

Shire of Jerramungup



Long Term Financial Plan

2017 - 2032

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1.0 FOREWORD

The Shire of Jerramungup's Long Term Financial Plan 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 Long Term Financial Plan which will form the basis for preparation of the Shire's future Annual Budgets.

The Long Term Financial Plan 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 Long Term Financial Plan covers the period 2017/18 to 2031/32. There is a higher level of detail in the first 2 years of the Long Term Financial Plan however this is underpinned by a number of assumptions. The remaining years of the Long Term Financial Plan 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 Long Term Financial Plan 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 Long Term Financial Plan there may be some variations between the Long Term Financial Plan and budget, where these arise they will be explained in the Annual Budget.

2.0 PLANNING OVERVIEW

2.1 PLANNING FOR A SUSTAINABLE AND STABLE FUTURE

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

2.2 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 Jerramungup.

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 predict operating revenue and expenditure based on assumptions and projections.

An important element of long term financial planning is the planning for future renewal of Shire assets. The Shire's Asset Management Plan (where possible) applies a condition based estimation of remaining asset useful life.

Where condition information was unavailable, an age based estimation of remaining useful life was applied within the asset planning process. Unfortunately, planning for the renewal of long lived local government 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 external funding does not eventuate.

If asset 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 as a financial tool to assist with asset renewal expenditure requirements.

2.3 ASSUMPTIONS

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

- The Shire population is forecast to remain stable;
- The Shire will maintain its current service levels and, where financially prudent, increase services;
- The level of grants and contributions for capital projects and operations will remain relatively stable over the term of the Plan;
- The district and State economy will remain stable;
- No major changes in the level of services are expected over the life of the Plan; and
- Assets are expected to be adequately maintained and continue to provide existing levels of service.

A detailed analysis of all the assumptions and their associated risks is contained in Section 13.0

3.0 FINANCIAL STRATEGIC OVERVIEW

3.1 FORECAST SIGNIFICANT EVENTS

Council is not planning for an extensive capital expansion program with resources being utilised primarily for the maintenance and renewal of existing assets. The construction of Bremer Bay Town Square, Civic Centre and housing have been included as the principal projects over the term of the Plan. Renewals of plant, buildings and roads as outlined in the Asset Management Plans are also provided for within the Plan.

3.2 FINANCIAL MANAGEMENT STRATEGY

In the process of developing the Long Term Financial Plan the Shire of Jerramungup 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 those within the local, state and national economy.

Borrowings - Purpose	The Shire plans to restrict borrowings to 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; and/or(b) The financing of commercial activities and land developments that offer net positive future cash flow.
Borrowings - Level	The Shire plans to constrain the level of borrowing for community assets to result in a debt service coverage ratio not less than 5.
Asset Renewal	The Shire will structure its operating revenue and expenditure with the goal of achieving the future renewal of its assets. 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 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.
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 of 2%.

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 current levels of services and existing 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.

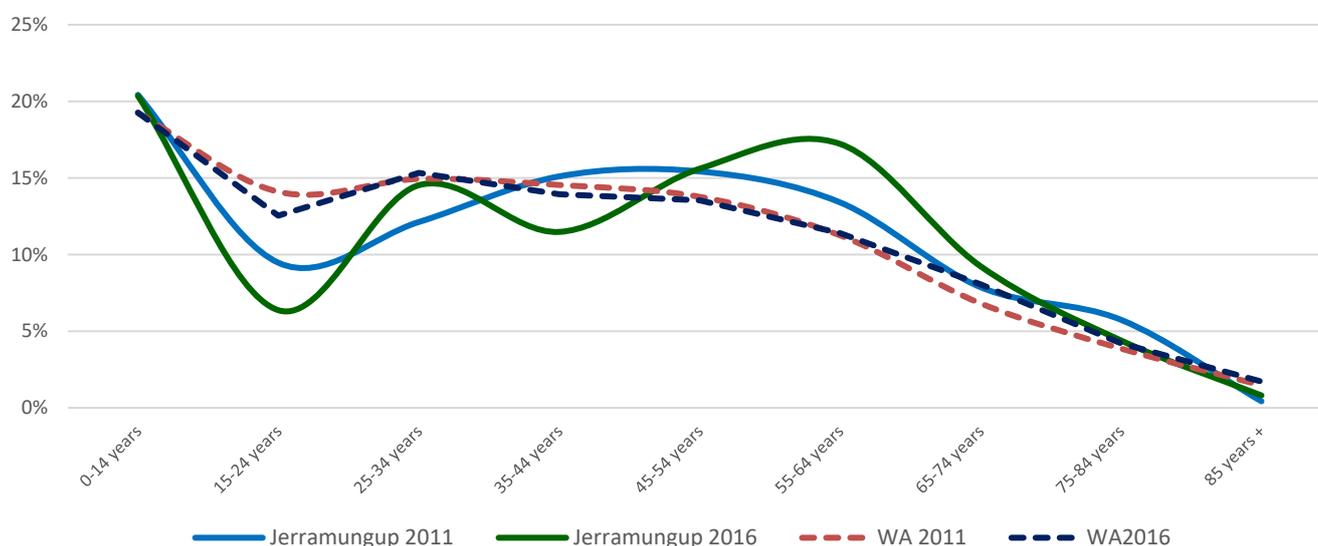
4.0 COMMUNITY PROFILE, VISION AND OBJECTIVES

4.1 COMMUNITY

The Shire of Jerramungup is bordered by the Shires of Gnowangerup to the west, Kent to the north, Ravensthorpe to the east, Lake Grace on the north-east corner, the City of Albany to the south-west and the spectacular Southern Ocean to the south. The Shire comprises 645,110 hectares, incorporates the towns of Jerramungup and Bremer Bay and the districts of Needilup, Jacup, Gairdner, Boxwood Hill and Fitzgerald, and is the western gateway to the world famous Fitzgerald River National Park. Both towns and the districts have active social and sporting groups, with plenty to offer all members of the community.

4.1.1 SHIRE OF JERRAMUNGUP RESIDENT POPULATION BY AGE GROUP¹

In 2016, the Shire of Jerramungup estimated resident population was 1,109 with no significant variation forecast. The age distribution trends from 2011 to 2016 for both the Shire of Jerramungup and the state of Western Australia show minor change, as indicated by the blue (2011 demographic) and green (2016 demographic) lines in the chart below.



When comparing the Shire's demographic to Western Australia, (reflected by the dotted pink and blue lines) there is lower proportion of younger residents in the 15-44 year old age, with many in this group leaving for schooling and early career opportunities. Making up 20.4% of the resident population, children under 14 are the largest demographic. With the number of residents aged between 25 and 54 making up 41.6% of the resident population, there is large scope for the growth, development and leadership of this community.

¹ Australian Bureau of Statistics, 2016 Basic Community Profile Jerramungup(S) (LGA54130), viewed 28 August 2017 www.abs.gov.au

4.0 COMMUNITY PROFILE, VISION AND OBJECTIVES (Continued)

4.2 VISION

The Shires strategic vision adopted in the Strategic Community Plan 2016 is:

“Progressive, Prosperous and a Premium Place to Live and Visit”

4.3 STRATEGIC DIRECTION

The following strategic directions are captured within the Shires’ Strategic Community Plan and considered within the Long Term Financial Plan.

ENVIRONMENT – The key aspirations within this area reflect the Shire’s ongoing recognition of the environmental value of the region. The Shire’s location is recognised internationally for its biodiversity, pristine ocean, coastal environment and human interaction with the landscape. Land use planning, land capability and natural resource management are addressed in this area.

COMMUNITY – This group of aspirations refers to the capacity of society to provide for the wellbeing of all residents and to do so in a fair and equitable way. This includes good governance and civic leadership, provision of adequate income, feeling safe, good health, food and nutrition, adequate housing, employment opportunities and high standards of education.

ECONOMY – The key themes relating to this aspiration are based on responsible fiscal policy, asset management and the provision of good quality and well utilised infrastructure. The continuation of broad hectare agriculture as a key industry and the improvement of road infrastructure are addressed under this theme.

5.0 KEY CURRENT INFORMATION

5.1 KEY STATISTICS: SHIRE OF JERRAMUNGUP 2016²

Number of Elected Members	7
Number of Employees	34
Number of Electors	727
Number of Dwellings	900
Distance from Perth (km)	430
Area (sq. km)	6,540
Population (Est.) ³	1,109

5.2 KEY FINANCIAL INFORMATION⁴

Rates Revenue	\$3,026,408
Fees and Charges	\$765,454
Operating Revenue	\$5,595,592
Operating Expenditure	\$7,712,873
Net Assets	\$202,561,230
Cash Backed Reserves	\$1,178,385
Long Term Borrowings	\$993,060

² WALGA Online Local Government Directory 2016/2017, Shire of Jerramungup,

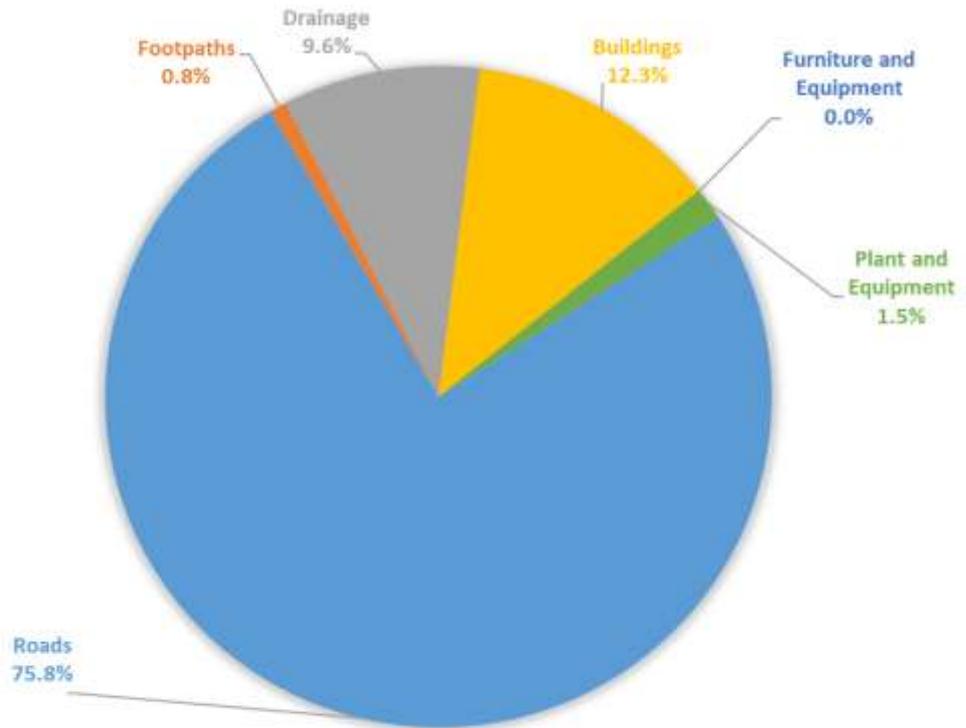
³ Australian Bureaus of Statistics, 2016 Basic Community Profile Jerramungup(S) (LGA54130), viewed 28 August 2017 www.abs.gov.au

⁴ Shire of Jerramungup, 2016, Audited Annual Financial Report 2016

5.3 KEY ASSET INFORMATION

The Shire controls an asset network with a written down value of over \$200m, of which Roads, Drainage and Buildings constitute the largest component values, as reflected in the chart below.

5.3.1 ASSET VALUE BY CLASS SHIRE OF JERRAMUNGUP 2016



6.0 STRATEGIC PLANNING AND POLICIES

6.1 LINKAGE WITH OTHER PLANS

The Long Term Financial Plan 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.

