASSET RENEWAL EXPENDITURE



Where the planned asset renewals are greater than depreciation the written down value of these assets will increase over time as existing assets are renewed. Revaluation of assets in line with inflation will compound this increase and may mask real decreases in value where planned asset renewals are lower than depreciation.

7.8.2 PERCENTAGE MOVEMENT IN ASSET VALUE



Fixed assets increase in value over the life of the plan from \$114m to \$146m as reflected in the graph above showing the percentage increase in assets values over the term of the Plan. The percentage change in value of Property, Plant and Equipment shown by the red line in the chart above is greater than the level of underlying level of inflation shown by the green line. Conversely, for infrastructure the percentage change in value, shown by the blue line, is lower than inflation. Depreciation expense higher than a planned level of asset renewals results in the percentage change in value being lower than inflation.

8.1 CAPITAL OVERVIEW

8.2 COMMUNITY DEMAND

User demand for a number of community buildings has changed over time due to the aging of the community and the corresponding lifestyle changes. Community demand for aged care units (Strategy 2.1.2) and Shire Administration location (Strategy 4.6.1) were identified within the Strategic Community Plan.

8.3 UPGRADE/NEW EXPENDITURE

Construction of aged care units and upgrades to existing information technology infrastructure within the shire administration are planned to occur over the next 15 years in response to demand and need.

The exact timing and extent of the construction of the aged care units is dependent on the receipt of grants and contributions to undertake this work.

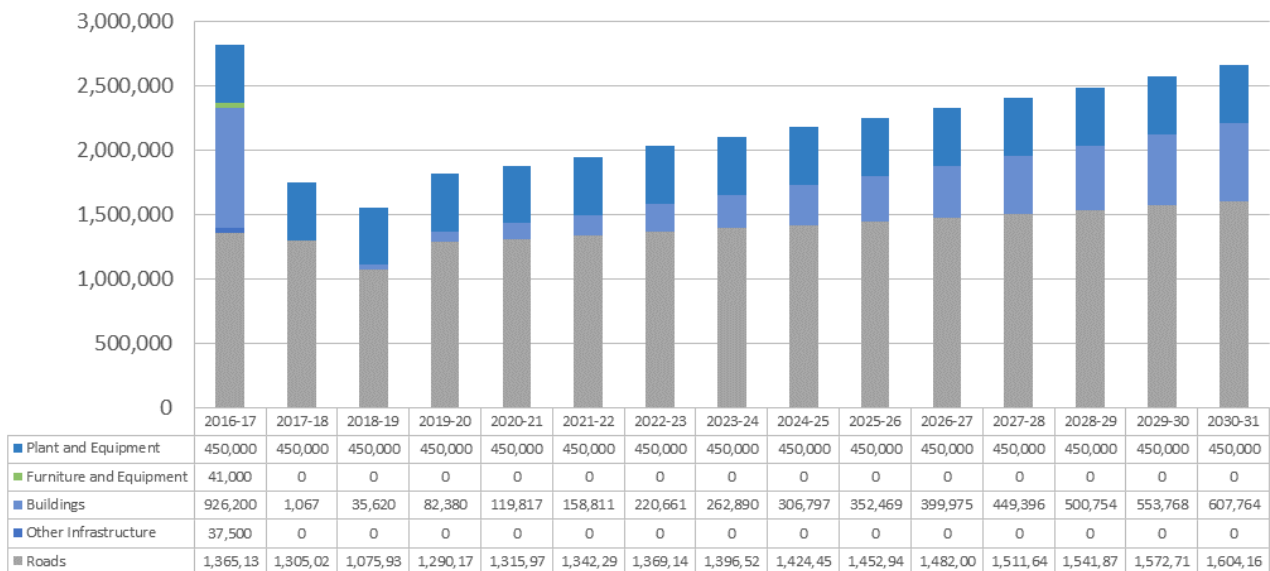
8.4 LEVEL OF SERVICE

The level of service of assets is forecast to be maintained over the long term however this is dependent on receipt of forecast grants and contributions both for maintenance of assets and for renewal of assets. Changes to the level of these grants may directly impact on forecast service levels.

8.5 RENEWAL EXPENDITURE

Planned asset renewal expenditure has been determined by allocating the funds available after operating requirements to building asset renewals. Allocation of these to has been undertaken to best meet the asset renewal expenditure required. The timing and level of planned asset renewal expenditure for each asset class is summarised in the chart below.

8.4.1 PLANNED ASSET RENEWAL EXPENDITURE BY ASSET CLASS



9.1 FORECAST CAPITAL PROJECTS

9.2 PLANNED CAPITAL EXPENDITURE

The table below sets out the total value of planned capital expenditure (detailed by project) as included over the 15 years of the Plan.

Asset Class	Project	Total project value (15 Years)
Buildings	Art Society Shed	\$13,200
	Aged Person Units Bolgart	\$450,000
	Aged Person Units Callingiri	\$450,000
	Upgrade A/C Council Chambers	\$8,000
	OHS Upgrades	\$5,000
	Buildings Renewal	\$4,052,169
Buildings Total		\$4,978,369
Furniture and Equipment	Computer Upgrade	\$35,000
	Projector/Screen Council Chambers	\$6,000
Furniture and Equipment Total		\$41,000
Plant and Equipment	Plant Replacement Program	\$6,750,000
Plant and Equipment Total		\$6,750,000
Roads	Roadworks Program RTR	\$7,244,459
	Roadworks Program RRG	\$13,805,519
Roads Total		\$21,049,978
Other Infrastructure	Mogumber Hall Water Tank	\$5,000
	Street Furniture	\$20,000
	Pump Shed and Tank	\$12,500
Other Infrastructure Total		\$37,500
Grand Total		\$32,856,847

10.1 FINANCING OVERVIEW

In general, the finances of the Shire are expected to improve over the term of the Plan with a reduction in the level of outstanding borrowings and a minor decrease in cash savings (reserves) as represented in the graph below.

10.2 BORROWINGS

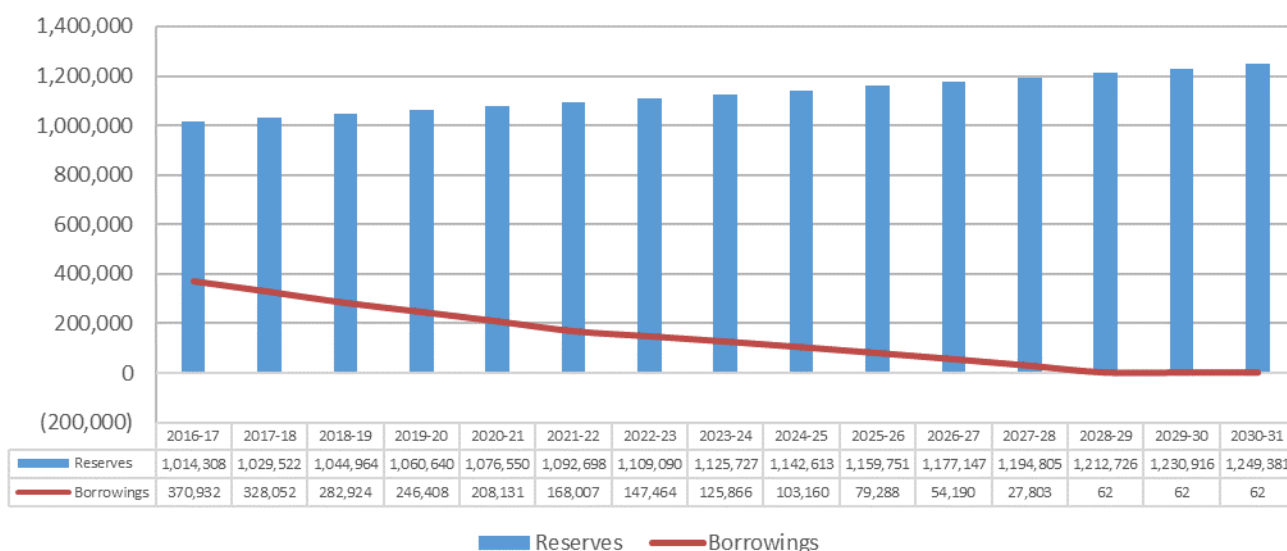
The principal outstanding on borrowings reduces over the life of the Plan, with all loans paid out by 2028-29.

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

10.3 CASH RESERVES

The balance of cash reserves is forecast to fluctuate over the term of the Plan as they are used to fund the renewals of assets whilst trending down over the first six years before moving upward up in line with inflation.

10.2.1 FORECAST BORROWINGS AND CASH RESERVES



11.1 SCENARIO MODELLING

11.2 SCENARIO MODELLING

Scenarios were developed to test the financial impact of reduced levels of operating funding with modelling occurring to consider the impact on the Shire of various reduced funding levels.

To ascertain the effect of reduced funding levels through scenario modelling, a base scenario was developed with a rate yield increase of 1% above inflation. Two alternative scenarios were also developed from this base. In scenario one the rates yield increase is 2% above inflation for the life of the Plan and for scenario two there was no increase above inflation for the duration of the Plan.

All other assumptions remained the same across the two scenarios.

Over the fifteen years of the Plan the reduction in the estimated surplus/(deficit) as a consequence of reduced rate revenue is shown in the table at 11.2.

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

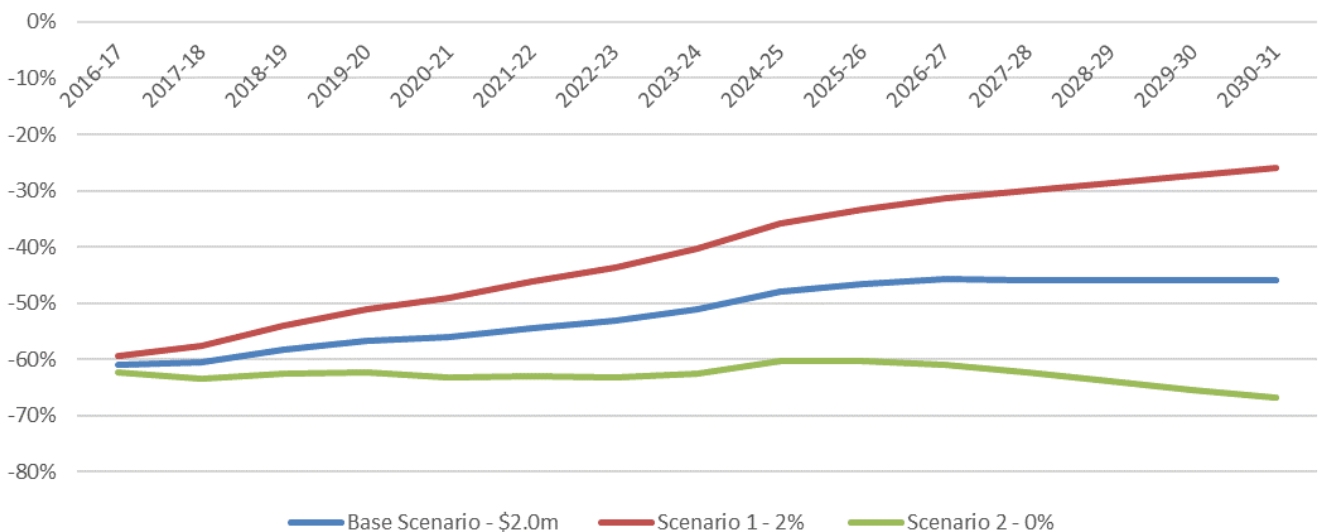
The table below reflects the impact of a change in total rates yield and the total effect of a 1% change in rate yield per annum (other assumptions remaining the same).

