



**Shire of Derby /
West Kimberley**

Strategic Resourcing Plan

(Incorporating Asset Management and Long Term
Financial Planning)

2019/20 - 2033/34



www.sdwk.wa.gov.au

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1.0 Foreword

*"A friendly and
diverse place with
awesome
opportunities"*

Our Vision

We are pleased to present the Shire of Derby/West Kimberley Strategic Resourcing Plan for 2019/20 - 2033/34.

As part of the Shire's ongoing commitment to an integrated approach to planning for the future, it provides the Council and the community with a picture of the Shire's long term financial and asset management circumstances and assists us to meet our strategic outcomes and objectives.

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

Council welcomes community participation in the planning process as we develop the strategic direction for a promising future for our Shire. We invite members of the community to contact a Councillor or Senior Council staff members if they have any questions.

The Shire of Derby/West Kimberley Strategic Resourcing Plan is an important planning tool as we strive to achieve the strategies set out in the Shire of Derby/West Kimberley Strategic Community Plan 2012-2021.

The Shire has recently devoted significant resources to improving its strategic planning. This work continues as we constantly seek to improve our systems and service delivery.

Further work is required to update the asset management component of this Plan. This Plan will be used with our Corporate Business Plan and Workforce Plan to achieve our goals and drive the Shire in achieving its vision of "A friendly and diverse place with awesome opportunities".

Amanda O'Halloran
Chief Executive Officer

2.0 Key Information

ASSUMPTIONS



1.5%
Inflation Rate



Stable
Population



Stable
Levels of Service



Stable
Operations



Balanced
Annual Budget



2.5%
(1% + CPI 1.5%)
Rates



1.5%
Employee Costs

STATISTICS ^{1 1 2}



9
Elected
Members



60
Employees



3,674
Electors



3,008
Dwellings



2,366 km
Distance from
Perth



119,761km²
Area



7,730
Population

FINANCIAL INFORMATION³

\$6,809,136
Rates Revenue

\$3,686,387
Fees and Charges

\$18,090,828
Operating Revenue

\$32,228,187
Operating Expenditure

\$200,893,318
Net Assets

\$1,552,654
Cash Backed Reserves

\$7,603,873
Long Term Borrowings

¹Australian Bureau of Statistics, Derby-West Kimberley (S) (LGA52800) 2016 Census of Population and Housing

²WALGA Online Local Government Directory 2017/18, Shire of Derby/West Kimberley

³Shire of Derby/West Kimberley 2017-18 Annual Financial Report

3.0 Executive Summary

The following information provides a brief summary of the Strategic Resourcing Plan 2019/20 - 2033/34, this should be read in conjunction with the underlying assumptions detailed in this Plan.

3.1 Planning for a Sustainable and Stable Future

The Shire of Derby/West Kimberley is planning for a positive and stable future. The Shire seeks to maintain, and where possible, improve service levels into the future while ensuring a healthy financial position.

Long term maintenance and renewal of the Shire's infrastructure remains a significant challenge and requires external funding to ensure the economic and social benefits of the Shire's infrastructure to the broader region and Western Australia are not impacted.

3.2 Significant Issues

The continued provision of community infrastructure remains one of the key priorities and major expenditure items for the Shire.

Renewal of road infrastructure and other community infrastructure remains a high priority due to the social, community and economic benefit these assets provide.

Funding the renewal of these assets is likely to be a significant financial challenge beyond the Shire's forecast capacity if external funding is not available. Adequate maintenance, renewal and upgrading of significant community assets remains highly dependent on the receipt of external grants and contributions.

Rate revenue is forecast to increase by 3.5% (CPI 1.5% + 2%) for year 3 of the Plan, with a 2.5% increase (CPI 1.5% + 1%) for the remaining term of the Plan. These increases are to assist in the long term financial stability of the Shire and to maintain the level of services to the community.

3.3 Forecast Capital Projects

An extensive capital works program has been planned over the term of the Plan with a mixture of new/upgrade assets and asset renewals, aimed at ensuring the continued provision of high quality community infrastructure to residents of the Shire. Total planned asset expenditure per asset class over the 15 year term of the Plan is shown in the table below.

Planned expenditure by Asset Class	2019 – 2034 Amount (\$)
Buildings	6,498,011
Furniture and Equipment	10,000
Plant and Equipment	14,294,704
Infrastructure - Roads	39,132,903
Infrastructure – Footpaths	1,451,451
Infrastructure – Drainage	1,779,608
Infrastructure – Parks and Ovals	26,500
Infrastructure – Airports	502,250
Infrastructure – Derby Wharf	1,127,760
Structures and Other Infrastructure	1,931,916
Grand Total	66,855,103

3.4 Asset Management Planning

Current available asset data is not considered reliable enough to develop required asset renewal requirements. The asset management component of this plan will be further developed over the coming months as asset data is made available.

4.0 Community Profile, Vision and Objectives

4.1 Location and Heritage

The Shire of Derby/West Kimberley covers an area of 119,761 square kilometres, servicing 54 Aboriginal communities and three towns. Derby and Fitzroy Crossing being the main population centres with a third township at Camballin. Derby is the major centre of the Shire and this is where the main Administration Centre is located.

The Shire of Derby/West Kimberley offers its residents a unique and unparalleled way of life. On our doorstep are some truly stunning and untouched wilderness like the famed Buccaneer Archipelago, National Parks and gorges, the mighty Fitzroy River and the Gibb River Road.

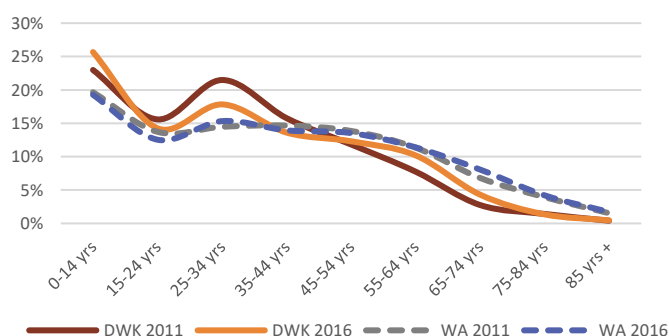
These pristine environments offer the opportunity for the community to get out camping, fishing and four wheel driving. Derby remains a supply point for an important part of the Kimberley's pastoral, mining, oil and tourist industries.

The Shire continues to maintain a number of assets to service the community, and welcomes visitors to enjoy the scenic area.

The following statistics reflect the Shire's population in comparison to the population of the state of Western Australia.

Population	2011		2016	
Derby/West Kimberley	8,434	↑	7,730	↓
WA	2.35m	↑	2.47m	↑

The chart below shows the population distribution for the Shire by age, highlighting minor changes for both the Shire and Western Australia from 2011 to 2016 census data.



4.2 Vision

The Shire's strategic vision: "A friendly and diverse place with awesome opportunities"

4.3 Strategic Objectives

The following key strategic priority areas and principles are captured in the Shire's Strategic Community Plan 2012-2021 and considered within the Strategic Resourcing Plan.

Strategic Priorities:

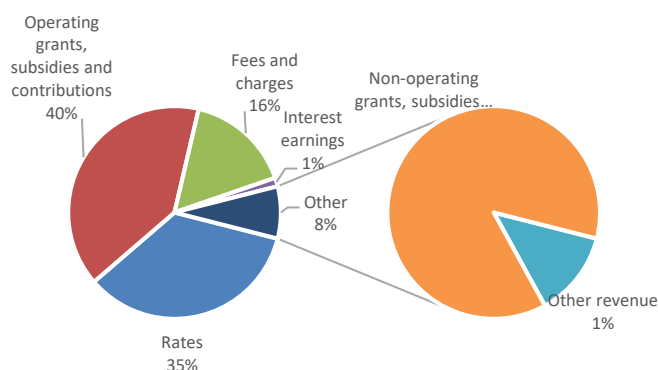
- Community wellbeing;
- A balance between the natural and built environments;
- A strong and diverse local economy; and
- Good governance and an effective organisation.

5.0 Long Term Financial Planning Overview

5.1 Forecast Revenue

Comprising 35% of total revenue in year 1, rates are expected to generate \$7.3m in 2019-20, increasing to \$10.4m in 2033-34. The Shire is reliant on receiving more than \$152.1m over the next 15 years in untied operating grants, subsidies and contributions to maintain the current level of operations and services. Non operating grants are expected to be received for the renewal of assets over the term of the Plan.

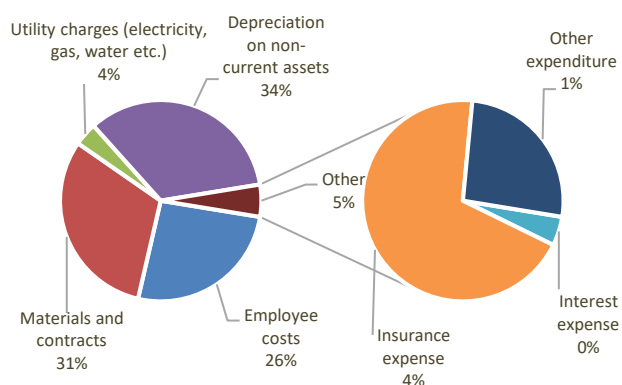
5.1.1 Revenue Composition Year 1 to 15



5.2 Forecast Expenditure

Expenditure is forecast to increase roughly in line with inflation, with the exception of depreciation expense which is slightly impacted by the addition of assets.