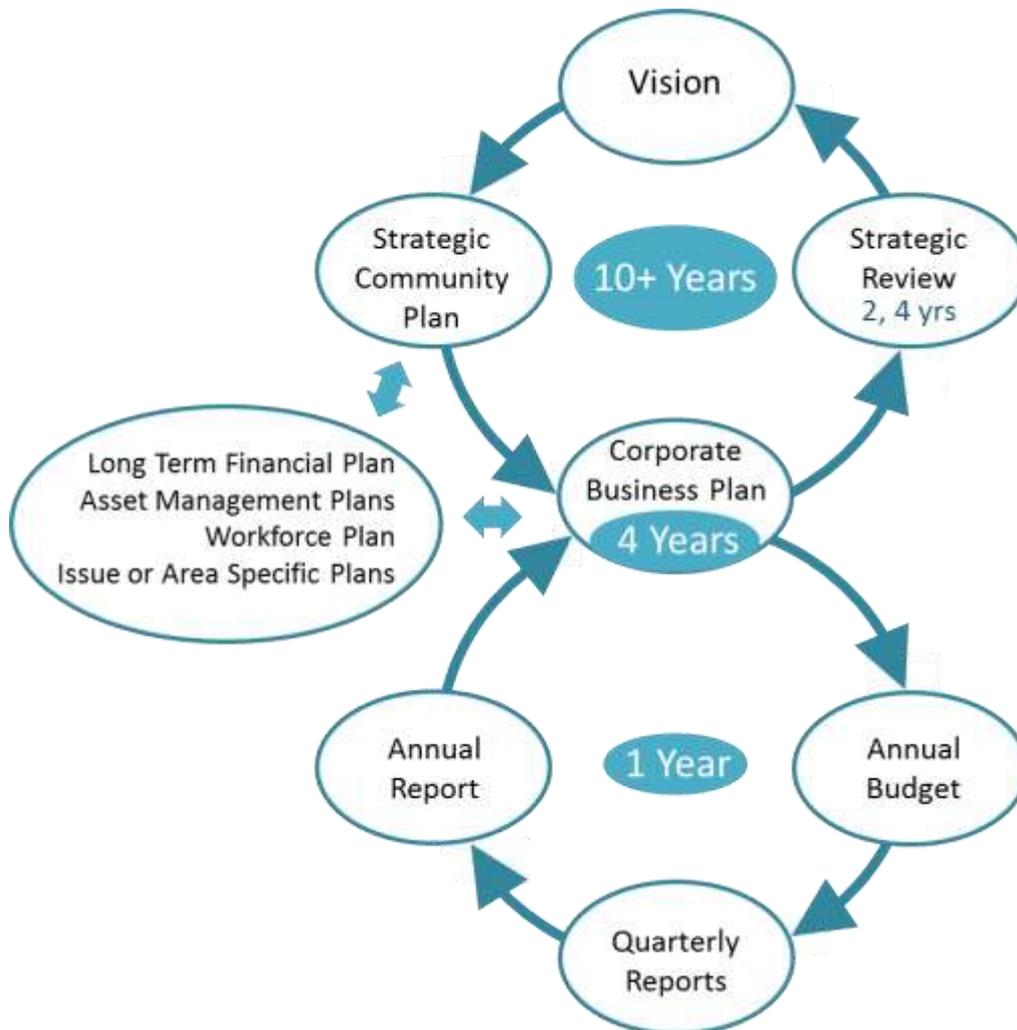
Development of the Long Term Financial Plan has been influenced by the Department of Local Government, Sport and Cultural Industries Integrated Planning Framework and Guidelines.

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.

6.2 STRATEGIC DOCUMENTS LINKAGE

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.

6.2.1 DIAGRAM: INTEGRATED PLANNING AND REPORTING CYCLE⁵



⁵ Department of Local Government, Sport and Cultural Industries, Integrated Planning and Reporting: Framework and Guidelines, September 2016

6.0 STRATEGIC PLANNING AND POLICIES (Continued)

6.3 STRATEGIC COMMUNITY PLAN

The Council’s current Strategic Community Plan was adopted by Council at its 21st September 2016 meeting.

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



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 resource to undertaking various projects.

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.

6.0 STRATEGIC PLANNING AND POLICIES (Continued)

6.6 ASSET MANAGEMENT PLANNING

The Shire of Jerramungup developed Asset Management Plans in 2016, for the following asset classes:

- Roads
- Footpaths
- Parks and Gardens
- Sewerage Scheme
- Other Infrastructure
- Buildings

The Asset management plans set service standards 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 have been used as a basis for forecasting capital expenditure.

6.7 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.

7.0 OPERATIONS OVERVIEW

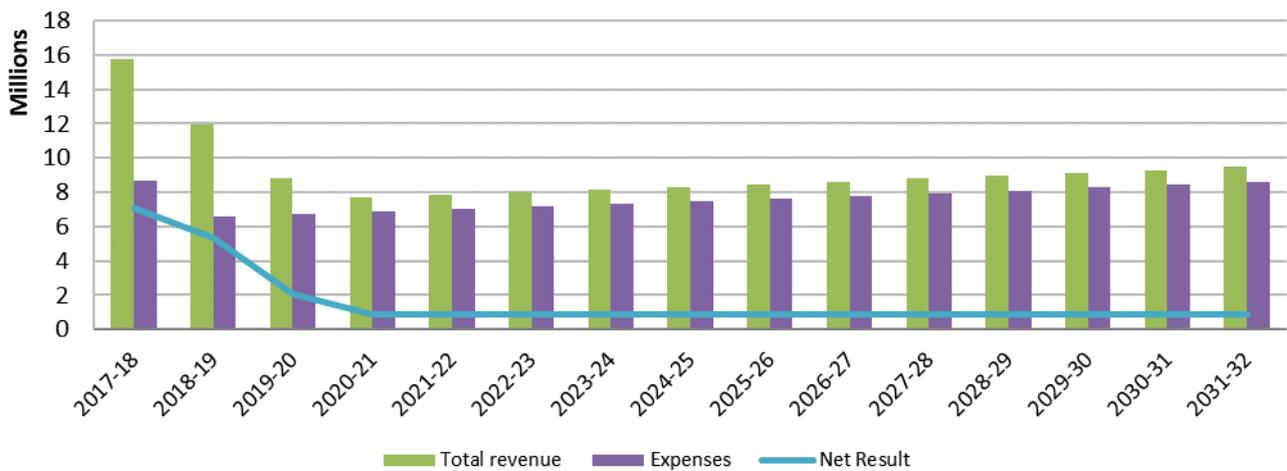
7.1 OPERATIONS

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.

A forecast decrease in capital grants during year 2 (2018/19) of the plan results in a significant drop in revenue and consequently also the net result in that year and the subsequent year. From year 4 onwards, revenue increases slightly ahead of inflation while expenditure is held in line with inflation.

The Shire is reliant on receiving more than \$32m over the 15 years in untied operating grants, subsidies and contributions used to maintain its current level of operations and services.

7.1.1 FORECAST REVENUE, EXPENSES AND NET RESULT



7.2 RATES REVENUE

General rate revenue is forecast to increase with inflation of 2% per annum for the 15 year plan, generating \$3m in 2017-18 and increasing to \$4.2m in 2031-32.

7.3 NON OPERATING GRANTS AND CONTRIBUTIONS

Non-operating grants and contributions decrease from 2018-19 through to 2020-21 in year 4 due to limited grant availability, with a gradual rise of 2% per annum inflation for the term of the plan from 2021-22.

7.4 WORKFORCE PLANNING

The Shire currently employs 27 employees, comprising of permanent, part time and contract staff 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.

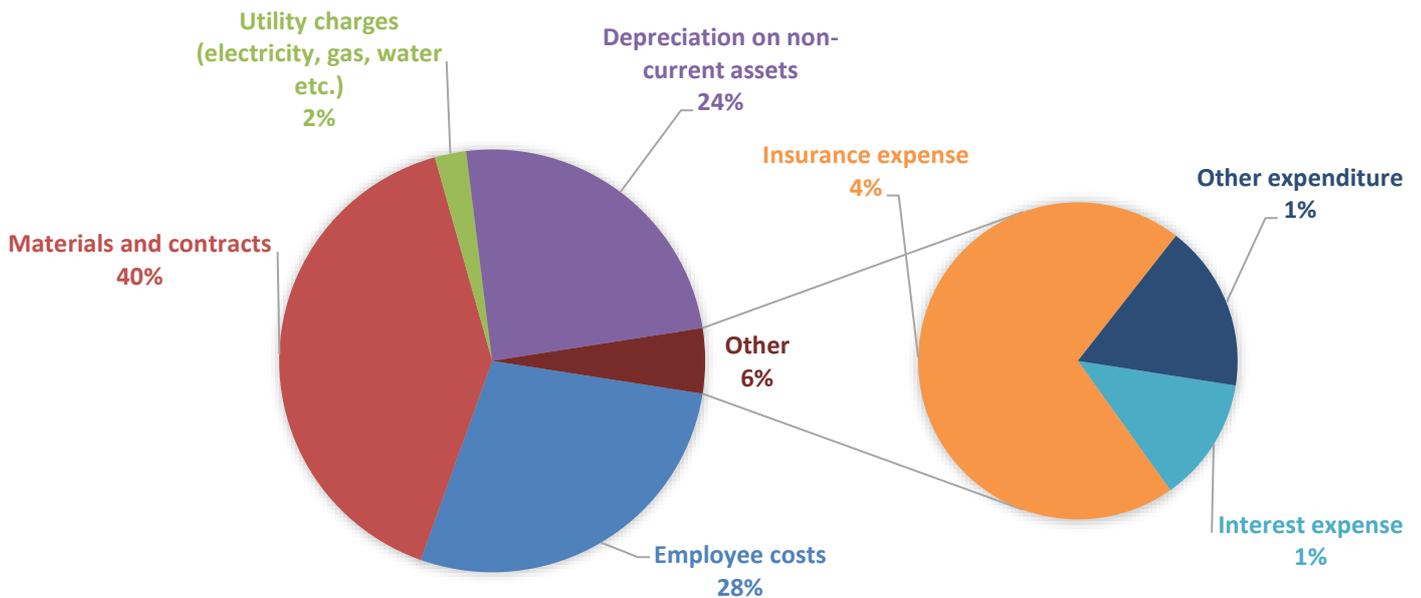
7.0 OPERATIONS OVERVIEW (Continued)

7.5 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.

7.5.1 COMPOSITION OF FORECAST OPERATING EXPENDITURE 2016-17 (TOTAL OPERATING EXPENDITURE \$6.5M)



7.6 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.

7.7 DEPRECIATION EXPENSE

Depreciation expense increases throughout the Plan from \$1.8m in year 1 to \$2.6m in year 15 as assets are revalued and renewed.

Depreciation of infrastructure over the 15 years is \$20.6m. The planned level of infrastructure asset renewal expenditure at \$26.4m is higher than estimated depreciation expense by \$5.7m.

Depreciation of property, plant and equipment over the 15 years is \$11.9m. Forecasted asset renewal of property, plant and equipment for 15 years totals \$20.4m. This renewal expenditure is higher than the estimated depreciation expense for property, plant and equipment by \$8.5m, with overall asset renewals greater than depreciation by \$2.8m.

8.0 FORECAST CAPITAL PROJECTS

8.1 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 Description	15 Year Capital Expenditure
Buildings	Construct Bremer Bay Civic Square	\$4,500,000
	Develop a Men's Shed in Jerramungup	\$220,000
	Marketing plan Bremer Bay Town Square	\$25,000
	Renewal Project 10	\$893,402
	Renewal Project 11	\$1,111,464
	Renewal Project 12	\$955,923
	Renewal Project 13	\$1,025,799
	Renewal Project 14	\$1,064,063
	Renewal Project 15	\$1,111,929
	Renewal Project 4	\$594,634
	Renewal Project 5	\$668,239
	Renewal Project 6	\$761,706
	Renewal Project 7	\$828,504
	Renewal Project 8	\$775,462
	Renewal Project 9	\$893,435
	Staff Housing Replacement & Seniors Independent Living	\$3,410,000
Upgrade Boxwood Hill Sporting Club & Amenities	\$1,400,000	
Buildings Total		\$20,239,560
Land	Provide Land Availability - Machinery Dealership Jerramungup	\$100,000
Land Total		\$100,000
Plant and Equipment	Plant Replacement Program	\$9,736,600
Plant and Equipment Total		\$9,736,600
Roads	Budget 17-18 - Council Funded Projects	\$755,000
	Budget 17-18 - MRWA Projects	\$825,000
	Budget 17-18 - Roads to Recovery Projects	\$486,804
	Council Funded Resheet and Reseal Program	\$4,009,641
	MRWA Grant Program	\$11,550,000
	Plan for Historial Interpretive Centre - Jerramungup	\$40,000
	Roads to Recovery Program	\$8,745,317
	Roads Total	
Other Infrastructure	Bremer Bay Civic Square	\$1,079,527
	Bremer Bay to Point Henry Trail	\$84,000
	Dam - Boxwood Hill	\$90,000
	Plan for Regional Landfill Site - Jerramungup	\$25,000
	Redevelop Little Boat Harbour	\$500,000
	Redevelopment of the Jerramungup School Pool	\$2,300,000
	Skate Park	\$50,000
	Upgrade Paperbarks Park	\$180,000
	Upgrade Transfer station - Jerramungup	\$220,000
Other Infrastructure Total		\$4,528,527
Footpaths	Budget 17-18 - Footpath Program	\$216,000
	Footpath - Annual Program	\$985,547
Footpaths Total		\$1,201,547
Aerodromes	Implementation of the Bremer Bay Airport Master Plan	\$110,000
Aerodromes Total		\$110,000
Grand Total		\$62,327,996

9.0 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 an increase in cash savings (reserves) as represented in the graph below.