11.3 ESTIMATED SURPLUS/DEFICIT JUNE 30 CARRIED FORWARD

Funding Level	Variance from Base Level in Year 15	Average Variance per Annum
Scenario 1	\$3,991,341	\$1,371,136
Scenario 2	(\$3,420,457)	(\$1,221,235)

11.2.1 SCENARIO COMPARISON – OPERATING SURPLUS RATIO

The chart below reflects the impact of the same change in total rates yield on the Operating Surplus Ratio (other assumptions remaining the same). The base scenario was selected as it achieved an improvement in the operating surplus ratio toward the target ratios levels set out in the Department of Local Government and Communities' published Advisory Standard.



12.1 RISK MANAGEMENT

12.2 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/Executive 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.

12.3 CERTAINTY OF ASSUMPTIONS

Included in the Plan is a detailed analysis of the assumptions used during the planning process and the level of risk associated with each assumption.

The impact of the assumptions applied 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.

12.4 SENSITIVITY ANALYSIS

Where an assessment has been made that a high level of uncertainty applies to the assumptions, sensitivity analysis has been used to help quantify the potential financial impact of a change in the assumption.

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

13.0 ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY

13.1 REVENUE – ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY

DISCLOSURE/ASSUMPTION	ASSESSED FINANCIAL RISK	IMPACT OF HIGH FINANCIAL RISK ASSUMPTIONS	LEVEL OF UNCERTAINTY	FINANCIAL IMPACT AND SENSITIVITY FOR ASSUMPTION WITH HIGH LEVEL OF UNCERTAINTY/RISK
District Growth in Population: The number of residents in the Shire is expected to remain stable.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Rates Level Increase: Annual rates have been based on an increase in the total rate yield of 1% higher than forecast inflation rate of 2%.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Operating Grants and Contributions: Increases in line with inflation forecast.	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 projected service levels.	Medium	± 10,255 to the value of operating grants and contributions per 1% movement in the value in the first year of the Plan.
Non-operating Grants and Contributions: Remain in line with funding requirements identified for various capital works.	High	The capital works program is highly dependent on Government grants and contributions. Change in these levels would impact directly on the amount spent on capital projects and ultimately impact on service levels.	Medium	± \$173,481 to the value of non-operating grants and contributions per 1% movement in the value over the life of the Plan.
Fees and Charges: Increases in line with inflation forecast.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Interest Earnings: Interest earning of an average rate of 2.5% per annum.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Other Revenue: Increases in line with inflation.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
Profit on Asset Disposal: Profit on asset disposal results from a misallocation 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.

13.0 ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY (Continued)

13.2 EXPENDITURE – ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY

DISCLOSURE/ASSUMPTION	ASSESSED FINANCIAL RISK	IMPACT OF HIGH FINANCIAL RISK ASSUMPTIONS	LEVEL OF UNCERTAINTY	FINANCIAL IMPACT AND SENSITIVITY FOR ASSUMPTION WITH HIGH LEVEL OF UNCERTAINTY/RISK
Employee Costs: Increased annually by forecast inflation.	Medium	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
Materials and Contracts: Increased annually by forecast inflation.	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 projected service levels.	Medium	± \$113,723 to the value of materials and contracts per 1% movement in the value over the life of the Plan.
Depreciation: Depreciation has been calculated using an average depreciation rate based on historical rates.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
Insurance: Base year increased in line with inflation.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Other Expenditure: Base year increased in line with inflation.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Loss on Asset Disposal: A loss on asset disposal results from a misallocation of depreciation over the life of the asset. As the level of depreciation is considered appropriate in the Plan, no loss on asset disposals has been included in the Plan.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.

13.0 ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY (Continued)

13.3 ASSETS – ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY

DISCLOSURE/ASSUMPTION	ASSESSED FINANCIAL RISK	IMPACT OF HIGH FINANCIAL RISK ASSUMPTIONS	LEVEL OF UNCERTAINTY	FINANCIAL IMPACT AND SENSITIVITY FOR ASSUMPTION WITH HIGH LEVEL OF UNCERTAINTY/RISK
Revaluations: In line with annual inflation.	Low	The revaluation of assets to their fair value may result in changes in asset ratio analysis and depreciation, leading to a change in the net result. The revaluation of assets will have no impact on Cashflows.	High	±\$227,208 to the value of property, plant and equipment per 1% movement in the value over the life of the Plan. ±\$1,191,307 to the value of infrastructure assets per 1% movement in the value over the life of the Plan.
Impairment of Assets: 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.
Infrastructure Assets: Expenditure has been based on historical levels escalated by inflation.	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	± \$173,481 to the value of infrastructure assets per 1% movement in the capital grants received over the life of the Plan.
Property, Plant and Equipment: Building expenditure is based on the level of available funds 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.

13.0 ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY (Continued)

13.4 LIABILITIES – ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY

DISCLOSURE/ASSUMPTION	ASSESSED FINANCIAL RISK	IMPACT OF HIGH FINANCIAL RISK ASSUMPTIONS	LEVEL OF UNCERTAINTY	FINANCIAL IMPACT AND SENSITIVITY FOR ASSUMPTION WITH HIGH LEVEL OF UNCERTAINTY/RISK
Borrowings: No New borrowings have been considered for capital works.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
Employee Entitlements: 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.

13.0 ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY (Continued)

13.5 EQUITY RISKS, UNCERTAINTIES AND SENSITIVITY

DISCLOSURE/ASSUMPTION	ASSESSED FINANCIAL RISK	IMPACT OF HIGH FINANCIAL RISK ASSUMPTIONS	LEVEL OF UNCERTAINTY	FINANCIAL IMPACT AND SENSITIVITY FOR ASSUMPTION WITH HIGH LEVEL OF UNCERTAINTY
Cash Backed Reserves: 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.
Revaluation Surplus: 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 depreciation leading to a change in the net result. The revaluations of assets will have no impact on Cashflows.	High	±\$227,208 to the value of property, plant and equipment per 1% movement in the value over the life of the Plan. ±\$1,191,307 to the value of infrastructure assets per 1% movement in the value over the life of the Plan.

13.0 ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY (Continued)

13.6 OTHER – ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY

DISCLOSURE/ASSUMPTION	ASSESSED FINANCIAL RISK	IMPACT OF HIGH FINANCIAL RISK ASSUMPTIONS	LEVEL OF UNCERTAINTY	FINANCIAL IMPACT AND SENSITIVITY FOR ASSUMPTION WITH HIGH LEVEL OF UNCERTAINTY/RISK
Ownership of Strategic Assets: The Shire has not planned 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.
Inflators: Forecast inflation at 3% per annum.	Medium	Not assessed as high financial risk.	High	± \$646,237 to operating revenue per 1% movement in the inflators over the life of the Plan. ± \$885,260 to operating expenditure per 1% movement in the inflators over the life of the Plan.
Commercial Activities: 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.
General Economic Forecasts for State: The economic forecast for the State is closely linked to the success of the mining industry. Demands for minerals is forecast to decline in the short term with a corresponding tightening of the state economy.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
General Economic Forecasts for Region: Historically, the region's economy is heavily dependent on agriculture. This remains the assumption for the term of this Plan.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.

14.1 MONITORING AND PERFORMANCE

14.2 MONITORING

The Plan will be the subject of a desktop review each year to take into account changing circumstances with a full revision scheduled every two years in line with the review of the Strategic Community Plan.

Monitoring the Shire's financial rigidity and financial position along with its asset management performance is undertaken by preparing and monitoring various statutory ratios.

14.3 PERFORMANCE ASSESSMENT

A series of performance indicators, in the form of financial ratios, have been used 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 and Communities, Long Term Financial Planning Guidelines and Regulation 50 of Local Government (Financial Management) Regulation 1996.

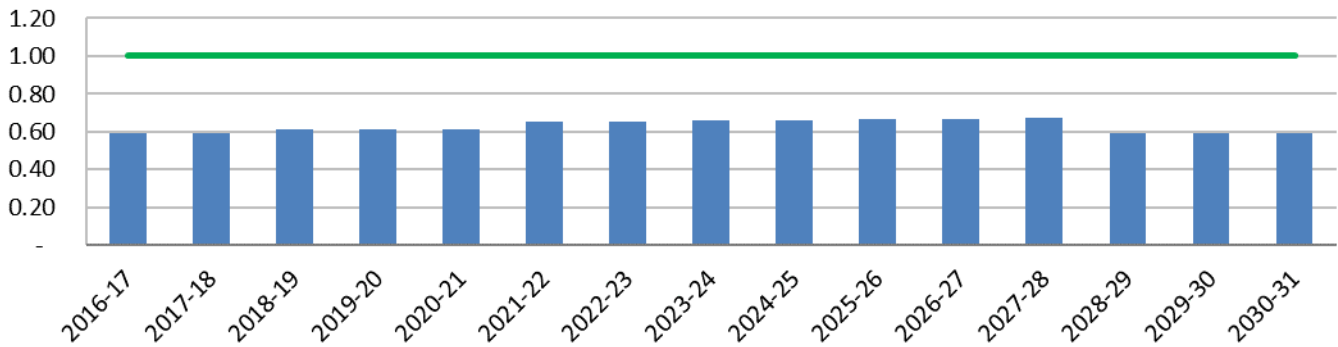
Graphs of these financial ratios are presented on the following pages together with the formula used to calculate the ratio, a brief description of what the ratio indicates and an assessment of the impact of the ratio on the Shire's finances in the future.

14.4 RATIO TARGETS

The Department of Local Government and Communities Advisory Standard 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.

14.0 MONITORING AND PERFORMANCE (Continued)

14.5 FORECAST RATIO ANALYSIS – CURRENT RATIO

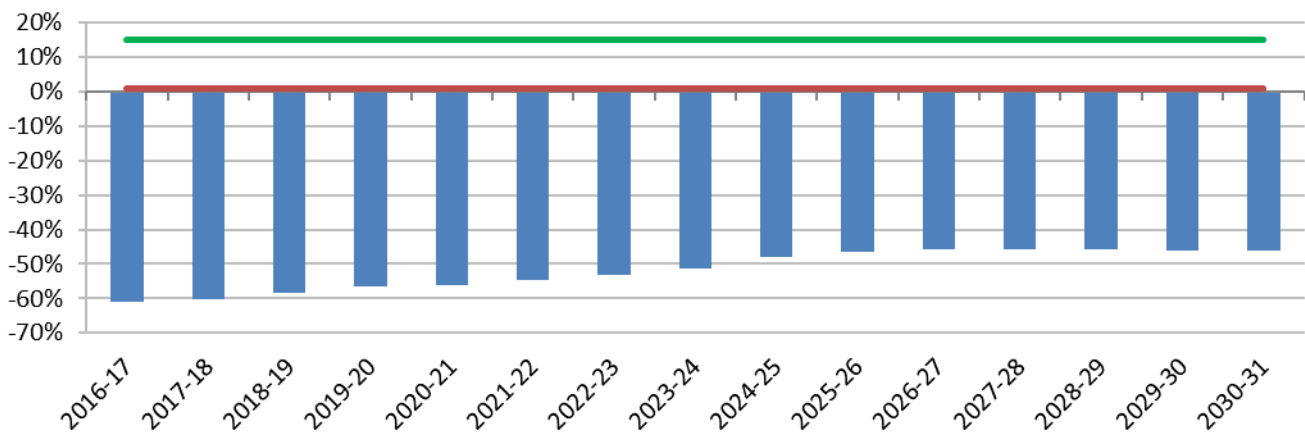


$$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets minus current liabilities associated with long term borrowings}}$$

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 Shire with a forecast balanced funding surplus position and current borrowing liabilities, the ratio is less than 1.0. As borrowings are settled the ratio improves towards the target of 1. The target is not considered to indicate a threat to the Shire’s long term financial position.

