

Shire of Laverton

Long Term Financial Plan

2016 - 2031



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1.0 FOREWORD

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

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

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

2.0 PLANNING OVERVIEW

2.1 PLANNING FOR A SUSTAINABLE AND STABLE FUTURE

The Shire of Laverton is planning for a positive, sustainable and stable future. The Shire seeks to maintain, and where possible, improve existing 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 Laverton.

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

An important element of long term financial planning is planning for the renewal of Shire assets. Where possible, the Shire's Asset Management Plan applies a condition based estimation of remaining useful life. In the circumstances where condition information was not available, an age based estimation of remaining useful life was applied.

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

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

2.3 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 such as community recreational spaces;
- The level of grants and contributions for capital projects and operations will remain relatively stable over the term of the Plan;
- The local and State economy will remain stable over the long term; and
- Assets are expected to be adequately maintained and continue to provide existing levels of service.

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

3.0 FINANCIAL STRATEGIC OVERVIEW

3.1 FORECAST SIGNIFICANT EVENTS

The maintenance and renewal of roads remains a high priority for the Shire due to the strategic economic benefit the road network provides to the local community. Although of high importance, the level of maintenance, renewal and upgrading of the road network remains highly dependent on the receipt of external grants and contributions.

Also of significant importance is an increase in capacity in relation to community recreational areas through the development of the Community Hub, which is one of the priority projects in this LTFP.

3.2 FINANCIAL MANAGEMENT STRATEGY

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

Financial Constraint	Long Term Financial Strategy
Borrowings – Purpose	The Shire’s plan is to use funds from borrowings for the following purposes: <ul style="list-style-type: none"> (a) The acquisition of community assets that have a long service life (10 years and above) and will set the repayment term to be no more than the estimated useful life of the asset; or (b) The financing of commercial activities and land developments that offer net positive future cash flow with low levels of financial risk.
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 and a borrowing to revenue ratio of no more than 50%.
Asset Renewal	The Shire will structure its operating revenue and expenditure with the goal of achieving the future renewal of its assets within the estimated planned useful life. The level and timing of asset renewal may be influenced by, and subject to, the receipt of external grants and contributions.
Services	The Shire plans to maintain current service levels and where possible, improve levels where funds are available to do so, while maintaining a strong financial position. The range and level of services will be considered annually as part of the review of the Shire’s corporate business plan.
Operating Surplus	The Shire plans to achieve an improved operating surplus ratio over the term of the plan.
Rates	The Shire plans to maintain a smooth and predictable approach to the movement in rates revenue referenced to movements in expenditure over the term. To achieve its overall financial strategy, the Shire plans to increase rate revenue by the CPI inflator used in this plan (2%).

3.0 FINANCIAL STRATEGIC OVERVIEW (Continued)

3.3 FINANCIAL SUSTAINABILITY

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

Recognising that the current levels of services and facilities were established and are maintained with the assistance of external contributions, the Shire is not in a position to independently sustain these current levels. Although not expecting to achieve independent financial sustainability, 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

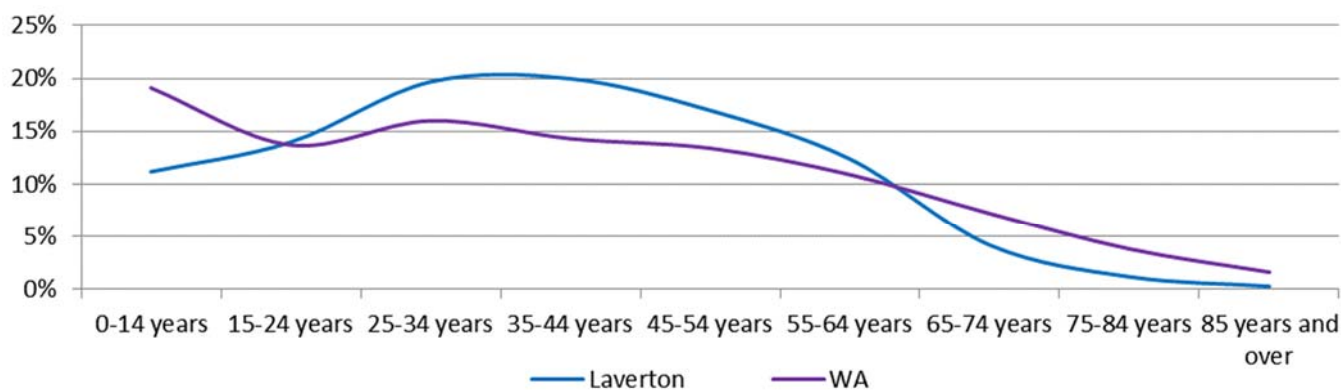
4.1 COMMUNITY

The Shire of Laverton is situated on the western edge of the Great Victorian Desert and is the Western Gateway to the Outback Highway, “Australia’s Longest Shortcut” which traverses Western Australia, Northern Territory and Queensland.

The mining and processing of mineral resources and complementary services is the primary industry within the region. The region also has a strong agricultural base, as well as a growing focus on tourism particularly in the southern parts of the region.

Compared to the State population average, the Shire has a substantially higher percentage of residents aged 24-64 as set out in the following graph.

SHIRE OF LAVERTON RESIDENT POPULATION BY AGE GROUP



4.0 COMMUNITY PROFILE, VISION AND OBJECTIVES (Continued)

4.2 VISION

The Shire's vision adopted in the Strategic Community Plan 2016-2026 is:

The Shire of Laverton will strive to work with the community to fulfil their needs and support their assumptions while acting with fairness and demonstrating leadership.

4.3 OBJECTIVES

The objectives contained in the Shire's Strategic Community Plan represent the broad outcomes which, over the long term, will progress achievement of the vision. The strategic objectives provide the foundation for ensuring alignment between the vision and the activities and task undertaken. By seeking continual alignment of all actions with the vision, Council seeks to ensure the Strategic Plan outcomes are the focus of service delivery.

The following four objectives will guide the overall Council strategy.

OBJECTIVE 1:

SOCIAL Proud, spirited, harmonious and connected community.

OBJECTIVE 2:

ECONOMIC Prosperous local economy attracting businesses, opportunities and people.

OBJECTIVE 3:

ENVIRONMENT Revitalised, green, welcoming and safe natural and built environment.

OBJECTIVE 4:

CIVIC LEADERSHIP A financially strong and knowledgeable Shire, leading an empowered community.

5.0 KEY CURRENT INFORMATION

5.1 KEY STATISTICS: SHIRE OF LAVERTON 2015¹

Number of Elected Members	7
Number of Staff	44
Number of Electors	386
Number of Dwellings	163
Distance from Perth (km)	956
Area (sq. km)	183,198
Population (Est.)	1357

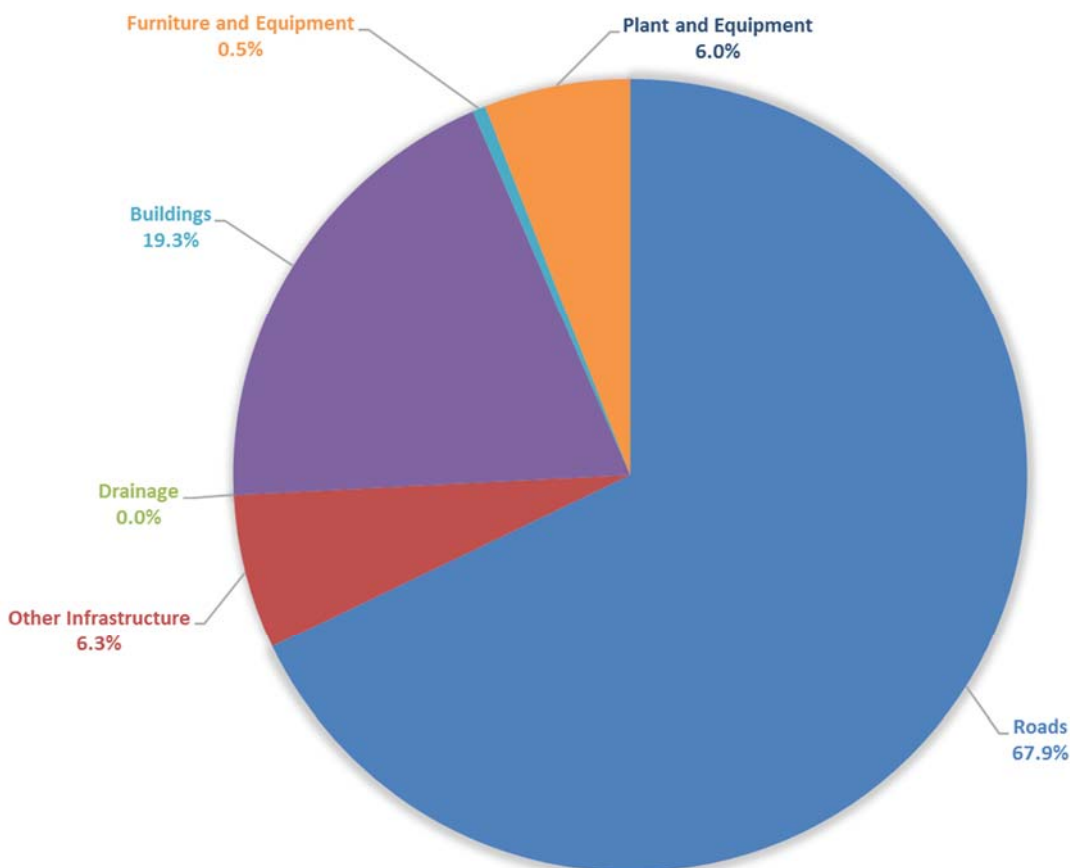
5.2 KEY FINANCIAL INFORMATION 2015²

Rates Revenue	\$3,438,074
Fees and Charges	\$614,741
Operating Revenue	\$7,475,054
Operating Expenditure	\$7,195,339
Net Assets	\$56,353,409
Cash Backed Reserves	\$3,925,443
Long Term Borrowings	\$1,132,100

5.3 KEY ASSET INFORMATION

The Shire controls a non-current asset network with a written down value of over \$73m, of which Roads, Other Infrastructure and Buildings constitute the largest component values, as reflected in the chart below

5.3.1 ASSET VALUE BY CLASS SHIRE OF LAVERTON 2015



¹ Australian Bureau of Statistics, Basic Community Profile (LGA54970)

² Shire of Laverton, Annual Financial Report 2015

6.0 STRATEGIC PLANNING AND POLICIES

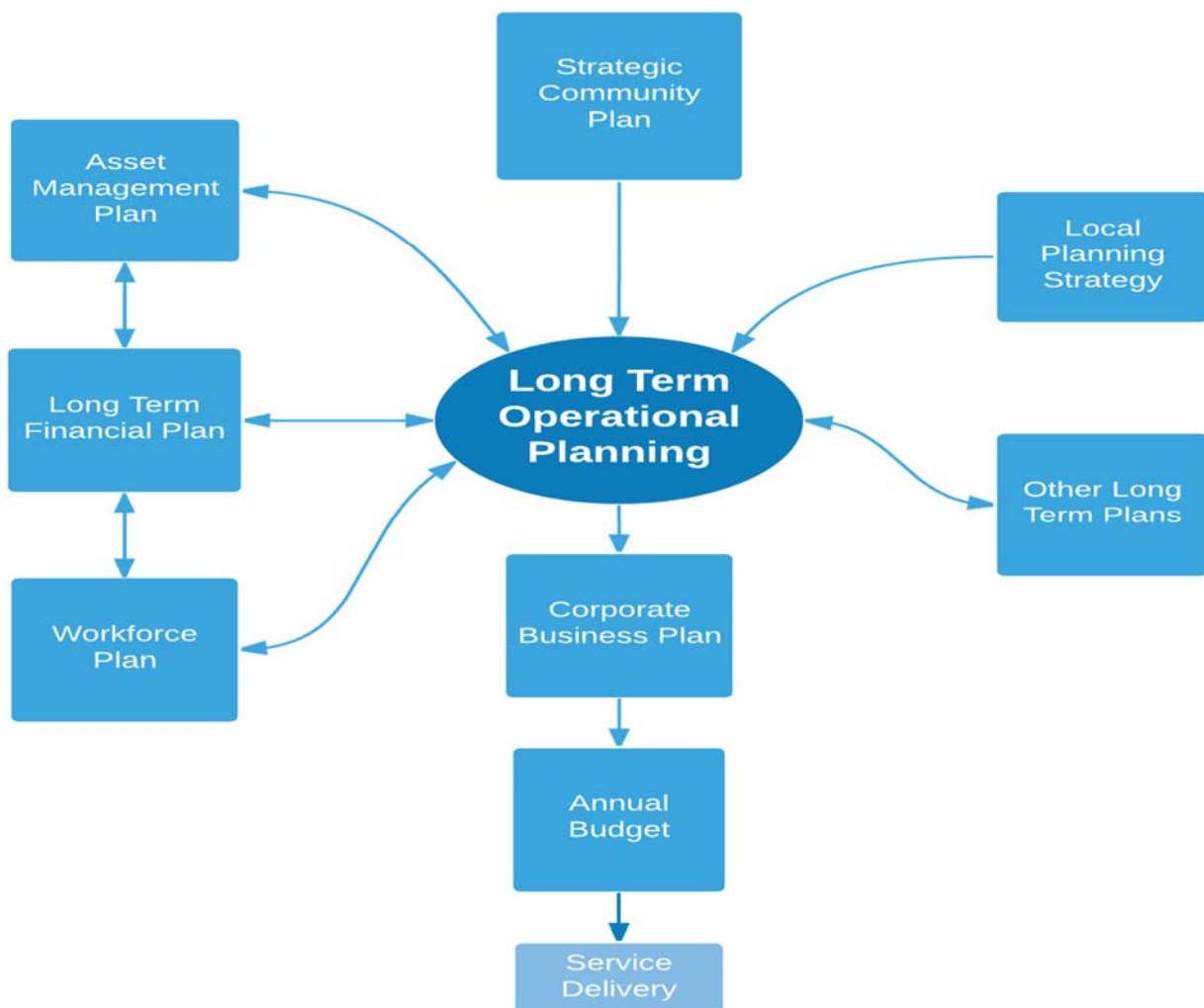
6.1 LINKAGE WITH OTHER PLANS

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

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

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

6.2 STRATEGIC DOCUMENTS LINKAGE



6.0 STRATEGIC PLANNING AND POLICIES (Continued)

6.2 STRATEGIC DOCUMENTS LINKAGE (Continued)

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

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

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



6.3 CORPORATE BUSINESS PLAN

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

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

6.4 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)

6.5 ASSET MANAGEMENT PLANNING

The Shire of Laverton has developed formal asset management plans, at a basic level, for the following asset classes:

- Roads;
- Drainage;
- Buildings;
- Plant and Equipment;
- Other Infrastructure; and
- Furniture and Equipment

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

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

BORROWING POLICY

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

7.0 OPERATIONS OVERVIEW

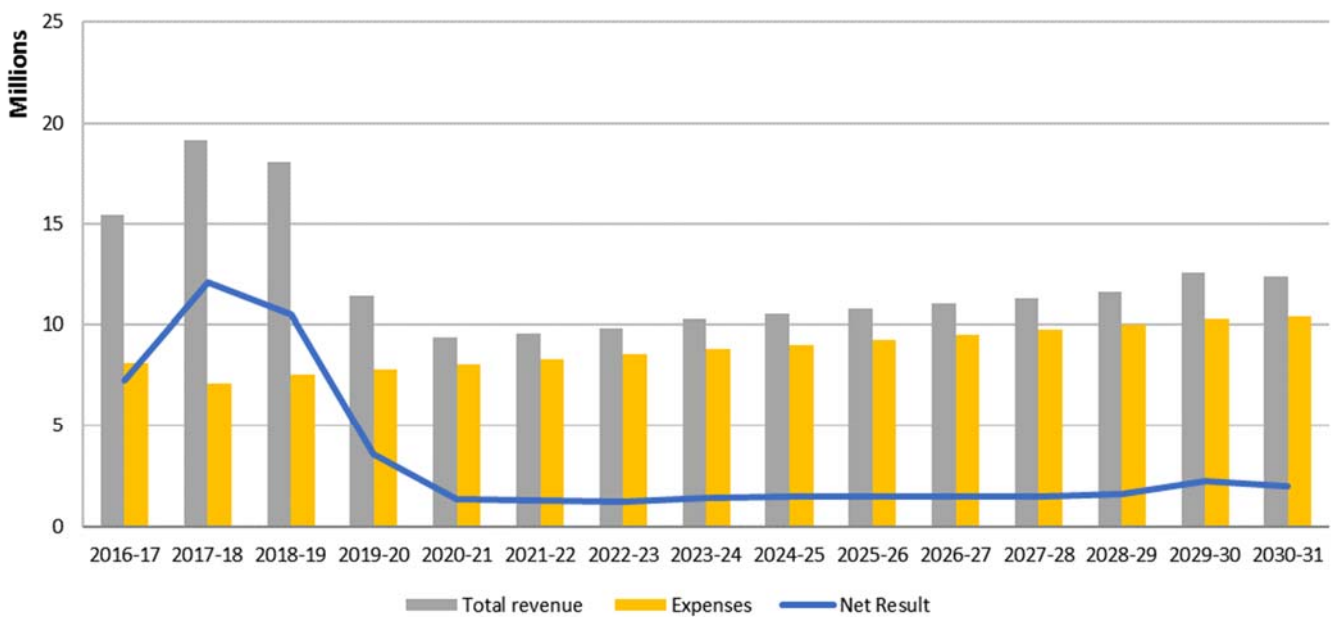
7.1 OPERATIONS

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.