9.1 BORROWINGS

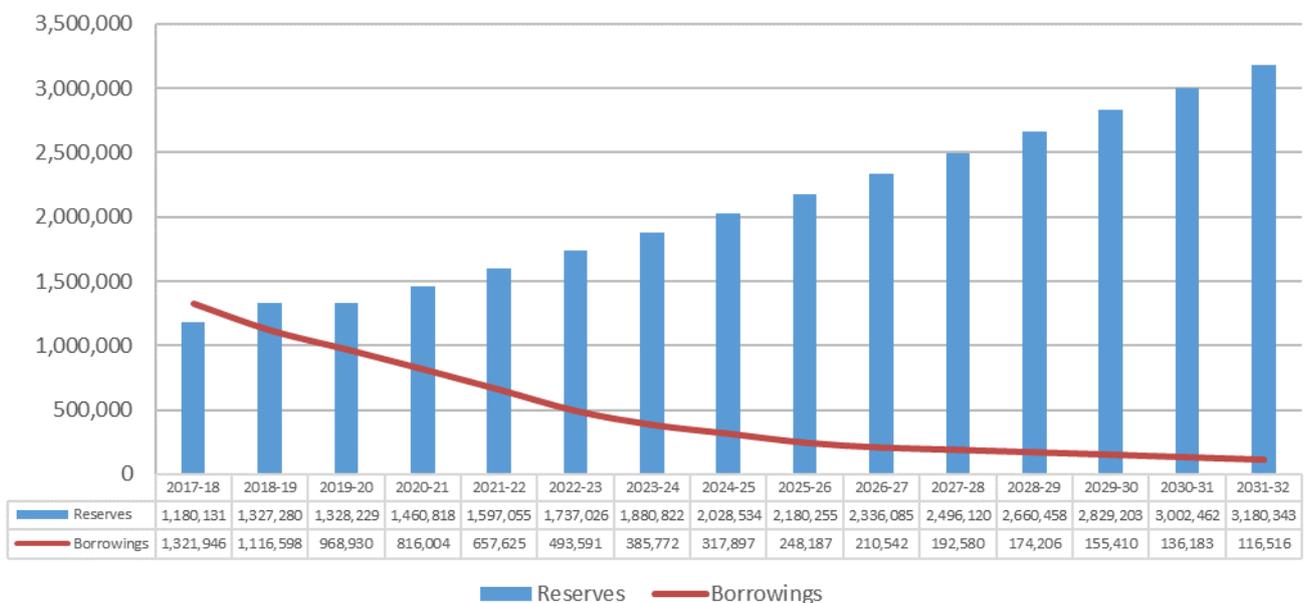
The principal outstanding on borrowings is \$1.3m and reduces over the life of the Plan, with a balance of \$116k in 2031-32.

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.

9.2 CASH RESERVES

The balance of cash reserves is forecast to rise steadily over the term of the Plan as the Shire builds up its reserves including the Community Recreation Reserve, Point Henry Fire Levy Reserve and Roe Park Reserve inline with council policy.

9.2.1 FORECAST BORROWINGS AND CASH RESERVES



10.0 SCENARIO MODELLING

10.1 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 no increase 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 the rates yield increase is 1% above inflation for the life 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.

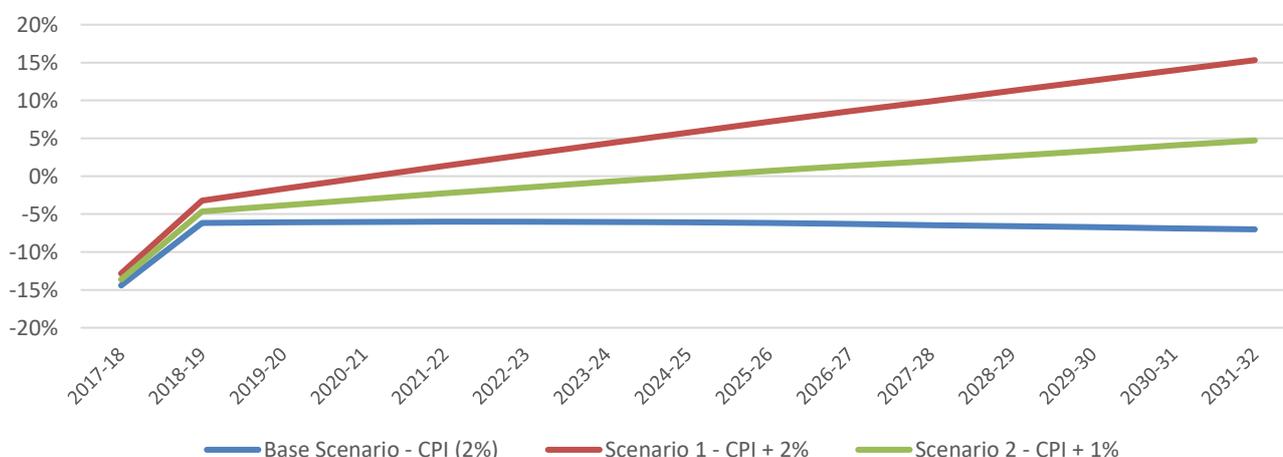
The table below reflects the impact of a change in total rates yield and the total effect of a 2% change in rate yield per annum (other assumptions remaining the same).

10.2 ESTIMATED SURPLUS/DEFICIT JUNE 30 CARRIED FORWARD

Funding Level	Variance from Base Level in Year 15	Average Variance per Annum
Scenario 1 – CPI +2%	\$54m	\$3.6
Scenario 2 - CPI +1%	\$26m	\$1.7

10.2.1 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). Scenario One shows the percentage increase on rate yield over CPI required to achieve the target ratios levels set out in the Department of Local Government, Sport and Cultural Industries published Advisory Standard over the life of the plan. Scenario two shows the percentage increase required to achieve the minimum target operating surplus ratio within the term of the plan.



11.0 RISK MANAGEMENT

11.1 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.

The *Local Government (Financial Management) Regulations* require 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.

11.2 CERTAINTY OF ASSUMPTIONS

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

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

11.3 SENSITIVITY ANALYSIS

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

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

12.0 ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY

12.1 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.	Medium	The level of population growth and development activity is difficult to forecast and carries a medium level of uncertainty.	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 the forecast inflation rate of 2%.	Low	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	± \$321,760 to the value of operating grants and contributions per 1% movement in the value over the life of the Plan.
Non-operating Grants and Contributions: Remain in line with funding requirements identified for various capital works.	High	The forecast capital works program is highly dependent on Government grants and contributions. Changes in these levels would impact directly on the amount spent on capital projects and ultimately impact on service levels.	Medium	± \$76,925 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.

12.0 ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY (Continued)

12.2 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 Financial Assistance Grants. Changes in the levels of these grants would impact directly on the Shire's ability to meet projected service levels.	Medium	± \$411,683 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.	Medium	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.	Low	Not assessed as high financial risk.	Low	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.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.

12.0 ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY (Continued)

12.3 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 depreciations leading to a change in the net result. The revaluation of assets will have no impact on Cashflows.	High	±\$484,344 to the value of property, plant and equipment per 1% movement in the value over the life of the Plan. ±\$2,523,942 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	A widespread major impairment event may result in a requirement for high levels of expenditure to maintain service levels.	High	± \$2,523,942 to the value of infrastructure assets per 1% movement in the value over the life of the Plan.
Property, Plant and Equipment: Building expenditure is in accordance with the 10 Year Capital Plan and plant expenditure is based on the Plant Replacement Program.	Medium	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.	Medium	Not assessed as high level uncertainty.

12.0 ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY (Continued)

12.4 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: New borrowings to be considered for capital works where required.	Medium	Not assessed as high financial risk	Low	Not assessed as high level of uncertainty
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

12.0 ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY (Continued)

12.5 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 depreciations leading to a change in the net result. The revaluation of assets will have no impact on Cashflows.	High	±\$484,344 to the value of property, plant and equipment per 1% movement in the value over the life of the Plan. ±\$2,523,942 to the value of infrastructure assets per 1% movement in the value over the life of the Plan.

12.0 ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY (Continued)

12.6 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	± \$1,394,224 to operating revenue per 1% movement in the inflators over the life of the Plan. ± \$1,147,157 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

13.0 MONITORING AND PERFORMANCE

13.1 MONITORING

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

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

13.2 PERFORMANCE ASSESSMENT

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

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

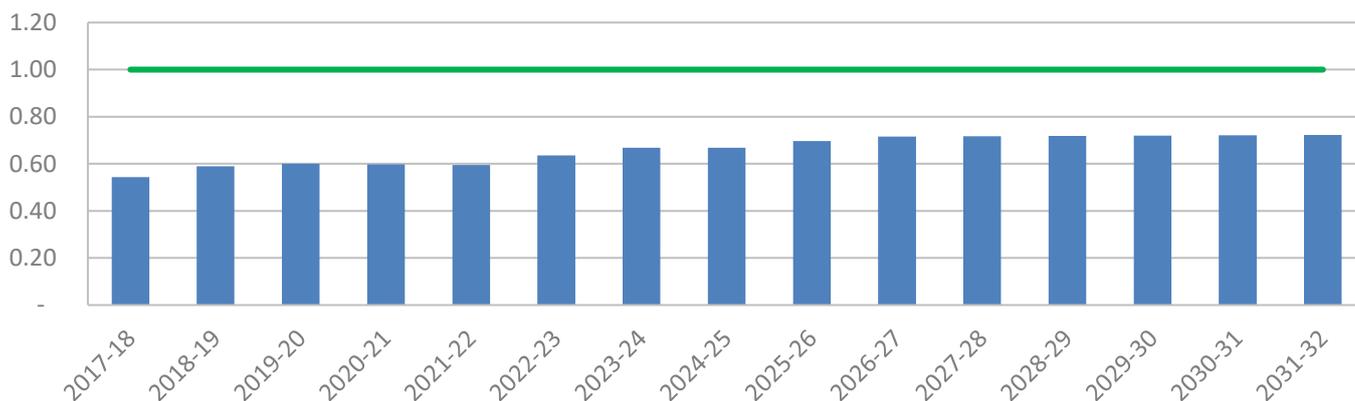
Graphs of these financial ratios are presented on the following pages together with the formula used to calculate the ratio, a brief description of what the ratio indicates and an assessment of the impact of the ratio on the Shire's future.

13.3 RATIO TARGETS

The Department of Local Government, Sport and Cultural Industries 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.

13.0 MONITORING AND PERFORMANCE (Continued)

13.4 FORECAST RATIO ANALYSIS – CURRENT RATIO



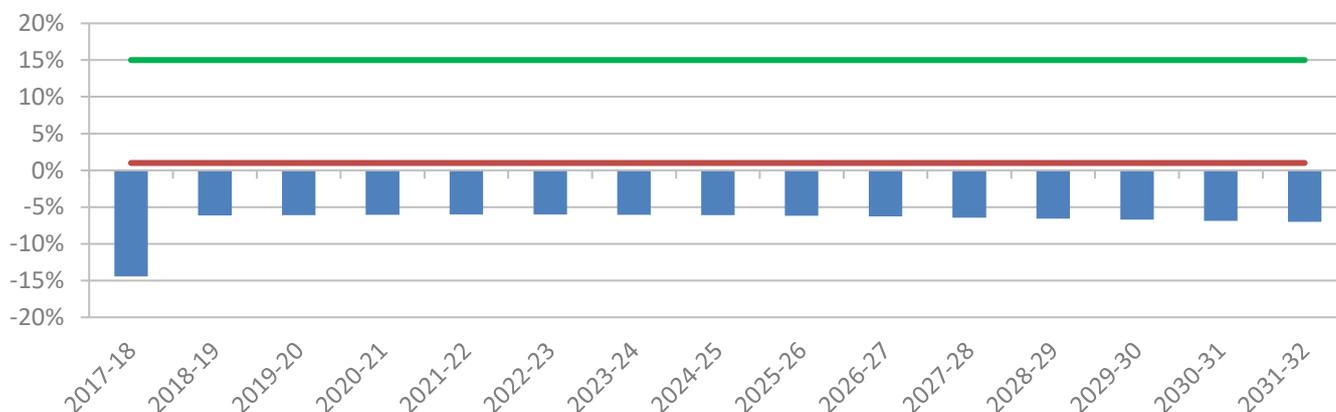
$$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$$

current assets minus restricted assets
current liabilities minus liabilities associated with restricted assets

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

Commentary: As expected for a Shire with a forecast balanced funding surplus position and current loan liabilities, the ratio is less than 1.0. The ratio below the target is not considered to indicate a threat to the Shire’s long term financial position.

13.5 FORECAST RATIO ANALYSIS – OPERATING SURPLUS RATIO



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

operating revenue minus operating expense
own source operating revenue

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

Commentary: The ratio is below the target. Between years one and two the ratio is impacted by the early payment of the Financial Assistance Grants within the 2016-17 year reducing the expected income in 2017-18. Beyond year two escalations in depreciation above inflation with no corresponding increase in revenues causes the ratio to decrease.