14.6 FORECAST RATIO ANALYSIS – OPERATING SURPLUS RATIO



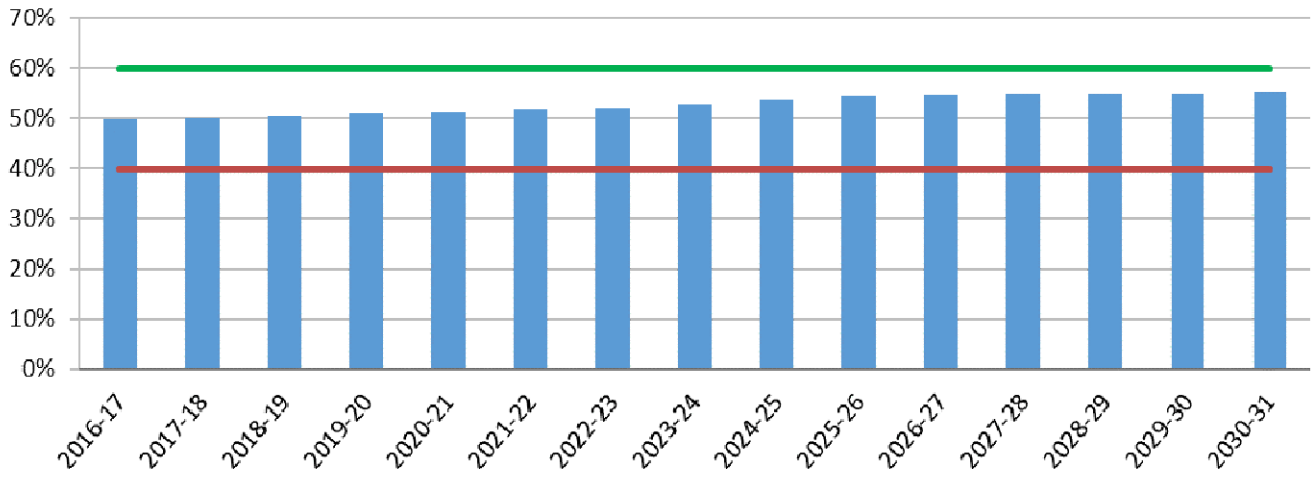
$$\frac{\text{operating revenue minus operating expense}}{\text{own source operating revenue}}$$

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

Commentary: While the ratio is below the target, the ratio is demonstrating a steady improvement over the term of the Plan indicating an increasing capacity to renew assets into the future.

MONITORING AND PERFORMANCE (Continued)

14.7 FORECAST RATIO ANALYSIS – OWN SOURCE REVENUE COVERAGE RATIO

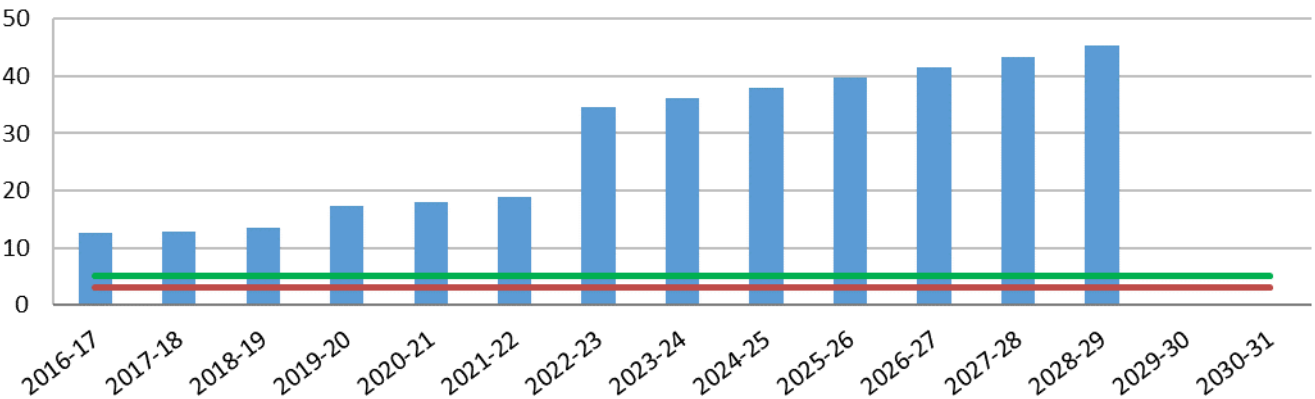


$$\frac{\text{own source operating revenue}}{\text{operating expense}}$$

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

Commentary: The ratio is just above the target range and improving throughout the length of the Plan indicating the Shire is able to continue to operate in the event of a minor loss of external grants and contributions.

14.8 FORECAST RATIO ANALYSIS – DEBT SERVICE COVERAGE RATIO



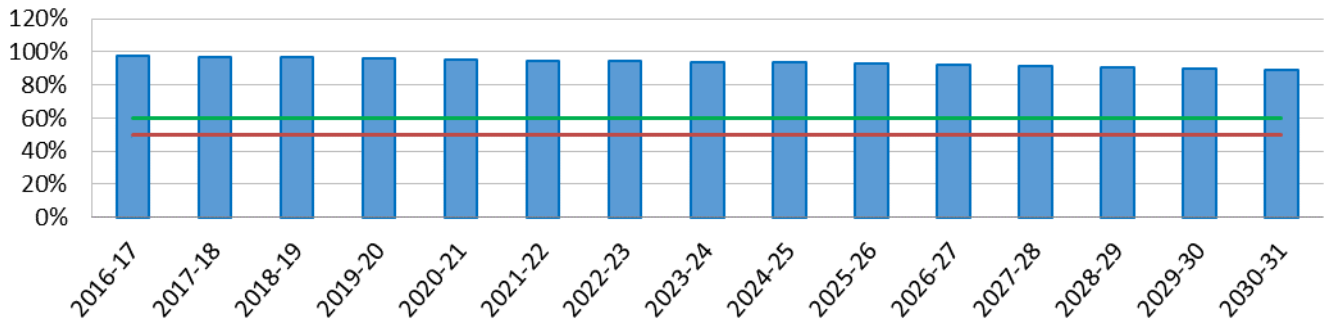
$$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$$

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

Commentary: The ratio is in the advanced range and continues to improve over time as existing borrowings are paid off. This indicates the Shire has a capacity to borrow in the short term with increasing capacity from year 3 onwards.

MONITORING AND PERFORMANCE (Continued)

14.9 FORECAST RATIO ANALYSIS – ASSET CONSUMPTION RATIO

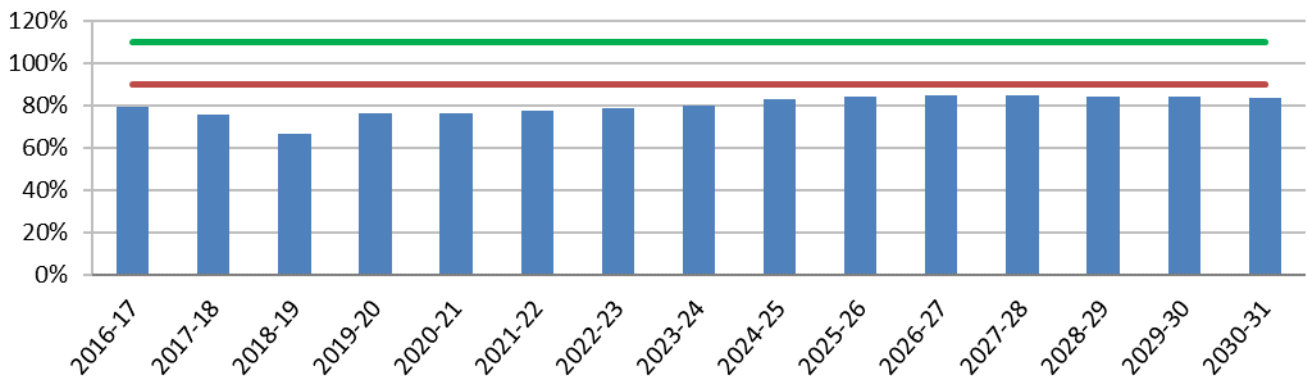


$$\frac{\text{depreciated replacement cost of assets}}{\text{current replacement cost of depreciable assets}}$$

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

Commentary: The ratio is above the target range indicating the majority of assets are relatively new. Unfortunately, this ratio is somewhat distorted by a lack of information on the Current Replacement Cost of assets. The true level of the ratio is unknown without this information however, importantly the ratio is maintained throughout the Plan.

14.10 FORECAST RATIO ANALYSIS –ASSET SUSTAINABILITY RATIO



$$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation expense}}$$

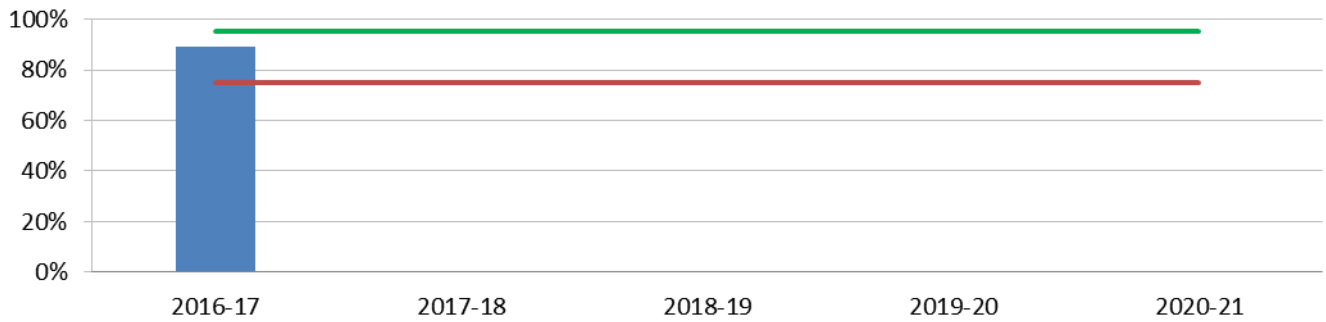
Indication: A measure of the extent to which assets managed by the Shire are being replaced as they reach the end of their useful lives.

Commentary: The ratio highlights asset renewal expenditure relative to depreciation and fluctuates as expected. The ratio averages at 79.90% over the term of the Plan which is slightly below the guideline level and indicates the Shire is unable to renew assets in line with their forecast useful lives.

MONITORING AND PERFORMANCE (Continued)

14.11 FORECAST RATIO ANALYSIS – ASSET RENEWAL FUNDING RATIO

Asset Renewal Funding Ratio



$$\frac{\text{NPV of planned capital renewals over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$$

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 Asset Management Plan contains insufficient data to enable the calculation of the ratio.

APPENDIX B1 – FORECAST FINANCIAL STATEMENTS

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 Australian 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 CASHFLOWS

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 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.

NATURE OR TYPE

A number of statements in the Plan are disclosed using nature or type 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.

APPENDIX B1 – FORECAST FINANCIAL STATEMENTS (CONTINUED)

SERVICE PROGRAMS

The Shire provides a wide variety of services to the community in order to achieve its vision and objectives. The following service program descriptions are used in the Plan to represent these services.