5.2.1 Expenditure Composition Year 1 to 15



5.3 Net Result

The chart below reflects in the columns the steady increase in operating revenue and expenditure forecast over the 15 years, with the brown line reflecting the net result. Changes in operating and non-operating grants result in the revenue spikes reflected in the chart.

5.3.1 Forecast Net Result Year 1 to 15



Revenue increases have been modelled throughout the life of the Plan to improve the financial position of the Shire, in order to deliver capital works programs and to maintain service levels to the community. Even with these modelled increases, the net result does not consistently improve, except where higher capital contributions are forecast to be received. If the modelled increases were not to be consistently applied, the financial position would, over time, further deteriorate.

Efficiency savings are also required throughout the Plan. Details of savings are yet to be determined, the challenge will be to achieve these savings without negatively impacting services to the community.

A number of assumptions and estimates have been utilised in arriving at these values and actual events may vary significantly from those provided.

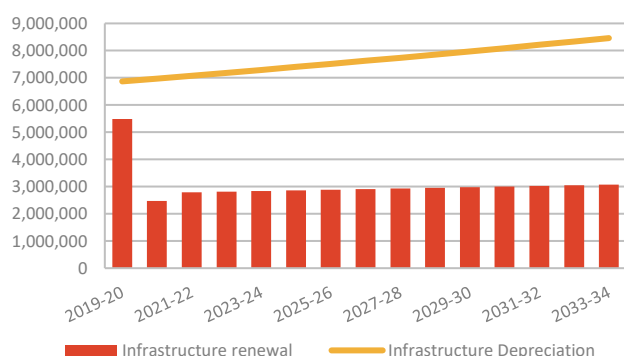
5.0 Long term Financial Planning Overview (Continued)

5.4 Depreciation Expense

Depreciation expense increases throughout the Plan from \$8.5m in year 1 to \$11.6m in year 15 as assets are revalued and renewed. Depreciation of infrastructure over the 15 years is \$114.6m, shown by the yellow line in the chart below. The planned level of infrastructure asset renewal expenditure at \$46.1m, shown by the red columns, over the term of the Plan is below the level of depreciation.

Ideally, the average asset renewal should be in line with depreciation expense over the long term, to ensure the value of assets is maintained. On average, the Shire is planning to renew its infrastructure assets at a lower level than they are depreciating over the term of the Plan. The average lifespan of infrastructure assets is greater than 15 years and as such a number of assets will only require renewal beyond the term of the Plan.

5.4.1 Infrastructure Depreciation Expense v Asset Renewal Expenditure

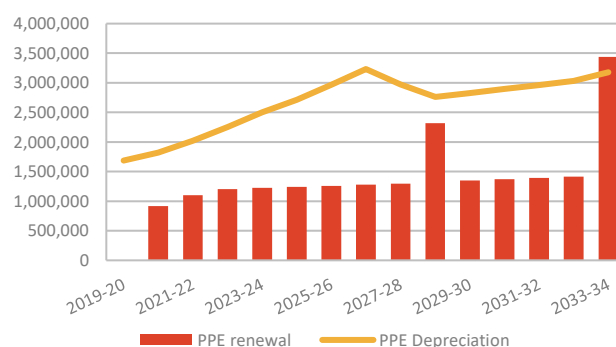


Further improvements in asset management data and the estimation of depreciation expense, along with the future renewal of long lived assets may result in a closer alignment between asset renewals and depreciation expense.

Where the planned asset renewals are lower than depreciation, the written down value of these assets will decrease over time as depreciation erodes the value of the assets. Revaluation of assets in line with inflation may mask a real decrease in value where planned asset renewals are lower than depreciation.

Planned property, plant and equipment asset renewals of \$20.8m, shown by the red columns in the chart below, over the 15 year term of the Plan is below forecast depreciation expense of \$39.8m, shown by the yellow line, over the same period as shown in the chart below.

5.4.2 Property, Plant and Equipment Depreciation Expense v Asset Renewal Expenditure



Further improvements in asset management data and the estimation of depreciation expense, along with the future renewal of long lived assets may result in a closer alignment between asset renewals and depreciation expense.

5.5 Maintenance Expenditure

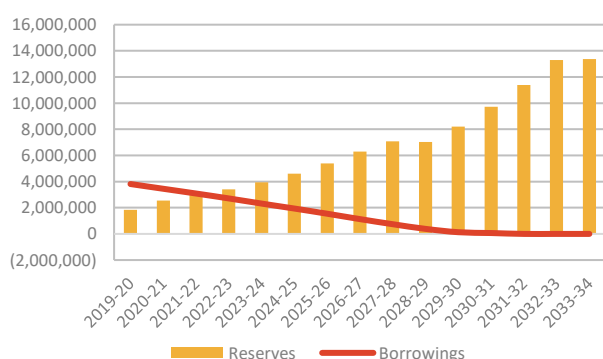
The current maintenance expenditure allocated in the annual operating budget is expected to continue at current levels, with inflationary increases occurring each year. Longer term maintenance costs may increase as new assets are constructed, these have not been included within this model as they are unknown.

5.0 Long term Financial Planning Overview (Continued)

5.6 Forecast Borrowings and Cash Reserves

In general, the finances of the Shire are expected to remain stable over the long term. Reserves will be utilised to save for major forecast asset renewals and subsequently to fund the renewals, resulting in the variations in reserve levels as shown in the chart below.

5.6.1 Forecast Borrowings and Cash Reserve levels



Existing borrowings are planned to be paid down by year 12 of the Plan. The Shire is planning to restructure the loan used to fund construction at the airport/wharf by changing \$2.0 mill from due in December 2019 to a 10 year loan. No new loans are planned and reducing borrowings is part of the Shire's strategy to allow flexibility to respond to sudden or unexpected expenditure requirements.

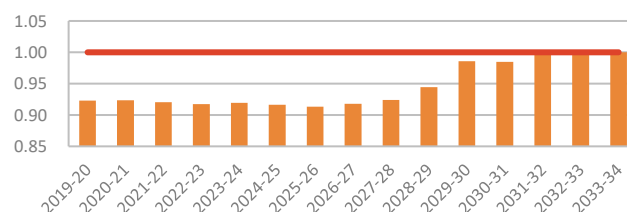
This strategy provides scope to leverage off future grant funding opportunities when, and if, they become available. The strategy also includes the use of cash backed reserves to save for significant future asset renewal spikes.

A number of assumptions and estimates have been utilised in arriving at these values and actual events may vary significantly from those provided.

5.7 Forecast Operating Ratios 2019-2034

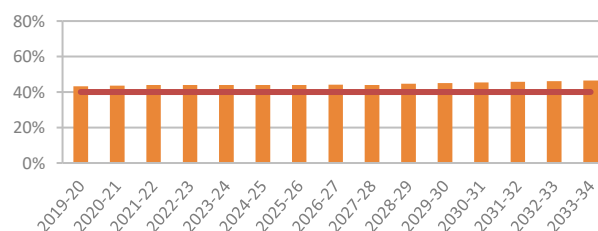
Monitoring the Shire's financial rigidity and financial position along with its asset management performance is undertaken by preparing and monitoring various statutory ratios. The red lines in the charts below indicate the Department of Local Government, Sport and Cultural Industries' (the Department) minimum target level of the ratio. An explanation of all ratios is provided at Section 11.0.

5.7.1 Forecast Current Ratio 2019-2034



As expected for a Shire with a forecast balanced funding surplus position and current borrowing liabilities, the ratio is less than 1.0. This trend is not considered to indicate a threat to the Shire's long term financial position as the current ratio is a short term indicator not a long term indicator. The ratio improves during the term of the plan as current loan liabilities reduce.

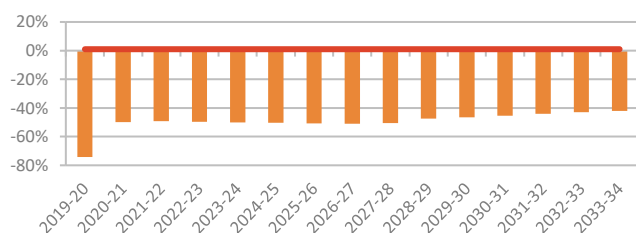
5.7.2 Forecast Own Source Revenue Ratio 2019-2034



The ratio is above the target and improving during the term of the Plan, indicating a reducing reliance on grants and contributions due to the planned rate increases in the first five years of the Plan.

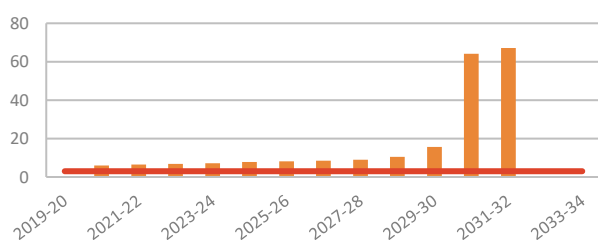
5.0 Long term Financial Planning Overview (Continued)

5.7.3 Forecast Operating Surplus Ratio 2019-2034



The ratio above highlights how the cumulative impact of the rates increases are intended to address the Operating Surplus Ratio. Given expected grant funding for renewal of assets the Shire does not aim or anticipate meeting the department's target, but rather to improve the ratio over time.