13.6 FORECAST RATIO ANALYSIS – OWN SOURCE REVENUE COVERAGE RATIO

13.0 MONITORING AND PERFORMANCE (Continued)

own source operating revenue
operating expense

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

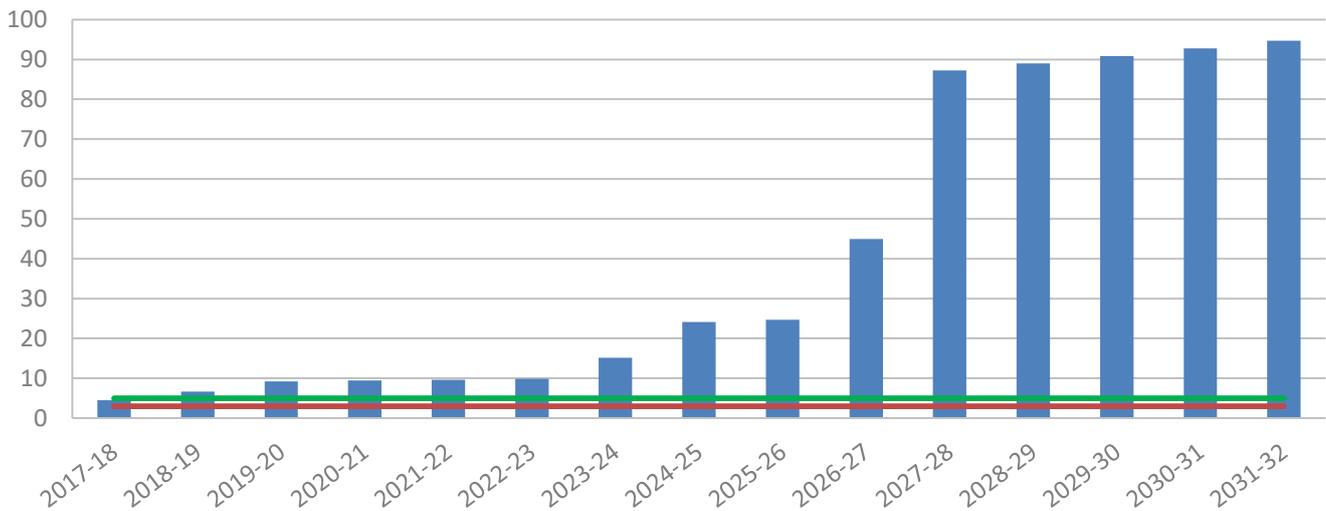
Commentary: The ratio is in the acceptable range and remains stable over time indicating a reasonable ability to continue to operate in the event of a sudden loss of grant and other revenue.

13.7 FORECAST RATIO ANALYSIS – DEBT SERVICE COVERAGE RATIO

annual operating surplus before interest and depreciation
principal and interest

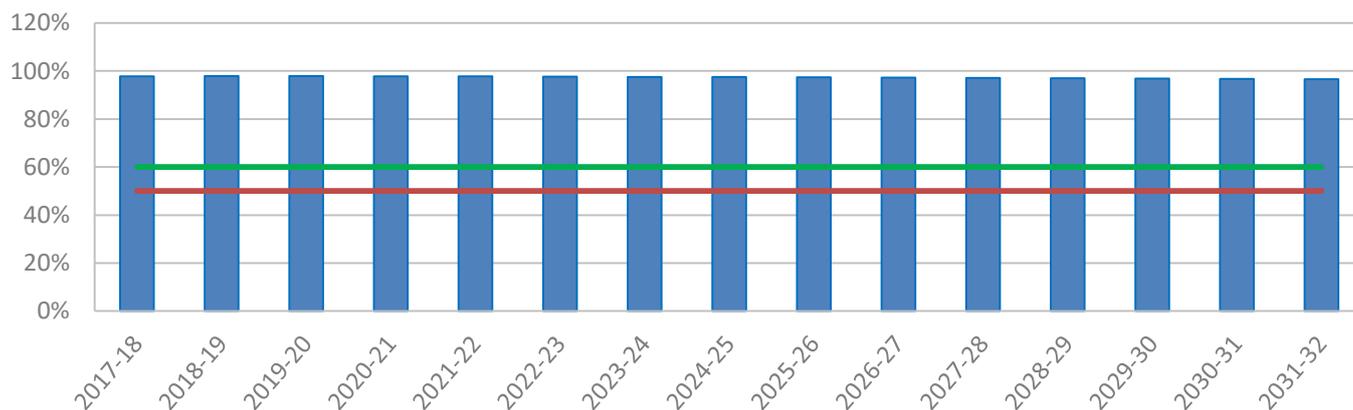
Indication: A measure of the extent of the Shire’s capacity to generate sufficient cash to cover debt payments.

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



13.0 MONITORING AND PERFORMANCE (Continued)

13.8 FORECAST RATIO ANALYSIS – ASSET CONSUMPTION RATIO

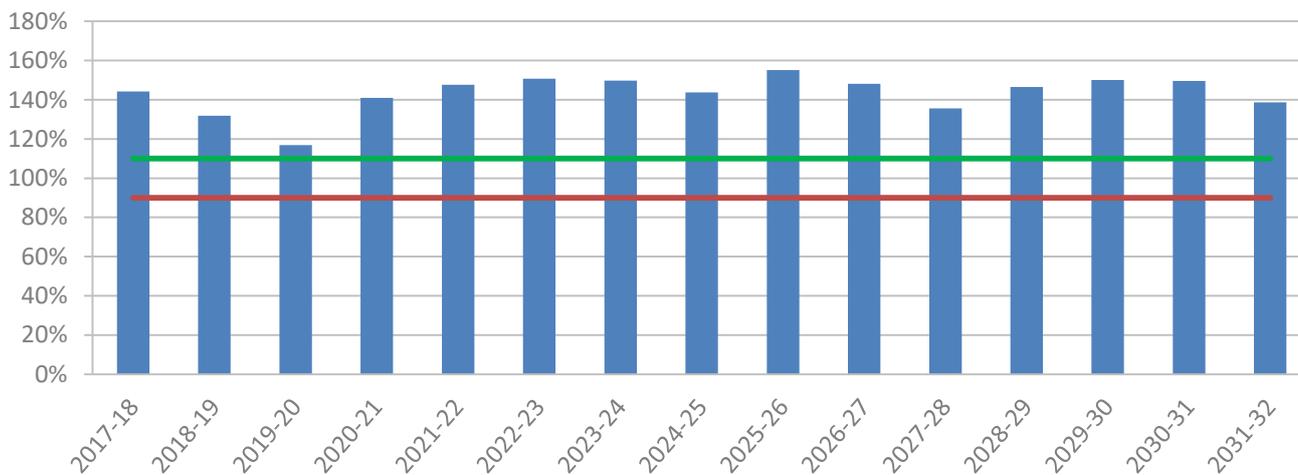


depreciated replacement cost of assets
current replacement cost of depreciable assets:

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

Commentary: Whilst the ratio is above the ideal range, limited reliance should be placed on the ratio due to the limited information available in relation to the current replacement cost of assets. Should this information become available the ratio will significantly change.

13.9 FORECAST RATIO ANALYSIS –ASSET SUSTAINABILITY RATIO



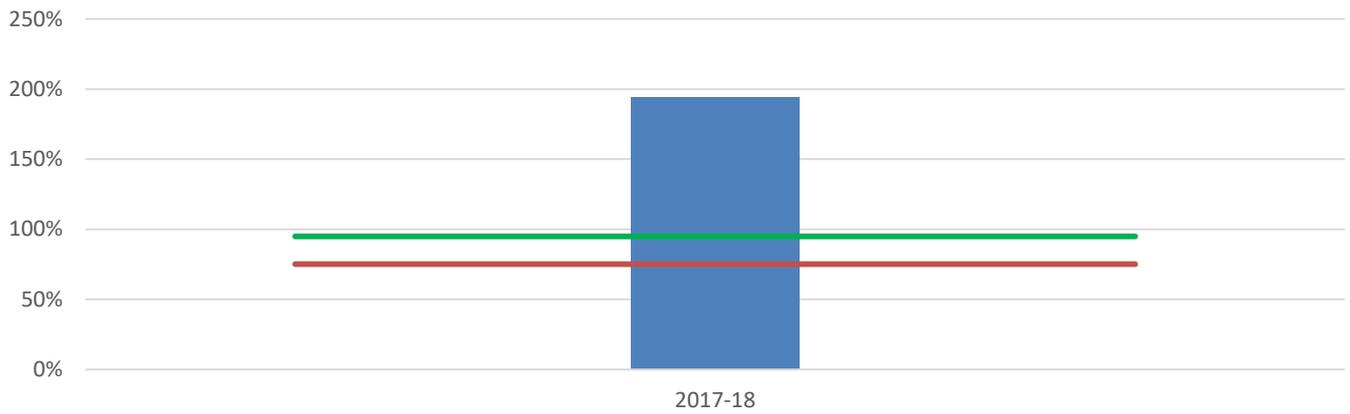
capital renewal and replacement expenditure
depreciation expense

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: Whilst the ratio fluctuates above the ideal range this relies on the Shire receiving the forecast level of capital grants to fund a portion of the forecast renewal expenditure.

13.0 MONITORING AND PERFORMANCE (Continued)

13.10 FORECAST RATIO ANALYSIS – ASSET RENEWAL FUNDING RATIO



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

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

Commentary: The ratio is above the ideal range indicating asset renewals included in the Plan are in excess of the renewals required by the asset management plans over the next 15 years.

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
Governance	Members of Council Governance – general
General purpose funding	Rates Other general purpose funding
Law, order, public safety	Fire prevention Animal control Other law, order, public safety
Health	Maternal and infant health Preventative services <ul style="list-style-type: none"> - Immunisation - Meat inspection - Administration and inspection - Pest control - Other Other health
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 <ul style="list-style-type: none"> - Household refuse - Other Sewerage Urban stormwater drainage Protection of environment Town planning and regional development Other community amenities

Objectives	Services
Recreation and culture	Public halls, civic centre Swimming areas and beaches Other recreation and sport Television and radio re-broadcasting Libraries Other culture
Transport	Streets, roads, bridges, depots <ul style="list-style-type: none"> - Construction (not capitalised) - Maintenance Road plant purchase (if not capitalised) Parking facilities Traffic control Aerodromes Water transport facilities
Economic services	Rural services Tourism and area promotion Building control Other economic services
Other property and services	Private works Public works overheads Plant operation Salaries and wages Unclassified Town Planning Schemes

APPENDIX B2 – FORECAST STATEMENT OF COMPREHENSIVE INCOME (NATURE OR TYPE) 2017-2032

	2013-14	2014-15	2015-16	Base	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	2031-32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues																			
Rates	2,683,887	2,917,277	3,026,805	3,124,811	3,187,307	3,251,053	3,316,074	3,382,396	3,450,044	3,519,045	3,589,426	3,661,215	3,734,440	3,809,128	3,885,310	3,963,016	4,042,276	4,123,121	4,205,583
Operating grants, subsidies and contributions	1,320,456	2,264,557	1,123,975	2,815,479	3,591,239	1,789,458	1,825,247	1,861,751	1,898,988	1,936,969	1,975,709	2,015,223	2,055,529	2,096,642	2,138,574	2,181,347	2,224,974	2,269,475	2,314,865
Fees and charges	961,752	807,071	740,486	744,143	759,026	774,206	789,693	805,486	821,595	838,027	854,787	871,882	889,320	907,107	925,249	943,751	962,628	981,883	1,001,522
Interest earnings	83,299	69,636	62,253	61,755	34,937	22,715	24,922	24,936	26,926	28,969	31,069	33,225	35,440	37,718	40,056	42,454	44,919	47,451	50,052
Other revenue	517,894	548,070	612,003	482,000	491,640	501,473	511,503	521,733	532,167	542,811	553,668	564,741	576,036	587,557	599,308	611,294	623,520	635,990	648,710
	5,567,288	6,606,611	5,565,522	7,228,188	8,064,149	6,338,905	6,467,439	6,596,302	6,729,720	6,865,821	7,004,659	7,146,286	7,290,765	7,438,152	7,588,497	7,741,862	7,898,317	8,057,920	8,220,732
Expenses																			
Employee costs	(2,067,443)	(1,744,556)	(1,693,868)	(1,872,687)	(1,910,151)	(1,948,354)	(1,987,316)	(2,027,057)	(2,067,599)	(2,108,956)	(2,151,133)	(2,194,154)	(2,238,044)	(2,282,812)	(2,328,461)	(2,375,026)	(2,422,526)	(2,470,980)	(2,520,388)
Materials and contracts	(2,095,448)	(2,047,293)	(2,439,897)	(2,691,434)	(4,513,148)	(2,294,691)	(2,340,586)	(2,387,395)	(2,435,144)	(2,483,835)	(2,533,519)	(2,584,185)	(2,635,864)	(2,688,594)	(2,742,366)	(2,797,218)	(2,853,163)	(2,910,229)	(2,968,426)
Utility charges (electricity, gas, water etc.)	(160,671)	(172,641)	(158,122)	(159,763)	(162,952)	(166,205)	(169,539)	(172,935)	(176,395)	(179,927)	(183,530)	(187,204)	(190,948)	(194,769)	(198,665)	(202,637)	(206,697)	(210,832)	(215,045)
Depreciation on non-current assets	(1,429,490)	(1,828,029)	(1,695,100)	(1,638,717)	(1,790,620)	(1,880,922)	(1,926,089)	(1,967,958)	(2,013,775)	(2,061,499)	(2,110,972)	(2,160,907)	(2,212,782)	(2,265,881)	(2,323,254)	(2,379,217)	(2,436,912)	(2,496,153)	(2,557,587)
Interest expense	(46,235)	(51,865)	(33,154)	(42,194)	(51,154)	(41,828)	(33,722)	(28,464)	(23,011)	(17,356)	(12,119)	(9,046)	(7,211)	(5,402)	(4,699)	(4,287)	(3,865)	(3,434)	(2,994)
Insurance expense	(304,646)	(286,244)	(226,968)	(233,928)	(238,607)	(243,380)	(248,247)	(253,209)	(258,274)	(263,442)	(268,711)	(274,084)	(279,564)	(285,158)	(290,864)	(296,681)	(302,614)	(308,667)	(314,840)
Other expenditure	(197,363)	(431,580)	109,353	56,355	(42,541)	(43,404)	(44,280)	(45,171)	(46,061)	(47,007)	(47,974)	(48,933)	(49,928)	(50,935)	(51,957)	(52,988)	(54,051)	(55,135)	(56,264)
	(6,301,296)	(6,562,208)	(6,137,756)	(6,582,368)	(8,709,173)	(6,618,784)	(6,749,779)	(6,882,189)	(7,020,259)	(7,162,022)	(7,307,958)	(7,458,513)	(7,614,341)	(7,773,551)	(7,940,266)	(8,108,054)	(8,279,828)	(8,455,430)	(8,635,544)
	(734,008)	44,403	(572,234)	645,820	(645,024)	(279,879)	(282,340)	(285,887)	(290,539)	(296,201)	(303,299)	(312,227)	(323,576)	(335,399)	(351,769)	(366,192)	(381,511)	(397,510)	(414,812)
Non-operating grants, subsidies and contributions	819,618	1,240,097	3,655,826	1,886,784	7,692,528	5,621,604	2,362,571	1,123,822	1,135,298	1,147,004	1,158,944	1,171,123	1,183,545	1,196,216	1,209,140	1,222,323	1,235,769	1,249,484	1,263,474
Initial Asset Recognition	1,537,951	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit on disposal of assets	54,473	0	31,847	66,654	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loss on asset disposal	(205,696)	(149,161)	(92,413)	(36,074)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NET RESULT	1,472,338	1,135,339	3,023,026	2,563,184	7,047,504	5,341,725	2,080,231	837,935	844,759	850,803	855,645	858,896	859,969	860,817	857,371	856,131	854,258	851,974	848,662
Other Comprehensive Income	17,086,853	77,259,566	0	0	3,994,412	4,240,914	4,423,191	4,550,066	4,649,943	4,753,500	4,860,148	4,969,843	5,078,284	5,194,503	5,320,637	5,431,168	5,551,609	5,675,606	5,807,465
TOTAL COMPREHENSIVE INCOME	18,559,191	78,394,905	3,023,026	2,563,184	11,041,916	9,582,639	6,503,422	5,388,001	5,494,702	5,604,303	5,715,793	5,828,739	5,938,253	6,055,320	6,178,008	6,287,299	6,405,867	6,527,580	6,656,127