Objectives	Services	Objectives	Services
Governance	Members of Council Governance – general	Recreation and culture	Public halls, civic centre Swimming areas and beaches Other recreation and sport Television and radio re-broadcasting Libraries Other culture
General purpose funding	Rates Other general purpose funding	Transport	Streets, roads, bridges, depots - Construction (not capitalised) - Maintenance Road plant purchase (if not capitalised) Parking facilities Traffic control Aerodromes Water transport facilities
Law, order, public safety	Fire prevention Animal control Other law, order, public safety	Economic services	Rural services Tourism and area promotion Building control Other economic services
Health	Maternal and infant health Preventative services - Immunisation - Meat inspection - Administration and inspection - Pest control - Other Other health	Other property and services	Private works Public works overheads Plant operation Salaries and wages Unclassified Town Planning Schemes
Education and welfare	Pre-school Other education Care of families and children Aged and disabled Other welfare		
Housing	Staff housing Other housing		
Community amenities	Sanitation - Household refuse - Other Sewerage Urban stormwater drainage Protection of environment Town planning and regional development Other community amenities		

APPENDIX B2 – FORECAST STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE 2016-2031

	2012-13	2013-14	2014-15	Base	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues																			
Rates	1,981,801	2,064,125	2,158,419	2,244,281	2,311,609	2,380,958	2,452,386	2,525,958	2,601,736	2,679,788	2,760,181	2,842,986	2,928,275	3,016,123	3,106,607	3,199,806	3,295,801	3,394,675	3,496,516
Operating grants, subsidies and contributions	873,026	502,800	1,506,889	504,546	1,025,540	1,046,051	1,066,972	1,088,310	1,110,077	1,132,278	1,154,925	1,178,022	1,201,583	1,225,616	1,250,129	1,275,132	1,300,635	1,326,649	1,353,182
Fees and charges	177,760	172,581	217,878	174,561	178,052	181,613	185,241	188,944	192,724	196,578	200,509	204,513	208,604	212,777	217,034	221,371	225,800	230,320	234,928
Interest earnings	104,059	96,864	75,927	44,300	31,453	16,316	16,544	16,778	17,012	17,250	17,494	17,739	17,988	18,240	18,498	18,760	19,023	19,292	19,567
Other revenue	44,129	84,140	91,089	30,110	33,914	31,326	31,951	32,588	33,239	33,902	34,580	35,271	35,977	36,698	37,430	38,175	38,937	39,716	40,511
	3,180,775	2,920,510	4,050,202	2,997,798	3,580,568	3,656,264	3,753,094	3,852,578	3,954,788	4,059,796	4,167,689	4,278,531	4,392,427	4,509,454	4,629,698	4,753,244	4,880,196	5,010,652	5,144,704
Expenses																			
Employee costs	(976,807)	(1,104,925)	(1,254,662)	(1,261,908)	(1,287,144)	(1,312,892)	(1,339,143)	(1,365,928)	(1,393,248)	(1,421,110)	(1,449,535)	(1,478,522)	(1,508,095)	(1,538,258)	(1,569,027)	(1,600,402)	(1,632,413)	(1,665,064)	(1,698,367)
Materials and contracts	(744,653)	(897,728)	(981,154)	(967,093)	(986,435)	(1,006,157)	(1,026,270)	(1,046,790)	(1,067,729)	(1,089,072)	(1,110,853)	(1,133,064)	(1,155,735)	(1,178,863)	(1,202,443)	(1,226,490)	(1,251,026)	(1,276,059)	(1,301,587)
Utility charges (electricity, gas, water etc.)	(80,522)	(94,344)	(75,275)	(74,555)	(76,046)	(77,566)	(79,113)	(80,696)	(82,308)	(83,951)	(85,632)	(87,342)	(89,089)	(90,875)	(92,693)	(94,544)	(96,437)	(98,370)	(100,341)
Depreciation on non-current assets	(2,002,764)	(2,109,334)	(1,537,593)	(1,589,527)	(2,298,405)	(2,343,073)	(2,371,675)	(2,413,974)	(2,488,253)	(2,532,321)	(2,588,560)	(2,621,871)	(2,612,106)	(2,663,928)	(2,739,133)	(2,841,435)	(2,946,682)	(3,054,962)	(3,166,353)
Interest expense	(15,980)	(15,210)	(25,713)	(23,004)	(20,134)	(18,001)	(15,753)	(13,563)	(11,802)	(9,955)	(8,258)	(7,203)	(6,095)	(4,929)	(3,703)	(2,414)	(1,059)	0	0
Insurance expense	(175,567)	(177,983)	(184,409)	(195,646)	(199,561)	(203,549)	(207,621)	(211,773)	(216,010)	(220,332)	(224,738)	(229,232)	(233,817)	(238,493)	(243,265)	(248,131)	(253,093)	(258,157)	(263,319)
Other expenditure	(256,476)	(230,662)	(272,972)	(262,888)	(268,147)	(273,505)	(278,965)	(284,543)	(290,233)	(296,033)	(301,944)	(307,972)	(314,130)	(320,411)	(326,817)	(333,343)	(340,009)	(346,811)	(353,743)
	(4,252,769)	(4,630,186)	(4,331,778)	(4,374,621)	(5,135,872)	(5,234,743)	(5,318,540)	(5,417,267)	(5,549,583)	(5,652,774)	(5,769,520)	(5,865,206)	(5,919,067)	(6,035,757)	(6,177,081)	(6,346,759)	(6,520,719)	(6,699,423)	(6,883,710)
	(1,071,994)	(1,709,676)	(281,576)	(1,376,823)	(1,555,304)	(1,578,479)	(1,565,446)	(1,564,689)	(1,594,795)	(1,592,978)	(1,601,831)	(1,586,675)	(1,526,640)	(1,526,303)	(1,547,383)	(1,593,515)	(1,640,523)	(1,688,771)	(1,739,006)
Non-operating grants, subsidies and contributions	1,499,397	1,434,506	469,006	2,441,175	1,999,028	1,033,594	799,081	1,007,781	1,027,936	1,048,494	1,069,464	1,090,854	1,112,670	1,134,924	1,157,622	1,180,775	1,204,390	1,228,478	1,253,047
Loss on revaluation of fixed assets	(156,977)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit on disposal of assets	21,361	4,261	13,985	(1,357)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loss on asset disposal	(10,717)	(152,728)	(1,709)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NET RESULT	281,070	(423,637)	199,706	1,062,995	443,724	(544,885)	(766,365)	(556,908)	(566,859)	(544,484)	(532,367)	(495,821)	(413,970)	(391,379)	(389,761)	(412,740)	(436,133)	(460,293)	(485,959)
Other Comprehensive Income	0	4,051,871	84,550,582	0	2,179,815	2,235,732	2,265,246	2,296,738	2,336,802	2,365,123	2,402,770	2,437,266	2,476,342	2,524,135	2,570,773	2,619,005	2,662,887	2,707,180	2,751,869
TOTAL COMPREHENSIVE INCOME	281,070	3,628,234	84,750,288	1,062,995	2,623,539	1,690,847	1,498,881	1,739,830	1,769,943	1,820,639	1,870,403	1,941,445	2,062,372	2,132,756	2,181,012	2,206,265	2,226,754	2,246,887	2,265,910

APPENDIX B3 – FORECAST STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM 2016-2031

	2012-13	2013-14	2014-15	Base	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue																			
Governance	6,929	4,501	7,852	23,225	23,690	24,164	24,647	25,140	25,643	26,156	26,680	27,214	27,758	28,314	28,880	29,456	30,045	30,646	31,260
General purpose funding	2,882,847	2,597,042	3,660,908	2,718,641	3,295,828	3,365,831	3,456,859	3,550,422	3,646,588	3,745,434	3,847,040	3,951,476	4,058,829	4,169,181	4,282,620	4,399,232	4,519,103	4,642,333	4,769,016
Law, order, publicsafety	36,814	75,907	68,793	39,415	40,203	41,007	41,827	42,663	43,516	44,386	45,273	46,178	47,102	48,045	49,006	49,986	50,986	52,006	53,046
Health	3,453	4,484	4,670	800	816	832	848	865	882	900	918	936	955	974	993	1,012	1,032	1,052	1,073
Education and welfare	0	1,000	1,750	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing	55,166	69,111	65,586	60,815	62,031	63,271	64,535	65,824	67,143	68,487	69,857	71,251	72,677	74,129	75,613	77,124	78,667	80,242	81,846
Community amenities	70,516	68,099	76,928	69,500	70,890	72,308	73,753	75,227	76,731	78,265	79,829	81,425	83,054	84,715	86,409	88,137	89,901	91,700	93,535
Recreation and culture	24,816	18,880	32,121	24,931	25,430	25,938	26,455	26,985	27,524	28,073	28,635	29,206	29,790	30,387	30,994	31,612	32,244	32,890	33,548
Transport	7,083	8,310	9,218	1,000	1,020	1,040	1,061	1,082	1,104	1,126	1,149	1,172	1,195	1,219	1,243	1,268	1,293	1,319	1,345
Economic services	43,345	36,837	38,621	25,300	25,806	26,322	26,848	27,384	27,931	28,488	29,057	29,637	30,230	30,836	31,453	32,081	32,722	33,377	34,045
Other property and services	39,235	40,600	83,755	34,171	34,854	35,551	36,261	36,986	37,726	38,481	39,251	40,036	40,837	41,654	42,487	43,336	44,203	45,087	45,990
	3,170,204	2,924,771	4,050,202	2,997,798	3,580,568	3,656,264	3,753,094	3,852,578	3,954,788	4,059,796	4,167,689	4,278,531	4,392,427	4,509,454	4,629,698	4,753,244	4,880,196	5,010,652	5,144,704
Expenses Excluding Finance Costs																			
Governance	(358,821)	(305,141)	(350,929)	(375,994)	(402,420)	(410,429)	(418,117)	(426,335)	(435,587)	(444,132)	(453,168)	(461,710)	(469,211)	(478,586)	(488,767)	(499,864)	(511,215)	(522,819)	(534,681)
General purpose funding	(207,216)	(213,876)	(231,663)	(205,370)	(209,478)	(213,667)	(217,940)	(222,298)	(226,744)	(231,277)	(235,902)	(240,618)	(245,430)	(250,338)	(255,345)	(260,451)	(265,660)	(270,974)	(276,393)
Law, order, publicsafety	(152,267)	(236,637)	(283,209)	(281,276)	(341,135)	(347,851)	(353,342)	(359,994)	(369,275)	(376,201)	(384,170)	(390,373)	(393,199)	(401,030)	(410,808)	(422,828)	(435,162)	(447,819)	(460,804)
Health	(91,689)	(92,008)	(87,606)	(116,401)	(118,737)	(121,111)	(123,533)	(126,004)	(128,524)	(131,095)	(133,717)	(136,391)	(139,119)	(141,902)	(144,741)	(147,635)	(150,589)	(153,602)	(156,673)
Education and welfare	(23,219)	(33,162)	(30,264)	(41,097)	(41,974)	(42,813)	(43,669)	(44,543)	(45,436)	(46,344)	(47,271)	(48,214)	(49,175)	(50,159)	(51,164)	(52,190)	(53,236)	(54,306)	(55,396)
Housing	(151,776)	(164,808)	(176,372)	(199,259)	(221,166)	(225,554)	(229,580)	(234,037)	(239,405)	(244,043)	(249,073)	(253,564)	(258,499)	(262,118)	(267,941)	(274,558)	(281,332)	(288,266)	(295,362)
Community amenities	(233,959)	(245,332)	(273,221)	(403,046)	(417,794)	(426,136)	(434,475)	(443,115)	(452,239)	(461,226)	(470,508)	(479,737)	(488,714)	(498,486)	(508,673)	(519,317)	(530,182)	(541,277)	(552,601)
Recreation and culture	(470,814)	(551,816)	(592,503)	(545,192)	(589,115)	(600,831)	(611,954)	(623,943)	(637,688)	(650,162)	(663,436)	(675,798)	(688,282)	(699,991)	(715,062)	(731,677)	(748,671)	(766,057)	(783,832)
Transport	(2,364,127)	(2,618,320)	(2,086,281)	(1,994,640)	(2,403,467)	(2,450,832)	(2,489,898)	(2,536,898)	(2,601,805)	(2,650,735)	(2,706,798)	(2,750,877)	(2,772,002)	(2,827,213)	(2,895,713)	(2,979,521)	(3,065,498)	(3,153,698)	(3,244,176)
Economic services	(123,408)	(122,717)	(137,094)	(174,107)	(178,785)	(182,358)	(185,971)	(189,682)	(193,523)	(197,383)	(201,341)	(205,335)	(209,331)	(213,520)	(217,828)	(222,268)	(226,799)	(231,421)	(236,139)
Other property and services	(48,921)	(35,420)	(56,923)	(15,235)	(191,667)	(195,160)	(194,308)	(196,855)	(207,555)	(210,221)	(215,878)	(215,386)	(203,520)	(207,485)	(217,336)	(234,036)	(251,316)	(269,184)	(287,653)
	(4,226,217)	(4,619,237)	(4,306,065)	(4,351,617)	(5,115,738)	(5,216,742)	(5,302,787)	(5,403,704)	(5,537,781)	(5,642,819)	(5,761,262)	(5,858,003)	(5,912,972)	(6,030,828)	(6,173,378)	(6,344,345)	(6,519,660)	(6,699,423)	(6,883,710)
Finance Costs																			
Governance	(814)	(628)	(378)	(183)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing	(2,956)	(2,334)	(1,344)	(663)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Community amenities	0	(3,357)	0	0	(1,761)	(1,156)	(511)	0	0	0	0	0	0	0	0	0	0	0	0
Recreation and culture	(12,210)	(8,891)	(23,991)	(22,158)	(18,373)	(16,845)	(15,242)	(13,563)	(11,802)	(9,955)	(8,258)	(7,203)	(6,095)	(4,929)	(3,703)	(2,414)	(1,059)	0	0
	(15,980)	(15,210)	(25,713)	(23,004)	(20,134)	(18,001)	(15,753)	(13,563)	(11,802)	(9,955)	(8,258)	(7,203)	(6,095)	(4,929)	(3,703)	(2,414)	(1,059)	0	0
Non Operating Grants, Subsidies and Contributions																			
Law, order, publicsafety	415,880	758,192	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Education and welfare	0	0	0	0	900,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing	0	0	6,000	900,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Community amenities	0	100,000	39,200	90,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Recreation and culture	74,200	70,443	12,478	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transport	711,482	505,871	411,328	1,451,175	1,099,028	1,033,594	799,081	1,007,781	1,027,936	1,048,494	1,069,464	1,090,854	1,112,670	1,134,924	1,157,622	1,180,775	1,204,390	1,228,478	1,253,047
	1,342,419	1,434,506	469,006	2,441,175	1,999,028	1,033,594	799,081	1,007,781	1,027,936	1,048,494	1,069,464	1,090,854	1,112,670	1,134,924	1,157,622	1,180,775	1,204,390	1,228,478	1,253,047