Forecast decreases in capital grants after the first three years of the Plan result in significant fluctuations in revenue and the net result declining rapidly in 2017-18 before stabilising after 2020-21. From 2020-21 onwards, revenue and expenditure increase in line with inflation resulting in a stable net result.

The Shire is reliant on receiving more than \$51.9m over the 15 years in untied operating grants, subsidies and contributions 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 by CPI of 2%, throughout the life of the Plan. These increases are to assist in the long term financial sustainability of the Shire and to maintain the level of service to the community in the face of forecast reductions in external grants and contributions. Rates are expected to generate \$3.7m in 2016-17, increasing to \$4.9m in 2030-31.

7.3 NON OPERATING GRANTS AND CONTRIBUTIONS

Non-operating grants and contributions increase from \$8.0m in 2016-17 to \$11.3m in 2017-18 and then reduce to \$10.0m in 2018-19. From thereafter, non-operating grants drop off sharply as the plan contains less specific detail on the projects to be funded. From 2021-22, non-operating grants increase by CPI for the remainder of the plan.

7.0 OPERATIONS OVERVIEW (Continued)

7.4 WORKFORCE PLANNING

The Shire currently employs 44 full time equivalent employees to deliver a range of services to the community and maintain existing assets.

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

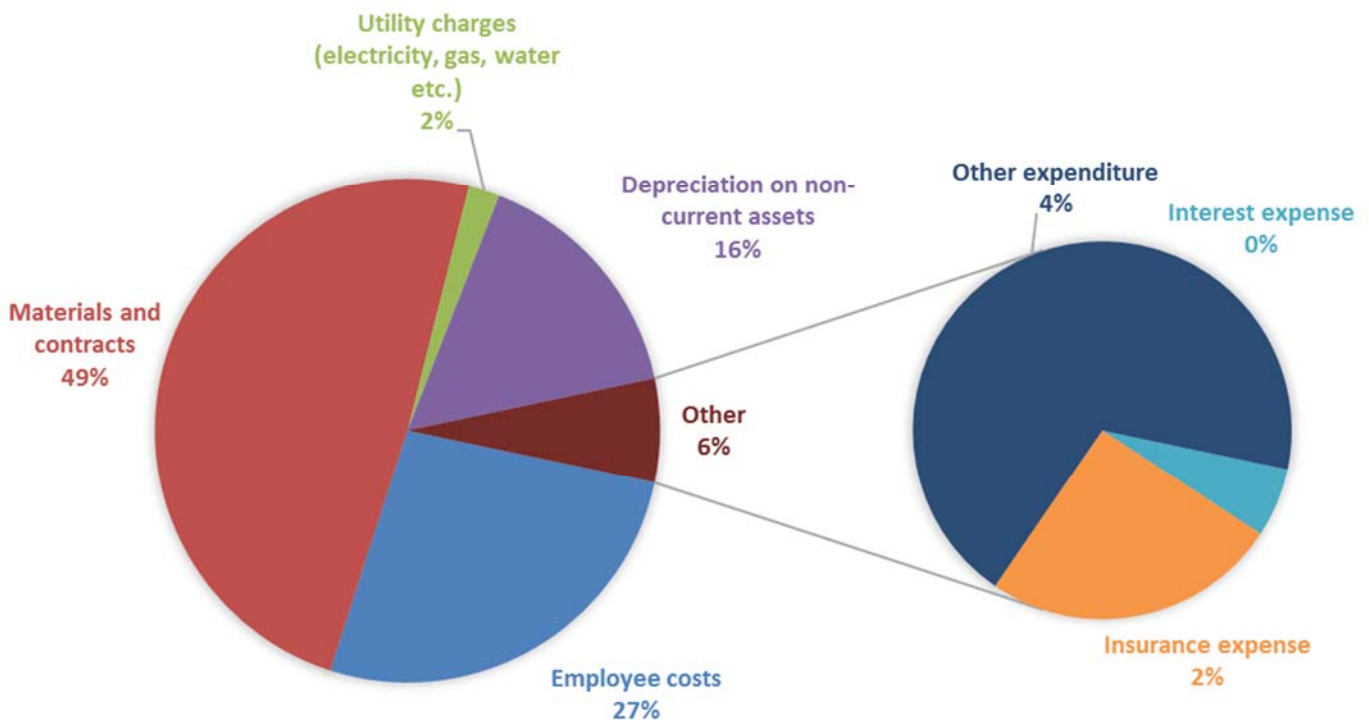
Council encourages a work life balance, multi skilling, flexibility and effective application of staff capability.

7.5 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 \$8.1M)



7.6 MAINTENANCE EXPENDITURE

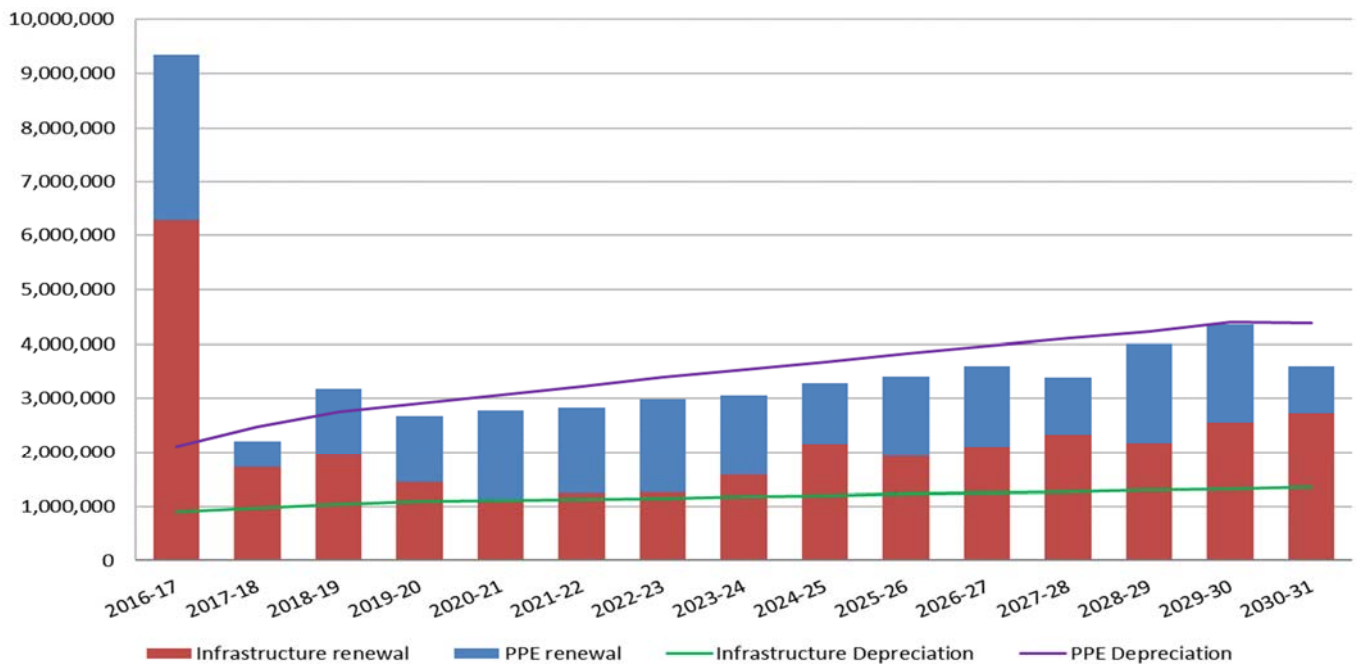
The current maintenance expenditure allocated in the annual operating budget is expected to continue at present levels with inflationary increases occurring each year.

7.0 OPERATIONS OVERVIEW (Continued)

7.7 DEPRECIATION EXPENSE

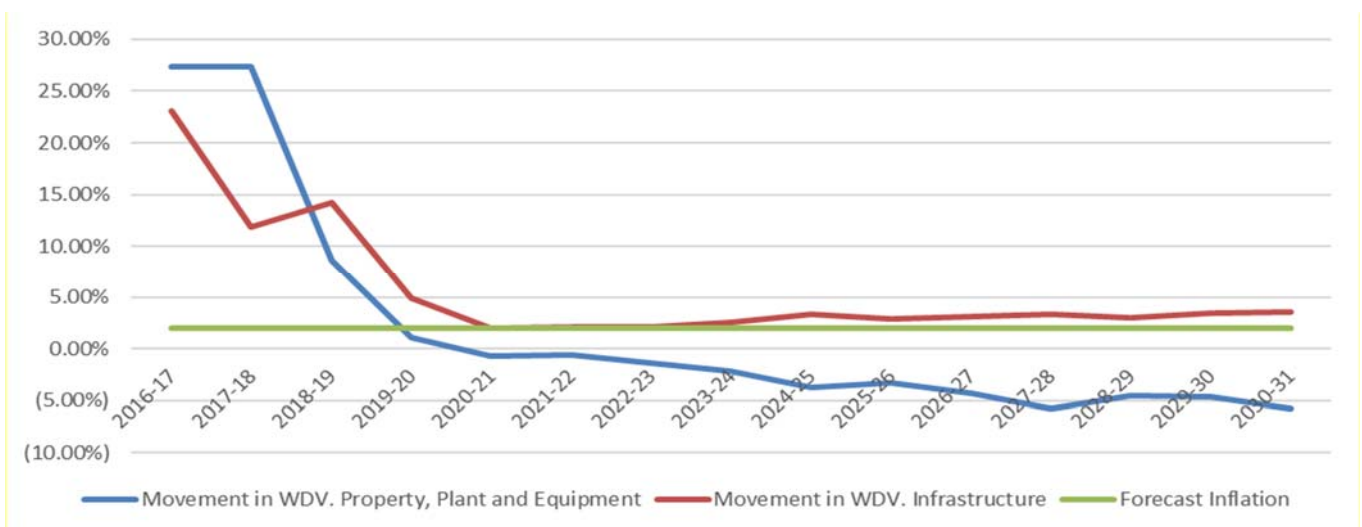
Depreciation expense increases throughout the Plan from \$2.1m in year 1 to \$4.4m in year 15 as assets are revalued and renewed. Total depreciation of infrastructure over the 15 years is \$17.4m, shown by the green line in the chart below. The planned level of infrastructure asset renewal expenditure being \$32.5m is higher than estimated depreciation expense. Planned infrastructure asset renewals are reflected by the red columns with planned property, plant and equipment renewals totalling \$22.1m over the 15 years shown as blue columns.

7.7.1 DEPRECIATION EXPENSE AND ASSET RENEWAL EXPENDITURE



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

7.7.2 PERCENTAGE MOVEMENT IN ASSET VALUE



7.0 OPERATIONS OVERVIEW (Continued)

7.7.2 PERCENTAGE MOVEMENT IN ASSET VALUE (Continued)

Fixed assets increase in value over the life of the plan from \$72m to \$113m as reflected in the graph above showing the percentage increase in assets over the term of the Plan. The percentage change in value of Property, Plant and Equipment shown by the blue line in the chart above is less than the level of underlying level of inflation shown by the green line. Depreciation expense higher than a planned level of asset renewals results in the percentage change in value being lower than inflation. Conversely, for Infrastructure the percentage change in value, shown by the red line, is overall higher than inflation.

8.0 CAPITAL OVERVIEW

8.1 COMMUNITY DEMAND

User demand for a number of community buildings has changed over time due to an aging community and corresponding lifestyle changes. A high community demand for dedicated spaces such as the Community Hub (Strategy 1.1.3.1) and also the upgrade of Great Central Road (Strategy 3.1.1.3) were identified within the Strategic Community Plan.

8.2 UPGRADE/NEW EXPENDITURE

Construction of an Early Childhood Precinct, a Doctor’s House and the Great Beyond Stage 2 and Cafe are planned to occur over the next 15 years in response to demand.

The extent and timing of the construction of Great Beyond Stage 2 is dependent on the receipt of external grants and contributions to undertake the scope to the extent contained in the plan.