APPENDIX B3 – FORECAST STATEMENT OF COMPREHENSIVE INCOME (PROGRAM) 2017-2032

	2013-14	2014-15	2015-16	Base	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	2031-32	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Revenue																				
Governance	16,571	34,028	48,374	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General purpose funding	3,109,754	3,935,851	3,475,580	5,101,586	3,942,015	4,654,704	4,749,551	4,844,058	4,942,431	5,042,784	5,145,160	5,249,599	5,356,143	5,464,834	5,575,714	5,688,825	5,804,217	5,921,935	6,042,025	
Law, order, public safety	205,200	101,323	232,303	158,004	161,164	164,387	167,674	171,028	174,448	177,937	181,496	185,125	188,829	192,606	196,459	200,388	204,397	208,486	212,656	
Health	4,743	3,632	3,493	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Education and welfare	45,192	23,557	2,294	1,093	1,115	1,137	1,160	1,183	1,207	1,231	1,256	1,281	1,307	1,333	1,360	1,387	1,415	1,443	1,472	
Housing	86,030	77,015	88,372	132,673	135,327	138,033	140,796	143,612	146,485	149,416	152,403	155,449	158,557	161,728	164,961	168,259	171,625	175,058	178,561	
Community amenities	338,017	374,721	383,197	396,511	404,441	412,530	420,781	429,195	437,779	446,533	455,463	464,574	473,866	483,344	493,010	502,871	512,928	523,188	533,651	
Recreation and culture	245,782	123,628	104,405	56,567	57,698	58,853	60,030	61,230	62,455	63,705	64,980	66,279	67,605	68,957	70,336	71,742	73,177	74,641	76,134	
Transport	592,761	1,112,998	509,726	654,645	2,620,738	152,777	155,833	158,949	162,128	165,371	168,678	172,052	175,493	179,004	182,584	186,236	189,961	193,760	197,635	
Economic services	30,956	28,032	30,589	91,068	92,889	94,746	96,641	98,575	100,546	102,557	104,608	106,701	108,835	111,012	113,232	115,497	117,807	120,163	122,566	
Other property and services	892,282	791,826	687,187	636,041	648,762	661,738	674,973	688,472	702,241	716,287	730,615	745,226	760,130	775,334	790,841	806,657	822,790	839,246	856,032	
	5,567,288	6,606,611	5,565,520	7,228,188	8,064,149	6,338,905	6,467,439	6,596,302	6,729,720	6,865,821	7,004,659	7,146,286	7,290,765	7,438,152	7,588,497	7,741,862	7,898,317	8,057,920	8,220,732	
Expenses Excluding Finance Costs																				
Governance	(335,647)	(224,990)	(254,765)	(241,458)	(246,287)	(251,213)	(256,238)	(261,364)	(266,592)	(271,925)	(277,365)	(282,914)	(288,572)	(294,345)	(300,233)	(306,236)	(312,362)	(318,609)	(324,982)	
General purpose funding	(107,720)	(95,150)	(83,622)	(86,150)	(87,873)	(89,630)	(91,422)	(93,250)	(95,114)	(97,016)	(98,957)	(100,937)	(102,955)	(105,014)	(107,115)	(109,259)	(111,445)	(113,675)	(115,949)	
Law, order, public safety	(517,418)	(572,804)	(497,264)	(643,924)	(664,181)	(680,839)	(694,925)	(709,030)	(723,610)	(738,541)	(753,825)	(769,379)	(785,305)	(801,560)	(818,338)	(835,294)	(852,625)	(870,328)	(888,449)	
Health	(190,711)	(253,950)	(258,559)	(285,310)	(291,740)	(297,905)	(303,908)	(310,006)	(316,245)	(322,616)	(329,118)	(335,747)	(342,515)	(349,420)	(356,481)	(363,670)	(371,004)	(378,488)	(386,128)	
Education and welfare	(118,455)	(141,310)	(93,178)	(83,263)	(87,982)	(91,137)	(93,154)	(95,104)	(97,171)	(99,305)	(101,504)	(103,731)	(106,027)	(108,376)	(110,852)	(113,314)	(115,840)	(118,427)	(121,089)	
Housing	(47,137)	(50,850)	(43,558)	(126,272)	(130,990)	(134,602)	(137,443)	(140,254)	(143,175)	(146,192)	(149,288)	(152,420)	(155,636)	(158,924)	(162,314)	(165,728)	(169,226)	(172,806)	(176,467)	
Community amenities	(872,608)	(1,014,988)	(1,057,422)	(948,810)	(969,591)	(989,805)	(1,009,710)	(1,029,957)	(1,050,653)	(1,071,783)	(1,093,343)	(1,115,320)	(1,137,761)	(1,160,652)	(1,184,051)	(1,207,870)	(1,232,182)	(1,256,984)	(1,282,300)	
Recreation and culture	(807,738)	(987,663)	(945,028)	(638,233)	(655,966)	(671,359)	(685,104)	(698,942)	(713,190)	(727,768)	(742,675)	(757,847)	(773,367)	(789,210)	(805,499)	(822,003)	(838,872)	(856,089)	(873,693)	
Transport	(2,403,640)	(2,491,018)	(2,273,040)	(2,756,757)	(4,763,306)	(2,588,070)	(2,645,123)	(2,700,370)	(2,758,902)	(2,819,304)	(2,881,469)	(2,944,505)	(3,009,468)	(3,075,860)	(3,145,827)	(3,215,401)	(3,286,799)	(3,359,906)	(3,435,177)	
Economic services	(185,527)	(252,872)	(224,661)	(156,476)	(159,606)	(162,798)	(166,055)	(169,376)	(172,763)	(176,219)	(179,745)	(183,341)	(187,009)	(190,749)	(194,564)	(198,456)	(202,426)	(206,473)	(210,603)	
Other property and services	(668,460)	(424,748)	(373,504)	(573,521)	(600,497)	(619,598)	(632,975)	(646,072)	(659,833)	(673,997)	(688,550)	(703,326)	(718,515)	(734,039)	(750,293)	(766,536)	(783,182)	(800,211)	(817,713)	
	(6,255,061)	(6,510,343)	(6,104,601)	(6,540,174)	(8,658,019)	(6,576,956)	(6,716,057)	(6,853,725)	(6,997,248)	(7,144,666)	(7,295,839)	(7,449,467)	(7,607,130)	(7,768,149)	(7,935,567)	(8,103,767)	(8,275,963)	(8,451,996)	(8,632,550)	
Finance Costs																				
Housing	(21,847)	(18,798)	(11,795)	(24,865)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Community amenities	(4,569)	(14,982)	(10,282)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Recreation and culture	0	0	0	0	(51,154)	(41,828)	(33,722)	(28,464)	(23,011)	(17,356)	(12,119)	(9,046)	(7,211)	(5,402)	(4,699)	(4,287)	(3,865)	(3,434)	(2,994)	
Transport	(19,819)	(18,085)	(11,077)	(17,329)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	(46,235)	(51,865)	(33,154)	(42,194)	(51,154)	(41,828)	(33,722)	(28,464)	(23,011)	(17,356)	(12,119)	(9,046)	(7,211)	(5,402)	(4,699)	(4,287)	(3,865)	(3,434)	(2,994)	
Non Operating Grants, Subsidies and Contributions																				
Governance	131,226	0	0	0	973,050	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Law, order, public safety	45,408	221,478	391,116	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Health	0	0	0	0	220,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Education and welfare	0	10,927	9,494	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Housing	0	0	0	0	2,522,674	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Community amenities	12,283	14,200	67,935	0	220,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Recreation and culture	1,406,625	187,342	72,000	687,000	2,564,000	4,540,000	1,250,000	0	0	0	0	0	0	0	0	0	0	0	0	
Transport	761,927	806,150	3,115,281	1,199,784	1,192,804	1,081,604	1,112,571	1,123,822	1,135,298	1,147,004	1,158,944	1,171,123	1,183,545	1,196,216	1,209,140	1,222,323	1,235,769	1,249,484	1,263,474	
	2,357,469	1,240,097	3,655,826	1,886,784	7,692,528	5,621,604	2,362,571	1,123,822	1,135,298	1,147,004	1,158,944	1,171,123	1,183,545	1,196,216	1,209,140	1,222,323	1,235,769	1,249,484	1,263,474	

APPENDIX B3 – FORECAST STATEMENT OF COMPREHENSIVE INCOME (PROGRAM) 2017-2032 (Continued)

	2013-14	2014-15	2015-16	Base	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	2031-32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Profit/(Loss) on Disposal of Assets																			
Governance	(15,403)	0	(15,109)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Law, order, public safety	0	(12,544)	(12,816)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Health	(8,931)	0	(5,987)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Community amenities	(28,488)	0	(8,311)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Recreation and culture	(75,576)	(120,937)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transport	41,911	(15,680)	(18,342)	39,580	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other property and services	0	0	0	(9,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	(151,123)	(149,161)	(60,565)	30,580	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NET RESULT	1,472,338	1,135,339	3,023,026	2,563,184	7,047,504	5,341,725	2,080,231	837,935	844,759	850,803	855,645	858,896	859,969	860,817	857,371	856,131	854,258	851,974	848,662
Other Comprehensive Income	17,086,853	77,259,566	0	0	3,994,412	4,240,914	4,423,191	4,550,066	4,649,943	4,753,500	4,860,148	4,969,843	5,078,284	5,194,503	5,320,637	5,431,168	5,551,609	5,675,606	5,807,465
TOTAL COMPREHENSIVE INCOME	18,559,191	78,394,905	3,023,026	2,563,184	11,041,916	9,582,639	6,503,422	5,388,001	5,494,702	5,604,303	5,715,793	5,828,739	5,938,253	6,055,320	6,178,008	6,287,299	6,405,867	6,527,580	6,656,127