APPENDIX B3 – FORECAST STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM 2016-2031 (Continued)

	2012-13	2013-14	2014-15	Base	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Profit/(Loss) on Disposal of Assets																			
Governance	2,246	(18,103)	5,018	4,269	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing	0	(110,418)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Community amenities	0	(9,652)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Recreation and culture	0	(8,678)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transport	18,971	0	5,932	2,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Economic services	0	0	1,326	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other property and services	0	(1,616)	0	(8,126)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	10,644	(148,467)	12,276	(1,357)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NET RESULT	281,070	(423,637)	199,706	1,062,995	443,724	(544,885)	(766,365)	(556,908)	(566,859)	(544,484)	(532,367)	(495,821)	(413,970)	(391,379)	(389,761)	(412,740)	(436,133)	(460,293)	(485,959)
Other Comprehensive Income	0	4,051,871	84,550,582	0	2,179,815	2,235,732	2,265,246	2,296,738	2,336,802	2,365,123	2,402,770	2,437,266	2,476,342	2,524,135	2,570,773	2,619,005	2,662,887	2,707,180	2,751,869
TOTAL COMPREHENSIVE INCOME	281,070	3,628,234	84,750,288	1,062,995	2,623,539	1,690,847	1,498,881	1,739,830	1,769,943	1,820,639	1,870,403	1,941,445	2,062,372	2,132,756	2,181,012	2,206,265	2,226,754	2,246,887	2,265,910

APPENDIX B4 – FORECAST STATEMENT OF FINANCIAL POSITION 2016-2031

	2014	2015	2016	Base	30 June 17	30 June 18	30 June 19	30 June 20	30 June 21	30 June 22	30 June 23	30 June 24	30 June 25	30 June 26	30 June 27	30 June 28	30 June 29	30 June 30	30 June 31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
CURRENT ASSETS																			
Unrestricted Cash and Equivalents	1,035,756	493,101	930,583	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442
Restricted Cash and Cash Equivalent	1,482,909	1,163,188	899,263	1,117,546	1,014,308	1,029,522	1,044,964	1,060,640	1,076,550	1,092,698	1,109,090	1,125,727	1,142,613	1,159,751	1,177,147	1,194,805	1,212,726	1,230,916	1,249,381
Trade and Other Receivables	236,196	221,817	150,283	145,599	146,380	147,202	148,065	148,972	149,927	150,930	151,985	153,093	154,259	155,485	156,774	158,128	130,387	130,387	130,387
Inventories	4,830	56,205	15,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808
TOTAL CURRENT ASSETS	2,759,691	1,934,311	1,995,937	1,342,395	1,239,938	1,255,974	1,272,279	1,288,862	1,305,727	1,322,878	1,340,325	1,358,070	1,376,122	1,394,486	1,413,171	1,432,183	1,422,363	1,440,553	1,459,018
NON-CURRENT ASSETS																			
Other Receivables	7,375	290,737	276,267	261,798	245,805	228,990	211,312	192,727	173,187	152,644	131,046	108,340	84,468	59,370	32,983	5,242	5,242	5,242	5,242
Property Plant and Equipment	7,106,659	11,687,483	12,377,954	12,963,141	14,209,388	14,510,157	14,858,708	15,261,141	15,681,602	16,140,712	16,659,097	17,237,547	17,926,050	18,674,173	19,459,902	20,260,363	21,070,932	21,891,395	22,720,800
Infrastructure	14,034,270	14,102,583	97,807,597	98,882,599	100,337,594	101,685,571	102,792,146	104,095,029	105,408,909	106,733,706	108,069,332	109,415,690	110,772,673	112,140,168	113,518,055	114,906,201	116,304,465	117,712,699	119,130,739
TOTAL NON-CURRENT ASSETS	21,148,304	26,080,803	110,461,818	112,107,538	114,792,787	116,424,718	117,862,166	119,548,897	121,263,698	123,027,062	124,859,475	126,761,577	128,783,191	130,873,711	133,010,940	135,171,806	137,380,639	139,609,336	141,856,781
TOTAL ASSETS	23,907,995	28,015,114	112,457,755	113,449,933	116,032,725	117,680,692	119,134,445	120,837,759	122,569,425	124,349,940	126,199,800	128,119,647	130,159,313	132,268,197	134,424,111	136,603,989	138,803,002	141,049,889	143,315,799
CURRENT LIABILITIES																			
Trade and Other Payables	235,970	450,877	224,881	209,637	209,637	209,637	209,637	209,637	209,637	209,637	209,637	209,637	209,637	209,637	209,637	209,637	209,637	209,637	209,637
Current Portion of Long-term Liabilities	36,620	52,550	55,642	60,881	26,887	28,313	18,838	19,692	20,584	0	0	0	0	0	0	0	0	0	0
Provisions	173,550	182,305	143,909	143,909	143,909	143,909	143,909	143,909	143,909	143,909	143,909	143,909	143,909	143,909	143,909	143,909	143,909	143,909	143,909
TOTAL CURRENT LIABILITIES	446,140	685,732	424,432	414,427	380,433	381,859	372,384	373,238	374,130	353,546	353,546	353,546	353,546	353,546	353,546	353,546	353,546	353,546	353,546
NON-CURRENT LIABILITIES																			
Long-term Borrowings	219,803	467,253	411,611	350,798	344,045	299,739	264,086	226,716	187,547	168,007	147,464	125,866	103,160	79,288	54,190	27,803	62	62	62
Provisions	24,194	16,040	25,335	25,335	25,335	25,335	25,335	25,335	25,335	25,335	25,335	25,335	25,335	25,335	25,335	25,335	25,335	25,335	25,335
TOTAL NON-CURRENT LIABILITIES	243,997	483,293	436,946	376,133	369,380	325,074	289,421	252,051	212,882	193,342	172,799	151,201	128,495	104,623	79,525	53,138	25,397	25,397	25,397
TOTAL LIABILITIES	690,137	1,169,025	861,378	790,560	749,813	706,933	661,805	625,289	587,012	546,888	526,345	504,747	482,041	458,169	433,071	406,684	378,943	378,943	378,943
NET ASSETS	23,217,858	26,846,089	111,596,377	112,659,373	115,282,912	116,973,759	118,472,640	120,212,470	121,982,413	123,803,052	125,673,455	127,614,900	129,677,272	131,810,028	133,991,040	136,197,305	138,424,059	140,670,946	142,936,856
EQUITY																			
Retained Surplus	22,054,252	21,631,030	22,094,661	22,939,374	23,486,336	22,926,237	22,144,430	21,571,846	20,989,077	20,428,445	19,879,686	19,367,228	18,936,372	18,527,855	18,120,698	17,690,300	17,236,246	16,757,763	16,253,339
Reserves - Cash Backed	1,163,606	1,163,188	899,263	1,117,546	1,014,308	1,029,522	1,044,964	1,060,640	1,076,550	1,092,698	1,109,090	1,125,727	1,142,613	1,159,751	1,177,147	1,194,805	1,212,726	1,230,916	1,249,381
Reserves - Revaluation	0	4,051,871	88,602,453	88,602,453	90,782,268	93,018,000	95,283,246	97,579,984	99,916,786	102,281,909	104,684,679	107,121,945	109,598,287	112,122,422	114,693,195	117,312,200	119,975,087	122,682,267	125,434,136
TOTAL EQUITY	23,217,858	26,846,089	111,596,377	112,659,373	115,282,912	116,973,759	118,472,640	120,212,470	121,982,413	123,803,052	125,673,455	127,614,900	129,677,272	131,810,028	133,991,040	136,197,305	138,424,059	140,670,946	142,936,856

APPENDIX B5 – FORECAST STATEMENT OF CHANGES IN EQUITY 2016-2031

	2014	2015	2016	Base	30 June 17	30 June 18	30 June 19	30 June 20	30 June 21	30 June 22	30 June 23	30 June 24	30 June 25	30 June 26	30 June 27	30 June 28	30 June 29	30 June 30	30 June 31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RETAINED SURPLUS																			
Opening Balance	21,773,182	22,054,249	21,631,030	22,094,662	22,939,374	23,486,336	22,926,237	22,144,430	21,571,846	20,989,077	20,428,445	19,879,686	19,367,228	18,936,372	18,527,855	18,120,698	17,690,300	17,236,246	16,757,763
Net Result	281,070	(423,637)	199,706	1,062,995	443,724	(544,885)	(766,365)	(556,908)	(566,859)	(544,484)	(532,367)	(495,821)	(413,970)	(391,379)	(389,761)	(412,740)	(436,133)	(460,293)	(485,959)
Amount transferred (to)/from Reserves		418	263,925	(218,283)	103,238	(15,214)	(15,442)	(15,676)	(15,910)	(16,148)	(16,392)	(16,637)	(16,886)	(17,138)	(17,396)	(17,658)	(17,921)	(18,190)	(18,465)
Closing Balance	22,054,252	21,631,030	22,094,661	22,939,374	23,486,336	22,926,237	22,144,430	21,571,846	20,989,077	20,428,445	19,879,686	19,367,228	18,936,372	18,527,855	18,120,698	17,690,300	17,236,246	16,757,763	16,253,339
RESERVES - CASH BACKED																			
Opening Balance	1,163,606	1,163,606	1,163,188	899,263	1,117,546	1,014,308	1,029,522	1,044,964	1,060,640	1,076,550	1,092,698	1,109,090	1,125,727	1,142,613	1,159,751	1,177,147	1,194,805	1,212,726	1,230,916
Amount transferred to/(from) Retained Surplus	0	(418)	(263,925)	218,283	(103,238)	15,214	15,442	15,676	15,910	16,148	16,392	16,637	16,886	17,138	17,396	17,658	17,921	18,190	18,465
Closing Balance	1,163,606	1,163,188	899,263	1,117,546	1,014,308	1,029,522	1,044,964	1,060,640	1,076,550	1,092,698	1,109,090	1,125,727	1,142,613	1,159,751	1,177,147	1,194,805	1,212,726	1,230,916	1,249,381
ASSET REVALUATION RESERVES																			
Opening Balance	0	0	4,051,871	88,602,453	88,602,453	90,782,268	93,018,000	95,283,246	97,579,984	99,916,786	102,281,909	104,684,679	107,121,945	109,598,287	112,122,422	114,693,195	117,312,200	119,975,087	122,682,267
Total Other Comprehensive Income	0	4,051,871	84,550,582	0	2,179,815	2,235,732	2,265,246	2,296,738	2,336,802	2,365,123	2,402,770	2,437,266	2,476,342	2,524,135	2,570,773	2,619,005	2,662,887	2,707,180	2,751,869
Closing Balance	0	4,051,871	88,602,453	88,602,453	90,782,268	93,018,000	95,283,246	97,579,984	99,916,786	102,281,909	104,684,679	107,121,945	109,598,287	112,122,422	114,693,195	117,312,200	119,975,087	122,682,267	125,434,136
TOTAL EQUITY	23,217,858	26,846,089	111,596,377	112,659,373	115,282,912	116,973,759	118,472,640	120,212,470	121,982,413	123,803,052	125,673,455	127,614,900	129,677,272	131,810,028	133,991,040	136,197,305	138,424,059	140,670,946	142,936,856