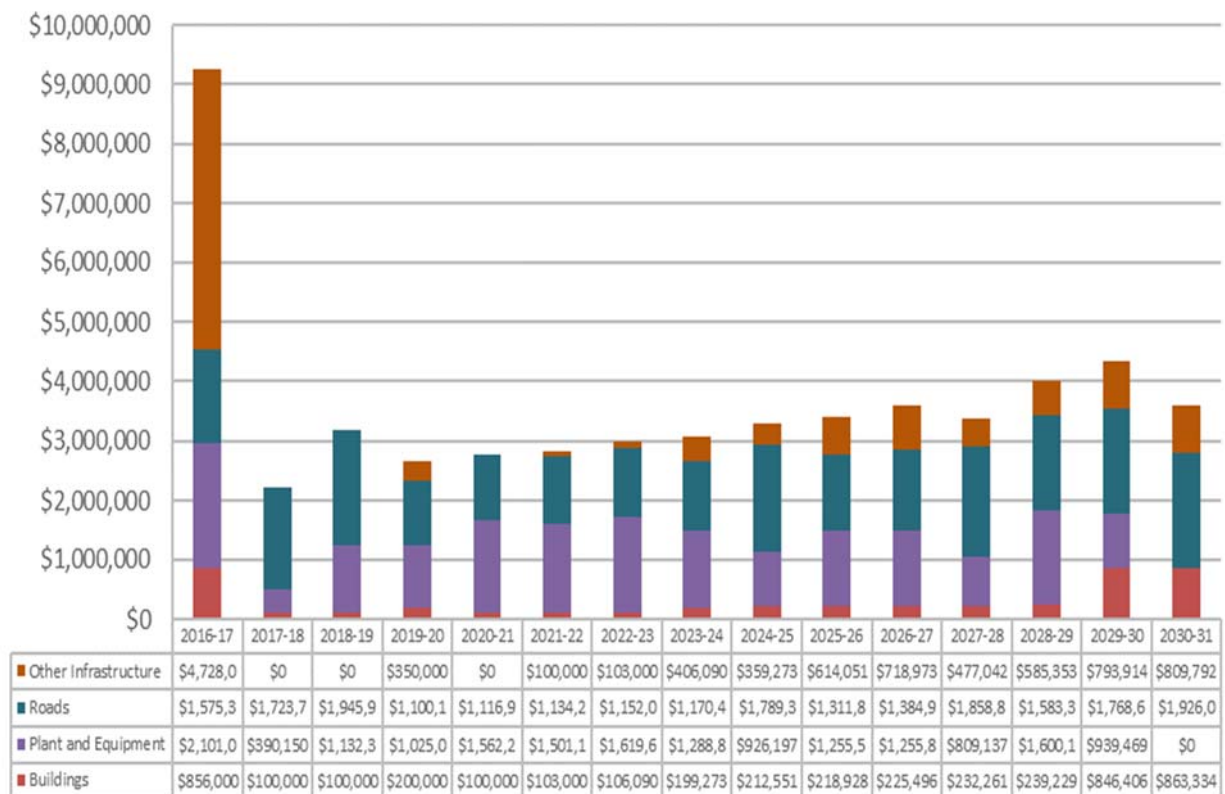
8.3 LEVEL OF SERVICE

The level of service associated with assets is forecast to be maintained over the long term however this is dependent on receipt of forecast external grants and contributions for both maintenance and renewal of assets.

8.4 RENEWAL EXPENDITURE

Planned asset renewal expenditure has been determined by allocating the funds remaining, after funding operating requirements, to building asset renewals. The level and timing of planned asset renewal expenditure for each asset class is summarised in the chart below.

8.4.1 PLANNED ASSET RENEWAL EXPENDITURE BY ASSET CLASS



9.0 FORECAST CAPITAL PROJECTS

9.1 PLANNED CAPITAL EXPENDITURE

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

Asset Class	Project	Total project value (15 Years)	
Buildings	Community Hub	13,242,921	
	Early Childhood Precinct	100,000	
	Staff Housing Renovations	531,000	
	Redevelop Coach House	2,300,000	
	Town site Revitalisation - Great Beyond Stage 2 and Café	1,400,000	
	Building Renewals	3,646,568	
	Electrical Upgrade - Depot	20,000	
	Construct New Doctor's House	350,000	
	Old Police House	50,000	
	Great Beyond Building	130,000	
	Renovations to Pre-primary Building	100,000	
	Coach House Restoration	145,000	
	Buildings Total		\$22,015,489
	Furniture and Equipment	Furniture and Equipment 2016-17	\$200,600
Furniture and Equipment Total		\$200,600	
Land	Land – ALT for subdivision	\$30,000	
Land Total		\$30,000	
Plant and Equipment	Plant Replacement Program	\$17,406,817	
Plant and Equipment Total		\$17,406,817	
Roads	Town site Revitalisation - Eastern Approach	2,200,000	
	Road Renewals	3,403,115	
	Road Renewals Regional Road Group	10,034,785	
	Outback Way	6,500,001	
	Direct Grant Main Roads	316,165	
	Great Central Road	4,000,000	
	Roads to Recovery	5,144,248	
	Aboriginal Access Roads	3,160,137	
	Council Funded Roads	152,200	
	Blackspot	331,400	
	Great Central Rd	1,492,675	
Roads Total		\$36,734,726	

9.0 FORECAST CAPITAL PROJECTS (Continued)

Other Infrastructure	Leahy Park Redevelopment	72,000
	Laverton Airport Upgrade - Reseal, Lighting	686,000
	Laverton Airport Upgrade - Apron, Terminal	1,000,000
	Other Infrastructure Renewals	4,817,488
	Airport Renewal	500,000
	Townsite Revitalisation - Landscaping Stage 1B Part A	3,450,000
	Main Street Project - Civil Works Stage 1B Part B	120,000
	Town Entry Statement	200,000
	Bore Water Supply to Oval Tank	60,000
	Memorial Construction - Lighting	10,000
	Memorial Garden	20,000
	Elevated Water Tank	100,000
	Underground Power	1,500,000
	Racecourse	140,000
Other Infrastructure Total	\$12,675,488	
Grand Total	\$89,063,120	

10.0 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 chart under section 10.2.1 below.

10.1 BORROWINGS

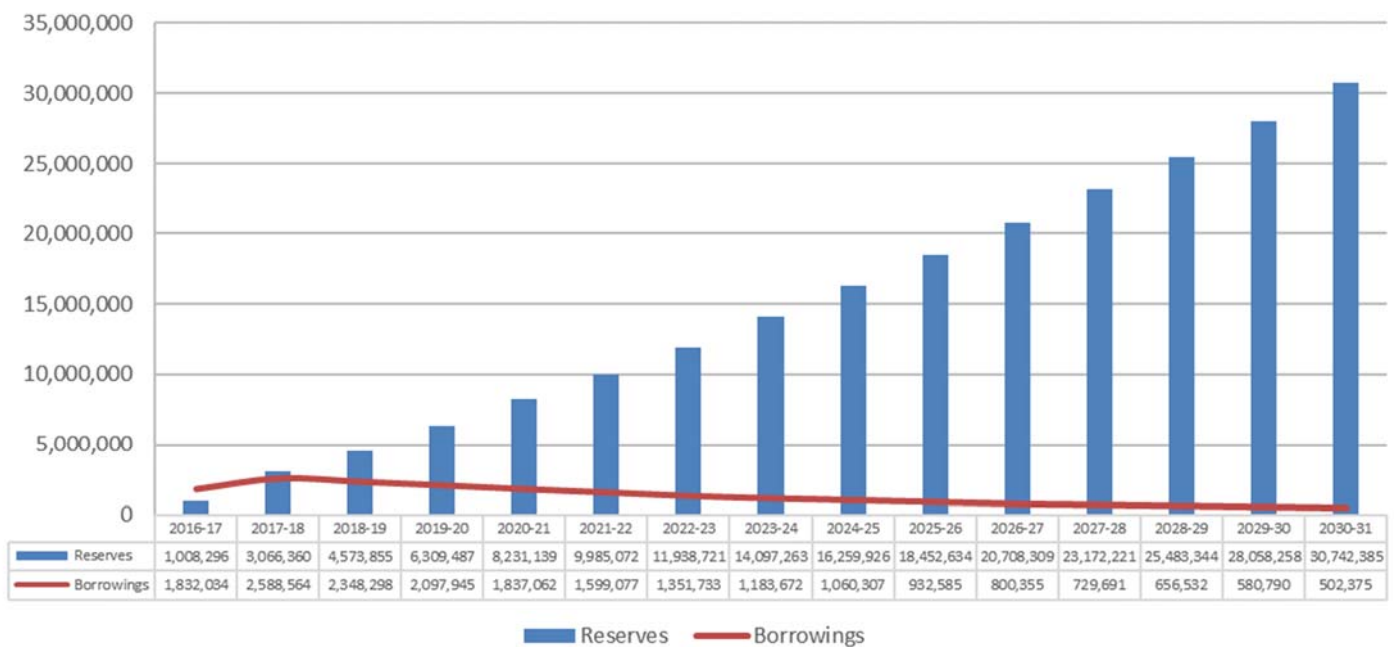
The principal outstanding on borrowings reduces over the life of the Plan, with all loans paid out by 2032-33.

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

10.2 CASH RESERVES

The balance of cash reserves is forecast to steadily increase over the term of the Plan in line with inflation.

10.2.1 FORECAST BORROWINGS AND CASH RESERVES



11.0 SCENARIO MODELLING

11.1 SCENARIO MODELLING

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

To ascertain the effect of reduced funding levels through scenario modelling, a base scenario was developed with a rate yield increase of inflation. Two alternative scenarios were also developed from this base. In scenario one the rates yield increase is 2% above inflation for the life of the Plan and for scenario two there was an increase of 1% above inflation for the duration of the Plan.

All other assumptions remained the same across the two scenarios.

Over the fifteen years of the Plan the increase in the estimated surplus as a consequence of increased rate revenue is shown in the table at 11.2.

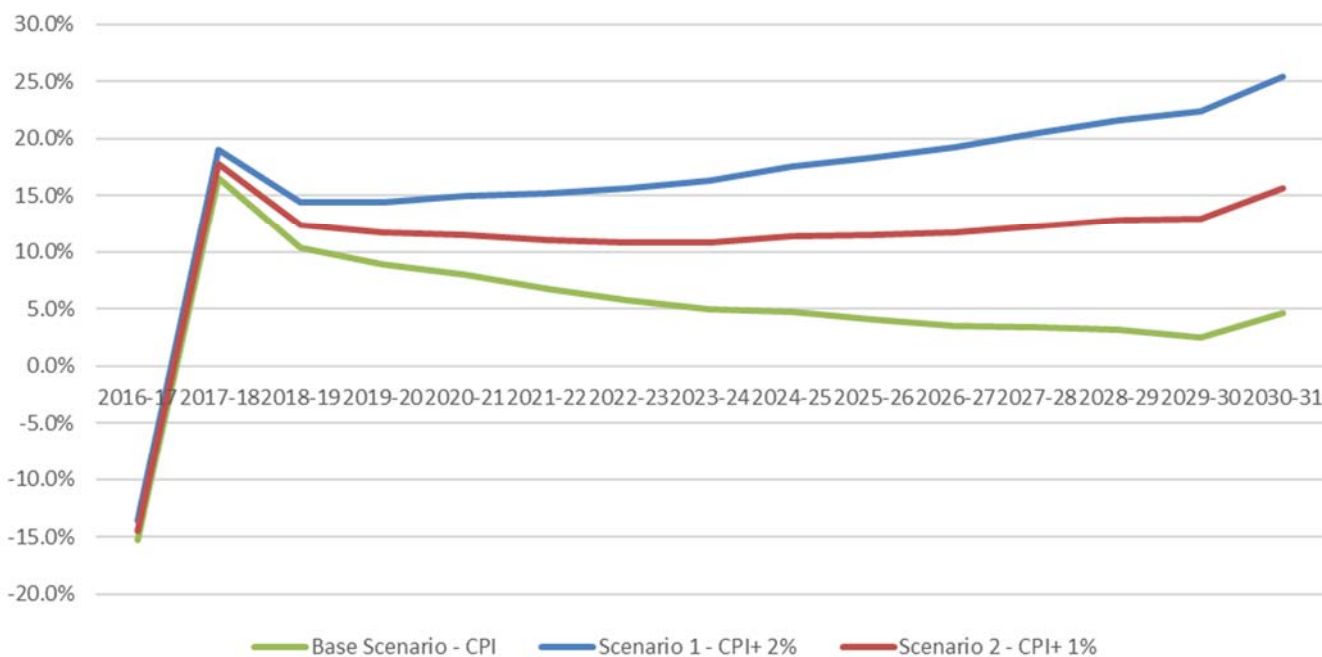
The base scenario was selected as the most appropriate and has been used for the remainder of the Plan. The base scenario includes levels of rate revenue to ensure the current levels of service are maintained.

11.2 ESTIMATED SURPLUS/DEFICIT JUNE 30 CARRIED FORWARD

Funding Level	Variance from Base Level in Year 15	Average Variance per Annum
Scenario 1	\$12,715,869	\$847,725
Scenario 2	\$6,066,758	\$404,451

11.2.1 SCENARIO COMPARISON – OPERATING SURPLUS RATIO

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



12.0 RISK MANAGEMENT

12.1 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 Local Government Insurance Services.

Recent amendments to applicable Financial Management Regulations requires the investment of surplus funds (including cash reserves) to be in term deposits held by authorised deposit taking institutions or Treasury bonds.

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

12.2 CERTAINTY OF ASSUMPTIONS

Included in the Plan is a detailed analysis of the assumptions applied during the development of the plan accompanied by 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.

12.3 SENSITIVITY ANALYSIS

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

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

13.0 ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY

13.1 REVENUE – ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY

DISCLOSURE/ASSUMPTION	ASSESSED FINANCIAL RISK	IMPACT OF HIGH FINANCIAL RISK ASSUMPTIONS	LEVEL OF UNCERTAINTY	FINANCIAL IMPACT AND SENSITIVITY FOR ASSUMPTION WITH HIGH LEVEL OF UNCERTAINTY/RISK
District Growth in Population: The number of residents in the Shire is expected to remain stable.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Rates Level Increase: Annual rates have been based on an increase in the total rate yield of forecast inflation rate of 2%.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Operating Grants and Contributions: Increases in line with inflation forecast.	High	The road maintenance program and general operations of the Shire are dependent on levels of Federal Financial Assistance Grants. Changes in the levels of these grants would impact directly on the Shire's ability to meet projected service levels.	Medium	± 3,067 to the value of operating grants and contributions per 1% movement in the value in the first year of the Plan.
Non-operating Grants and Contributions: Remain in line with funding requirements identified for various capital works.	High	The capital works program is highly dependent on Government grants and contributions. Change in these levels would impact directly on the amount spent on capital projects and ultimately impact on service levels.	Medium	± \$6,378 to the value of non-operating grants and contributions per 1% movement in the value over the life of the Plan.
Fees and Charges: Increases in line with inflation forecast.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Interest Earnings: Interest earning of an average rate of 2.5% per annum.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Other Revenue: Increases in line with inflation.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
Profit on Asset Disposal: Profit on asset disposal results from a misallocation of depreciation over the life of the asset. As the level of depreciation is considered appropriate, no profit on asset disposals has been included.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.

13.0 ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY (Continued)

13.2 EXPENDITURE – ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY

DISCLOSURE/ASSUMPTION	ASSESSED FINANCIAL RISK	IMPACT OF HIGH FINANCIAL RISK ASSUMPTIONS	LEVEL OF UNCERTAINTY	FINANCIAL IMPACT AND SENSITIVITY FOR ASSUMPTION WITH HIGH LEVEL OF UNCERTAINTY/RISK
Employee Costs: Increased annually by forecast inflation.	Medium	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
Materials and Contracts: Increased annually by forecast inflation.	High	The road preservation program and general operations of the Shire are dependent on levels of Federal Financial Assistance Grants. Changes in the levels of these grants would impact directly on the Shire's ability to meet projected service levels.	Medium	± \$9,732 to the value of materials and contracts per 1% movement in the value over the life of the Plan.
Depreciation: Depreciation has been calculated using an average depreciation rate based on historical rates.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
Insurance: Base year increased in line with inflation.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Other Expenditure: Base year increased in line with inflation.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Loss on Asset Disposal: A loss on asset disposal results from a misallocation of depreciation over the life of the asset. As the level of depreciation is considered appropriate in the Plan, no loss on asset disposals has been included in the Plan.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.