APPENDIX B4 – FORECAST STATEMENT OF FINANCIAL POSITION 2017-2032

	2015	2016	2017	Base	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	30 June 32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
CURRENT ASSETS																			
Unrestricted Cash and Equivalents	76,532	478,969	340,071	972,185	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469
Restricted Cash and Cash Equivalent	1,352,722	1,176,491	3,006,624	1,357,013	1,194,911	1,342,060	1,343,009	1,475,598	1,611,835	1,751,806	1,895,602	2,043,314	2,195,035	2,350,865	2,510,900	2,675,238	2,843,983	3,017,242	3,195,123
Trade and Other Receivables	95,422	228,493	158,661	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160
Inventories	20,264	36,398	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982
TOTAL CURRENT ASSETS	1,544,940	1,920,351	3,537,338	2,549,340	1,734,522	1,881,671	1,882,620	2,015,209	2,151,446	2,291,417	2,435,213	2,582,925	2,734,646	2,890,476	3,050,511	3,214,849	3,383,594	3,556,853	3,734,734
NON-CURRENT ASSETS																			
Other Receivables	1,265	146	131,226	131,226	131,226	131,226	131,226	131,226	131,226	131,226	131,226	131,226	131,226	131,226	131,226	131,226	131,226	131,226	131,226
Inventories	131,226	131,226	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Property Plant and Equipment	28,210,222	26,796,807	27,183,592	26,996,481	30,341,170	34,938,577	36,552,641	37,302,273	38,095,131	38,907,892	39,802,766	40,763,365	41,742,880	42,781,122	43,869,669	44,973,339	46,100,451	47,252,431	48,434,364
Infrastructure	94,256,139	173,624,275	173,585,119	176,870,149	185,526,935	190,159,670	194,900,411	199,253,265	203,660,493	208,148,030	212,717,334	217,369,887	222,107,194	226,930,797	231,842,261	236,843,178	241,934,392	247,117,506	252,394,152
TOTAL NON-CURRENT ASSETS	122,598,852	200,552,454	200,899,937	203,997,856	215,999,331	225,229,473	231,584,278	236,686,764	241,886,850	247,187,148	252,651,326	258,264,478	263,981,300	269,843,145	275,843,156	281,947,743	288,166,069	294,501,163	300,959,742
TOTAL ASSETS	124,143,792	202,472,805	204,437,275	206,547,196	217,733,853	227,111,144	233,466,898	238,701,973	244,038,296	249,478,565	255,086,539	260,847,403	266,715,946	272,733,621	278,893,667	285,162,592	291,549,663	298,058,016	304,694,476
CURRENT LIABILITIES																			
Trade and Other Payables	162,293	241,967	545,029	554,391	554,391	554,391	554,391	554,391	554,391	554,391	554,391	554,391	554,391	554,391	554,391	554,391	554,391	554,391	554,391
Current Portion of Long-term Liabilities	130,516	127,004	993,060	259,377	205,348	147,668	152,926	158,379	164,034	107,819	67,875	69,710	37,645	17,962	18,374	18,796	19,227	19,667	20,118
Provisions	286,017	246,999	287,430	287,430	287,430	287,430	287,430	287,430	287,430	287,430	287,430	287,430	287,430	287,430	287,430	287,430	287,430	287,430	287,430
TOTAL CURRENT LIABILITIES	578,826	615,970	1,825,519	1,101,198	1,047,169	989,489	994,747	1,000,200	1,005,855	949,640	909,696	911,531	879,466	859,783	860,195	860,617	861,048	861,488	861,939
NON-CURRENT LIABILITIES																			
Long-term Borrowings	1,000,064	873,060	0	917,828	1,116,598	968,930	816,004	657,625	493,591	385,772	317,897	248,187	210,542	192,580	174,206	155,410	136,183	116,516	96,398
Provisions	37,635	61,601	50,527	50,527	50,527	50,527	50,527	50,527	50,527	50,527	50,527	50,527	50,527	50,527	50,527	50,527	50,527	50,527	50,527
TOTAL NON-CURRENT LIABILITIES	1,037,699	934,661	50,527	968,355	1,167,125	1,019,457	866,531	708,152	544,118	436,299	368,424	298,714	261,069	243,107	224,733	205,937	186,710	167,043	146,925
TOTAL LIABILITIES	1,616,525	1,550,631	1,876,046	2,069,553	2,214,294	2,008,946	1,861,278	1,708,352	1,549,973	1,385,939	1,278,120	1,210,245	1,140,535	1,102,890	1,084,928	1,066,554	1,047,758	1,028,531	1,008,864
NET ASSETS	122,527,267	200,922,174	202,561,229	204,477,643	215,519,559	225,102,198	231,605,620	236,993,621	242,488,323	248,092,626	253,808,419	259,637,158	265,575,411	271,630,731	277,808,739	284,096,038	290,501,905	297,029,485	303,685,612
EQUITY																			
Retained Surplus	48,925,017	49,985,980	51,382,852	53,135,418	60,345,024	65,539,600	67,618,882	68,324,228	69,032,750	69,743,582	70,455,431	71,166,615	71,874,863	72,579,850	73,277,186	73,968,979	74,654,492	75,333,207	76,003,988
Reserves - Cash Backed	1,065,052	1,139,430	1,178,385	1,342,233	1,180,131	1,327,280	1,328,229	1,460,818	1,597,055	1,737,026	1,880,822	2,028,534	2,180,255	2,336,085	2,496,120	2,660,458	2,829,203	3,002,462	3,180,343
Revaluation Surplus	72,537,198	149,796,764	149,999,992	149,999,992	153,994,404	158,235,318	162,658,509	167,208,575	171,858,518	176,612,018	181,472,166	186,442,009	191,520,293	196,714,796	202,035,433	207,466,601	213,018,210	218,693,816	224,501,281
TOTAL EQUITY	122,527,267	200,922,174	202,561,229	204,477,643	215,519,559	225,102,198	231,605,620	236,993,621	242,488,323	248,092,626	253,808,419	259,637,158	265,575,411	271,630,731	277,808,739	284,096,038	290,501,905	297,029,485	303,685,612

APPENDIX B5 – FORECAST STATEMENT OF CHANGES IN EQUITY 2017-2032

	2015	2016	2017	Base	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	30 June 32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RETAINED SURPLUS																			
Opening Balance	47,452,679	48,925,019	48,398,781	50,736,082	53,135,418	60,345,024	65,539,600	67,618,882	68,324,228	69,032,750	69,743,582	70,455,431	71,166,615	71,874,863	72,579,850	73,277,186	73,968,979	74,654,492	75,333,207
Net Result	1,472,338	1,135,339	3,023,026	2,563,184	7,047,504	5,341,725	2,080,231	837,935	844,759	850,803	855,645	858,896	859,969	860,817	857,371	856,131	854,258	851,974	848,662
Amount transferred (to)/from Reserves	0	(74,378)	(38,955)	(163,848)	162,102	(147,149)	(949)	(132,589)	(136,237)	(139,971)	(143,796)	(147,712)	(151,721)	(155,830)	(160,035)	(164,338)	(168,745)	(173,259)	(177,881)
Closing Balance	48,925,017	49,985,980	51,382,852	53,135,418	60,345,024	65,539,600	67,618,882	68,324,228	69,032,750	69,743,582	70,455,431	71,166,615	71,874,863	72,579,850	73,277,186	73,968,979	74,654,492	75,333,207	76,003,988
RESERVES - CASH BACKED																			
Opening Balance	1,065,052	1,065,052	1,139,430	1,178,385	1,342,233	1,180,131	1,327,280	1,328,229	1,460,818	1,597,055	1,737,026	1,880,822	2,028,534	2,180,255	2,336,085	2,496,120	2,660,458	2,829,203	3,002,462
Amount transferred to/(from) Retained Surplus	0	74,378	38,955	163,848	(162,102)	147,149	949	132,589	136,237	139,971	143,796	147,712	151,721	155,830	160,035	164,338	168,745	173,259	177,881
Closing Balance	1,065,052	1,139,430	1,178,385	1,342,233	1,180,131	1,327,280	1,328,229	1,460,818	1,597,055	1,737,026	1,880,822	2,028,534	2,180,255	2,336,085	2,496,120	2,660,458	2,829,203	3,002,462	3,180,343
ASSET REVALUATION SURPLUS																			
Opening Balance	55,450,345	72,537,198	149,999,992	149,999,992	149,999,992	153,994,404	158,235,318	162,658,509	167,208,575	171,858,518	176,612,018	181,472,166	186,442,009	191,520,293	196,714,796	202,035,433	207,466,601	213,018,210	218,693,816
Total Other Comprehensive Income	17,086,853	77,259,566	0	0	3,994,412	4,240,914	4,423,191	4,550,066	4,649,943	4,753,500	4,860,148	4,969,843	5,078,284	5,194,503	5,320,637	5,431,168	5,551,609	5,675,606	5,807,465
Closing Balance	72,537,198	149,796,764	149,999,992	149,999,992	153,994,404	158,235,318	162,658,509	167,208,575	171,858,518	176,612,018	181,472,166	186,442,009	191,520,293	196,714,796	202,035,433	207,466,601	213,018,210	218,693,816	224,501,281
TOTAL EQUITY	122,527,267	200,922,174	202,561,229	204,477,643	215,519,559	225,102,198	231,605,620	236,993,621	242,488,323	248,092,626	253,808,419	259,637,158	265,575,411	271,630,731	277,808,739	284,096,038	290,501,905	297,029,485	303,685,612

APPENDIX B6 – FORECAST STATEMENT OF CASHFLOWS 2017-2032

	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	2031-32	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Cash Flows From Operating Activities																
Receipts																
Rates	3,187,307	3,251,053	3,316,074	3,382,396	3,450,044	3,519,045	3,589,426	3,661,215	3,734,440	3,809,128	3,885,310	3,963,016	4,042,276	4,123,121	4,205,583	
Operating grants, subsidies and contributions	3,591,239	1,789,458	1,825,247	1,861,751	1,898,988	1,936,969	1,975,709	2,015,223	2,055,529	2,096,642	2,138,574	2,181,347	2,224,974	2,269,475	2,314,865	
Fees and charges	759,026	774,206	789,693	805,486	821,595	838,027	854,787	871,882	889,320	907,107	925,249	943,751	962,628	981,883	1,001,522	
Interest earnings	34,937	22,715	24,922	24,936	26,926	28,969	31,069	33,225	35,440	37,718	40,056	42,454	44,919	47,451	50,052	
Other revenue	491,640	501,473	511,503	521,733	532,167	542,811	553,668	564,741	576,036	587,557	599,308	611,294	623,520	635,990	648,710	
	8,064,149	6,338,905	6,467,439	6,596,302	6,729,720	6,865,821	7,004,659	7,146,286	7,290,765	7,438,152	7,588,497	7,741,862	7,898,317	8,057,920	8,220,732	
Payments																
Employee costs	(1,910,151)	(1,948,354)	(1,987,316)	(2,027,057)	(2,067,599)	(2,108,956)	(2,151,133)	(2,194,154)	(2,238,044)	(2,282,812)	(2,328,461)	(2,375,026)	(2,422,526)	(2,470,980)	(2,520,388)	
Materials and contracts	(4,513,148)	(2,294,691)	(2,340,586)	(2,387,395)	(2,435,144)	(2,483,835)	(2,533,519)	(2,584,185)	(2,635,864)	(2,688,594)	(2,742,366)	(2,797,218)	(2,853,163)	(2,910,229)	(2,968,426)	
Utility charges	(162,952)	(166,205)	(169,539)	(172,935)	(176,395)	(179,927)	(183,530)	(187,204)	(190,948)	(194,769)	(198,665)	(202,637)	(206,697)	(210,832)	(215,045)	
Interest expenses	(51,154)	(41,828)	(33,722)	(28,464)	(23,011)	(17,356)	(12,119)	(9,046)	(7,211)	(5,402)	(4,699)	(4,287)	(3,865)	(3,434)	(2,994)	
Insurance expenses	(238,607)	(243,380)	(248,247)	(253,209)	(258,274)	(263,442)	(268,711)	(274,084)	(279,564)	(285,158)	(290,864)	(296,681)	(302,614)	(308,667)	(314,840)	
Other expenditure	(42,541)	(43,404)	(44,280)	(45,171)	(46,061)	(47,007)	(47,974)	(48,933)	(49,928)	(50,935)	(51,957)	(52,988)	(54,051)	(55,135)	(56,264)	
	(6,918,553)	(4,737,862)	(4,823,690)	(4,914,231)	(5,006,484)	(5,100,523)	(5,196,986)	(5,297,606)	(5,401,559)	(5,507,670)	(5,617,012)	(5,728,837)	(5,842,916)	(5,959,277)	(6,077,957)	
Net Cash Provided By (Used In) Operating Activities	1,145,596	1,601,043	1,643,749	1,682,071	1,723,236	1,765,298	1,807,673	1,848,680	1,889,206	1,930,482	1,971,485	2,013,025	2,055,401	2,098,643	2,142,775	
Cash Flows from Investing Activities																
Payments for purchase of property, plant & equipment	(4,169,612)	(5,034,677)	(2,132,596)	(1,141,522)	(1,324,736)	(1,441,280)	(1,476,858)	(1,404,116)	(1,713,898)	(1,620,620)	(1,394,804)	(1,713,753)	(1,867,014)	(1,924,781)	(1,715,893)	
Payments for construction of infrastructure	(6,306,331)	(2,134,068)	(2,177,182)	(1,719,822)	(1,712,833)	(1,731,223)	(1,750,000)	(1,769,172)	(1,788,747)	(1,808,735)	(1,829,144)	(1,849,984)	(1,870,483)	(1,891,392)	(1,912,720)	
Non-operating grants, subsidies and contributions	7,692,528	5,621,604	2,362,571	1,123,822	1,135,298	1,147,004	1,158,944	1,171,123	1,183,545	1,196,216	1,209,140	1,222,323	1,235,769	1,249,484	1,263,474	
Proceeds from sale of plant & equipment	678,260	298,595	452,075	340,966	473,651	564,206	511,856	369,072	651,325	496,132	221,320	511,101	633,868	660,532	419,912	
Net Cash Provided By (Used In) Investing Activities	(2,105,155)	(1,248,546)	(1,495,132)	(1,396,556)	(1,428,620)	(1,461,293)	(1,556,058)	(1,633,093)	(1,667,775)	(1,737,007)	(1,793,488)	(1,830,313)	(1,867,860)	(1,906,157)	(1,945,227)	
Cash Flows from Financing Activities																
Repayment of debentures	(217,585)	(205,348)	(147,668)	(152,926)	(158,379)	(164,034)	(107,819)	(67,875)	(69,710)	(37,645)	(17,962)	(18,374)	(18,796)	(19,227)	(19,667)	
Proceeds from new debentures	362,326	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Net Cash Provided By (Used In) Financing Activities	144,741	(205,348)	(147,668)	(152,926)	(158,379)	(164,034)	(107,819)	(67,875)	(69,710)	(37,645)	(17,962)	(18,374)	(18,796)	(19,227)	(19,667)	
Net Increase (Decrease) in Cash Held	(814,818)	147,149	949	132,589	136,237	139,971	143,796	147,712	151,721	155,830	160,035	164,338	168,745	173,259	177,881	
Cash at beginning of year	2,329,198	1,514,380	1,661,529	1,662,478	1,795,067	1,931,304	2,071,275	2,215,071	2,362,783	2,514,504	2,670,334	2,830,369	2,994,707	3,163,452	3,336,711	
Cash and Cash Equivalents at the End of Year	1,514,380	1,661,529	1,662,478	1,795,067	1,931,304	2,071,275	2,215,071	2,362,783	2,514,504	2,670,334	2,830,369	2,994,707	3,163,452	3,336,711	3,514,592	
Reconciliation of Net Cash Provided By Operating Activities to Net Result																
Net Result	7,047,504	5,341,725	2,080,231	837,935	844,759	850,803	855,645	858,896	859,969	860,817	857,371	856,131	854,258	851,974	848,662	
Depreciation	1,790,620	1,880,922	1,926,089	1,967,958	2,013,775	2,061,499	2,110,972	2,160,907	2,212,782	2,265,881	2,323,254	2,379,217	2,436,912	2,496,153	2,557,587	
Grants/Contributions for the development of assets	(7,692,528)	(5,621,604)	(2,362,571)	(1,123,822)	(1,135,298)	(1,147,004)	(1,158,944)	(1,171,123)	(1,183,545)	(1,196,216)	(1,209,140)	(1,222,323)	(1,235,769)	(1,249,484)	(1,263,474)	
Net Cash from Operating Activities	1,145,596	1,601,043	1,643,749	1,682,071	1,723,236	1,765,298	1,807,673	1,848,680	1,889,206	1,930,482	1,971,485	2,013,025	2,055,401	2,098,643	2,142,775	