APPENDIX B6 – FORECAST STATEMENT OF CASHFLOWS 2016-2031

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Cash Flows From Operating Activities																
Receipts																
Rates	2,311,609	2,380,958	2,452,386	2,525,958	2,601,736	2,679,788	2,760,181	2,842,986	2,928,275	3,016,123	3,106,607	3,199,806	3,295,801	3,394,675	3,496,516	
Operating grants, subsidies and contributions	1,025,540	1,046,051	1,066,972	1,088,310	1,110,077	1,132,278	1,154,925	1,178,022	1,201,583	1,225,616	1,250,129	1,275,132	1,300,635	1,326,649	1,353,182	
Fees and charges	178,052	181,613	185,241	188,944	192,724	196,578	200,509	204,513	208,604	212,777	217,034	221,371	225,800	230,320	234,928	
Interest earnings	31,453	16,316	16,544	16,778	17,012	17,250	17,494	17,739	17,988	18,240	18,498	18,760	19,023	19,292	19,567	
Other revenue	33,914	31,326	31,951	32,588	33,239	33,902	34,580	35,271	35,977	36,698	37,430	38,175	38,937	39,716	40,511	
	3,580,568	3,656,264	3,753,094	3,852,578	3,954,788	4,059,796	4,167,689	4,278,531	4,392,427	4,509,454	4,629,698	4,753,244	4,880,196	5,010,652	5,144,704	
Payments																
Employee costs	(1,287,144)	(1,312,892)	(1,339,143)	(1,365,928)	(1,393,248)	(1,421,110)	(1,449,535)	(1,478,522)	(1,508,095)	(1,538,258)	(1,569,027)	(1,600,402)	(1,632,413)	(1,665,064)	(1,698,367)	
Materials and contracts	(986,435)	(1,006,157)	(1,026,270)	(1,046,790)	(1,067,729)	(1,089,072)	(1,110,853)	(1,133,064)	(1,155,735)	(1,178,863)	(1,202,443)	(1,226,490)	(1,251,026)	(1,276,059)	(1,301,587)	
Utility charges	(76,046)	(77,566)	(79,113)	(80,696)	(82,308)	(83,951)	(85,632)	(87,342)	(89,089)	(90,875)	(92,693)	(94,544)	(96,437)	(98,370)	(100,341)	
Interest expenses	(20,134)	(18,001)	(15,753)	(13,563)	(11,802)	(9,955)	(8,258)	(7,203)	(6,095)	(4,929)	(3,703)	(2,414)	(1,059)	0	0	
Insurance expenses	(199,561)	(203,549)	(207,621)	(211,773)	(216,010)	(220,332)	(224,738)	(229,232)	(233,817)	(238,493)	(243,265)	(248,131)	(253,093)	(258,157)	(263,319)	
Other expenditure	(268,147)	(273,505)	(278,965)	(284,543)	(290,233)	(296,033)	(301,944)	(307,972)	(314,130)	(320,411)	(326,817)	(333,343)	(340,009)	(346,811)	(353,743)	
	(2,837,467)	(2,891,670)	(2,946,865)	(3,003,293)	(3,061,330)	(3,120,453)	(3,180,960)	(3,243,335)	(3,306,961)	(3,371,829)	(3,437,948)	(3,505,324)	(3,574,037)	(3,644,461)	(3,717,357)	
Net Cash Provided By (Used In) Operating Activities	743,101	764,594	806,229	849,285	893,458	939,343	986,729	1,035,196	1,085,466	1,137,625	1,191,750	1,247,920	1,306,159	1,366,191	1,427,347	
Cash Flows from Investing Activities																
Payments for purchase of property, plant & equipment	(1,417,200)	(451,067)	(485,620)	(532,380)	(569,817)	(608,811)	(670,661)	(712,890)	(756,797)	(802,469)	(849,975)	(899,396)	(950,754)	(1,003,768)	(1,057,764)	
Payments for construction of infrastructure	(1,402,632)	(1,305,020)	(1,075,935)	(1,290,172)	(1,315,975)	(1,342,294)	(1,369,140)	(1,396,523)	(1,424,453)	(1,452,942)	(1,482,001)	(1,511,641)	(1,541,874)	(1,572,711)	(1,604,165)	
Non-operating grants, subsidies and contributions	1,999,028	1,033,594	799,081	1,007,781	1,027,936	1,048,494	1,069,464	1,090,854	1,112,670	1,134,924	1,157,622	1,180,775	1,204,390	1,228,478	1,253,047	
Net Cash Provided By (Used In) Investing Activities	(820,804)	(722,493)	(762,474)	(814,771)	(857,856)	(902,611)	(970,337)	(1,018,559)	(1,068,580)	(1,120,487)	(1,174,354)	(1,230,262)	(1,288,238)	(1,348,001)	(1,408,882)	
Cash Flows from Financing Activities																
Repayment of debentures	(40,747)	(42,880)	(45,128)	(36,516)	(38,277)	(40,124)	(20,543)	(21,598)	(22,706)	(23,872)	(25,098)	(26,387)	(27,741)	0	0	
Proceeds from self supporting loans	15,212	15,993	16,815	17,678	18,585	19,540	20,543	21,598	22,706	23,872	25,098	26,387	27,741	0	0	
Net Cash Provided By (Used In) Financing Activities	(25,535)	(26,887)	(28,313)	(18,838)	(19,692)	(20,584)	0	0	0	0	0	0	0	0	0	
Net Increase (Decrease) in Cash Held	(103,238)	15,214	15,442	15,676	15,910	16,148	16,392	16,637	16,886	17,138	17,396	17,658	17,921	18,190	18,465	
Cash at beginning of year	1,190,988	1,087,750	1,102,964	1,118,406	1,134,082	1,149,992	1,166,140	1,182,532	1,199,169	1,216,055	1,233,193	1,250,589	1,268,247	1,286,168	1,304,358	
Cash and Cash Equivalents at the End of Year	1,087,750	1,102,964	1,118,406	1,134,082	1,149,992	1,166,140	1,182,532	1,199,169	1,216,055	1,233,193	1,250,589	1,268,247	1,286,168	1,304,358	1,322,823	
Reconciliation of Net Cash Provided By Operating Activities to Net Result																
Net Result	443,724	(544,885)	(766,365)	(556,908)	(566,859)	(544,484)	(532,367)	(495,821)	(413,970)	(391,379)	(389,761)	(412,740)	(436,133)	(460,293)	(485,959)	
Depreciation	2,298,405	2,343,073	2,371,675	2,413,974	2,488,253	2,532,321	2,588,560	2,621,871	2,612,106	2,663,928	2,739,133	2,841,435	2,946,682	3,054,962	3,166,353	
Grants/Contributions for the development of assets	(1,999,028)	(1,033,594)	(799,081)	(1,007,781)	(1,027,936)	(1,048,494)	(1,069,464)	(1,090,854)	(1,112,670)	(1,134,924)	(1,157,622)	(1,180,775)	(1,204,390)	(1,228,478)	(1,253,047)	
Net Cash from Operating Activities	743,101	764,594	806,229	849,285	893,458	939,343	986,729	1,035,196	1,085,466	1,137,625	1,191,750	1,247,920	1,306,159	1,366,191	1,427,347	