5.7.4 Debt Service Coverage Ratio 2019-2034

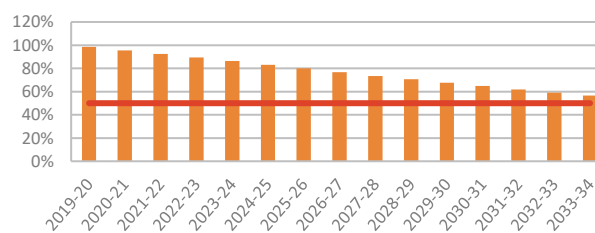


The debt service coverage ratio is below the target in year 1 due to the planned repayment of \$3.6mill in borrowings in year 1 and the receipt of the 2019-20 Financial Assistance Grant Allocation in 2018-19. The ratio increases to meet the minimum target in 2020-21 and increases for the remainder of the Plan.

5.8 Forecast Asset Ratios 2019-2034

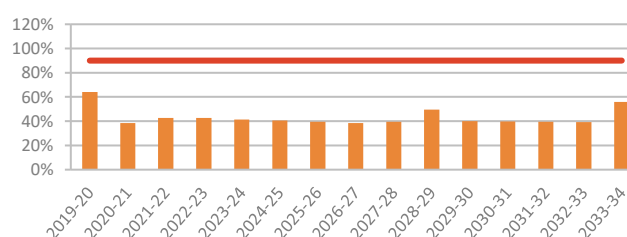
Reflecting the average age of assets, the asset consumption ratio shows how the Shire's assets will age whilst the Shire uses its resources to renew assets.

5.8.1 Forecast Asset Consumption Ratio 2019-2034



The above graph shows the aging of assets throughout the term of the Plan as they depreciate above levels of forecast renewals.

5.8.2 Forecast Asset Sustainability Ratio 2019-2034



The asset sustainability ratio is below the target for the term of the Plan, shown as the red line in the chart above, indicating assets are not being consistently renewed at the same level as depreciation expense.

5.8.3 Forecast Asset Renewal Funding Ratio 2019-2034

The asset renewal funding ratio has not been currently calculated due to a lack of asset management data.

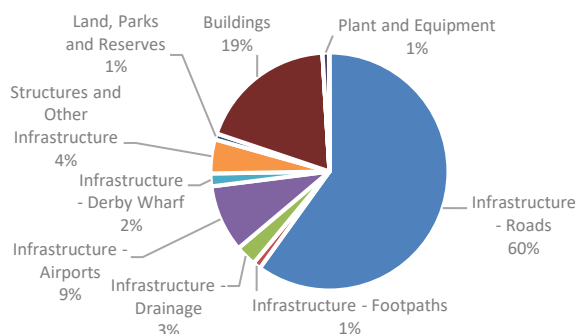
As the asset renewal funding ratio requires 10 years of planned and required asset renewals it is only able to be calculated for the first five years of the Plan once the required asset renewals have been determined.

6.0 Asset Management Planning Overview

6.1 Key Asset Information

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

6.1.1 Written Down Asset Value 2017-18



6.2 Asset Management Policy

The purpose of an asset management policy is to:

- Provide a framework for the sustainable management of the Shire's asset portfolio;
- Ensure an organisation wide and inclusive approach is taken to asset management; and
- Ensure adequate provision is made for the maintenance and replacement of assets in accordance with the assessed levels of service.

The asset management policy is intended to provide clear direction in relation to the Council's expectations for the sustainable management of its assets.

6.3 Asset Management Strategy

Developing an asset management strategy is a planned process of continuous improvement across all its components. Key improvements for each class of asset are discussed at the end of each section in Appendix A.

When planning for the future renewal of Shire assets, a condition-based estimation of remaining useful life was applied, where possible, as it was viewed as the most appropriate methodology. Where condition information was unavailable, an age based estimation of remaining useful life was applied.

Modelling was undertaken to determine the long term funding required for asset maintenance and renewal. By adjusting the estimated useful life of assets, the balance between the risk of loss of asset service and the financial costs of asset renewal and maintenance was determined.

Detailed long term planning is required for the renewal of building assets due to the scale of expenditure in relation to these assets and the likelihood of usage/design upgrades when renewal occurs. Unfortunately, planning for the renewal of long lived assets carries with it a high level of uncertainty, due to the vagary associated with the allocation of future external contributions and the potential for a sudden and unexpected change in grant funding.

It is important to note capital works identified in this Plan funded by external contributions may be postponed or reduced in scale should external funding not eventuate. Postponing asset renewal past forecast estimated useful life and an optimum intervention point increases the risk associated with sudden unexpected asset failure, bringing with it the potential for a loss of service.

The Shire seeks to, within its financial capacity, maintain its assets into the future. A strategy of alignment of estimated asset useful lives with the forecast financial capacity aims to ensure the long term affordability of Shire assets.

6.4 Level of Service

The level of service for roads, at its most basic, is reflected in the speed and weight ratings across the road network. As a measure, the lengths of sealed and unsealed road for each speed and weight rating is viewed as the most appropriate indicator of the level of service of the road network and will continue to be monitored into the future. Level of service measures will be defined for most asset classes.

6.0 Asset Management Planning Overview (Continued)

6.5 Financial Management Strategy for Assets

Based on the 2017-18 Annual Financial Statements and 2018-19 Annual Budget, a financial baseline was determined for operating revenue and expenditure. Modifications to this baseline were made over the 15 year term to predict forecast changes in operating revenue and expenditure.

Structuring operational revenues and expenditure to ensure adequate provision for asset renewal into the future is a cornerstone of the Shire's overall financial strategy. To achieve this strategy, rate increases higher than the consumer price index (CPI) are forecast to occur for the life of the Plan, combined with the maintenance of operating expenditure in line with the CPI forecast.

Forecast planned asset renewals for the term of the Plan along with the forecast required asset renewals to maintain services in the future are not currently known. Forecast asset renewals requirements are arrived at based on current estimates of replacement cost and remaining useful life of each asset, assessed from the asset's condition or age.

6.6 Forecast Planned and Required Asset Renewals

Year	Planned Asset Renewal \$	Required Asset Renewal \$	Asset Renewal Surplus/ (Deficit) \$
2019-20	5,482,735		
2020-21	3,391,560		
2021-22	3,892,750		
2022-23	4,017,691		
2023-24	4,058,007		
2024-25	4,098,927		
2025-26	4,140,462		
2026-27	4,182,619		
2027-28	4,225,408		
2028-29	5,268,839		
2029-30	4,327,923		
2030-31	4,372,892		
2031-32	4,418,536		
2032-33	4,464,865		
2033-34	6,511,889		
Total	66,855,103		

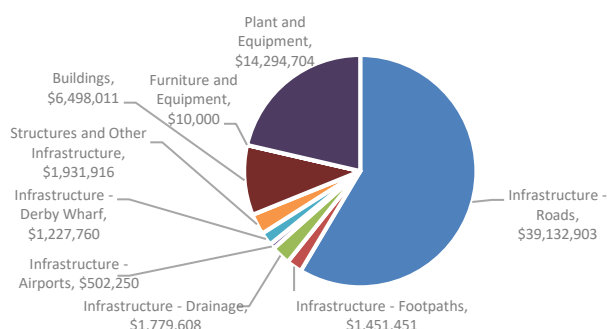
A number of assumptions and estimates have been utilised in arriving at these values and actual events may vary significantly from those provided.

6.0 Asset Management Planning Overview (Continued)

6.7 Planned Asset Expenditure

Renewal asset expenditure of \$66.8m has been planned, with no new, expansion or upgraded asset expenditure forecast.

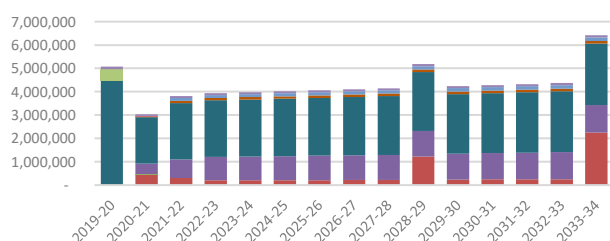
6.7.1 Planned Capital Expenditure 2019-2034



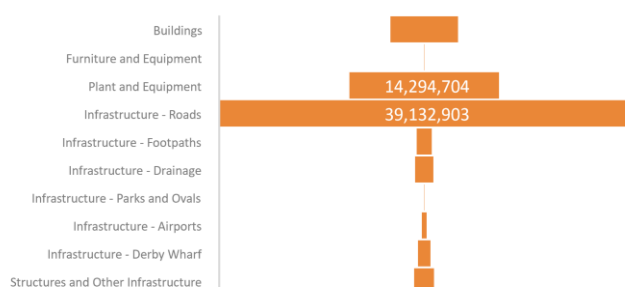
6.8 Planned Asset Renewal

Planned asset renewal expenditure has been determined by allocating the expected funds available for capital expenditure. The timing and level of planned asset renewal expenditure is summarised in the chart below.