13.0 ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY (Continued)

13.3 ASSETS – ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY

DISCLOSURE/ASSUMPTION	ASSESSED FINANCIAL RISK	IMPACT OF HIGH FINANCIAL RISK ASSUMPTIONS	LEVEL OF UNCERTAINTY	FINANCIAL IMPACT AND SENSITIVITY FOR ASSUMPTION WITH HIGH LEVEL OF UNCERTAINTY/RISK
Revaluations: In line with annual inflation.	Low	The revaluation of assets to their fair value may result in changes in asset ratio analysis and depreciation, leading to a change in the net result. The revaluation of assets will have no impact on Cashflows.	High	±\$9,214 to the value of property, plant and equipment per 1% movement in the value over the life of the Plan. ±\$413,423 to the value of infrastructure assets per 1% movement in the value over the life of the Plan.
Impairment of Assets: No impairment of assets has been assumed over the life of the Plan. Impairment of assets usually occurs due to unplanned or unforeseen events such as natural disasters.	High	A widespread major impairment event may result in a requirement for high levels of expenditure to maintain service levels.	Medium	Unable to be quantified.
Infrastructure Assets: Expenditure has been based on historical levels escalated by inflation.	High	The capital works program is highly dependent on Government grants and contributions. Changes in these levels would impact directly on the amount spent on capital projects and ultimately on service levels.	High	± \$466,634 to the value of infrastructure assets per 1% movement in the capital grants received over the life of the Plan.
Property, Plant and Equipment: Building expenditure is based on the level of available funds and plant expenditure is based on the Plant Replacement Program.	Medium	Not assessed as high financial risk as the frequency of capital grants for buildings is not as pervasive as roadwork's, also plant and equipment replacement is not influenced by external grant funds.	Medium	Not assessed as high level of uncertainty.

13.0 ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY (Continued)

13.4 LIABILITIES – ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY

DISCLOSURE/ASSUMPTION	ASSESSED FINANCIAL RISK	IMPACT OF HIGH FINANCIAL RISK ASSUMPTIONS	LEVEL OF UNCERTAINTY	FINANCIAL IMPACT AND SENSITIVITY FOR ASSUMPTION WITH HIGH LEVEL OF UNCERTAINTY/RISK
Borrowings: No New borrowings have been considered for capital works.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
Employee Entitlements: It has been assumed the Shire will be in a position to meet its obligations in relation to employee entitlements.	Medium	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.

13.0 ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY (Continued)

13.5 EQUITY RISKS, UNCERTAINTIES AND SENSITIVITY

DISCLOSURE/ASSUMPTION	ASSESSED FINANCIAL RISK	IMPACT OF HIGH FINANCIAL RISK ASSUMPTIONS	LEVEL OF UNCERTAINTY	FINANCIAL IMPACT AND SENSITIVITY FOR ASSUMPTION WITH HIGH LEVEL OF UNCERTAINTY
Cash Backed Reserves: It has been assumed the Shire will invest cash reserves in term deposits with banking institutions and these funds will be available for use during the term of the Plan.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Revaluation Surplus: Increasing in line with inflation based revaluation.	Low	The revaluation of assets to their fair value may result in changes in asset ratio analysis and depreciation leading to a change in the net result. The revaluations of assets will have no impact on Cash flows.	High	±\$9,214 to the value of property, plant and equipment per 1% movement in the value over the life of the Plan. ±\$413,423 to the value of infrastructure assets per 1% movement in the value over the life of the Plan.

13.0 ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY (Continued)

13.6 OTHER – ASSUMPTIONS, RISKS, UNCERTAINTIES AND SENSITIVITY

DISCLOSURE/ASSUMPTION	ASSESSED FINANCIAL RISK	IMPACT OF HIGH FINANCIAL RISK ASSUMPTIONS	LEVEL OF UNCERTAINTY	FINANCIAL IMPACT AND SENSITIVITY FOR ASSUMPTION WITH HIGH LEVEL OF UNCERTAINTY/RISK
Ownership of Strategic Assets: The Shire has not planned for the ownership of any strategic assets to be transferred to another party over the term of the Plan.	High	Any significant changes to the ownership of strategic assets would require an amendment to this Plan and, depending on the circumstance, be subject to community consultation.	Low	Not assessed as high level of uncertainty.
Inflators: Forecast inflation at 2% per annum.	Medium	Not assessed as high financial risk.	High	± \$58,195 to operating revenue per 1% movement in the inflators over the life of the Plan. ± \$69,364 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 mining. This remains the assumption for the term of this Plan.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.

14.0 MONITORING AND PERFORMANCE

14.1 MONITORING

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

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

14.2 PERFORMANCE ASSESSMENT

A series of performance indicators, in the form of financial ratios, have been used to assess the financial performance of the Shire.

To maintain comparability across the industry, these ratios and their respective target ranges, have been derived from the Department of Local Government and Communities, Long Term Financial Planning Guidelines and Regulation 50 of Local Government (Financial Management) Regulation 1996.

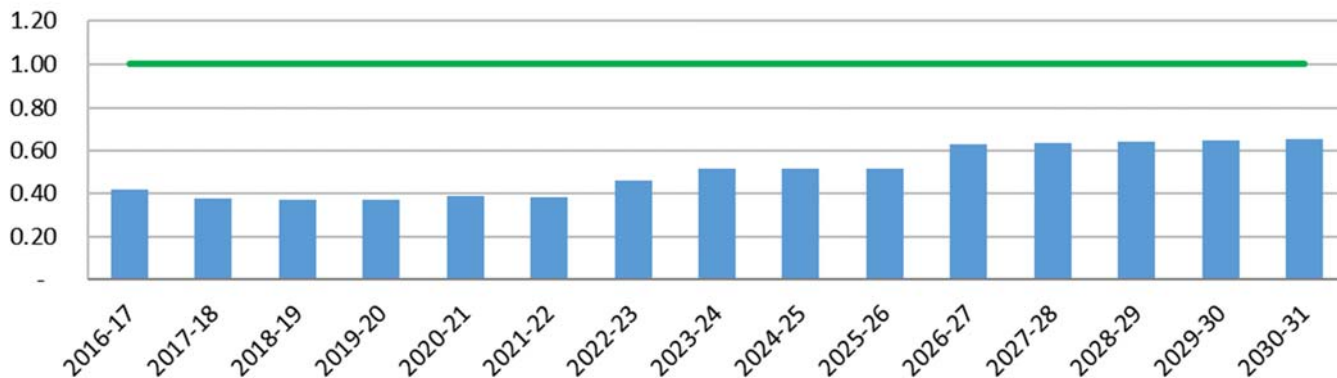
Graphs of these financial ratios are presented on the following pages together with the formula used to calculate the ratio, a brief description of what the ratio indicates and an assessment of the impact of the ratio on the Shire's finances in the future.

14.3 RATIO TARGETS

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

14.0 MONITORING AND PERFORMANCE (Continued)

14.4 FORECAST RATIO ANALYSIS – CURRENT RATIO

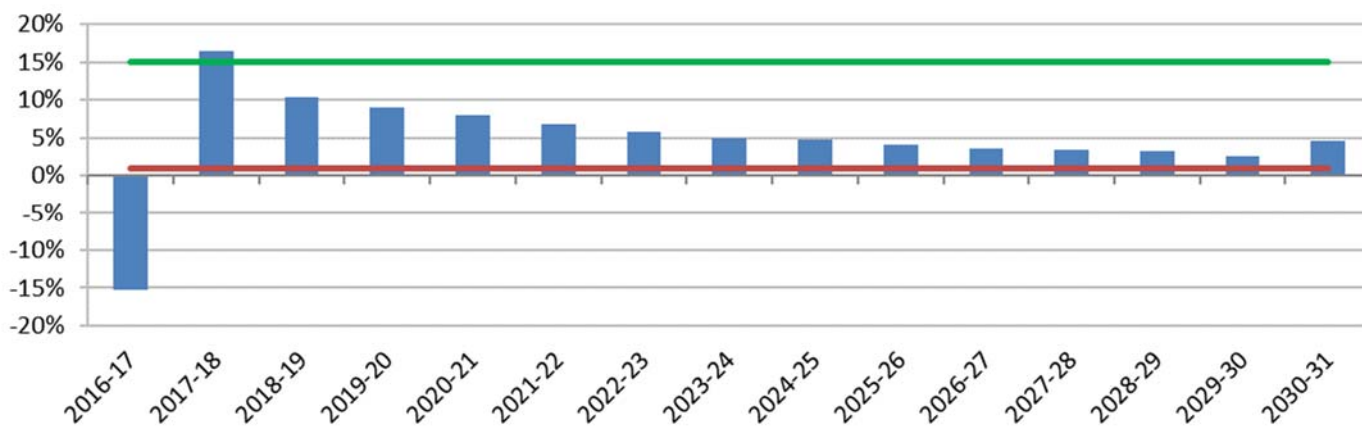


$$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets minus current liabilities associated with long term borrowings}}$$

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

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

14.5 FORECAST RATIO ANALYSIS – OPERATING SURPLUS RATIO



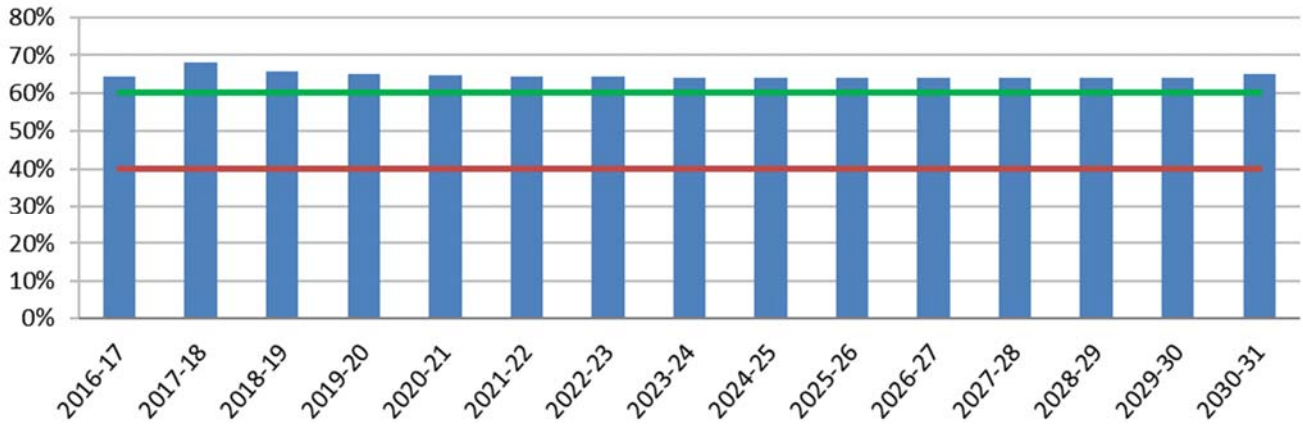
$$\frac{\text{operating revenue minus operating expense}}{\text{own source operating revenue}}$$

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

Commentary: While the ratio is below the target, a sharp increase in the ratio within 2017-18 indicating the increased ability to renew assets. The ratio drops steadily for the years between 2018-19 through to 2029-30 where the ratio begins to improve. All the while the ratio remains within the target range after the 2016-17 financial year.

MONITORING AND PERFORMANCE (Continued)

14.6 FORECAST RATIO ANALYSIS – OWN SOURCE REVENUE COVERAGE RATIO

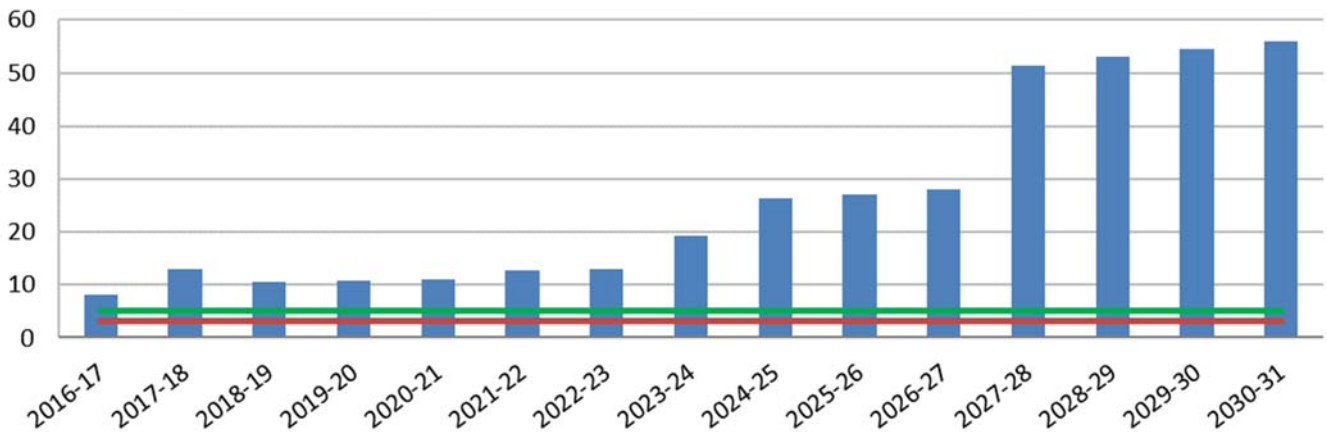


$$\frac{\text{own source operating revenue}}{\text{operating expense}}$$

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

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

14.7 FORECAST RATIO ANALYSIS – DEBT SERVICE COVERAGE RATIO



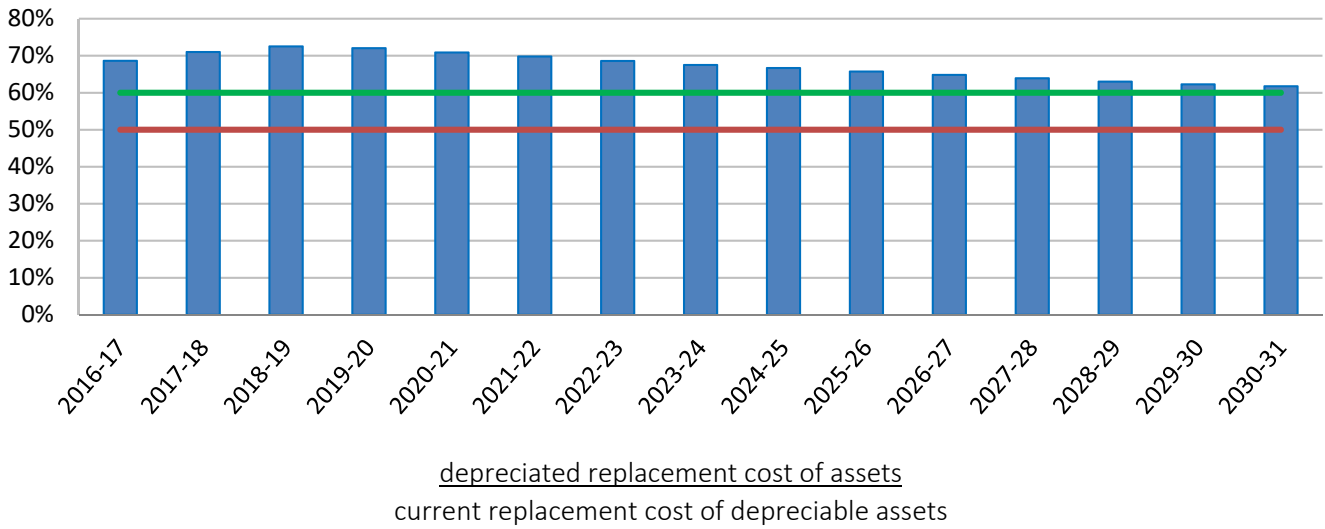
$$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$$

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

Commentary: The ratio is in the advanced range and continues to improve over time as existing borrowings are paid off. This indicates the Shire has a capacity to borrow in the short term with increasing capacity from 2023-24 onwards.