APPENDIX B7 – FORECAST STATEMENT OF FUNDING 2017-2032

	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	2031-32	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
FUNDING FROM OPERATIONAL ACTIVITIES																
Revenues																
Rates	3,187,307	3,251,053	3,316,074	3,382,396	3,450,044	3,519,045	3,589,426	3,661,215	3,734,440	3,809,128	3,885,310	3,963,016	4,042,276	4,123,121	4,205,583	
Operating grants, subsidies and contributions	3,591,239	1,789,458	1,825,247	1,861,751	1,898,988	1,936,969	1,975,709	2,015,223	2,055,529	2,096,642	2,138,574	2,181,347	2,224,974	2,269,475	2,314,865	
Fees and charges	759,026	774,206	789,693	805,486	821,595	838,027	854,787	871,882	889,320	907,107	925,249	943,751	962,628	981,883	1,001,522	
Interest earnings	34,937	22,715	24,922	24,936	26,926	28,969	31,069	33,225	35,440	37,718	40,056	42,454	44,919	47,451	50,052	
Other revenue	491,640	501,473	511,503	521,733	532,167	542,811	553,668	564,741	576,036	587,557	599,308	611,294	623,520	635,990	648,710	
	8,064,149	6,338,905	6,467,439	6,596,302	6,729,720	6,865,821	7,004,659	7,146,286	7,290,765	7,438,152	7,588,497	7,741,862	7,898,317	8,057,920	8,220,732	
Expenses																
Employee costs	(1,910,151)	(1,948,354)	(1,987,316)	(2,027,057)	(2,067,599)	(2,108,956)	(2,151,133)	(2,194,154)	(2,238,044)	(2,282,812)	(2,328,461)	(2,375,026)	(2,422,526)	(2,470,980)	(2,520,388)	
Materials and contracts	(4,513,148)	(2,294,691)	(2,340,586)	(2,387,395)	(2,435,144)	(2,483,835)	(2,533,519)	(2,584,185)	(2,635,864)	(2,688,594)	(2,742,366)	(2,797,218)	(2,853,163)	(2,910,229)	(2,968,426)	
Utility charges (electricity, gas, water etc.)	(162,952)	(166,205)	(169,539)	(172,935)	(176,395)	(179,927)	(183,530)	(187,204)	(190,948)	(194,769)	(198,665)	(202,637)	(206,697)	(210,832)	(215,045)	
Depreciation on non-current assets	(1,790,620)	(1,880,922)	(1,926,089)	(1,967,958)	(2,013,775)	(2,061,499)	(2,110,972)	(2,160,907)	(2,212,782)	(2,265,881)	(2,323,254)	(2,379,217)	(2,436,912)	(2,496,153)	(2,557,587)	
Interest expense	(51,154)	(41,828)	(33,722)	(28,464)	(23,011)	(17,356)	(12,119)	(9,046)	(7,211)	(5,402)	(4,699)	(4,287)	(3,865)	(3,434)	(2,994)	
Insurance expense	(238,607)	(243,380)	(248,247)	(253,209)	(258,274)	(263,442)	(268,711)	(274,084)	(279,564)	(285,158)	(290,864)	(296,681)	(302,614)	(308,667)	(314,840)	
Other expenditure	(42,541)	(43,404)	(44,280)	(45,171)	(46,061)	(47,007)	(47,974)	(48,933)	(49,928)	(50,935)	(51,957)	(52,988)	(54,051)	(55,135)	(56,264)	
	(8,709,173)	(6,618,784)	(6,749,779)	(6,882,189)	(7,020,259)	(7,162,022)	(7,307,958)	(7,458,513)	(7,614,341)	(7,773,551)	(7,940,266)	(8,108,054)	(8,279,828)	(8,455,430)	(8,635,544)	
	(645,024)	(279,879)	(282,340)	(285,887)	(290,539)	(296,201)	(303,299)	(312,227)	(323,576)	(335,399)	(351,769)	(366,192)	(381,511)	(397,510)	(414,812)	
Funding Position Adjustments																
Depreciation on non-current assets	1,790,620	1,880,922	1,926,089	1,967,958	2,013,775	2,061,499	2,110,972	2,160,907	2,212,782	2,265,881	2,323,254	2,379,217	2,436,912	2,496,153	2,557,587	
Net Funding From Operational Activities	1,145,596	1,601,043	1,643,749	1,682,071	1,723,236	1,765,298	1,807,673	1,848,680	1,889,206	1,930,482	1,971,485	2,013,025	2,055,401	2,098,643	2,142,775	
FUNDING FROM CAPITAL ACTIVITIES																
Inflows																
Proceeds on disposal	678,260	298,595	452,075	340,966	473,651	564,206	511,856	369,072	651,325	496,132	221,320	511,101	633,868	660,532	419,912	
Non-operating grants, subsidies and contributions	7,692,528	5,621,604	2,362,571	1,123,822	1,135,298	1,147,004	1,158,944	1,171,123	1,183,545	1,196,216	1,209,140	1,222,323	1,235,769	1,249,484	1,263,474	
Outflows																
Purchase of property plant and equipment	(4,169,612)	(5,034,677)	(2,132,596)	(1,141,522)	(1,324,736)	(1,441,280)	(1,476,858)	(1,404,116)	(1,713,898)	(1,620,620)	(1,394,804)	(1,713,753)	(1,867,014)	(1,924,781)	(1,715,893)	
Purchase of infrastructure	(6,306,331)	(2,134,068)	(2,177,182)	(1,719,822)	(1,712,833)	(1,731,223)	(1,750,000)	(1,769,172)	(1,788,747)	(1,808,735)	(1,829,144)	(1,849,984)	(1,870,483)	(1,891,392)	(1,912,720)	
Net Funding From Capital Activities	(2,105,155)	(1,248,546)	(1,495,132)	(1,396,556)	(1,428,620)	(1,461,293)	(1,556,058)	(1,633,093)	(1,667,775)	(1,737,007)	(1,793,488)	(1,830,313)	(1,867,860)	(1,906,157)	(1,945,227)	
FUNDING FROM FINANCING ACTIVITIES																
Inflows																
Transfer from reserves	231,999	0	150,000	0	0	0	0	0	0	0	0	0	0	0	0	
New borrowings	362,326	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Outflows																
Transfer to reserves	(69,897)	(147,149)	(150,949)	(132,589)	(136,237)	(139,971)	(143,796)	(147,712)	(151,721)	(155,830)	(160,035)	(164,338)	(168,745)	(173,259)	(177,881)	
Repayment of past borrowings	(217,585)	(205,348)	(147,668)	(152,926)	(158,379)	(164,034)	(107,819)	(67,875)	(69,710)	(37,645)	(17,962)	(18,374)	(18,796)	(19,227)	(19,667)	
Net Funding From Financing Activities	306,843	(352,497)	(148,617)	(285,515)	(294,616)	(304,005)	(251,615)	(215,587)	(221,431)	(193,475)	(177,997)	(182,712)	(187,541)	(192,486)	(197,548)	
Estimated Surplus/Deficit July 1 B/Fwd	652,716	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 B7 – FORECAST STATEMENT OF FUNDING 2017-2032 (Continued)

	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	2031-32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
COMPOSITION OF CLOSING POSITION															
CURRENT ASSETS															
Unrestricted Cash and Equivalents	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469
Restricted Cash and Cash Equivalent	1,194,911	1,342,060	1,343,009	1,475,598	1,611,835	1,751,806	1,895,602	2,043,314	2,195,035	2,350,865	2,510,900	2,675,238	2,843,983	3,017,242	3,195,123
Trade and Other Receivables	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160
Inventories	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982
CURRENT LIABILITIES															
Trade and Other Payables	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)
Reserves	(1,180,131)	(1,327,280)	(1,328,229)	(1,460,818)	(1,597,055)	(1,737,026)	(1,880,822)	(2,028,534)	(2,180,255)	(2,336,085)	(2,496,120)	(2,660,458)	(2,829,203)	(3,002,462)	(3,180,343)
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															
	1,734,522	1,881,671	1,882,620	2,015,209	2,151,446	2,291,417	2,435,213	2,582,925	2,734,646	2,890,476	3,050,511	3,214,849	3,383,594	3,556,853	3,734,734
TOTAL CURRENT LIABILITIES															
	(1,047,169)	(989,489)	(994,747)	(1,000,200)	(1,005,855)	(949,640)	(909,696)	(911,531)	(879,466)	(859,783)	(860,195)	(860,617)	(861,048)	(861,488)	(861,939)
Reserves	(1,180,131)	(1,327,280)	(1,328,229)	(1,460,818)	(1,597,055)	(1,737,026)	(1,880,822)	(2,028,534)	(2,180,255)	(2,336,085)	(2,496,120)	(2,660,458)	(2,829,203)	(3,002,462)	(3,180,343)
Add: Leave Reserve	53,928	74,737	95,858	97,296	98,755	100,236	101,740	103,266	104,815	106,387	107,983	109,603	111,247	112,916	114,610
Add: Current Long Term Borrowings	205,348	147,668	152,926	158,379	164,034	107,819	67,875	69,710	37,645	17,962	18,374	18,796	19,227	19,667	20,118
Add: Non cash backed current Leave liability not paid	233,502	212,693	191,572	190,134	188,675	187,194	185,690	184,164	182,615	181,043	179,447	177,827	176,183	174,514	172,820
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

APPENDIX B8 – FORECAST STATEMENT OF NET CURRENT ASSET COMPOSITION 2017-2032

	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	2031-32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Estimated Surplus/Deficit July 1 B/Fwd	652,716	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CURRENT ASSETS															
Unrestricted Cash and Equivalents	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469	319,469
Restricted Cash and Cash Equivalent	1,194,911	1,342,060	1,343,009	1,475,598	1,611,835	1,751,806	1,895,602	2,043,314	2,195,035	2,350,865	2,510,900	2,675,238	2,843,983	3,017,242	3,195,123
Trade and Other Receivables	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160	188,160
Inventories	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982	31,982
CURRENT LIABILITIES															
Trade and Other Payables	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)	(554,391)
Reserves	(1,180,131)	(1,327,280)	(1,328,229)	(1,460,818)	(1,597,055)	(1,737,026)	(1,880,822)	(2,028,534)	(2,180,255)	(2,336,085)	(2,496,120)	(2,660,458)	(2,829,203)	(3,002,462)	(3,180,343)
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 2017-2032