6.8.1 Planned Asset Renewal Expenditure 2019-2034



6.8.2 Planned Asset Renewal Expenditure by Class 2019-2034



Planned asset renewals by asset class over the 15 years of the Plan highlighted in the chart below shows the major renewal spend relates to roads infrastructure.

6.9 Required Renewal Expenditure

Asset renewal expenditure has not currently been estimated due to a lack of reliable asset information

6.10 Upgrade/New Expenditure

No new or upgrades expenditure is planned to occur over the next 15 years.

7.0 Scenario Modelling

7.1 Scenario Modelling

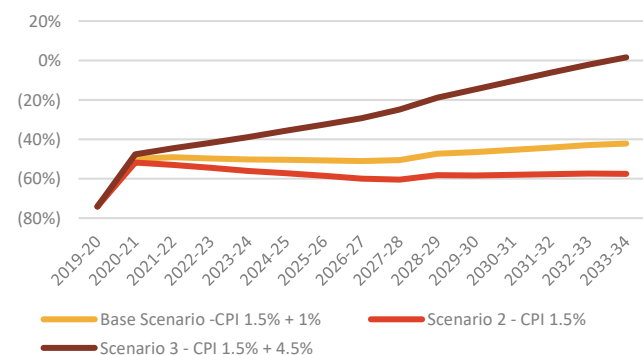
Scenarios were developed to test the financial impact of reduced levels of operating funding. To ascertain the effect of reduced funding levels, modelling of various scenarios was undertaken.

A base scenario was developed with a rates yield increase of 6% in 2019-20 then 2% above inflation (1.5%) in years 2020-21 and 2021-22, with an increase of 1% above inflation for the remaining years of the Plan. Two alternative scenarios were also developed from this base as shown in the table below. All other assumptions remained the same across the three scenarios.

Scenario	Rates Increase above CPI (1.5%)	Total Increase
Base Scenario	2% (years 2-3)	3.5%
Scenario 2	1% (years 4-15)	2.5%
Scenario 3	0%	1.5%
Scenario 3	4.5%	6%

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

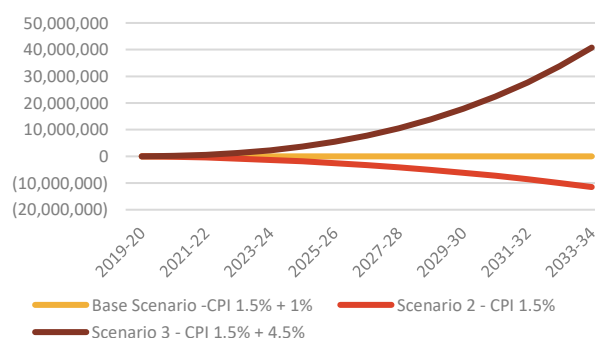
7.2 Scenario Comparison – Operating Surplus Ratio



The chart above shows the impact of the same change in total rates yield on the Shire's Operating Surplus Ratio (other assumptions remaining the same). The base scenario was selected as it improved the operating surplus ratio.

The charts below reflect the impact of a change in total rates yield on the estimated surplus (deficit) at June 30 from the base scenario (other assumptions remaining the same).

7.3 Estimated Surplus (Deficit) June 30 Carried Forward



The cumulative impact of the changes in rates result in the surplus (deficit) shown in the table below.

Estimated Surplus/(Deficit)		
Scenario 1 CPI 1.5% + 2% (Yr 2-3) CPI 1.5% + 1% (Yr 4-15)	Scenario 2 CPI 1.5%	Scenario 3 CPI 1.5% + 4.5%
0	0	0
0	(144,715)	180,895
0	(445,722)	565,296
0	(834,806)	1,255,257
0	(1,309,017)	2,284,371
0	(1,871,620)	3,688,870
0	(2,525,977)	5,507,809
0	(3,275,551)	7,783,266
0	(4,123,909)	10,560,539
0	(5,074,725)	13,888,372
0	(6,131,783)	17,819,179
0	(7,298,979)	22,409,300
0	(8,580,327)	27,719,260
0	(9,979,960)	33,814,053
0	(11,502,133)	40,763,438

8.0 Strategic Planning and Policies

8.1 Linkage with Other Plans

The Strategic Resourcing Plan is one component of a number of integrated strategic planning practices the Shire has developed. Combining asset management planning and long term financial planning into one document, the Strategic Resourcing Plan considers, and influences, workforce planning along with other key strategic plans.

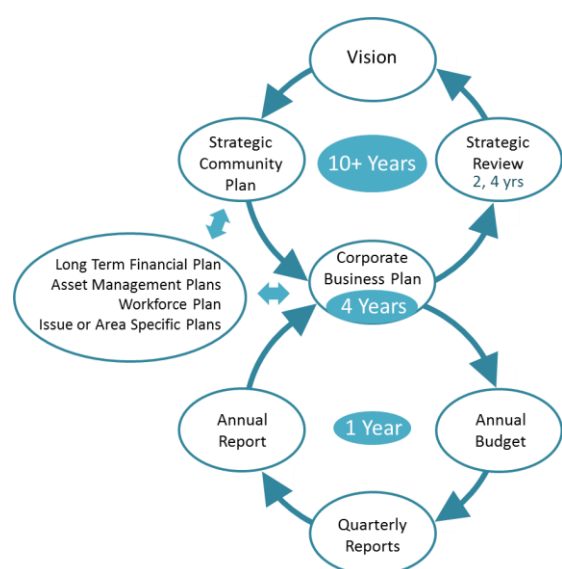
This Strategic Resourcing Plan has been prepared to achieve compliance with the *Local Government (Administration) Regulations 1996*.

Development of the Plan has also been influenced by the Department's Integrated Planning Framework and Guidelines.

8.2 Strategic Documents Linkage

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

Diagram: Integrated Planning and Reporting Cycle¹



8.3 Strategic Community Plan 2012-2021

The Strategic Community Plan has been prepared to cover a minimum period of 10 years and details the community's vision, aspirations and objectives for the Shire. To achieve the vision, a series of priorities, objectives and strategies were developed. Many strategies may be required to achieve a single objective and many objectives needed to achieve a single priority.

Individual strategies all require actions involving extra human, physical and financial resources. Achieving the Shire's strategic priorities requires careful operational planning and prioritisation. This planning process is formalised as a Corporate Business Plan, operating on a rolling four-year basis.

8.4 Corporate Business Plan

The Corporate Business Plan (CBP) contains details of the actions and resources (human, asset and financial) to achieve each strategy and acts as an organisational guide for the Council and management.

The financial capacity and asset management practices to support the CBP are set out in the Strategic Resourcing Plan for the period. This planning provides an assurance the actions contained in the CBP can be adequately resourced over the next four years and highlights the long term consequences of the application of resources to undertake various projects.

8.5 Workforce and Other Strategic Plans

The Workforce Plan and other strategic plans integrate with the Strategic Resourcing Plan through the workforce requirement for assets and financial resources along with the requirements for a workforce to manage the Shire's assets and financial resources.

The Shire's Workforce Plan has been considered in the development of this Strategic Resourcing Plan. No financial impacts are expected from the Workforce Plan with employee costs forecast to rise in line with forecast inflation at 1.5%.

¹ Department of Local Government, Sport and Cultural Industries, Integrated Planning and Reporting: Framework and Guidelines, September 2016

9.0 Risk Management

9.1 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 assets by the Chief Executive Officer and Director of Corporate Services to ensure the level is adequate. The Shire's insurer is LGIS.

The Shire's investment policy requires the investment of surplus funds (including cash reserves) to be in term deposits held by authorised deposit taking institutions or Treasury bonds.

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

9.2 Certainty of Assumptions

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

The impact of the assumptions applied to 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.

9.3 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.

10.0 Assumptions, Risks, Uncertainties and Sensitivity

10.1 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
Shire 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 6% in the first year then 3.5% for the followign 2 years then 1% higher than forecast inflation rate of 1.5% for the balance of the plan.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Operating Grants and Contributions: Increases in line with inflation forecast.	Low	Not assessed as high financial risk.	Medium	± \$1,520,653 to the value of operating grants and contributions per 1% movement in the value over the life of the Plan.
Non-operating Grants and Contributions: Remain in line with funding requirements identified for various capital works.	High	The forecast new capital works program is highly dependent on Government grants and contributions. Changes in these levels would impact directly on the amount spent on capital projects and ultimately impact on service levels.	High	± \$263,218 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 1.5% per annum.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Other Revenue: Increase 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.

10.0 Assumptions, Risks, Uncertainties and Sensitivity (Continued)

10.2 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: Increase 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.	Medium	Not assessed as high financial risk.	High	± \$1,407,076 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 rate for each asset class based on the weighted average estimated remaining useful life of assets in the class.	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.

10.0 Assumptions, Risks, Uncertainties and Sensitivity (Continued)

10.3 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 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	±\$291,334 to the value of property, plant and equipment per 1% movement in the value over the life of the Plan. ±\$1,244,172 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 and infrastructure additions.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Property, Plant and Equipment: Building expenditure is in accordance with planned projects and plant expenditure is based on the Plant Replacement Program.	High	Planned expenditure is highly dependent on receipt of capital grants for buildings.	Medium	Not assessed as high level of uncertainty.