MONITORING AND PERFORMANCE (Continued)

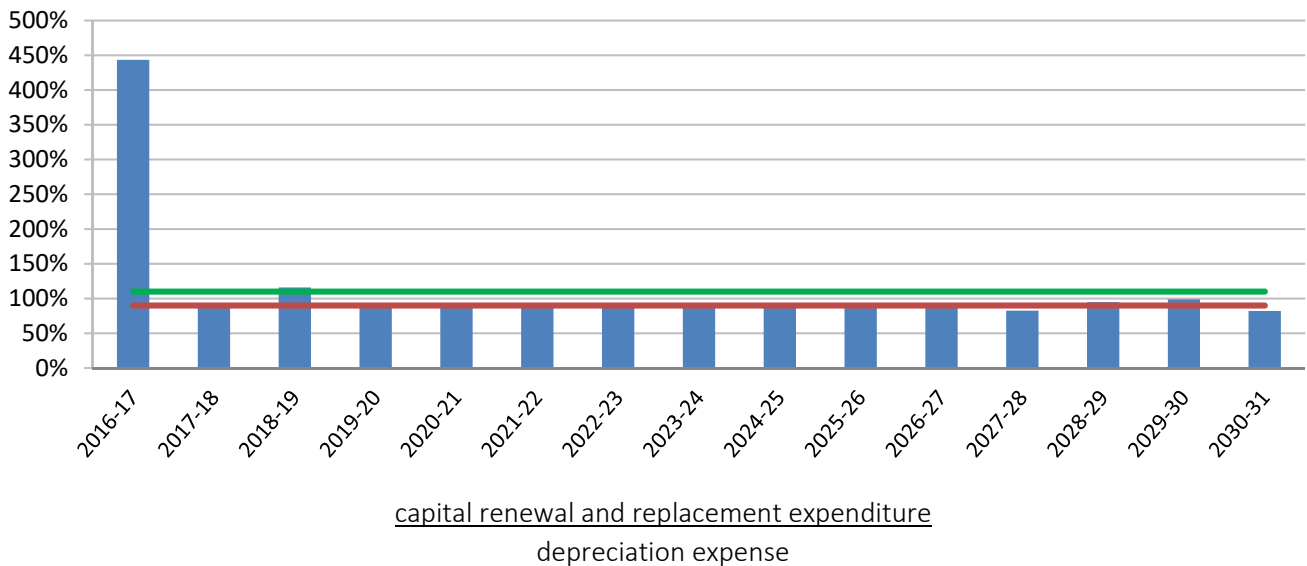
14.8 FORECAST RATIO ANALYSIS – ASSET CONSUMPTION RATIO



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

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

14.9 FORECAST RATIO ANALYSIS –ASSET SUSTAINABILITY RATIO

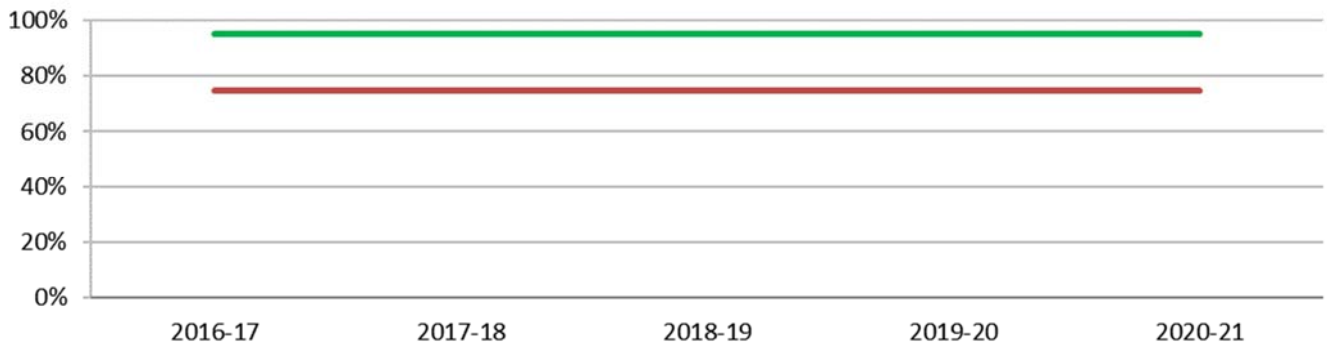


Indication: A measure of the extent to which assets managed by the Shire are being replaced as they reach the end of their useful lives.

Commentary: The ratio highlights asset renewal expenditure relative to depreciation and fluctuates as expected. The ratio averages at 109.92% over the term of the Plan which is within the guideline level and indicates the Shire is able to renew assets in line with their forecast useful lives.

MONITORING AND PERFORMANCE (Continued)

14.10 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 Asset Management Plan does not contain sufficient data to enable the calculation of the ratio.

APPENDIX A1 – 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 (APPENDIX A2 AND APPENDIX A3)

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 (APPENDIX A4)

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 (APPENDIX A5)

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 (APPENDIX A6)

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

STATEMENT OF FUNDING (APPENDIX A7)

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 (APPENDIX A8)

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

STATEMENT OF FIXED ASSET MOVEMENTS (APPENDIX A9)

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 (APPENDIX A10)

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

FORECAST RATIOS (APPENDIX A11)

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 A1 – FORECAST FINANCIAL STATEMENTS (Continued)

SERVICE PROGRAMS

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

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

APPENDIX A2 – FORECAST STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE 2016-2031

	2012-13	2013-14	2014-15	Base	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues																			
Rates	3,019,270	3,388,613	3,438,073	3,539,855	3,749,641	3,824,634	3,901,127	3,979,152	4,058,734	4,139,909	4,222,706	4,307,159	4,393,302	4,481,168	4,570,791	4,662,207	4,755,451	4,850,559	4,947,571
Operating grants, subsidies and contributions	2,796,861	1,773,088	3,021,890	6,339,058	3,067,004	3,057,729	3,118,886	3,181,262	3,244,886	3,309,783	3,375,979	3,443,497	3,512,365	3,582,612	3,654,265	3,727,352	3,801,898	3,877,936	3,955,497
Fees and charges	1,092,200	809,710	608,691	628,661	644,022	656,898	670,034	683,431	697,098	711,036	725,257	739,759	754,550	769,641	785,031	800,728	816,741	833,084	849,747
Interest earnings	337,318	265,132	237,784	173,897	364,062	221,946	266,133	299,367	337,231	378,876	417,231	459,644	506,222	552,953	600,352	649,085	702,052	752,035	807,374
Other revenue	228,266	288,647	189,068	133,664	121,450	123,879	126,356	128,884	131,462	134,090	136,773	139,509	142,298	145,145	148,048	151,008	154,028	157,108	160,250
	7,473,915	6,525,190	7,495,506	10,815,135	7,946,179	7,885,086	8,082,536	8,272,096	8,469,411	8,673,694	8,877,946	9,089,568	9,308,737	9,531,519	9,758,487	9,990,380	10,230,170	10,470,722	10,720,439
Expenses																			
Employee costs	(2,811,107)	(2,965,559)	(2,817,051)	(3,366,696)	(2,205,904)	(2,250,018)	(2,295,019)	(2,340,925)	(2,387,745)	(2,435,506)	(2,484,213)	(2,533,896)	(2,584,581)	(2,636,272)	(2,689,001)	(2,742,793)	(2,797,652)	(2,853,602)	(2,910,682)
Materials and contracts	(2,301,879)	(1,385,344)	(855,071)	(6,193,638)	(2,811,383)	(1,322,896)	(1,449,345)	(1,478,331)	(1,507,901)	(1,538,062)	(1,568,816)	(1,600,202)	(1,632,203)	(1,664,857)	(1,698,151)	(1,732,123)	(1,766,769)	(1,802,114)	(1,838,171)
Utility charges (electricity, gas, water etc.)	(173,864)	(247,345)	(296,378)	(252,600)	(255,530)	(260,635)	(265,850)	(271,164)	(276,591)	(282,121)	(287,770)	(293,521)	(299,387)	(305,377)	(311,480)	(317,712)	(324,063)	(330,548)	(337,155)
Depreciation on non-current assets	(2,052,198)	(1,930,249)	(2,238,914)	(1,992,900)	(2,106,856)	(2,469,753)	(2,744,643)	(2,908,040)	(3,056,539)	(3,225,966)	(3,388,985)	(3,540,259)	(3,664,718)	(3,819,754)	(3,967,885)	(4,098,067)	(4,233,415)	(4,400,462)	(4,388,025)
Interest expense	(124,434)	(48,409)	(58,365)	(49,965)	(44,276)	(65,908)	(81,610)	(71,523)	(60,993)	(50,517)	(41,158)	(32,304)	(26,358)	(22,001)	(17,494)	(13,399)	(10,904)	(8,321)	(5,648)
Insurance expense	(219,610)	(234,785)	(230,796)	(212,876)	(166,407)	(169,739)	(173,134)	(176,599)	(180,129)	(183,728)	(187,403)	(191,156)	(194,978)	(198,880)	(202,853)	(206,904)	(211,041)	(215,263)	(219,570)
Other expenditure	(771,281)	(359,143)	(356,839)	(578,303)	(537,692)	(548,445)	(559,411)	(570,601)	(582,011)	(593,649)	(605,523)	(617,634)	(629,986)	(642,589)	(655,439)	(668,550)	(681,922)	(695,559)	(709,472)
	(8,454,373)	(7,170,834)	(6,853,414)	(12,646,978)	(8,128,048)	(7,087,394)	(7,569,012)	(7,817,183)	(8,051,909)	(8,309,549)	(8,563,868)	(8,808,972)	(9,032,211)	(9,289,730)	(9,542,303)	(9,779,548)	(10,025,766)	(10,305,869)	(10,408,723)
	(980,458)	(645,644)	642,092	(1,831,843)	(181,869)	797,692	513,524	454,913	417,502	364,145	314,078	280,596	276,526	241,789	216,184	210,832	204,404	164,853	311,716
Non-operating grants, subsidies and contributions	4,872,586	1,813,009	4,439,183	6,880,151	8,040,001	11,296,039	9,971,376	3,153,423	924,625	936,164	948,049	1,160,290	1,239,565	1,254,552	1,269,989	1,285,888	1,402,265	2,119,133	1,662,000
Profit on disposal of assets	193,069	22,107	19,253	33,503	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loss on asset disposal	(157,203)	(79,749)	0	(122,019)	(563,419)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NET RESULT	3,927,994	1,109,723	5,100,528	4,959,792	7,294,713	12,093,731	10,484,900	3,608,336	1,342,127	1,300,309	1,262,127	1,440,886	1,516,091	1,496,341	1,486,173	1,496,720	1,606,669	2,283,986	1,973,716
Other Comprehensive Income	131,959	3,977,468	0	0	1,021,362	1,430,562	1,668,817	1,877,105	1,943,527	1,970,770	1,991,819	2,015,292	2,038,235	2,063,357	2,085,855	2,113,576	2,145,839	2,178,298	2,569,523
TOTAL COMPREHENSIVE INCOME	4,059,953	5,087,191	5,100,528	4,959,792	8,316,075	13,524,293	12,153,717	5,485,441	3,285,654	3,271,079	3,253,946	3,456,178	3,554,326	3,559,698	3,572,028	3,610,296	3,752,508	4,462,284	4,543,239

APPENDIX A3 – FORECAST STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM 2016-2031