APPENDIX B7 – FORECAST STATEMENT OF FUNDING 2016-2031

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
FUNDING FROM OPERATIONAL ACTIVITIES																
Revenues																
Rates	2,311,609	2,380,958	2,452,386	2,525,958	2,601,736	2,679,788	2,760,181	2,842,986	2,928,275	3,016,123	3,106,607	3,199,806	3,295,801	3,394,675	3,496,516	
Operating grants, subsidies and contributions	1,025,540	1,046,051	1,066,972	1,088,310	1,110,077	1,132,278	1,154,925	1,178,022	1,201,583	1,225,616	1,250,129	1,275,132	1,300,635	1,326,649	1,353,182	
Profit on asset disposal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Fees and charges	178,052	181,613	185,241	188,944	192,724	196,578	200,509	204,513	208,604	212,777	217,034	221,371	225,800	230,320	234,928	
Interest earnings	31,453	16,316	16,544	16,778	17,012	17,250	17,494	17,739	17,988	18,240	18,498	18,760	19,023	19,292	19,567	
Other revenue	33,914	31,326	31,951	32,588	33,239	33,902	34,580	35,271	35,977	36,698	37,430	38,175	38,937	39,716	40,511	
	3,580,568	3,656,264	3,753,094	3,852,578	3,954,788	4,059,796	4,167,689	4,278,531	4,392,427	4,509,454	4,629,698	4,753,244	4,880,196	5,010,652	5,144,704	
Expenses																
Employee costs	(1,287,144)	(1,312,892)	(1,339,143)	(1,365,928)	(1,393,248)	(1,421,110)	(1,449,535)	(1,478,522)	(1,508,095)	(1,538,258)	(1,569,027)	(1,600,402)	(1,632,413)	(1,665,064)	(1,698,367)	
Materials and contracts	(986,435)	(1,006,157)	(1,026,270)	(1,046,790)	(1,067,729)	(1,089,072)	(1,110,853)	(1,133,064)	(1,155,735)	(1,178,863)	(1,202,443)	(1,226,490)	(1,251,026)	(1,276,059)	(1,301,587)	
Utility charges (electricity, gas, water etc.)	(76,046)	(77,566)	(79,113)	(80,696)	(82,308)	(83,951)	(85,632)	(87,342)	(89,089)	(90,875)	(92,693)	(94,544)	(96,437)	(98,370)	(100,341)	
Depreciation on non-current assets	(2,298,405)	(2,343,073)	(2,371,675)	(2,413,974)	(2,488,253)	(2,532,321)	(2,588,560)	(2,621,871)	(2,612,106)	(2,663,928)	(2,739,133)	(2,841,435)	(2,946,682)	(3,054,962)	(3,166,353)	
Loss on asset disposal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Interest expense	(20,134)	(18,001)	(15,753)	(13,563)	(11,802)	(9,955)	(8,258)	(7,203)	(6,095)	(4,929)	(3,703)	(2,414)	(1,059)	0	0	
Insurance expense	(199,561)	(203,549)	(207,621)	(211,773)	(216,010)	(220,332)	(224,738)	(229,232)	(233,817)	(238,493)	(243,265)	(248,131)	(253,093)	(258,157)	(263,319)	
Other expenditure	(268,147)	(273,505)	(278,965)	(284,543)	(290,233)	(296,033)	(301,944)	(307,972)	(314,130)	(320,411)	(326,817)	(333,343)	(340,009)	(346,811)	(353,743)	
	(5,135,872)	(5,234,743)	(5,318,540)	(5,417,267)	(5,549,583)	(5,652,774)	(5,769,520)	(5,865,206)	(5,919,067)	(6,035,757)	(6,177,081)	(6,346,759)	(6,520,719)	(6,699,423)	(6,883,710)	
	(1,555,304)	(1,578,479)	(1,565,446)	(1,564,689)	(1,594,795)	(1,592,978)	(1,601,831)	(1,586,675)	(1,526,640)	(1,526,303)	(1,547,383)	(1,593,515)	(1,640,523)	(1,688,771)	(1,739,006)	
Funding Position Adjustments																
Depreciation on non-current assets	2,298,405	2,343,073	2,371,675	2,413,974	2,488,253	2,532,321	2,588,560	2,621,871	2,612,106	2,663,928	2,739,133	2,841,435	2,946,682	3,054,962	3,166,353	
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	
Initial Recognition of Land	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Net Funding From Operational Activities	743,101	764,594	806,229	849,285	893,458	939,343	986,729	1,035,196	1,085,466	1,137,625	1,191,750	1,247,920	1,306,159	1,366,191	1,427,347	
FUNDING FROM CAPITAL ACTIVITIES																
Inflows																
Proceeds on disposal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Non-operating grants, subsidies and contributions	1,999,028	1,033,594	799,081	1,007,781	1,027,936	1,048,494	1,069,464	1,090,854	1,112,670	1,134,924	1,157,622	1,180,775	1,204,390	1,228,478	1,253,047	
Outflows																
Purchase of property plant and equipment	(1,417,200)	(451,067)	(485,620)	(532,380)	(569,817)	(608,811)	(670,661)	(712,890)	(756,797)	(802,469)	(849,975)	(899,396)	(950,754)	(1,003,768)	(1,057,764)	
Purchase of infrastructure	(1,402,632)	(1,305,020)	(1,075,935)	(1,290,172)	(1,315,975)	(1,342,294)	(1,369,140)	(1,396,523)	(1,424,453)	(1,452,942)	(1,482,001)	(1,511,641)	(1,541,874)	(1,572,711)	(1,604,165)	
Net Funding From Capital Activities	(820,804)	(722,493)	(762,474)	(814,771)	(857,856)	(902,611)	(970,337)	(1,018,559)	(1,068,580)	(1,120,487)	(1,174,354)	(1,230,262)	(1,288,238)	(1,348,001)	(1,408,882)	
FUNDING FROM FINANCING ACTIVITIES																
Inflows																
Transfer from reserves	120,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
New borrowings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Self supporting loan	15,212	15,993	16,815	17,678	18,585	19,540	20,543	21,598	22,706	23,872	25,098	26,387	27,741	0	0	
Outflows																
Transfer to reserves	(16,762)	(15,214)	(15,442)	(15,676)	(15,910)	(16,148)	(16,392)	(16,637)	(16,886)	(17,138)	(17,396)	(17,658)	(17,921)	(18,190)	(18,465)	
Repayment of past borrowings	(40,747)	(42,880)	(45,128)	(36,516)	(38,277)	(40,124)	(20,543)	(21,598)	(22,706)	(23,872)	(25,098)	(26,387)	(27,741)	0	0	
Net Funding From Financing Activities	77,703	(42,101)	(43,755)	(34,514)	(35,602)	(36,732)	(16,392)	(16,637)	(16,886)	(17,138)	(17,396)	(17,658)	(17,921)	(18,190)	(18,465)	
Estimated Surplus/Deficit July 1 B/Fwd	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Estimated Surplus/Deficit June 30 C/Fwd	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Funding available/(to be sourced)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

APPENDIX B7 – FORECAST STATEMENT OF FUNDING 2016-2031 (continued)

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
COMPOSITION OF CLOSING POSITION															
CURRENT ASSETS															
Unrestricted Cash and Equivalents	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442
Restricted Cash and Cash Equivalent	1,014,308	1,029,522	1,044,964	1,060,640	1,076,550	1,092,698	1,109,090	1,125,727	1,142,613	1,159,751	1,177,147	1,194,805	1,212,726	1,230,916	1,249,381
Non-Cash Investments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Trade and Other Receivables	146,380	147,202	148,065	148,972	149,927	150,930	151,985	153,093	154,259	155,485	156,774	158,128	130,387	130,387	130,387
Inventories	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808
CURRENT LIABILITIES															
Trade and Other Payables	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)
Reserves	(1,014,308)	(1,029,522)	(1,044,964)	(1,060,640)	(1,076,550)	(1,092,698)	(1,109,090)	(1,125,727)	(1,142,613)	(1,159,751)	(1,177,147)	(1,194,805)	(1,212,726)	(1,230,916)	(1,249,381)
Current Self Supporting Loans Receivable	(15,993)	(16,815)	(17,678)	(18,585)	(19,540)	(20,543)	(21,598)	(22,706)	(23,872)	(25,098)	(26,387)	(27,741)	0	0	0
Movement in Accrued Salaries and Wages	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Estimated Surplus/Deficit June 30 C/Fwd	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CURRENT ASSETS	1,239,938	1,255,974	1,272,279	1,288,862	1,305,727	1,322,878	1,340,325	1,358,070	1,376,122	1,394,486	1,413,171	1,432,183	1,422,363	1,440,553	1,459,018
TOTAL CURRENT LIABILITIES	(380,433)	(381,859)	(372,384)	(373,238)	(374,130)	(353,546)	(353,546)	(353,546)	(353,546)	(353,546)	(353,546)	(353,546)	(353,546)	(353,546)	(353,546)
Reserves	(1,014,308)	(1,029,522)	(1,044,964)	(1,060,640)	(1,076,550)	(1,092,698)	(1,109,090)	(1,125,727)	(1,142,613)	(1,159,751)	(1,177,147)	(1,194,805)	(1,212,726)	(1,230,916)	(1,249,381)
Add: Leave Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Add: Current Long Term Borrowings	26,887	28,313	18,838	19,692	20,584	0	0	0	0	0	0	0	0	0	0
Add: Current Self Supporting Loans Receivable	(15,993)	(16,815)	(17,678)	(18,585)	(19,540)	(20,543)	(21,598)	(22,706)	(23,872)	(25,098)	(26,387)	(27,741)	0	0	0
Add: Non cash backed current Leave liability not paid	143,909	143,909	143,909	143,909	143,909	143,909	143,909	143,909	143,909	143,909	143,909	143,909	143,909	143,909	143,909
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

APPENDIX B8 – FORECAST STATEMENT OF NET CURRENT ASSET COMPOSITION 2016-2031

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Estimated Surplus/Deficit July 1B/Fwd	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CURRENT ASSETS															
Unrestricted Cash and Equivalents	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442	73,442
Restricted Cash and Cash Equivalent	1,014,308	1,029,522	1,044,964	1,060,640	1,076,550	1,092,698	1,109,090	1,125,727	1,142,613	1,159,751	1,177,147	1,194,805	1,212,726	1,230,916	1,249,381
Non-Cash Investments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Trade and Other Receivables	146,380	147,202	148,065	148,972	149,927	150,930	151,985	153,093	154,259	155,485	156,774	158,128	130,387	130,387	130,387
Inventories	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808	5,808
CURRENT LIABILITIES															
Trade and Other Payables	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)	(209,637)
Reserves	(1,014,308)	(1,029,522)	(1,044,964)	(1,060,640)	(1,076,550)	(1,092,698)	(1,109,090)	(1,125,727)	(1,142,613)	(1,159,751)	(1,177,147)	(1,194,805)	(1,212,726)	(1,230,916)	(1,249,381)
Current Self Supporting Loans Receivable	(15,993)	(16,815)	(17,678)	(18,585)	(19,540)	(20,543)	(21,598)	(22,706)	(23,872)	(25,098)	(26,387)	(27,741)	0	0	0
Movement in Accrued Salaries and Wages	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Estimated Surplus/Deficit June 30 C/Fwd	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

APPENDIX B9 – FORECAST STATEMENT OF FIXED ASSET MOVEMENTS 2016-2031

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
CAPITAL WORKS - INFRASTRUCTURE															
Roads	1,365,132	1,305,020	1,075,935	1,290,172	1,315,975	1,342,294	1,369,140	1,396,523	1,424,453	1,452,942	1,482,001	1,511,641	1,541,874	1,572,711	1,604,165
Other Infrastructure	37,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Capital Works - Infrastructure	1,402,632	1,305,020	1,075,935	1,290,172	1,315,975	1,342,294	1,369,140	1,396,523	1,424,453	1,452,942	1,482,001	1,511,641	1,541,874	1,572,711	1,604,165
Represented by:															
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	37,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Additions - Renewal	1,365,132	1,305,020	1,075,935	1,290,172	1,315,975	1,342,294	1,369,140	1,396,523	1,424,453	1,452,942	1,482,001	1,511,641	1,541,874	1,572,711	1,604,165
Total Capital Works - Infrastructure	1,402,632	1,305,020	1,075,935	1,290,172	1,315,975	1,342,294	1,369,140	1,396,523	1,424,453	1,452,942	1,482,001	1,511,641	1,541,874	1,572,711	1,604,165
Asset Movement Reconciliation															
Total Capital Works Infrastructure	1,402,632	1,305,020	1,075,935	1,290,172	1,315,975	1,342,294	1,369,140	1,396,523	1,424,453	1,452,942	1,482,001	1,511,641	1,541,874	1,572,711	1,604,165
Depreciation Infrastructure	(1,925,289)	(1,963,795)	(2,003,071)	(2,043,132)	(2,083,995)	(2,125,676)	(2,168,188)	(2,211,552)	(2,255,783)	(2,300,900)	(2,346,917)	(2,393,855)	(2,441,733)	(2,490,567)	(2,540,379)
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)	1,977,652	2,006,752	2,033,711	2,055,843	2,081,900	2,108,179	2,134,674	2,161,387	2,188,313	2,215,453	2,242,803	2,270,360	2,298,123	2,326,090	2,354,254
Net Movement in Infrastructure Assets	1,454,995	1,347,977	1,106,575	1,302,883	1,313,880	1,324,797	1,335,626	1,346,358	1,356,983	1,367,495	1,377,887	1,388,146	1,398,264	1,408,234	1,418,040
CAPITAL WORKS - PROPERTY, PLANT AND EQUIPMENT															
Buildings	926,200	1,067	35,620	82,380	119,817	158,811	220,661	262,890	306,797	352,469	399,975	449,396	500,754	553,768	607,764
Furniture and Equipment	41,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Total Capital Works Property, Plant and Equipment	1,417,200	451,067	485,620	532,380	569,817	608,811	670,661	712,890	756,797	802,469	849,975	899,396	950,754	1,003,768	1,057,764
Represented by:															
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	967,200	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Additions - Renewal	450,000	451,067	485,620	532,380	569,817	608,811	670,661	712,890	756,797	802,469	849,975	899,396	950,754	1,003,768	1,057,764
Total Capital Works Property, Plant and Equipment	1,417,200	451,067	485,620	532,380	569,817	608,811	670,661	712,890	756,797	802,469	849,975	899,396	950,754	1,003,768	1,057,764
Asset Movement Reconciliation															
Total Capital Works Property, Plant and Equipment	1,417,200	451,067	485,620	532,380	569,817	608,811	670,661	712,890	756,797	802,469	849,975	899,396	950,754	1,003,768	1,057,764
Depreciation Property, Plant and Equipment	(373,116)	(379,278)	(368,604)	(370,842)	(404,258)	(406,645)	(420,372)	(410,319)	(356,323)	(363,028)	(392,216)	(447,580)	(504,949)	(564,395)	(625,974)
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 Property, Plant and Equipment (Inflation)	202,163	228,980	231,535	240,895	254,902	256,944	268,096	275,879	288,029	308,682	327,970	348,645	364,764	381,090	397,615
Net Movement in Property, Plant and Equipment	1,246,247	300,769	348,551	402,433	420,461	459,110	518,385	578,450	688,503	748,123	785,729	800,461	810,569	820,463	829,405
CAPITAL WORKS - TOTALS															
Capital Works															
Total Capital Works Infrastructure	1,402,632	1,305,020	1,075,935	1,290,172	1,315,975	1,342,294	1,369,140	1,396,523	1,424,453	1,452,942	1,482,001	1,511,641	1,541,874	1,572,711	1,604,165
Total Capital Works Property, Plant and Equipment	1,417,200	451,067	485,620	532,380	569,817	608,811	670,661	712,890	756,797	802,469	849,975	899,396	950,754	1,003,768	1,057,764
Total Capital Works	2,819,832	1,756,087	1,561,555	1,822,552	1,885,792	1,951,105	2,039,801	2,109,413	2,181,250	2,255,411	2,331,976	2,411,037	2,492,628	2,576,479	2,661,929