10.0 Assumptions, Risks, Uncertainties and Sensitivity (Continued)

10.4 Liabilities – Assumptions, Risks, Uncertainties and Sensitivity

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

10.0 Assumptions, Risks, Uncertainties and Sensitivity (Continued)

10.5 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/Risk
Cash Backed Reserves: It has been assumed the Shire will invest cash reserves in term deposits with banking institutions and these funds will be available for use during the term of the Plan.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Revaluation Surplus: Increasing in line with inflation based revaluation.	Low	The revaluation of assets to their fair value may result in changes in asset ratio analysis and depreciation leading to a change in the net result. The revaluations of assets will have no impact on Cashflows.	High	±\$291,334 to the value of property, plant and equipment per 1% movement in the value over the life of the Plan. ±\$1,244,172 to the value of infrastructure assets per 1% movement in the value over the life of the Plan.

10.0 Assumptions, Risks, Uncertainties and Sensitivity (Continued)

10.6 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	± \$3,542,672 to operating revenue per 1% movement in the inflators over the life of the Plan. ± \$4,534,925 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 remain stable in the short term with a corresponding stability 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.

11.0 Monitoring and Performance

11.1 Monitoring

The Plan will be the subject of a desktop review each year to consider 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.

11.2 Ratio Targets

A series of performance indicators, in the form of financial ratios set out in the table below, 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's Long Term Financial Planning guidelines and *Regulation 50 of Local Government (Financial Management) Regulation 1996*.

The Department's Advisory Standard also provides target levels for each of the ratios.

Ratio	Calculation	Indication	Minimum target
Current Ratio	current assets minus restricted assets current liabilities minus liabilities associated with restricted assets minus current liabilities associated with long term borrowings	A measure of the Shire's immediate liquidity and the capacity to meet short term financial obligations from unrestricted current assets.	1.
Operating Surplus Ratio	operating revenue minus operating expense own source operating revenue	A measure of the extent to which own source revenues raised cover operational expenses.	1%
Own Source Revenue Coverage Ratio	own source operating revenue operating expense	A measure of the extent of the Shire's ability to cover costs using only discretionary revenue.	40%
Debt Service Coverage Ratio	Annual operating surplus before interest and depreciation principal and interest	A measure of the extent of the Shire's capacity to generate sufficient cash to cover debt payments.	3
Asset Consumption Ratio	depreciated replacement cost of assets current replacement cost of depreciation assets	A measure of the aged condition of the Shire's physical assets.	50%
Asset Sustainability Ratio	capital renewal and replacement expenditure depreciation expense	A measure of the extent to which assets managed by the Shire are being replaced as they reach the end of their useful lives.	90%
Asset Renewal Funding Ratio	NPV of planned capital renewals over 10 years NPV of required capital expenditure over 10 years	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).	75%

12.0 Improvement Plan

12.1 Strategic Resourcing Improvement Plan

All strategic plans require continuous development in order to improve the quality of planning. The following asset management areas are suggested as worthy of focus in the future.

Hierarchy: A hierarchy exists for road assets and should be further developed for other asset classes.

Level of Service: Level of service measures were defined within the previous Asset Management Plan. No systems are currently in place to record and report against these levels of service.

Risk Management: Risk management is used as a decision making tool to define and treat risks facing the Shire when seeking to meet its defined objectives. The Shire is in the early stages of utilising risk techniques. As risk management is developed, a greater understanding of risks will be formalised.

Operation and Maintenance: The Shire does not have a current documented Operation and Maintenance Strategy.

Renewal and Replacement: A key component of understanding long term asset funding requirements is determination of the extent and timing of likely costs to refurbish or replace an asset in future in order to maintain a consistent level of service to the community. Constant review and improvement to these forecasts is likely to result in improved planning outcomes.

New, Upgrade and Disposal: The Shire does not have a current documented Capital Investment Plan to address future asset demands or Asset Disposal Plan (other than the disposal of plant and equipment).

There are a number of improvement actions as per the Asset Management Improvement Plan, some key improvement actions resulting from this Strategic Resourcing Plan are to:

- Report levels of service for key assets;
- Improve the accuracy of future financial forecasts through improved forecasting of operational, maintenance, renewal, new and upgrade costs; and
- Maintain formal asset maintenance and renewal programs for all assets.

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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

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

Statement of Financial Position

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

Statement of Changes in Equity

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

Statement of Cashflows

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

Statement of Funding

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

Statement of Net Current Asset Composition

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

Statement of Fixed Asset Movements

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

Statement of Fixed Asset Funding

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

Forecast Ratios

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

Nature or Type

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

Appendix 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 as per the *Local Government (Financial Management) Regulations 1996* are used in the Plan to represent these services, however not all services listed may be provided by the Shire of Derby West / Kimberley.

Objectives	Services
Governance	Members of Council Governance – general
General purpose funding	Rates Other general purpose funding
Law, order, public safety	Fire prevention Animal control Other law, order, public safety
Health	Maternal and infant health Preventative services <ul style="list-style-type: none"> - Immunisation - Meat inspection - Administration and inspection - Pest control - Other Other health
Education and welfare	Pre-school Other education Care of families and children Aged and disabled <ul style="list-style-type: none"> - Senior citizens centres - Meals on wheels Other welfare
Housing	Staff housing Other housing
Community amenities	Sanitation <ul style="list-style-type: none"> - Household refuse - Other Sewerage Urban stormwater drainage Protection of environment Town planning and regional development Other community amenities

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

Appendix B2 – Forecast Statement of Comprehensive Income by Nature or Type 2019-2034

	2015-16	2016-17	2017-18	Base	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues																			
Rates	6,703,075	6,793,582	6,809,136	6,716,700	7,285,776	7,489,028	7,751,144	7,944,923	8,143,545	8,347,134	8,555,813	8,769,709	8,988,952	9,213,675	9,444,017	9,680,117	9,922,120	10,170,173	10,424,428
Operating grants, subsidies and contributions	5,357,231	9,362,086	6,417,947	3,417,300	6,823,878	9,400,509	9,541,518	9,684,642	9,829,912	9,977,361	10,127,023	10,278,927	10,433,110	10,589,604	10,748,447	10,909,673	11,073,318	11,239,419	11,408,009
Fees and charges	5,743,712	2,583,861	3,686,387	3,754,500	3,664,340	3,719,314	3,775,103	3,831,733	3,889,215	3,947,552	4,006,767	4,066,868	4,127,868	4,189,785	4,252,636	4,316,420	4,381,169	4,446,884	4,513,587
Interest earnings	334,451	311,120	269,044	306,500	320,075	339,110	360,147	373,015	386,155	402,228	422,260	445,631	199,123	222,782	221,594	256,585	301,899	351,973	409,133
Other revenue	1,177,595	1,858,052	908,314	290,200	238,000	238,983	242,567	246,205	249,898	253,648	257,454	261,314	265,234	269,212	273,250	277,346	281,506	285,730	290,015
	19,316,064	20,908,701	18,090,828	14,485,200	18,332,069	21,186,944	21,670,479	22,080,518	22,498,725	22,927,923	23,369,317	23,822,449	24,014,287	24,485,058	24,939,944	25,440,141	25,960,012	26,494,179	27,045,172
Expenses																			
Employee costs	(8,027,243)	(7,166,457)	(6,477,899)	(6,420,600)	(7,080,355)	(7,186,576)	(7,294,375)	(7,403,793)	(7,514,846)	(7,627,570)	(7,741,971)	(7,858,106)	(7,975,979)	(8,095,617)	(8,217,047)	(8,340,301)	(8,465,405)	(8,592,390)	(8,721,277)
Materials and contracts	(10,066,529)	(8,687,297)	(13,788,476)	(14,296,900)	(8,434,620)	(8,561,148)	(8,689,565)	(8,819,912)	(8,952,212)	(9,086,500)	(9,222,798)	(9,361,134)	(9,501,546)	(9,644,065)	(9,788,736)	(9,935,560)	(10,084,593)	(10,235,867)	(10,389,404)
Utility charges (electricity, gas, water etc.)	(1,167,838)	(805,002)	(884,086)	(1,011,300)	(1,011,098)	(1,026,264)	(1,041,657)	(1,057,284)	(1,073,140)	(1,089,237)	(1,105,573)	(1,122,157)	(1,138,987)	(1,156,073)	(1,173,416)	(1,191,019)	(1,208,884)	(1,227,019)	(1,245,426)
Depreciation on non-current assets	(9,049,744)	(9,053,918)	(8,995,235)	(9,018,200)	(8,554,671)	(8,791,618)	(9,094,111)	(9,437,728)	(9,789,610)	(10,111,767)	(10,477,991)	(10,855,081)	(10,710,876)	(10,614,082)	(10,798,221)	(10,985,495)	(11,175,958)	(11,369,663)	(11,637,125)
Interest expense	(127,647)	(133,789)	(144,835)	(244,300)	(259,620)	(152,565)	(137,648)	(122,497)	(106,620)	(90,440)	(74,894)	(58,626)	(42,280)	(27,630)	(13,405)	(5,130)	(2,245)	0	0
Insurance expense	(816,616)	(903,388)	(888,991)	(989,000)	(971,377)	(985,948)	(1,000,737)	(1,015,746)	(1,030,982)	(1,046,446)	(1,062,143)	(1,078,077)	(1,094,249)	(1,110,665)	(1,127,326)	(1,144,231)	(1,161,393)	(1,178,815)	(1,196,499)
Other expenditure	(708,301)	(1,373,475)	(1,048,665)	(1,097,200)	(415,050)	(367,941)	(373,457)	(379,060)	(384,744)	(390,514)	(396,372)	(402,316)	(408,353)	(414,476)	(420,695)	(427,006)	(433,411)	(439,909)	(446,506)
	(29,963,918)	(28,123,326)	(32,228,187)	(33,077,500)	(26,726,791)	(27,072,060)	(27,631,550)	(28,236,020)	(28,852,154)	(29,442,474)	(30,081,742)	(30,735,497)	(30,872,270)	(31,062,608)	(31,538,846)	(32,028,742)	(32,531,889)	(33,043,663)	(33,636,237)
	(10,647,854)	(7,214,625)	(14,137,359)	(18,592,300)	(8,394,722)	(5,885,116)	(5,961,071)	(6,155,502)	(6,353,429)	(6,514,551)	(6,712,425)	(6,913,048)	(6,857,983)	(6,577,550)	(6,598,902)	(6,588,601)	(6,571,877)	(6,549,484)	(6,591,065)
Non-operating grants, subsidies and contributions	3,823,536	2,673,608	13,318,649	9,979,700	4,621,814	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000
Profit on disposal of assets	0	3,000	79,362	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loss on asset disposal	(337,263)	(149,356)	(2,334,991)	0	(135,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NET RESULT	(7,161,581)	(4,687,373)	(3,074,339)	(8,612,600)	(3,907,908)	(4,335,116)	(4,411,071)	(4,605,502)	(4,803,429)	(4,964,551)	(5,162,425)	(5,363,048)	(5,307,983)	(5,027,550)	(5,048,902)	(5,038,601)	(5,021,877)	(4,999,484)	(5,041,065)
Other Comprehensive Income	(191,171)	(15,966,196)	30,033,843	0	2,943,159	2,941,229	2,904,343	2,869,890	2,831,639	2,791,319	2,743,075	2,689,208	2,760,794	2,727,853	2,707,360	2,670,208	2,630,903	2,589,390	2,545,602
TOTAL COMPREHENSIVE INCOME	(7,352,752)	(20,653,569)	26,959,504	(8,612,600)	(964,749)	(1,393,887)	(1,506,728)	(1,735,612)	(1,971,790)	(2,173,232)	(2,419,350)	(2,673,840)	(2,547,189)	(2,299,697)	(2,341,542)	(2,368,393)	(2,390,974)	(2,410,094)	(2,495,463)