	2012-13	2013-14	2014-15	Base	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue																			
Governance	27,256	480,531	696	500	510	520	530	541	552	563	574	585	597	609	621	633	646	659	672
General purpose funding	4,791,080	4,446,058	6,020,554	4,901,913	6,500,620	6,481,235	6,650,608	6,811,533	6,979,638	7,154,131	7,327,990	7,508,617	7,696,175	7,886,705	8,080,779	8,279,120	8,484,688	8,690,323	8,904,429
Law, order, public safety	47,515	57,768	6,204	57,260	7,405	7,551	7,703	7,856	8,014	8,174	8,340	8,507	8,675	8,849	9,024	9,205	9,388	9,577	9,767
Health	149,446	140,037	105,188	100,100	102,102	104,144	106,227	108,351	110,518	112,728	114,982	117,281	119,626	122,018	124,458	126,947	129,485	132,075	134,717
Education and welfare	83,655	96,537	62,343	175,805	179,321	182,908	186,566	190,297	194,103	197,985	201,945	205,984	210,103	214,305	218,591	222,962	227,422	231,971	236,611
Housing	31,543	31,925	37,943	39,124	39,906	40,704	41,518	42,348	43,195	44,059	44,940	45,839	46,755	47,691	48,645	49,617	50,610	51,622	52,655
Community amenities	205,092	164,190	106,761	108,790	388,972	396,751	404,685	412,779	421,034	429,454	438,045	446,805	455,740	464,854	474,151	483,634	493,306	503,174	513,239
Recreation and culture	53,010	70,609	49,099	114,359	87,401	89,149	90,932	92,750	94,605	96,497	98,427	100,394	102,402	104,450	106,538	108,668	110,841	113,059	115,321
Transport	1,619,315	451,030	283,348	4,501,000	171,230	104,040	106,121	108,243	110,408	112,616	114,868	117,165	119,508	121,898	124,336	126,823	129,359	131,946	134,585
Economic services	342,530	488,205	650,823	672,724	337,066	343,806	350,683	357,696	364,848	372,142	379,583	387,173	394,915	402,815	410,873	419,090	427,471	436,023	444,745
Other property and services	123,473	98,300	172,547	143,560	131,646	134,278	136,963	139,702	142,496	145,345	148,252	151,218	154,241	157,325	160,471	163,681	166,954	170,293	173,698
	7,473,915	6,525,190	7,495,506	10,815,135	7,946,179	7,885,086	8,082,536	8,272,096	8,469,411	8,673,694	8,877,946	9,089,568	9,308,737	9,531,519	9,758,487	9,990,380	10,230,170	10,470,722	10,720,439
Expenses Excluding Finance Costs																			
Governance	(913,430)	(730,468)	(737,500)	(859,572)	(865,168)	(882,634)	(900,397)	(918,459)	(936,871)	(955,660)	(974,822)	(994,359)	(1,014,273)	(1,034,600)	(1,055,327)	(1,076,460)	(1,098,018)	(1,120,019)	(1,142,371)
General purpose funding	(240,006)	(228,261)	(220,179)	(261,604)	(237,810)	(242,566)	(247,417)	(252,365)	(257,413)	(262,561)	(267,812)	(273,169)	(278,633)	(284,207)	(289,891)	(295,689)	(301,603)	(307,637)	(313,791)
Law, order, public safety	(199,632)	(153,368)	(181,254)	(454,710)	(356,994)	(335,236)	(343,116)	(350,544)	(358,029)	(365,755)	(373,584)	(381,493)	(389,403)	(397,617)	(405,944)	(414,330)	(422,895)	(431,785)	(439,895)
Health	(314,650)	(284,172)	(278,569)	(308,340)	(266,411)	(273,025)	(279,390)	(285,413)	(291,485)	(297,748)	(304,097)	(310,514)	(316,939)	(323,607)	(330,365)	(337,176)	(344,135)	(351,349)	(357,974)
Education and welfare	(135,466)	(157,319)	(173,105)	(217,225)	(203,230)	(208,212)	(213,020)	(217,593)	(222,204)	(226,959)	(231,777)	(236,654)	(241,540)	(246,605)	(251,744)	(256,924)	(262,215)	(267,697)	(272,765)
Housing	(42,901)	(67,172)	(55,492)	(91,485)	(79,970)	(88,000)	(94,292)	(98,355)	(102,134)	(106,353)	(110,463)	(114,348)	(117,709)	(121,708)	(125,571)	(129,109)	(132,759)	(137,066)	(137,795)
Community amenities	(449,075)	(391,923)	(389,423)	(483,482)	(467,930)	(478,093)	(488,220)	(498,258)	(508,450)	(518,889)	(529,515)	(540,312)	(551,252)	(562,484)	(573,916)	(585,523)	(597,368)	(609,522)	(621,461)
Recreation and culture	(673,792)	(718,816)	(836,571)	(918,271)	(909,494)	(916,945)	(1,044,425)	(1,069,712)	(1,094,766)	(1,121,056)	(1,147,468)	(1,173,801)	(1,199,452)	(1,226,756)	(1,254,202)	(1,281,347)	(1,309,137)	(1,338,659)	(1,361,362)
Transport	(4,141,884)	(3,347,897)	(2,792,480)	(6,869,082)	(3,497,275)	(2,563,700)	(2,775,644)	(2,908,469)	(3,031,004)	(3,168,786)	(3,302,346)	(3,427,889)	(3,534,679)	(3,663,617)	(3,788,001)	(3,899,974)	(4,016,015)	(4,155,035)	(4,166,567)
Economic services	(974,571)	(1,062,553)	(1,100,155)	(2,115,446)	(1,174,833)	(947,244)	(971,281)	(993,163)	(1,015,070)	(1,037,819)	(1,060,796)	(1,083,900)	(1,106,785)	(1,130,769)	(1,155,005)	(1,179,260)	(1,204,055)	(1,229,999)	(1,252,337)
Other property and services	(244,532)	19,524	(30,321)	(17,796)	(24,657)	(85,831)	(130,200)	(153,329)	(173,490)	(197,446)	(220,030)	(240,229)	(255,188)	(275,759)	(294,843)	(310,357)	(326,662)	(348,780)	(336,757)
	(8,329,939)	(7,122,425)	(6,795,049)	(12,597,013)	(8,083,772)	(7,021,486)	(7,487,402)	(7,745,660)	(7,990,916)	(8,259,032)	(8,522,710)	(8,776,668)	(9,005,853)	(9,267,729)	(9,524,809)	(9,766,149)	(10,014,862)	(10,297,548)	(10,403,075)
Finance Costs																			
Health	0	0	0	0	0	(11,992)	(10,940)	(9,851)	(8,723)	(7,556)	(6,348)	(5,097)	(3,801)	(2,460)	(1,072)	0	0	0	0
Housing	(124,434)	(20,707)	(28,655)	(26,771)	(28,913)	(24,636)	(20,153)	(15,453)	(10,524)	(5,869)	(2,562)	0	0	0	0	0	0	0	0
Recreation and culture	0	0	0	0	0	(8,750)	(32,353)	(30,527)	(28,637)	(26,680)	(24,654)	(22,557)	(20,385)	(18,136)	(15,809)	(13,399)	(10,904)	(8,321)	(5,648)
Transport	0	0	0	0	(15,363)	(13,678)	(11,913)	(10,063)	(8,125)	(6,095)	(3,967)	(1,738)	0	0	0	0	0	0	0
Economic services	0	(27,702)	(29,428)	(23,194)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other property and services	0	0	(282)	0	0	(6,852)	(6,251)	(5,629)	(4,984)	(4,317)	(3,627)	(2,912)	(2,172)	(1,405)	(613)	0	0	0	0
	(124,434)	(48,409)	(58,365)	(49,965)	(44,276)	(65,908)	(81,610)	(71,523)	(60,993)	(50,517)	(41,158)	(32,304)	(26,358)	(22,001)	(17,494)	(13,399)	(10,904)	(8,321)	(5,648)
Non Operating Grants, Subsidies and Contributions																			
General purpose funding	817,332	404,759	1,305,967	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Law, order, public safety	0	0	0	0	110,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Health	0	6,219	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Education and welfare	0	0	50,000	100,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing	0	0	0	0	20,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Community amenities	50,000	0	0	0	0	0	0	250,000	0	0	0	200,000	200,000	200,000	200,000	200,000	300,000	1,000,000	1,122,000
Recreation and culture	21,465	34,925	61,009	81,655	683,500	5,681,635	1,840,000	0	0	0	0	0	0	0	0	0	0	0	0
Transport	3,983,789	1,367,106	2,598,818	5,483,511	4,806,236	5,564,404	7,631,376	2,163,423	924,625	936,164	948,049	960,290	1,039,565	1,054,552	1,069,989	1,085,888	1,102,265	1,119,133	540,000
Economic services	0	0	423,389	1,214,985	2,420,265	50,000	500,000	740,000	0	0	0	0	0	0	0	0	0	0	0
	4,872,586	1,813,009	4,439,183	6,880,151	8,040,001	11,296,039	9,971,376	3,153,423	924,625	936,164	948,049	1,160,290	1,239,565	1,254,552	1,269,989	1,285,888	1,402,265	2,119,133	1,662,000

APPENDIX A3 – FORECAST STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM 2016-2031 (Continued)

	2012-13	2013-14	2014-15	Base	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Profit/(Loss) on Disposal of Assets																			
Law, order, public safety	(6,021)	(29,599)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing	(4,682)	(3,013)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Community amenities	0	(14,321)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Recreation and culture	(13,022)	(157)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transport	(816)	(868)	0	(88,410)	(563,419)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Economic services	(30,132)	(158)	0	30,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other property and services	100,663	(9,526)	19,253	(30,106)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	35,866	(57,642)	19,253	(88,516)	(563,419)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NET RESULT	3,927,994	1,109,723	5,100,528	4,959,792	7,294,713	12,093,731	10,484,900	3,608,336	1,342,127	1,300,309	1,262,127	1,440,886	1,516,091	1,496,341	1,486,173	1,496,720	1,606,669	2,283,986	1,973,716
Other Comprehensive Income	131,959	3,977,468	0	0	1,021,362	1,430,562	1,668,817	1,877,105	1,943,527	1,970,770	1,991,819	2,015,292	2,038,235	2,063,357	2,085,855	2,113,576	2,145,839	2,178,298	2,569,523
TOTAL COMPREHENSIVE INCOME	4,059,953	5,087,191	5,100,528	4,959,792	8,316,075	13,524,293	12,153,717	5,485,441	3,285,654	3,271,079	3,253,946	3,456,178	3,554,326	3,559,698	3,572,028	3,610,296	3,752,508	4,462,284	4,543,239

APPENDIX A4 – FORECAST STATEMENT OF FINANCIAL POSITION 2016-2031

	2014	2015	2016	Base	30 June 17	30 June 18	30 June 19	30 June 20	30 June 21	30 June 22	30 June 23	30 June 24	30 June 25	30 June 26	30 June 27	30 June 28	30 June 29	30 June 30	30 June 31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
CURRENT ASSETS																			
Unrestricted Cash and Equivalents	2,676,038	1,177,127	2,998,646	8,263,368	23,264	23,264	23,264	23,264	23,264	23,264	23,264	23,264	23,264	23,264	23,264	23,264	23,264	23,264	23,264
Restricted Cash and Cash Equivalent	5,339,573	4,951,579	3,925,443	3,635,669	1,008,296	3,066,360	4,573,855	6,309,487	8,231,139	9,985,072	11,938,721	14,097,263	16,259,926	18,452,634	20,708,309	23,172,221	25,483,344	28,058,258	30,742,385
Trade and Other Receivables	418,811	827,008	1,368,538	70,367	70,367	70,367	70,367	70,367	70,367	70,367	70,367	70,367	70,367	70,367	70,367	70,367	70,367	70,367	70,367
Inventories	170,168	136,823	177,979	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000
TOTAL CURRENT ASSETS	8,604,590	7,092,537	8,470,606	12,076,404	1,208,927	3,266,991	4,774,486	6,510,118	8,431,770	10,185,703	12,139,352	14,297,894	16,460,557	18,653,265	20,908,940	23,372,852	25,683,975	28,258,889	30,943,016
NON-CURRENT ASSETS																			
Other Receivables	802	1,548	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Property Plant and Equipment	8,605,874	12,515,690	13,121,850	14,930,533	23,079,940	29,384,281	31,909,170	32,273,318	32,033,301	31,847,271	31,407,460	30,715,973	29,578,160	28,609,876	27,388,637	25,803,875	24,650,939	23,523,029	22,158,577
Infrastructure	32,390,862	34,368,964	37,386,642	38,208,054	49,664,322	55,582,740	63,463,807	66,599,115	67,942,251	69,407,442	70,900,206	72,721,268	75,127,379	77,334,931	79,740,293	82,400,775	84,921,937	87,861,475	91,006,624
TOTAL NON-CURRENT ASSETS	40,997,538	46,886,202	50,571,064	53,201,159	72,806,834	85,029,593	95,435,549	98,935,005	100,038,124	101,317,285	102,370,238	103,499,813	104,768,111	106,007,379	107,191,502	108,267,222	109,635,448	111,447,076	113,227,773
TOTAL ASSETS	49,602,128	53,978,739	59,041,670	65,277,563	74,015,761	88,296,584	100,210,035	105,445,123	108,469,894	111,502,988	114,509,590	117,797,707	121,228,668	124,660,644	128,100,442	131,640,074	135,319,423	139,705,965	144,170,789
CURRENT LIABILITIES																			
Trade and Other Payables	1,721,311	717,930	807,849	200,631	200,631	200,631	200,631	200,631	200,631	200,631	200,631	200,631	200,631	200,631	200,631	200,631	200,631	200,631	200,631
Current Portion of Long-term Liabilities	80,910	116,762	31,364	172,153	180,655	240,266	250,353	260,883	237,985	247,344	168,061	123,365	127,722	132,230	70,664	73,159	75,742	78,415	81,184
Provisions	385,350	331,473	331,472	331,472	331,472	331,472	331,472	331,472	331,472	331,472	331,472	331,472	331,472	331,472	331,472	331,472	331,472	331,472	331,472
TOTAL CURRENT LIABILITIES	2,187,571	1,166,165	1,170,685	704,256	712,758	772,369	782,456	792,986	770,088	779,447	700,164	655,468	659,825	664,333	602,767	605,262	607,845	610,518	613,287
NON-CURRENT LIABILITIES																			
Long-term Borrowings	848,862	1,132,100	1,100,736	1,237,758	1,651,379	2,348,298	2,097,945	1,837,062	1,599,077	1,351,733	1,183,672	1,060,307	932,585	800,355	729,691	656,532	580,790	502,375	421,191
Provisions	37,628	65,216	65,216	65,216	65,216	65,216	65,216	65,216	65,216	65,216	65,216	65,216	65,216	65,216	65,216	65,216	65,216	65,216	65,216
TOTAL NON-CURRENT LIABILITIES	886,490	1,197,316	1,165,952	1,302,974	1,716,595	2,413,514	2,163,161	1,902,278	1,664,293	1,416,949	1,248,888	1,125,523	997,801	865,571	794,907	721,748	646,006	567,591	486,407
TOTAL LIABILITIES	3,074,061	2,363,481	2,336,637	2,007,230	2,429,353	3,185,883	2,945,617	2,695,264	2,434,381	2,196,396	1,949,052	1,780,991	1,657,626	1,529,904	1,397,674	1,327,010	1,253,851	1,178,109	1,099,694
NET ASSETS	46,528,067	51,615,258	56,705,033	63,270,333	71,586,408	85,110,701	97,264,418	102,749,859	106,035,513	109,306,592	112,560,538	116,016,716	119,571,042	123,130,740	126,702,768	130,313,064	134,065,572	138,527,856	143,071,095
EQUITY																			
Retained Surplus	41,419,714	43,120,030	48,670,165	55,525,237	65,447,323	75,482,990	84,460,395	86,333,099	85,753,574	85,299,950	84,608,428	83,890,772	83,244,200	82,547,833	81,778,331	80,811,139	80,106,685	79,815,757	79,105,346
Reserves - Cash Backed	4,976,394	4,385,801	3,925,441	3,635,669	1,008,296	3,066,360	4,573,855	6,309,487	8,231,139	9,985,072	11,938,721	14,097,263	16,259,926	18,452,634	20,708,309	23,172,221	25,483,344	28,058,258	30,742,385
Reserves - Revaluation	131,959	4,109,427	4,109,427	4,109,427	5,130,789	6,561,351	8,230,168	10,107,273	12,050,800	14,021,570	16,013,389	18,028,681	20,066,916	22,130,273	24,216,128	26,329,704	28,475,543	30,653,841	33,223,364
TOTAL EQUITY	46,528,067	51,615,258	56,705,033	63,270,333	71,586,408	85,110,701	97,264,418	102,749,859	106,035,513	109,306,592	112,560,538	116,016,716	119,571,042	123,130,740	126,702,768	130,313,064	134,065,572	138,527,856	143,071,095

APPENDIX A5 – FORECAST STATEMENT OF CHANGES IN EQUITY 2016-2031

	2014	2015	2016	Base	30 June 17	30 June 18	30 June 19	30 June 20	30 June 21	30 June 22	30 June 23	30 June 24	30 June 25	30 June 26	30 June 27	30 June 28	30 June 29	30 June 30	30 June 31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RETAINED SURPLUS																			
Opening Balance	37,491,720	41,419,714	43,109,277	50,275,673	55,525,237	65,447,323	75,482,990	84,460,395	86,333,099	85,753,574	85,299,950	84,608,428	83,890,772	83,244,200	82,547,833	81,778,331	80,811,139	80,106,685	79,815,757
Net Result	3,927,994	1,109,723	5,100,528	4,959,792	7,294,713	12,093,731	10,484,900	3,608,336	1,342,127	1,300,309	1,262,127	1,440,886	1,516,091	1,496,341	1,486,173	1,496,720	1,606,669	2,283,986	1,973,716
Amount transferred (to)/from Reserves		590,593	460,360	289,772	2,627,373	(2,058,064)	(1,507,495)	(1,735,632)	(1,921,652)	(1,753,933)	(1,953,649)	(2,158,542)	(2,162,663)	(2,192,708)	(2,255,675)	(2,463,912)	(2,311,123)	(2,574,914)	(2,684,127)
Closing Balance	41,419,714	43,120,030	48,670,165	55,525,237	65,447,323	75,482,990	84,460,395	86,333,099	85,753,574	85,299,950	84,608,428	83,890,772	83,244,200	82,547,833	81,778,331	80,811,139	80,106,685	79,815,757	79,105,346
RESERVES - CASH/INVESTMENT BACKED																			
Opening Balance	4,976,394	4,976,394	4,385,801	3,925,441	3,635,669	1,008,296	3,066,360	4,573,855	6,309,487	8,231,139	9,985,072	11,938,721	14,097,263	16,259,926	18,452,634	20,708,309	23,172,221	25,483,344	28,058,258
Amount transferred to/(from) Retained Surplus	0	(590,593)	(460,360)	(289,772)	(2,627,373)	2,058,064	1,507,495	1,735,632	1,921,652	1,753,933	1,953,649	2,158,542	2,162,663	2,192,708	2,255,675	2,463,912	2,311,123	2,574,914	2,684,127
Closing Balance	4,976,394	4,385,801	3,925,441	3,635,669	1,008,296	3,066,360	4,573,855	6,309,487	8,231,139	9,985,072	11,938,721	14,097,263	16,259,926	18,452,634	20,708,309	23,172,221	25,483,344	28,058,258	30,742,385
ASSET REVALUATION RESERVES																			
Opening Balance	0	131,959	4,109,427	4,109,427	4,109,427	5,130,789	6,561,351	8,230,168	10,107,273	12,050,800	14,021,570	16,013,389	18,028,681	20,066,916	22,130,273	24,216,128	26,329,704	28,475,543	30,653,841
Total Other Comprehensive Income	131,959	3,977,468	0	0	1,021,362	1,430,562	1,668,817	1,877,105	1,943,527	1,970,770	1,991,819	2,015,292	2,038,235	2,063,357	2,085,855	2,113,576	2,145,839	2,178,298	2,569,523
Closing Balance	131,959	4,109,427	4,109,427	4,109,427	5,130,789	6,561,351	8,230,168	10,107,273	12,050,800	14,021,570	16,013,389	18,028,681	20,066,916	22,130,273	24,216,128	26,329,704	28,475,543	30,653,841	33,223,364
TOTAL EQUITY	46,528,067	51,615,258	56,705,033	63,270,333	71,586,408	85,110,701	97,264,418	102,749,859	106,035,513	109,306,592	112,560,538	116,016,716	119,571,042	123,130,740	126,702,768	130,313,064	134,065,572	138,527,856	143,071,095