APPENDIX B9 – FORECAST STATEMENT OF FIXED ASSET MOVEMENTS 2016-2031 (continued)

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Fixed Asset Movement															
Net Movement in Infrastructure Assets	1,454,995	1,347,977	1,106,575	1,302,883	1,313,880	1,324,797	1,335,626	1,346,358	1,356,983	1,367,495	1,377,887	1,388,146	1,398,264	1,408,234	1,418,040
Net Movement in Property, Plant and Equipment	1,246,247	300,769	348,551	402,433	420,461	459,110	518,385	578,450	688,503	748,123	785,729	800,461	810,569	820,463	829,405
Net Movement in Fixed Assets	2,701,242	1,648,746	1,455,126	1,705,316	1,734,341	1,783,907	1,854,011	1,924,808	2,045,486	2,115,618	2,163,616	2,188,607	2,208,833	2,228,697	2,247,445

APPENDIX B10 – FORECAST STATEMENT OF CAPITAL FUNDING 2016-2031

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Capital Expenditure															
Roads	1,365,132	1,305,020	1,075,935	1,290,172	1,315,975	1,342,294	1,369,140	1,396,523	1,424,453	1,452,942	1,482,001	1,511,641	1,541,874	1,572,711	1,604,165
Other Infrastructure	37,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Buildings	926,200	1,067	35,620	82,380	119,817	158,811	220,661	262,890	306,797	352,469	399,975	449,396	500,754	553,768	607,764
Furniture and Equipment	41,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Total - Capital Expenditure	2,819,832	1,756,087	1,561,555	1,822,552	1,885,792	1,951,105	2,039,801	2,109,413	2,181,250	2,255,411	2,331,976	2,411,037	2,492,628	2,576,479	2,661,929
Funded By:															
Capital Grants & Contributions															
Roads	1,099,028	1,033,594	799,081	1,007,781	1,027,936	1,048,494	1,069,464	1,090,854	1,112,670	1,134,924	1,157,622	1,180,775	1,204,390	1,228,478	1,253,047
Buildings	900,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total - Capital Grants & Contributions	1,999,028	1,033,594	799,081	1,007,781	1,027,936	1,048,494	1,069,464	1,090,854	1,112,670	1,134,924	1,157,622	1,180,775	1,204,390	1,228,478	1,253,047
Own Source Funding															
Roads	266,104	271,426	276,854	282,391	288,039	293,800	299,676	305,669	311,783	318,018	324,379	330,866	337,484	344,233	351,118
Other Infrastructure	37,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Buildings	26,200	1,067	35,620	82,380	119,817	158,811	220,661	262,890	306,797	352,469	399,975	449,396	500,754	553,768	607,764
Furniture and Equipment	41,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Total - Own Source Funding	820,804	722,493	762,474	814,771	857,856	902,611	970,337	1,018,559	1,068,580	1,120,487	1,174,354	1,230,262	1,288,238	1,348,001	1,408,882
Borrowings															
Total - Borrowings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (Disposals & C/Fwd)															
Total - Other (Disposals & C/Fwd)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Capital Funding	2,819,832	1,756,087	1,561,555	1,822,552	1,885,792	1,951,105	2,039,801	2,109,413	2,181,250	2,255,411	2,331,976	2,411,037	2,492,628	2,576,479	2,661,929

APPENDIX B11 – FORECAST RATIOS 2016-2031

	Target	Range	Average	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31		
LIQUIDITY RATIOS																				
Current Ratio	>	1.00	>	1.20	0.63	0.59	0.59	0.61	0.61	0.61	0.65	0.65	0.66	0.66	0.66	0.67	0.67	0.59	0.59	0.59
OPERATING RATIOS																				
Operating Surplus Ratio	>	1.00%	>	15.00%	(51.63%)	(60.87%)	(60.47%)	(58.28%)	(56.60%)	(56.06%)	(54.41%)	(53.17%)	(51.17%)	(47.84%)	(46.48%)	(45.79%)	(45.82%)	(45.83%)	(45.84%)	(45.87%)
Own Source Revenue Coverage Ratio	>	40.00%	>	60.00%	52.80%	49.75%	49.86%	50.50%	51.03%	51.26%	51.79%	52.22%	52.86%	53.91%	54.41%	54.71%	54.80%	54.90%	54.99%	55.08%
BORROWINGS RATIOS																				
Debt Service Cover Ratio	>	3	>	5	28.60	12.54	12.85	13.50	17.23	18.08	18.96	34.55	36.19	37.90	39.67	41.51	43.41	45.39	-	-
FIXED ASSET RATIOS																				
Asset Sustainability Ratio	>	90.00%	>	110.00%	79.90%	78.97%	74.95%	65.84%	75.50%	75.79%	77.05%	78.80%	80.45%	83.51%	84.66%	85.14%	84.85%	84.59%	84.34%	84.07%
Asset Consumption Ratio	>	50.00%	>	60.00%	93.68%	97.55%	97.06%	96.50%	96.01%	95.26%	94.75%	94.16%	93.75%	93.51%	93.03%	92.40%	91.58%	90.75%	89.89%	89.02%
Asset Renewal Funding Ratio	>	75.00%	>	95.00%	89.20%	89.20%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

APPENDIX B12 - FORECAST SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

The forecast financial statements have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this Long Term Financial Plan are presented below and have been consistently applied unless stated otherwise.

Except for cash flow and rate setting information, the Plan 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.

THE LOCAL GOVERNMENT REPORTING ENTITY

All funds through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this Plan.

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.

2015/16 BALANCES

Balances shown in this plan as 2015/16 Actual are as forecast at the time of budget preparation and are subject to final adjustments.

ROUNDING OFF FIGURES

All figures shown in this Plan, are rounded to the nearest dollar.

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.

GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. 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.

APPENDIX B12 - FORECAST SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, cash at bank, deposits held at call with banks, deposits available on demand with banks, other short term highly liquid investments 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

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. 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 measured 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.

INVENTORIES - LAND HELD FOR RESALE

Land purchased for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point. Land held for sale 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 within either property, plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

APPENDIX B12 - FORECAST SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REVALUATION

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

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 AASB 1051 - 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.

APPENDIX B12 - FORECAST SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DEPRECIATION

The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

Major depreciation periods used for each class of depreciable asset are:

Asset Class	Estimated Useful Life (years)
Buildings	10 to 50
Furniture and Equipment	5 to 10
Plant and Equipment	5 to 10
Heritage	25 to 100
Sealed Roads and Streets	
- Subgrade	Not depreciated
- Pavement	80 to 100
- Bituminous Seal	15 to 22
- Asphalt Seal	30
Formed Roads (Unsealed)	
- Subgrade	Not depreciated
- Pavement	18
Footpaths	40 to 80
Drainage Systems	
- Drains and Kerbs	20 to 60
- Culverts	60
- Pipes	80
- Pits	60

APPENDIX B12 - FORECAST SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DEPRECIATION (CONTINUED)

The assets residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss in the period which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

CAPITALISATION THRESHOLD

Expenditure on items of equipment under \$5,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

FAIR VALUE OF ASSETS AND LIABILITIES

When performing a revaluation, the Council uses a mix of both independent and management valuations using the following as a guide: Fair Value is the price that Council would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date. As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. To the extent possible, market information is extracted from either the principal market for the asset (i.e. the market with the greatest volume and level of activity for the asset or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs). For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

FAIR VALUE HEIRARCHY

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

APPENDIX B12 - FORECAST SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FAIR VALUE HEIRARCHY (CONTINUED)

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

VALUATION TECHNIQUES

The Council selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Council are consistent with one or more of the following valuation approaches:

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of an asset at its current service capacity. Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Council gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability and considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable. As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued at least every 3 years.

FINANCIAL INSTRUMENTS - INITIAL RECOGNITION AND MEASUREMENT

Financial assets and financial liabilities are recognised when the Council becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

APPENDIX B12 - FORECAST SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FINANCIAL INSTRUMENTS - CLASSIFICATION AND SUBSEQUENT MEASUREMENT

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments and any reduction for impairment; and
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

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

Financial assets are classified at “fair value through profit or loss” when they are held for trading for the purpose of short term profit taking. Assets in this category are classified as current assets. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

- (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 and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

- (iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Council’s management has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss. Held-to-maturity investments are included in current assets where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current.

APPENDIX B12 - FORECAST SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FINANCIAL INSTRUMENTS - CLASSIFICATION AND SUBSEQUENT MEASUREMENT (CONTINUED)

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets, where they are expected to be sold within 12 months after the end of the reporting period. All other available for sale financial assets are classified as non-current.

(v) Financial liabilities

Non-derivative financial liabilities (excl. financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in the profit or loss.

FINANCIAL INSTRUMENTS - IMPAIRMENT

A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s). In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point. In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults. For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

APPENDIX B12 - FORECAST SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FINANCIAL INSTRUMENTS - DERECOGNITION

Financial assets are derecognised where the contractual rights for receipt of cash flows expire or the asset is transferred to another party, whereby the Council no longer has any significant continual involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

IMPAIRMENT OF ASSETS

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. Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. AASB 116) whereby any impairment loss of a revaluation decrease in accordance with that other standard. For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset. At the time of adopting this budget, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2016. In any event, an impairment loss is a non-cash transaction and consequently, has no impact on this budget document.

TRADE AND OTHER PAYABLES

Trade 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, are recognised as a current liability and are normally paid within 30 days of recognition.

EMPLOYEE BENEFITS - SHORT-TERM EMPLOYEE BENEFITS

Provision is made for the Council's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled. The Council's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Council's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

APPENDIX B12 - FORECAST SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

EMPLOYEE BENEFITS - OTHER LONG-TERM EMPLOYEE BENEFITS

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations or service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any re-measurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur. The Council's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Council does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

BORROWING 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 until such time as the asset is substantially ready for its intended use or sale.

PROVISIONS

Provisions are recognised when the Council has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and 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.

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 Council, are classified as finance leases. Finance leases are capitalised recording an asset and a liability at the lower amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period. Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term. Lease payments for 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.

INTERESTS IN JOINT ARRANGEMENTS

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required. Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method. Refer to note 1(o) for a description of the equity method of accounting. Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Council's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 17.

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 sale where it is held as non-current based on the Council's intentions to release for sale.

COMPARATIVE FIGURES

Where required, comparative figures have been adjusted to conform with changes in presentation.