Refer to Appendix B15 – Forecast Significant Accounting Policies

Appendix B3 – Forecast Statement of Comprehensive Income by Program 2019-2034

	2015-16	2016-17	2017-18	Base	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue																			
Governance	710,120	109,352	120,754	62,100	100	102	104	106	108	110	112	114	116	118	120	122	124	126	128
General purpose funding	9,012,502	13,683,223	11,230,951	9,028,200	10,400,121	13,138,594	13,501,404	13,788,903	14,082,730	14,385,688	14,698,944	15,022,024	15,081,859	15,418,647	15,737,533	16,099,702	16,479,465	16,871,424	17,278,078
Law, order, public safety	43,487	65,942	275,036	46,500	45,350	46,032	46,723	47,424	48,135	48,858	49,592	50,336	51,090	51,856	52,635	53,424	54,226	55,041	55,867
Health	551,182	532,191	294,242	527,600	699,038	709,524	720,167	730,970	741,935	753,064	764,361	775,827	787,463	799,274	811,263	823,432	835,783	848,320	861,044
Education and welfare	415,482	559,470	455,304	400,000	515,590	523,324	531,174	539,141	547,228	555,436	563,768	572,225	580,809	589,522	598,365	607,340	616,450	625,697	635,082
Housing	47,243	18,519	35,556	18,100	78,890	80,074	81,274	82,495	83,732	84,986	86,262	87,556	88,867	90,201	91,555	92,925	94,319	95,731	97,168
Community amenities	1,928,888	1,761,592	1,982,068	1,877,300	1,802,700	1,829,742	1,857,187	1,885,043	1,913,321	1,942,021	1,971,152	2,000,720	2,030,731	2,061,193	2,092,112	2,123,494	2,155,347	2,187,676	2,220,491
Recreation and culture	664,430	713,762	365,038	295,700	341,500	346,628	351,827	357,109	362,467	367,906	373,424	379,025	384,708	390,476	396,334	402,277	408,313	414,439	420,655
Transport	3,732,083	2,852,659	2,646,607	2,076,700	4,307,080	4,369,098	4,434,637	4,501,155	4,568,673	4,637,202	4,706,760	4,777,358	4,849,020	4,921,753	4,995,578	5,070,511	5,146,569	5,223,768	5,302,123
Economic services	302,015	257,472	304,987	89,000	94,500	95,918	97,356	98,817	100,300	101,805	103,332	104,881	106,455	108,052	109,673	111,318	112,987	114,682	116,402
Other property and services	1,908,632	354,519	380,285	64,000	47,200	47,908	48,626	49,355	50,096	50,847	51,610	52,383	53,169	53,966	54,776	55,596	56,429	57,275	58,134
	19,316,064	20,908,701	18,090,828	14,485,200	18,332,069	21,186,944	21,670,479	22,080,518	22,498,725	22,927,923	23,369,317	23,822,449	24,014,287	24,485,058	24,939,944	25,440,141	25,960,012	26,494,179	27,045,172
Expenses Excluding Finance Costs																			
Governance	(1,309,251)	(1,299,800)	(1,371,169)	(1,405,100)	(1,503,946)	(1,532,722)	(1,565,475)	(1,600,815)	(1,636,861)	(1,671,444)	(1,708,793)	(1,747,007)	(1,755,644)	(1,767,247)	(1,795,185)	(1,823,559)	(1,852,382)	(1,881,658)	(1,915,427)
General purpose funding	(440,180)	(737,982)	(282,868)	(301,000)	(118,893)	(120,677)	(122,487)	(124,325)	(126,190)	(128,083)	(130,004)	(131,954)	(133,934)	(135,943)	(137,982)	(140,052)	(142,153)	(144,285)	(146,450)
Law, order, public safety	(440,434)	(432,731)	(419,114)	(463,400)	(623,570)	(633,355)	(643,534)	(654,008)	(664,650)	(675,315)	(686,296)	(697,461)	(706,704)	(716,283)	(727,125)	(738,132)	(749,304)	(760,648)	(772,444)
Health	(975,723)	(737,599)	(885,111)	(905,800)	(1,521,004)	(1,544,102)	(1,567,704)	(1,591,754)	(1,616,172)	(1,640,867)	(1,666,034)	(1,691,595)	(1,716,173)	(1,741,254)	(1,767,438)	(1,794,016)	(1,820,992)	(1,848,375)	(1,876,351)
Education and welfare	(764,740)	(782,700)	(763,955)	(713,700)	(407,381)	(414,273)	(421,712)	(429,525)	(437,476)	(445,295)	(453,513)	(461,896)	(466,622)	(471,774)	(479,031)	(486,396)	(493,878)	(501,473)	(509,690)
Housing	(553,965)	(225,277)	(84,999)	(157,500)	(26,324)	(28,790)	(32,474)	(36,913)	(41,474)	(45,438)	(50,211)	(55,156)	(50,131)	(45,975)	(47,140)	(48,331)	(49,544)	(50,782)	(53,392)
Community amenities	(3,733,125)	(4,025,238)	(3,850,975)	(4,032,900)	(3,993,632)	(4,063,805)	(4,140,881)	(4,222,568)	(4,305,779)	(4,386,929)	(4,473,003)	(4,560,876)	(4,600,283)	(4,644,963)	(4,716,994)	(4,790,137)	(4,864,420)	(4,939,851)	(5,023,105)
Recreation and culture	(4,458,954)	(4,221,281)	(3,767,335)	(4,347,500)	(5,968,798)	(6,071,098)	(6,182,203)	(6,299,280)	(6,418,477)	(6,535,358)	(6,658,594)	(6,784,308)	(6,850,000)	(6,922,504)	(7,029,266)	(7,137,673)	(7,247,752)	(7,359,532)	(7,481,313)
Transport	(14,144,679)	(12,721,151)	(17,777,766)	(18,212,000)	(11,020,964)	(11,202,668)	(11,480,226)	(11,785,427)	(12,097,204)	(12,391,184)	(12,714,755)	(13,046,634)	(13,045,263)	(13,075,689)	(13,287,831)	(13,503,387)	(13,722,421)	(13,944,991)	(14,216,368)
Economic services	(922,236)	(1,208,476)	(765,363)	(702,800)	(1,279,687)	(1,301,735)	(1,325,743)	(1,351,073)	(1,376,863)	(1,402,121)	(1,428,788)	(1,456,000)	(1,469,775)	(1,485,058)	(1,507,992)	(1,531,276)	(1,554,920)	(1,578,931)	(1,605,163)
Other property and services	(2,092,984)	(1,597,302)	(2,114,697)	(1,591,500)	(2,972)	(6,270)	(11,463)	(17,835)	(24,388)	(30,000)	(36,857)	(43,984)	(35,461)	(28,288)	(29,457)	(30,653)	(31,878)	(33,137)	(36,534)
	(29,836,271)	(27,989,537)	(32,083,352)	(32,833,200)	(26,467,171)	(26,919,495)	(27,493,902)	(28,113,523)	(28,745,534)	(29,352,034)	(30,006,848)	(30,676,871)	(30,829,990)	(31,034,978)	(31,525,441)	(32,023,612)	(32,529,644)	(33,043,663)	(33,636,237)
Finance Costs																			
Governance	0	0	(8,091)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General purpose funding	0	0	(21,323)	(1,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing	(77,541)	(86,869)	(69,581)	(65,600)	(68,137)	(56,353)	(51,145)	(45,614)	(39,739)	(33,961)	(29,236)	(24,225)	(18,911)	(13,275)	(7,300)	(2,280)	(998)	0	0
Recreation and culture	(7,553)	(6,929)	(7,445)	(3,900)	(2,187)	(455)	0	0	0	0	0	0	0	0	0	0	0	0	0
Transport	(22,541)	(20,751)	(20,021)	(156,400)	(164,208)	(80,252)	(72,026)	(63,480)	(54,602)	(45,374)	(35,781)	(25,807)	(16,117)	(8,506)	(1,722)	0	0	0	0
Economic services	(20,012)	(19,240)	(18,374)	(17,400)	(25,088)	(15,505)	(14,477)	(13,403)	(12,279)	(11,105)	(9,877)	(8,594)	(7,252)	(5,849)	(4,383)	(2,850)	(1,247)	0	0
	(127,647)	(133,789)	(144,835)	(244,300)	(259,620)	(152,565)	(137,648)	(122,497)	(106,620)	(90,440)	(74,894)	(58,626)	(42,280)	(27,630)	(13,405)	(5,130)	(2,245)	0	0
Non Operating Grants, Subsidies and Contributions																			
Law, order, public safety	0	0	231,000	231,000	414,078	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Recreation and culture	233,865	100,000	41,211	168,800	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transport	2,437,304	2,573,608	13,046,438	9,579,900	4,207,736	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000
	3,823,536	2,673,608	13,318,649	9,979,700	4,621,814	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000
Profit/(Loss) on Disposal of Assets																			
Governance	(70,559)	0	14,833	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Law, order, public safety	0	(4,950)	(240,968)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Health	(17,725)	0	49,423	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Education and welfare	(991)	(8,250)	(36,342)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing	(84)	(82,500)	0	0	(135,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Community amenities	0	0	(202,737)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Recreation and culture	(80,797)	(1,800)	(1,247,869)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transport	(23,316)	(48,856)	(520,922)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Economic services	0	0	(71,047)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	(337,263)	(146,356)	(2,255,629)	0	(135,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NET RESULT	<u>(7,161,581)</u>	<u>(4,687,373)</u>	<u>(3,074,339)</u>	<u>(8,612,600)</u>	<u>(3,907,908)</u>	<u>(4,335,116)</u>	<u>(4,411,071)</u>	<u>(4,605,502)</u>	<u>(4,803,429)</u>	<u>(4,964,551)</u>	<u>(5,162,425)</u>	<u>(5,363,048)</u>	<u>(5,307,983)</u>	<u>(5,027,550)</u>	<u>(5,048,902)</u>	<u>(5,038,601)</u>	<u>(5,021,877)</u>	<u>(4,999,484)</u>	<u>(5,041,065)</u>
Other Comprehensive Income	<u>(191,171)</u>	<u>(15,966,196)</u>	<u>30,033,843</u>	<u>0</u>	<u>2,943,159</u>	<u>2,941,229</u>	<u>2,904,343</u>	<u>2,869,890</u>	<u>2,831,639</u>	<u>2,791,319</u>	<u>2,743,075</u>	<u>2,689,208</u>	<u>2,760,794</u>	<u>2,727,853</u>	<u>2,707,360</u>	<u>2,670,208</u>	<u>2,630,903</u>	<u>2,589,390</u>	<u>2,545,602</u>
TOTAL COMPREHENSIVE INCOME	<u>(7,352,752)</u>	<u>(20,653,569)</u>	<u>26,959,504</u>	<u>(8,612,600)</u>	<u>(964,749)</u>	<u>(1,393,887)</u>	<u>(1,506,728)</u>	<u>(1,735,612)</u>	<u>(1,971,790)</u>	<u>(2,173,232)</u>	<u>(2,419,350)</u>	<u>(2,673,840)</u>	<u>(2,547,189)</u>	<u>(2,299,697)</u>	<u>(2,341,542)</u>	<u>(2,368,393)</u>	<u>(2,390,974)</u>	<u>(2,410,094)</u>	<u>(2,495,463)</u>