APPENDIX A6 – FORECAST STATEMENT OF CASHFLOWS 2016-2031

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows From Operating Activities															
Receipts															
Rates	3,749,641	3,824,634	3,901,127	3,979,152	4,058,734	4,139,909	4,222,706	4,307,159	4,393,302	4,481,168	4,570,791	4,662,207	4,755,451	4,850,559	4,947,571
Operating grants, subsidies and contributions	3,067,004	3,057,729	3,118,886	3,181,262	3,244,886	3,309,783	3,375,979	3,443,497	3,512,365	3,582,612	3,654,265	3,727,352	3,801,898	3,877,936	3,955,497
Fees and charges	644,022	656,898	670,034	683,431	697,098	711,036	725,257	739,759	754,550	769,641	785,031	800,728	816,741	833,084	849,747
Interest earnings	364,062	221,946	266,133	299,367	337,231	378,876	417,231	459,644	506,222	552,953	600,352	649,085	702,052	752,035	807,374
Other revenue	121,450	123,879	126,356	128,884	131,462	134,090	136,773	139,509	142,298	145,145	148,048	151,008	154,028	157,108	160,250
	7,946,179	7,885,086	8,082,536	8,272,096	8,469,411	8,673,694	8,877,946	9,089,568	9,308,737	9,531,519	9,758,487	9,990,380	10,230,170	10,470,722	10,720,439
Payments															
Employee costs	(2,205,904)	(2,250,018)	(2,295,019)	(2,340,925)	(2,387,745)	(2,435,506)	(2,484,213)	(2,533,896)	(2,584,581)	(2,636,272)	(2,689,001)	(2,742,793)	(2,797,652)	(2,853,602)	(2,910,682)
Materials and contracts	(2,811,383)	(1,322,896)	(1,449,345)	(1,478,331)	(1,507,901)	(1,538,062)	(1,568,816)	(1,600,202)	(1,632,203)	(1,664,857)	(1,698,151)	(1,732,123)	(1,766,769)	(1,802,114)	(1,838,171)
Utility charges	(255,530)	(260,635)	(265,850)	(271,164)	(276,591)	(282,121)	(287,770)	(293,521)	(299,387)	(305,377)	(311,480)	(317,712)	(324,063)	(330,548)	(337,155)
Interest expenses	(44,276)	(65,908)	(81,610)	(71,523)	(60,993)	(50,517)	(41,158)	(32,304)	(26,358)	(22,001)	(17,494)	(13,399)	(10,904)	(8,321)	(5,648)
Insurance expenses	(166,407)	(169,739)	(173,134)	(176,599)	(180,129)	(183,728)	(187,403)	(191,156)	(194,978)	(198,880)	(202,853)	(206,904)	(211,041)	(215,263)	(219,570)
Other expenditure	(537,692)	(548,445)	(559,411)	(570,601)	(582,011)	(593,649)	(605,523)	(617,634)	(629,986)	(642,589)	(655,439)	(668,550)	(681,922)	(695,559)	(709,472)
	(6,021,192)	(4,617,641)	(4,824,369)	(4,909,143)	(4,995,370)	(5,083,583)	(5,174,883)	(5,268,713)	(5,367,493)	(5,469,976)	(5,574,418)	(5,681,481)	(5,792,351)	(5,905,407)	(6,020,698)
Net Cash Provided By (Used In) Operating Activities	1,924,987	3,267,445	3,258,167	3,362,953	3,474,041	3,590,111	3,703,063	3,820,855	3,941,244	4,061,543	4,184,069	4,308,899	4,437,819	4,565,315	4,699,741
Cash Flows from Investing Activities															
Payments for purchase of property, plant & equipment	(10,065,894)	(7,454,785)	(4,062,309)	(1,965,061)	(1,662,274)	(1,604,174)	(1,725,738)	(1,488,098)	(1,138,748)	(1,474,493)	(1,481,305)	(1,041,398)	(1,839,420)	(1,785,875)	(863,334)
Payments for construction of infrastructure	(11,592,694)	(5,890,397)	(7,812,649)	(2,950,134)	(1,116,938)	(1,234,246)	(1,255,073)	(1,576,525)	(2,148,621)	(1,925,879)	(2,103,956)	(2,335,874)	(2,168,750)	(2,562,613)	(2,735,865)
Non-operating grants, subsidies and contributions	8,040,001	11,296,039	9,971,376	3,153,423	924,625	936,164	948,049	1,160,290	1,239,565	1,254,552	1,269,989	1,285,888	1,402,265	2,119,133	1,662,000
Proceeds from sale of plant & equipment	404,000	83,232	393,176	384,804	563,081	304,063	530,692	410,081	392,588	404,707	519,108	317,061	552,368	314,696	0
Net Cash Provided By (Used In) Investing Activities	(13,214,587)	(1,965,911)	(1,510,406)	(1,376,968)	(1,291,506)	(1,598,193)	(1,502,070)	(1,494,252)	(1,655,216)	(1,741,113)	(1,796,164)	(1,774,323)	(2,053,537)	(1,914,659)	(1,937,199)
Cash Flows from Financing Activities															
Repayment of debentures	(127,877)	(193,470)	(240,266)	(250,353)	(260,883)	(237,985)	(247,344)	(168,061)	(123,365)	(127,722)	(132,230)	(70,664)	(73,159)	(75,742)	(78,415)
Proceeds from new debentures	550,000	950,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash Provided By (Used In) Financing Activities	422,123	756,530	(240,266)	(250,353)	(260,883)	(237,985)	(247,344)	(168,061)	(123,365)	(127,722)	(132,230)	(70,664)	(73,159)	(75,742)	(78,415)
Net Increase (Decrease) in Cash Held	(10,867,477)	2,058,064	1,507,495	1,735,632	1,921,652	1,753,933	1,953,649	2,158,542	2,162,663	2,192,708	2,255,675	2,463,912	2,311,123	2,574,914	2,684,127
Cash at beginning of year	11,899,037	1,031,560	3,089,624	4,597,119	6,332,751	8,254,403	10,008,336	11,961,985	14,120,527	16,283,190	18,475,898	20,731,573	23,195,485	25,506,608	28,081,522
Cash and Cash Equivalents at the End of Year	1,031,560	3,089,624	4,597,119	6,332,751	8,254,403	10,008,336	11,961,985	14,120,527	16,283,190	18,475,898	20,731,573	23,195,485	25,506,608	28,081,522	30,765,649
Reconciliation of Net Cash Provided By Operating Activities to Net Result															
Net Result	7,294,713	12,093,731	10,484,900	3,608,336	1,342,127	1,300,309	1,262,127	1,440,886	1,516,091	1,496,341	1,486,173	1,496,720	1,606,669	2,283,986	1,973,716
Depreciation	2,106,856	2,469,753	2,744,643	2,908,040	3,056,539	3,225,966	3,388,985	3,540,259	3,664,718	3,819,754	3,967,885	4,098,067	4,233,415	4,400,462	4,388,025
(Profit)/Loss on sale of asset	563,419	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grants/Contributions for the development of assets	(8,040,001)	(11,296,039)	(9,971,376)	(3,153,423)	(924,625)	(936,164)	(948,049)	(1,160,290)	(1,239,565)	(1,254,552)	(1,269,989)	(1,285,888)	(1,402,265)	(2,119,133)	(1,662,000)
Net Cash from Operating Activities	1,924,987	3,267,445	3,258,167	3,362,953	3,474,041	3,590,111	3,703,063	3,820,855	3,941,244	4,061,543	4,184,069	4,308,899	4,437,819	4,565,315	4,699,741

APPENDIX A7 – FORECAST STATEMENT OF FUNDING 2016-2031

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
FUNDING FROM OPERATIONAL ACTIVITIES																
Revenues																
Rates	3,749,641	3,824,634	3,901,127	3,979,152	4,058,734	4,139,909	4,222,706	4,307,159	4,393,302	4,481,168	4,570,791	4,662,207	4,755,451	4,850,559	4,947,571	
Operating grants, subsidies and contributions	3,067,004	3,057,729	3,118,886	3,181,262	3,244,886	3,309,783	3,375,979	3,443,497	3,512,365	3,582,612	3,654,265	3,727,352	3,801,898	3,877,936	3,955,497	
Profit on asset disposal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Fees and charges	644,022	656,898	670,034	683,431	697,098	711,036	725,257	739,759	754,550	769,641	785,031	800,728	816,741	833,084	849,747	
Interest earnings	364,062	221,946	266,133	299,367	337,231	378,876	417,231	459,644	506,222	552,953	600,352	649,085	702,052	752,035	807,374	
Other revenue	121,450	123,879	126,356	128,884	131,462	134,090	136,773	139,509	142,298	145,145	148,048	151,008	154,028	157,108	160,250	
	7,946,179	7,885,086	8,082,536	8,272,096	8,469,411	8,673,694	8,877,946	9,089,568	9,308,737	9,531,519	9,758,487	9,990,380	10,230,170	10,470,722	10,720,439	
Expenses																
Employee costs	(2,205,904)	(2,250,018)	(2,295,019)	(2,340,925)	(2,387,745)	(2,435,506)	(2,484,213)	(2,533,896)	(2,584,581)	(2,636,272)	(2,689,001)	(2,742,793)	(2,797,652)	(2,853,602)	(2,910,682)	
Materials and contracts	(2,811,383)	(1,322,896)	(1,449,345)	(1,478,331)	(1,507,901)	(1,538,062)	(1,568,816)	(1,600,202)	(1,632,203)	(1,664,857)	(1,698,151)	(1,732,123)	(1,766,769)	(1,802,114)	(1,838,171)	
Utility charges (electricity, gas, water etc.)	(255,530)	(260,635)	(265,850)	(271,164)	(276,591)	(282,121)	(287,770)	(293,521)	(299,387)	(305,377)	(311,480)	(317,712)	(324,063)	(330,548)	(337,155)	
Depreciation on non-current assets	(2,106,856)	(2,469,753)	(2,744,643)	(2,908,040)	(3,056,539)	(3,225,966)	(3,388,985)	(3,540,259)	(3,664,718)	(3,819,754)	(3,967,885)	(4,098,067)	(4,233,415)	(4,400,462)	(4,388,025)	
Loss on asset disposal	(563,419)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Interest expense	(44,276)	(65,908)	(81,610)	(71,523)	(60,993)	(50,517)	(41,158)	(32,304)	(26,358)	(22,001)	(17,494)	(13,399)	(10,904)	(8,321)	(5,648)	
Insurance expense	(166,407)	(169,739)	(173,134)	(176,599)	(180,129)	(183,728)	(187,403)	(191,156)	(194,978)	(198,880)	(202,853)	(206,904)	(211,041)	(215,263)	(219,570)	
Other expenditure	(537,692)	(548,445)	(559,411)	(570,601)	(582,011)	(593,649)	(605,523)	(617,634)	(629,986)	(642,589)	(655,439)	(668,550)	(681,922)	(695,559)	(709,472)	
	(8,691,467)	(7,087,394)	(7,569,012)	(7,817,183)	(8,051,909)	(8,309,549)	(8,563,868)	(8,808,972)	(9,032,211)	(9,289,730)	(9,542,303)	(9,779,548)	(10,025,766)	(10,305,869)	(10,408,723)	
	(745,288)	797,692	513,524	454,913	417,502	364,145	314,078	280,596	276,526	241,789	216,184	210,832	204,404	164,853	311,716	
Funding Position Adjustments																
Depreciation on non-current assets	2,106,856	2,469,753	2,744,643	2,908,040	3,056,539	3,225,966	3,388,985	3,540,259	3,664,718	3,819,754	3,967,885	4,098,067	4,233,415	4,400,462	4,388,025	
Net profit and losses on disposal	563,419	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Movement in employee benefit provisions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Initial Recognition of Land	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Net Funding From Operational Activities	1,924,987	3,267,445	3,258,167	3,362,953	3,474,041	3,590,111	3,703,063	3,820,855	3,941,244	4,061,543	4,184,069	4,308,899	4,437,819	4,565,315	4,699,741	
FUNDING FROM CAPITAL ACTIVITIES																
Inflows																
Proceeds on disposal	404,000	83,232	393,176	384,804	563,081	304,063	530,692	410,081	392,588	404,707	519,108	317,061	552,368	314,696	0	
Non-operating grants, subsidies and contributions	8,040,001	11,296,039	9,971,376	3,153,423	924,625	936,164	948,049	1,160,290	1,239,565	1,254,552	1,269,989	1,285,888	1,402,265	2,119,133	1,662,000	
Outflows																
Purchase of property plant and equipment	(10,065,894)	(7,454,785)	(4,062,309)	(1,965,061)	(1,662,274)	(1,604,174)	(1,725,738)	(1,488,098)	(1,138,748)	(1,474,493)	(1,481,305)	(1,041,398)	(1,839,420)	(1,785,875)	(863,334)	
Purchase of infrastructure	(11,592,694)	(5,890,397)	(7,812,649)	(2,950,134)	(1,116,938)	(1,234,246)	(1,255,073)	(1,576,525)	(2,148,621)	(1,925,879)	(2,103,956)	(2,335,874)	(2,168,750)	(2,562,613)	(2,735,865)	
Net Funding From Capital Activities	(13,214,587)	(1,965,911)	(1,510,406)	(1,376,968)	(1,291,506)	(1,598,193)	(1,502,070)	(1,494,252)	(1,655,216)	(1,741,113)	(1,796,164)	(1,774,323)	(2,053,537)	(1,914,659)	(1,937,199)	
FUNDING FROM FINANCING ACTIVITIES																
Inflows																
Transfer from reserves	2,707,100	70,000	205,000	36,000	10,000	160,000	30,000	0	0	30,000	0	0	175,000	0	0	
New borrowings	550,000	950,000	0	0	0	0	0	0	0	0	0	0	0	0	0	
Outflows																
Transfer to reserves	(79,727)	(2,128,064)	(1,712,495)	(1,771,632)	(1,931,652)	(1,913,933)	(1,983,649)	(2,158,542)	(2,162,663)	(2,222,708)	(2,255,675)	(2,463,912)	(2,486,123)	(2,574,914)	(2,684,127)	
Repayment of past borrowings	(127,877)	(193,470)	(240,266)	(250,353)	(260,883)	(237,985)	(247,344)	(168,061)	(123,365)	(127,722)	(132,230)	(70,664)	(73,159)	(75,742)	(78,415)	
Net Funding From Financing Activities	3,049,496	(1,301,534)	(1,747,761)	(1,985,985)	(2,182,535)	(1,991,918)	(2,200,993)	(2,326,603)	(2,286,028)	(2,320,430)	(2,387,905)	(2,534,576)	(2,384,282)	(2,650,656)	(2,762,542)	
Estimated Surplus/Deficit July 1 B/Fwd	8,240,104	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 A8 – FORECAST STATEMENT OF NET CURRENT ASSET COMPOSITION 2016-2031