	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	2031-32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
CAPITAL WORKS - INFRASTRUCTURE															
Roads	2,066,804	1,986,105	1,617,480	1,633,329	1,649,495	1,665,985	1,682,805	1,699,961	1,717,460	1,735,309	1,753,515	1,772,086	1,791,027	1,810,347	1,830,054
Footpaths	216,000	57,963	59,702	61,493	63,338	65,238	67,195	69,211	71,287	73,426	75,629	77,898	79,456	81,045	82,666
Other Infrastructure	3,913,527	90,000	500,000	25,000	0	0	0	0	0	0	0	0	0	0	0
Aerodromes	110,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Capital Works - Infrastructure	6,306,331	2,134,068	2,177,182	1,719,822	1,712,833	1,731,223	1,750,000	1,769,172	1,788,747	1,808,735	1,829,144	1,849,984	1,870,483	1,891,392	1,912,720
Represented by:															
Additions - Expansion, Upgrades and New	4,239,527	187,963	559,702	86,493	63,338	65,238	67,195	69,211	71,287	73,426	75,629	77,898	79,456	81,045	82,666
Additions - Renewal	2,066,804	1,946,105	1,617,480	1,633,329	1,649,495	1,665,985	1,682,805	1,699,961	1,717,460	1,735,309	1,753,515	1,772,086	1,791,027	1,810,347	1,830,054
Total Capital Works - Infrastructure	6,306,331	2,134,068	2,177,182	1,719,822	1,712,833	1,731,223	1,750,000	1,769,172	1,788,747	1,808,735	1,829,144	1,849,984	1,870,483	1,891,392	1,912,720
Asset Movement Reconciliation															
Total Capital Works Infrastructure	6,306,331	2,134,068	2,177,182	1,719,822	1,712,833	1,731,223	1,750,000	1,769,172	1,788,747	1,808,735	1,829,144	1,849,984	1,870,483	1,891,392	1,912,720
Depreciation Infrastructure	(1,186,947)	(1,211,871)	(1,239,635)	(1,264,974)	(1,290,671)	(1,316,897)	(1,343,658)	(1,370,968)	(1,398,836)	(1,427,275)	(1,456,296)	(1,485,914)	(1,516,132)	(1,546,965)	(1,578,425)
Revaluation of Infrastructure assets (Inflation)	3,537,402	3,710,538	3,803,194	3,898,006	3,985,066	4,073,211	4,162,962	4,254,349	4,347,396	4,442,143	4,538,616	4,636,847	4,736,863	4,838,687	4,942,351
Net Movement in Infrastructure Assets	8,656,786	4,632,735	4,740,741	4,352,854	4,407,228	4,487,537	4,569,304	4,652,553	4,737,307	4,823,603	4,911,464	5,000,917	5,091,214	5,183,114	5,276,646
CAPITAL WORKS - PROPERTY, PLANT AND EQUIPMENT															
Land	0	0	100,000	0	0	0	0	0	0	0	0	0	0	0	0
Buildings	3,655,000	4,500,000	1,400,000	594,634	668,239	761,706	828,504	775,462	893,435	893,402	1,111,464	955,923	1,025,799	1,064,063	1,111,929
Plant and Equipment	514,612	534,677	632,596	546,888	656,497	679,574	648,354	628,654	820,463	727,218	283,340	757,830	841,215	860,718	603,964
Total Capital Works Property, Plant and Equipment	4,169,612	5,034,677	2,132,596	1,141,522	1,324,736	1,441,280	1,476,858	1,404,116	1,713,898	1,620,620	1,394,804	1,713,753	1,867,014	1,924,781	1,715,893
Represented by:															
Additions - Expansion, Upgrades and New	3,655,000	4,500,000	1,500,000	0	0	0	0	0	0	0	0	0	0	0	0
Additions - Renewal	514,612	534,677	632,596	1,141,522	1,324,736	1,441,280	1,476,858	1,404,116	1,713,898	1,620,620	1,394,804	1,713,753	1,867,014	1,924,781	1,715,893
Total Capital Works Property, Plant and Equipment	4,169,612	5,034,677	2,132,596	1,141,522	1,324,736	1,441,280	1,476,858	1,404,116	1,713,898	1,620,620	1,394,804	1,713,753	1,867,014	1,924,781	1,715,893
Asset Movement Reconciliation															
Total Capital Works Property, Plant and Equipment	4,169,612	5,034,677	2,132,596	1,141,522	1,324,736	1,441,280	1,476,858	1,404,116	1,713,898	1,620,620	1,394,804	1,713,753	1,867,014	1,924,781	1,715,893
Depreciation Property, Plant and Equipment	(603,673)	(669,051)	(686,454)	(702,984)	(723,104)	(744,602)	(767,314)	(789,939)	(813,946)	(838,606)	(866,958)	(893,303)	(920,780)	(949,188)	(979,162)
Net Book Value of disposed/Written Off assets	(678,260)	(298,595)	(452,075)	(340,966)	(473,651)	(564,206)	(511,856)	(369,072)	(651,325)	(496,132)	(221,320)	(511,101)	(633,868)	(660,532)	(419,912)
Revaluation of Property, Plant and Equipment (Inflation)	457,010	530,376	619,997	652,060	664,877	680,289	697,186	715,494	730,888	752,360	782,021	794,321	814,746	836,919	865,114
Net Movement in Property, Plant and Equipment	3,344,689	4,597,407	1,614,064	749,632	792,858	812,761	894,874	960,599	979,515	1,038,242	1,088,547	1,103,670	1,127,112	1,151,980	1,181,933
CAPITAL WORKS - TOTALS															
Capital Works															
Total Capital Works Infrastructure	6,306,331	2,134,068	2,177,182	1,719,822	1,712,833	1,731,223	1,750,000	1,769,172	1,788,747	1,808,735	1,829,144	1,849,984	1,870,483	1,891,392	1,912,720
Total Capital Works Property, Plant and Equipment	4,169,612	5,034,677	2,132,596	1,141,522	1,324,736	1,441,280	1,476,858	1,404,116	1,713,898	1,620,620	1,394,804	1,713,753	1,867,014	1,924,781	1,715,893
Total Capital Works	10,475,943	7,168,745	4,309,778	2,861,344	3,037,569	3,172,503	3,226,858	3,173,288	3,502,645	3,429,355	3,223,948	3,563,737	3,737,497	3,816,173	3,628,613
Fixed Asset Movement															
Net Movement in Infrastructure Assets	8,656,786	4,632,735	4,740,741	4,352,854	4,407,228	4,487,537	4,569,304	4,652,553	4,737,307	4,823,603	4,911,464	5,000,917	5,091,214	5,183,114	5,276,646
Net Movement in Property, Plant and Equipment	3,344,689	4,597,407	1,614,064	749,632	792,858	812,761	894,874	960,599	979,515	1,038,242	1,088,547	1,103,670	1,127,112	1,151,980	1,181,933
Net Movement in Fixed Assets	12,001,475	9,230,142	6,354,805	5,102,486	5,200,086	5,300,298	5,464,178	5,613,152	5,716,822	5,861,845	6,000,011	6,104,587	6,218,326	6,335,094	6,458,579

APPENDIX B10 – FORECAST STATEMENT OF CAPITAL FUNDING 2017-2032

	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	2031-32
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Capital Expenditure															
Roads	2,066,804	1,986,105	1,617,480	1,633,329	1,649,495	1,665,985	1,682,805	1,699,961	1,717,460	1,735,309	1,753,515	1,772,086	1,791,027	1,810,347	1,830,054
Footpaths	216,000	57,963	59,702	61,493	63,338	65,238	67,195	69,211	71,287	73,426	75,629	77,898	79,456	81,045	82,666
Other Infrastructure	3,913,527	90,000	500,000	25,000	0	0	0	0	0	0	0	0	0	0	0
Aerodromes	110,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Land	0	0	100,000	0	0	0	0	0	0	0	0	0	0	0	0
Buildings	3,655,000	4,500,000	1,400,000	594,634	668,239	761,706	828,504	775,462	893,435	893,402	1,111,464	955,923	1,025,799	1,064,063	1,111,929
Plant and Equipment	514,612	534,677	632,596	546,888	656,497	679,574	648,354	628,654	820,463	727,218	283,340	757,830	841,215	860,718	603,964
Total - Capital Expenditure	10,475,943	7,168,745	4,309,778	2,861,344	3,037,569	3,172,503	3,226,858	3,173,288	3,502,645	3,429,355	3,223,948	3,563,737	3,737,497	3,816,173	3,628,613
Funded By:															
Capital Grants & Contributions															
Roads	1,036,804	1,076,604	1,112,571	1,123,822	1,135,298	1,147,004	1,158,944	1,171,123	1,183,545	1,196,216	1,209,140	1,222,323	1,235,769	1,249,484	1,263,474
Footpaths	156,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Infrastructure	3,757,050	45,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Buildings	2,742,674	4,500,000	1,250,000	0	0	0	0	0	0	0	0	0	0	0	0
Total - Capital Grants & Contributions	7,692,528	5,621,604	2,362,571	1,123,822	1,135,298	1,147,004	1,158,944	1,171,123	1,183,545	1,196,216	1,209,140	1,222,323	1,235,769	1,249,484	1,263,474
Own Source Funding															
Roads	1,030,000	909,501	504,909	509,507	514,197	518,981	523,861	528,838	533,915	539,093	544,375	549,763	555,258	560,863	566,580
Footpaths	60,000	57,963	59,702	61,493	63,338	65,238	67,195	69,211	71,287	73,426	75,629	77,898	79,456	81,045	82,666
Other Infrastructure	156,477	45,000	500,000	25,000	0	0	0	0	0	0	0	0	0	0	0
Aerodromes	110,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Land	0	0	100,000	0	0	0	0	0	0	0	0	0	0	0	0
Buildings	140,000	0	150,000	594,634	668,239	761,706	828,504	775,462	893,435	893,402	1,111,464	955,923	1,025,799	1,064,063	1,111,929
Plant and Equipment	246,352	236,082	180,521	205,922	182,846	115,368	136,498	259,582	169,138	231,086	62,020	246,729	207,347	200,186	184,052
Total - Own Source Funding	1,742,829	1,248,546	1,495,132	1,396,556	1,428,620	1,461,293	1,556,058	1,633,093	1,667,775	1,737,007	1,793,488	1,830,313	1,867,860	1,906,157	1,945,227
Borrowings															
Buildings	362,326	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total - Borrowings	362,326	0													
Other (Disposals & C/Fwd)															
Buildings	410,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	268,260	298,595	452,075	340,966	473,651	564,206	511,856	369,072	651,325	496,132	221,320	511,101	633,868	660,532	419,912
Total - Other (Disposals & C/Fwd)	678,260	298,595	452,075	340,966	473,651	564,206	511,856	369,072	651,325	496,132	221,320	511,101	633,868	660,532	419,912
Total Capital Funding	10,475,943	7,168,745	4,309,778	2,861,344	3,037,569	3,172,503	3,226,858	3,173,288	3,502,645	3,429,355	3,223,948	3,563,737	3,737,497	3,816,173	3,628,613

APPENDIX B11 – FORECAST RATIOS 2017-2032

	Target Range		Average	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	2031-32
LIQUIDITY RATIOS																		
Current Ratio	> 1.00	> 1.20	0.66	0.54	0.59	0.60	0.60	0.59	0.64	0.67	0.67	0.70	0.72	0.72	0.72	0.72	0.72	0.72
OPERATING RATIOS																		
Operating Surplus Ratio	> 1.00%	> 15.00%	(6.86%)	(14.42%)	(6.15%)	(6.08%)	(6.04%)	(6.01%)	(6.01%)	(6.03%)	(6.09%)	(6.18%)	(6.28%)	(6.45%)	(6.59%)	(6.72%)	(6.87%)	(7.02%)
Own Source Revenue Coverage Ratio	> 40.00%	> 60.00%	67.53%	51.36%	68.74%	68.78%	68.79%	68.81%	68.82%	68.81%	68.79%	68.75%	68.71%	68.64%	68.58%	68.52%	68.46%	68.39%
BORROWINGS RATIOS																		
Debt Service Cover Ratio	> 3	> 5	40.85	4.45	6.65	9.25	9.43	9.63	9.83	15.17	24.15	24.65	44.97	87.21	89.02	90.87	92.76	94.69
FIXED ASSET RATIOS																		
Asset Sustainability Ratio	> 90.00%	> 110.00%	143.28%	144.16%	131.89%	116.82%	141.00%	147.69%	150.73%	149.68%	143.65%	155.07%	148.11%	135.51%	146.51%	150.11%	149.64%	138.64%
Asset Consumption Ratio	> 50.00%	> 60.00%	97.42%	97.80%	97.95%	97.92%	97.87%	97.80%	97.70%	97.59%	97.52%	97.41%	97.31%	97.14%	97.03%	96.89%	96.74%	96.58%
Asset Renewal Funding Ratio	> 75.00%	> 95.00%	193.97%	193.97%	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.

2016/17 BALANCES

Balances shown in this Plan as 2016/17 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	30 to 50
Furniture and Equipment	4 to 10
Plant and Equipment	5 to 15
Sealed Roads and Streets	
- Subgrade	Not depreciated
- Pavement	50 years
- Bituminous Seal	20 years
- Asphalt Seal	25 years
Gravel roads	
- Subgrade	Not depreciated
- Pavement	5
Footpaths	20 years
Sewerage piping	100 years
Water supply and drainage systems	75 years

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.

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

APPENDIX B12 - FORECAST SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

APPENDIX B12 - FORECAST SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

OTHER MATTERS

PREPARATION

This document was prepared for the Shire of Jerramungup by Moore Stephens.

RELIANCE

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DOCUMENT MANAGEMENT

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