Refer to Appendix B15 – Forecast Significant Accounting Policies

Appendix B4 – Forecast Statement of Financial Position 2019-2034

	2016	2017	2018	Base	30 June 20	30 June 21	30 June 22	30 June 23	30 June 24	30 June 25	30 June 26	30 June 27	30 June 28	30 June 29	30 June 30	30 June 31	30 June 32	30 June 33	30 June 34
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
CURRENT ASSETS																			
Unrestricted Cash and Equivalents	532,334	2,283,504	6,448,202	4,830,798	348,546	348,546	348,546	348,546	348,546	348,546	348,546	348,546	348,546	348,546	348,546	348,546	348,546	348,546	348,546
Restricted Cash and Cash Equivalent	6,320,361	3,419,460	0	1,552,652	1,841,129	2,542,362	2,971,271	3,409,274	3,945,039	4,612,789	5,391,808	6,288,869	7,077,521	7,037,907	8,204,295	9,714,766	11,383,896	13,289,210	13,373,381
Trade and Other Receivables	3,081,794	1,852,169	5,739,441	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091
Inventories	103,305	116,553	125,656	106,580	106,580	106,580	106,580	106,580	106,580	106,580	106,580	106,580	106,580	106,580	106,580	106,580	106,580	106,580	106,580
TOTAL CURRENT ASSETS	10,037,794	7,671,686	12,313,299	10,386,121	6,192,346	6,893,579	7,322,488	7,760,491	8,296,256	8,964,006	9,743,025	10,640,086	11,428,738	11,389,124	12,555,512	14,065,983	15,735,113	17,640,427	17,724,598
NON-CURRENT ASSETS																			
Other Receivables	37,994	37,994	37,994	37,994	37,994	37,994	37,994	37,994	37,994	37,994	37,994	37,994	37,994	37,994	37,994	37,994	37,994	37,994	37,994
Property Plant and Equipment	47,871,615	35,323,222	39,715,409	40,135,920	38,709,313	38,332,164	37,937,433	37,402,328	36,633,117	35,661,077	34,437,916	32,950,913	31,850,666	31,989,161	31,116,917	30,203,452	29,247,597	28,248,152	29,133,432
Infrastructure	143,681,025	136,427,036	160,617,158	159,902,682	160,915,512	158,833,832	156,931,545	154,916,503	152,785,750	150,536,269	148,164,976	145,668,725	143,044,298	140,288,413	137,397,719	134,368,789	131,198,125	127,882,162	124,417,248
TOTAL NON-CURRENT ASSETS	191,590,634	171,788,252	200,370,561	200,076,596	199,662,819	197,203,990	194,906,972	192,356,825	189,456,861	186,235,340	182,640,886	178,657,632	174,932,958	172,315,568	168,552,630	164,610,235	160,483,716	156,168,308	153,588,674
TOTAL ASSETS	201,628,428	179,459,938	212,683,860	210,462,717	205,855,165	204,097,569	202,229,460	200,117,316	197,753,117	195,199,346	192,383,911	189,297,718	186,361,696	183,704,692	181,108,142	178,676,218	176,218,829	173,808,735	171,313,272
CURRENT LIABILITIES																			
Trade and Other Payables	3,777,126	2,393,662	3,099,057	4,051,162	4,051,162	4,051,162	4,051,162	4,051,162	4,051,162	4,051,162	4,051,162	4,051,162	4,051,162	4,051,162	4,051,162	4,051,162	4,051,162	4,051,162	4,051,162
Current Portion of Long-term Liabilities	133,267	141,083	7,603,873	5,920,619	363,709	361,381	376,532	392,409	380,539	396,085	412,353	388,833	357,307	255,008	63,531	66,415	0	0	0
Provisions	975,745	971,092	935,639	752,496	752,496	752,496	752,496	752,496	752,496	752,496	752,496	752,496	752,496	752,496	752,496	752,496	752,496	752,496	752,496
TOTAL CURRENT LIABILITIES	4,886,138	3,505,837	11,638,569	10,724,277	5,167,367	5,165,039	5,180,190	5,196,067	5,184,197	5,199,743	5,216,011	5,192,491	5,160,965	5,058,666	4,867,189	4,870,073	4,803,658	4,803,658	4,803,658
NON-CURRENT LIABILITIES																			
Long-term Borrowings	2,023,261	1,882,179	0	1,536,366	3,450,473	3,089,092	2,712,560	2,320,151	1,939,612	1,543,527	1,131,174	742,341	385,034	130,026	66,495	80	80	80	80
Provisions	131,647	138,109	151,973	108,164	108,164	108,164	108,164	108,164	108,164	108,164	108,164	108,164	108,164	108,164	108,164	108,164	108,164	108,164	108,164
TOTAL NON-CURRENT LIABILITIES	2,154,908	2,020,288	151,973	1,644,530	3,558,637	3,197,256	2,820,724	2,428,315	2,047,776	1,651,691	1,239,338	850,505	493,198	238,190	174,659	108,244	108,244	108,244	108,244
TOTAL LIABILITIES	7,041,046	5,526,125	11,790,542	12,368,807	8,726,004	8,362,295	8,000,914	7,624,382	7,231,973	6,851,434	6,455,349	6,042,996	5,654,163	5,296,856	5,041,848	4,978,317	4,911,902	4,911,902	4,911,902
NET ASSETS	194,587,382	173,933,813	200,893,318	198,093,910	197,129,161	195,735,274	194,228,546	192,492,934	190,521,144	188,347,912	185,928,562	183,254,722	180,707,533	178,407,836	176,066,294	173,697,901	171,306,927	168,896,833	166,401,370
EQUITY																			
Retained Surplus	74,955,851	71,396,585	68,470,245	65,670,839	61,474,454	56,438,105	51,598,125	46,554,620	41,215,426	35,583,125	29,641,681	23,381,572	17,284,937	12,297,001	6,081,711	(467,361)	(7,158,368)	(14,063,166)	(19,188,402)
Reserves - Cash Backed	2,828,759	1,700,652	1,552,654	1,552,652	1,841,129	2,542,362	2,971,271	3,409,274	3,945,039	4,612,789	5,391,808	6,288,869	7,077,521	7,037,907	8,204,295	9,714,766	11,383,896	13,289,210	13,373,381
Asset Revaluation Surplus	116,802,772	100,836,576	130,870,419	130,870,419	133,813,578	136,754,807	139,659,150	142,529,040	145,360,679	148,151,998	150,895,073	153,584,281	156,345,075	159,072,928	161,780,288	164,450,496	167,081,399	169,670,789	172,216,391
TOTAL EQUITY	194,587,382	173,933,813	200,893,318	198,093,910	197,129,161	195,735,274	194,228,546	192,492,934	190,521,144	188,347,912	185,928,562	183,254,722	180,707,533	178,407,836	176,066,294	173,697,901	171,306,927	168,896,833	166,401,370