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Unrestricted Cash and Equivalents	23,264	23,264	23,264	23,264	23,264	23,264	23,264	23,264	23,264	23,264	23,264	23,264	23,264	23,264	23,264
Restricted Cash and Cash Equivalent	1,008,296	3,066,360	4,573,855	6,309,487	8,231,139	9,985,072	11,938,721	14,097,263	16,259,926	18,452,634	20,708,309	23,172,221	25,483,344	28,058,258	30,742,385
Non-Cash Investments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Trade and Other Receivables	70,367	70,367	70,367	70,367	70,367	70,367	70,367	70,367	70,367	70,367	70,367	70,367	70,367	70,367	70,367
Inventories	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000
Trade and Other Payables	(200,631)	(200,631)	(200,631)	(200,631)	(200,631)	(200,631)	(200,631)	(200,631)	(200,631)	(200,631)	(200,631)	(200,631)	(200,631)	(200,631)	(200,631)
Reserves	(1,008,296)	(3,066,360)	(4,573,855)	(6,309,487)	(8,231,139)	(9,985,072)	(11,938,721)	(14,097,263)	(16,259,926)	(18,452,634)	(20,708,309)	(23,172,221)	(25,483,344)	(28,058,258)	(30,742,385)
Current Self Supporting Loans Receivable	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Movement in Accrued Salaries and Wages	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

APPENDIX A9 – FORECAST STATEMENT OF FIXED ASSET MOVEMENTS 2016-2031

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
CAPITAL WORKS - INFRASTRUCTURE															
Roads	5,234,694	5,390,397	7,812,649	2,100,134	1,116,938	1,134,246	1,152,073	1,170,435	1,789,348	1,311,828	1,384,983	1,858,832	1,583,397	1,768,699	1,926,073
Other Infrastructure	6,358,000	500,000	0	850,000	0	100,000	103,000	406,090	359,273	614,051	718,973	477,042	585,353	793,914	809,792
Total Capital Works - Infrastructure	11,592,694	5,890,397	7,812,649	2,950,134	1,116,938	1,234,246	1,255,073	1,576,525	2,148,621	1,925,879	2,103,956	2,335,874	2,168,750	2,562,613	2,735,865
Represented by:															
Additions - Assets at no cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Additions - Expansion, Upgrades and New	5,289,342	4,166,667	5,866,667	1,500,000	0	0	0	0	0	0	0	0	0	0	0
Additions - Renewal	6,303,352	1,723,730	1,945,982	1,450,134	1,116,938	1,234,246	1,255,073	1,576,525	2,148,621	1,925,879	2,103,956	2,335,874	2,168,750	2,562,613	2,735,865
Total Capital Works - Infrastructure	11,592,694	5,890,397	7,812,649	2,950,134	1,116,938	1,234,246	1,255,073	1,576,525	2,148,621	1,925,879	2,103,956	2,335,874	2,168,750	2,562,613	2,735,865
Asset Movement Reconciliation															
Total Capital Works Infrastructure	11,592,694	5,890,397	7,812,649	2,950,134	1,116,938	1,234,246	1,255,073	1,576,525	2,148,621	1,925,879	2,103,956	2,335,874	2,168,750	2,562,613	2,735,865
Depreciation Infrastructure	(900,587)	(965,265)	(1,043,237)	(1,084,103)	(1,105,785)	(1,127,900)	(1,150,458)	(1,173,467)	(1,196,936)	(1,220,875)	(1,245,293)	(1,270,198)	(1,295,603)	(1,321,514)	(1,347,945)
Net Book Value of disposed/Written Off assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revaluation of Infrastructure assets (Inflation)	764,161	993,286	1,111,655	1,269,277	1,331,983	1,358,845	1,388,149	1,418,004	1,454,426	1,502,548	1,546,699	1,594,806	1,648,015	1,698,439	1,757,229
Net Movement in Infrastructure Assets	11,456,268	5,918,418	7,881,067	3,135,308	1,343,136	1,465,191	1,492,764	1,821,062	2,406,111	2,207,552	2,405,362	2,660,482	2,521,162	2,939,538	3,145,149
CAPITAL WORKS - PROPERTY, PLANT AND EQUIPMENT															
Land	30,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Buildings	7,734,286	7,064,635	2,930,000	940,000	100,000	103,000	106,090	199,273	212,551	218,928	225,496	232,261	239,229	846,406	863,334
Furniture and Equipment	200,600	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	2,101,008	390,150	1,132,309	1,025,061	1,562,274	1,501,174	1,619,648	1,288,825	926,197	1,255,565	1,255,809	809,137	1,600,191	939,469	0
Total Capital Works Property, Plant and Equipment	10,065,894	7,454,785	4,062,309	1,965,061	1,662,274	1,604,174	1,725,738	1,488,098	1,138,748	1,474,493	1,481,305	1,041,398	1,839,420	1,785,875	863,334
Represented by:															
Additions - Assets at no cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Additions - Expansion, Upgrades and New	7,028,286	6,964,635	2,830,000	740,000	0	0	0	0	0	0	0	0	0	0	0
Additions - Renewal	3,037,608	490,150	1,232,309	1,225,061	1,662,274	1,604,174	1,725,738	1,488,098	1,138,748	1,474,493	1,481,305	1,041,398	1,839,420	1,785,875	863,334
Total Capital Works Property, Plant and Equipment	10,065,894	7,454,785	4,062,309	1,965,061	1,662,274	1,604,174	1,725,738	1,488,098	1,138,748	1,474,493	1,481,305	1,041,398	1,839,420	1,785,875	863,334
Asset Movement Reconciliation															
Total Capital Works Property, Plant and Equipment	10,065,894	7,454,785	4,062,309	1,965,061	1,662,274	1,604,174	1,725,738	1,488,098	1,138,748	1,474,493	1,481,305	1,041,398	1,839,420	1,785,875	863,334
Depreciation Property, Plant and Equipment	(1,206,269)	(1,504,488)	(1,701,406)	(1,823,937)	(1,950,754)	(2,098,066)	(2,238,527)	(2,366,792)	(2,467,782)	(2,598,879)	(2,722,592)	(2,827,869)	(2,937,812)	(3,078,948)	(3,040,080)
Net Book Value of disposed/Written Off assets	(967,419)	83,232)	(393,176)	(384,804)	(563,081)	(304,063)	(530,692)	(410,081)	(392,588)	(404,707)	(519,108)	(317,061)	(552,368)	(314,696)	0
Revaluation of Property, Plant and Equipment (Inflation)	257,201	437,276	557,162	607,828	611,544	611,925	603,670	597,288	583,809	560,809	539,156	518,770	497,824	479,859	812,294
Net Movement in Property, Plant and Equipment	8,149,407	6,304,341	2,524,889	364,148	(240,017)	(186,030)	(439,811)	(691,487)	(1,137,813)	(968,284)	(1,221,239)	(1,584,762)	(1,152,936)	(1,127,910)	(1,364,452)
CAPITAL WORKS - TOTALS															
Capital Works															
Total Capital Works Infrastructure	11,592,694	5,890,397	7,812,649	2,950,134	1,116,938	1,234,246	1,255,073	1,576,525	2,148,621	1,925,879	2,103,956	2,335,874	2,168,750	2,562,613	2,735,865
Total Capital Works Property, Plant and Equipment	10,065,894	7,454,785	4,062,309	1,965,061	1,662,274	1,604,174	1,725,738	1,488,098	1,138,748	1,474,493	1,481,305	1,041,398	1,839,420	1,785,875	863,334
Total Capital Works	21,658,588	13,345,182	11,874,958	4,915,195	2,779,212	2,838,420	2,980,811	3,064,623	3,287,369	3,400,372	3,585,261	3,377,272	4,008,170	4,348,488	3,599,199

APPENDIX A9 – FORECAST STATEMENT OF FIXED ASSET MOVEMENTS 2016-2031 (Continued)

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Fixed Asset Movement															
Net Movement in Infrastructure Assets	11,456,268	5,918,418	7,881,067	3,135,308	1,343,136	1,465,191	1,492,764	1,821,062	2,406,111	2,207,552	2,405,362	2,660,482	2,521,162	2,939,538	3,145,149
Net Movement in Property, Plant and Equipment	8,149,407	6,304,341	2,524,889	364,148	(240,017)	(186,030)	(439,811)	(691,487)	(1,137,813)	(968,284)	(1,221,239)	(1,584,762)	(1,152,936)	(1,127,910)	(1,364,452)
Net Movement in Fixed Assets	19,605,675	12,222,759	10,405,956	3,499,456	1,103,119	1,279,161	1,052,953	1,129,575	1,268,298	1,239,268	1,184,123	1,075,720	1,368,226	1,811,628	1,780,697

APPENDIX A10 – FORECAST STATEMENT OF CAPITAL FUNDING 2016-2031

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Capital Expenditure															
Roads	5,234,694	5,390,397	7,812,649	2,100,134	1,116,938	1,134,246	1,152,073	1,170,435	1,789,348	1,311,828	1,384,983	1,858,832	1,583,397	1,768,699	1,926,073
Other Infrastructure	6,358,000	500,000	0	850,000	0	100,000	103,000	406,090	359,273	614,051	718,973	477,042	585,353	793,914	809,792
Land	30,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Buildings	7,734,286	7,064,635	2,930,000	940,000	100,000	103,000	106,090	199,273	212,551	218,928	225,496	232,261	239,229	846,406	863,334
Furniture and Equipment	200,600	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	2,101,008	390,150	1,132,309	1,025,061	1,562,274	1,501,174	1,619,648	1,288,825	926,197	1,255,565	1,255,809	809,137	1,600,191	939,469	0
Total - Capital Expenditure	21,658,588	13,345,182	11,874,958	4,915,195	2,779,212	2,838,420	2,980,811	3,064,623	3,287,369	3,400,372	3,585,261	3,377,272	4,008,170	4,348,488	3,599,199
Funded By:															
Capital Grants & Contributions															
Roads	4,544,108	5,214,404	7,631,376	1,913,423	924,625	936,164	948,049	960,290	1,039,565	1,054,552	1,069,989	1,085,888	1,102,265	1,119,133	540,000
Other Infrastructure	2,635,265	350,000	0	500,000	0	0	0	200,000	200,000	200,000	200,000	200,000	300,000	500,000	500,000
Buildings	701,500	5,731,635	2,340,000	740,000	0	0	0	0	0	0	0	0	0	500,000	622,000
Furniture and Equipment	110,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	49,128	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total - Capital Grants & Contributions	8,040,001	11,296,039	9,971,376	3,153,423	924,625	936,164	948,049	1,160,290	1,239,565	1,254,552	1,269,989	1,285,888	1,402,265	2,119,133	1,662,000
Own Source Funding															
Roads	690,586	175,993	181,273	186,711	192,313	198,082	204,024	210,145	749,783	257,276	314,994	772,944	481,132	649,566	1,386,073
Other Infrastructure	3,522,735	150,000	0	350,000	0	100,000	103,000	206,090	159,273	414,051	518,973	277,042	285,353	293,914	309,792
Land	30,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Buildings	6,682,786	383,000	590,000	200,000	100,000	103,000	106,090	199,273	212,551	218,928	225,496	232,261	239,229	346,406	241,334
Furniture and Equipment	90,600	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	1,647,880	306,918	739,133	640,257	999,193	1,197,111	1,088,956	878,744	533,609	850,858	736,701	492,076	1,047,823	624,773	0
Total - Own Source Funding	12,664,587	1,015,911	1,510,406	1,376,968	1,291,506	1,598,193	1,502,070	1,494,252	1,655,216	1,741,113	1,796,164	1,774,323	2,053,537	1,914,659	1,937,199
Borrowings															
Other Infrastructure	200,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Buildings	350,000	950,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Total - Borrowings	550,000	950,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (Disposals & C/Fwd)															
Plant and Equipment	404,000	83,232	393,176	384,804	563,081	304,063	530,692	410,081	392,588	404,707	519,108	317,061	552,368	314,696	0
Total - Other (Disposals & C/Fwd)	404,000	83,232	393,176	384,804	563,081	304,063	530,692	410,081	392,588	404,707	519,108	317,061	552,368	314,696	0
Total Capital Funding	21,658,588	13,345,182	11,874,958	4,915,195	2,779,212	2,838,420	2,980,811	3,064,623	3,287,369	3,400,372	3,585,261	3,377,272	4,008,170	4,348,488	3,599,199

APPENDIX A11 – FORECAST RATIOS 2016-2031

	Target Range		Average	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
LIQUIDITY RATIOS																		
Current Ratio	> 1.00	> 1.20	0.50	0.42	0.38	0.37	0.37	0.39	0.38	0.46	0.52	0.52	0.52	0.63	0.64	0.64	0.65	0.66
OPERATING RATIOS																		
Operating Surplus Ratio	> 1.00%	> 15.00%	4.80%	(15.27%)	16.52%	10.35%	8.94%	7.99%	6.79%	5.71%	4.97%	4.77%	4.06%	3.54%	3.37%	3.18%	2.50%	4.61%
Own Source Revenue Coverage Ratio	> 40.00%	> 60.00%	64.69%	64.50%	68.11%	65.58%	65.12%	64.89%	64.55%	64.25%	64.09%	64.17%	64.04%	63.97%	64.04%	64.12%	63.97%	64.99%
BORROWINGS RATIOS																		
Debt Service Cover Ratio	> 3	> 5	26.30	8.17	12.85	10.38	10.67	10.98	12.62	12.98	19.23	26.50	27.27	28.06	51.42	52.92	54.41	55.97
FIXED ASSET RATIOS																		
Asset Sustainability Ratio	> 90.00%	> 110.00%	114.75%	443.36%	89.64%	115.80%	91.99%	90.93%	87.99%	87.96%	86.56%	89.70%	89.02%	90.36%	82.41%	94.68%	98.82%	82.02%
Asset Consumption Ratio	> 50.00%	> 60.00%	67.28%	68.63%	71.03%	72.51%	72.06%	70.90%	69.78%	68.59%	67.52%	66.70%	65.74%	64.81%	63.91%	62.99%	62.27%	61.74%
Asset Renewal Funding Ratio	> 75.00%	> 95.00%	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

APPENDIX A12 - FORECAST SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

All monies held in the trust fund are excluded from the forecast financial statements.

2015/16 BALANCES

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

ROUNDING OFF FIGURES

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

RATES, GRANTS, DONATIONS AND OTHER CONTRIBUTIONS

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions.

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

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

APPENDIX A12 - 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 A12 - 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 A12 - 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	40
Furniture and Equipment	10
Plant and Equipment	3 to 10
Roads and Streets	35
Footpaths - slab	20
Airport	20
Parks and gardens equipment	35
Information Bay	35
Town Centre Facilities	35
Tools	10

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.

APPENDIX A12 - FORECAST SIGNIFICANT ACCOUNTING POLICIES (Continued)

CAPITALISATION THRESHOLD

Expenditure on items of equipment under \$2,000 each 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 HIERARCHY

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.

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

APPENDIX A12 - FORECAST SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

APPENDIX A12 - 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 A12 - 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 A12 - 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 A12 - 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 A12 - 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.

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 Laverton by Moore Stephens.

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