Refer to Appendix B15 – Forecast Significant Accounting Policies

Appendix B5 – Forecast Statement of Changes in Equity 2019-2034

	2016	2017	2018	Base	30 June 20	30 June 21	30 June 22	30 June 23	30 June 24	30 June 25	30 June 26	30 June 27	30 June 28	30 June 29	30 June 30	30 June 31	30 June 32	30 June 33	30 June 34
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RETAINED SURPLUS																			
Opening Balance	82,117,432	74,955,851	71,396,586	74,283,437	65,670,839	61,474,454	56,438,105	51,598,125	46,554,620	41,215,426	35,583,125	29,641,681	23,381,572	17,284,937	12,297,001	6,081,711	(467,361)	(7,158,368)	(14,063,166)
Change in Accounting Standards	0	0	0	0	0														
Net Result	(7,161,581)	(4,687,373)	(3,074,339)	(8,612,600)	(3,907,908)	(4,335,116)	(4,411,071)	(4,605,502)	(4,803,429)	(4,964,551)	(5,162,425)	(5,363,048)	(5,307,983)	(5,027,550)	(5,048,902)	(5,038,601)	(5,021,877)	(4,999,484)	(5,041,065)
Amount transferred (to)/from Reserves		1,128,107	147,998	2	(288,477)	(701,233)	(428,909)	(438,003)	(535,765)	(667,750)	(779,019)	(897,061)	(788,652)	39,614	(1,166,388)	(1,510,471)	(1,669,130)	(1,905,314)	(84,171)
Closing Balance	74,955,851	71,396,585	68,470,245	65,670,839	61,474,454	56,438,105	51,598,125	46,554,620	41,215,426	35,583,125	29,641,681	23,381,572	17,284,937	12,297,001	6,081,711	(467,361)	(7,158,368)	(14,063,166)	(19,188,402)
RESERVES - CASH/INVESTMENT BACKED																			
Opening Balance	2,828,759	2,828,759	1,700,652	1,552,654	1,552,652	1,841,129	2,542,362	2,971,271	3,409,274	3,945,039	4,612,789	5,391,808	6,288,869	7,077,521	7,037,907	8,204,295	9,714,766	11,383,896	13,289,210
Amount transferred to/(from) Retained Surplus	0	(1,128,107)	(147,998)	(2)	288,477	701,233	428,909	438,003	535,765	667,750	779,019	897,061	788,652	(39,614)	1,166,388	1,510,471	1,669,130	1,905,314	84,171
Closing Balance	2,828,759	1,700,652	1,552,654	1,552,652	1,841,129	2,542,362	2,971,271	3,409,274	3,945,039	4,612,789	5,391,808	6,288,869	7,077,521	7,037,907	8,204,295	9,714,766	11,383,896	13,289,210	13,373,381
ASSET REVALUATION SURPLUS																			
Opening Balance	116,993,943	116,802,772	100,836,576	130,870,419	130,870,419	133,813,578	136,754,807	139,659,150	142,529,040	145,360,679	148,151,998	150,895,073	153,584,281	156,345,075	159,072,928	161,780,288	164,450,496	167,081,399	169,670,789
Total Other Comprehensive Income	(191,171)	(15,966,196)	30,033,843	0	2,943,159	2,941,229	2,904,343	2,869,890	2,831,639	2,791,319	2,743,075	2,689,208	2,760,794	2,727,853	2,707,360	2,670,208	2,630,903	2,589,390	2,545,602
Closing Balance	116,802,772	100,836,576	130,870,419	130,870,419	133,813,578	136,754,807	139,659,150	142,529,040	145,360,679	148,151,998	150,895,073	153,584,281	156,345,075	159,072,928	161,780,288	164,450,496	167,081,399	169,670,789	172,216,391
TOTAL EQUITY																			
	194,587,382	173,933,813	200,893,318	198,093,910	197,129,161	195,735,274	194,228,546	192,492,934	190,521,144	188,347,912	185,928,562	183,254,722	180,707,533	178,407,836	176,066,294	173,697,901	171,306,927	168,896,833	166,401,370

Refer to Appendix B15 – Forecast Significant Accounting Policies

Appendix B6 – Forecast Statement of Cashflows 2019-2034

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows From Operating Activities															
Receipts															
Rates	7,285,776	7,489,028	7,751,144	7,944,923	8,143,545	8,347,134	8,555,813	8,769,709	8,988,952	9,213,675	9,444,017	9,680,117	9,922,120	10,170,173	10,424,428
Operating grants, subsidies and contributions	6,823,878	9,400,509	9,541,518	9,684,642	9,829,912	9,977,361	10,127,023	10,278,927	10,433,110	10,589,604	10,748,447	10,909,673	11,073,318	11,239,419	11,408,009
Fees and charges	3,664,340	3,719,314	3,775,103	3,831,733	3,889,215	3,947,552	4,006,767	4,066,868	4,127,868	4,189,785	4,252,636	4,316,420	4,381,169	4,446,884	4,513,587
Interest earnings	320,075	339,110	360,147	373,015	386,155	402,228	422,260	445,631	199,123	222,782	221,594	256,585	301,899	351,973	409,133
Other revenue	238,000	238,983	242,567	246,205	249,898	253,648	257,454	261,314	265,234	269,212	273,250	277,346	281,506	285,730	290,015
	18,332,069	21,186,944	21,670,479	22,080,518	22,498,725	22,927,923	23,369,317	23,822,449	24,014,287	24,485,058	24,939,944	25,440,141	25,960,012	26,494,179	27,045,172
Payments															
Employee costs	(7,080,355)	(7,186,576)	(7,294,375)	(7,403,793)	(7,514,846)	(7,627,570)	(7,741,971)	(7,858,106)	(7,975,979)	(8,095,617)	(8,217,047)	(8,340,301)	(8,465,405)	(8,592,390)	(8,721,277)
Materials and contracts	(8,434,620)	(8,561,148)	(8,689,565)	(8,819,912)	(8,952,212)	(9,086,500)	(9,222,798)	(9,361,134)	(9,501,546)	(9,644,065)	(9,788,736)	(9,935,560)	(10,084,593)	(10,235,867)	(10,389,404)
Utility charges	(1,011,098)	(1,026,264)	(1,041,657)	(1,057,284)	(1,073,140)	(1,089,237)	(1,105,573)	(1,122,157)	(1,138,987)	(1,156,073)	(1,173,416)	(1,191,019)	(1,208,884)	(1,227,019)	(1,245,426)
Interest expenses	(259,620)	(152,565)	(137,648)	(122,497)	(106,620)	(90,440)	(74,894)	(58,626)	(42,280)	(27,630)	(13,405)	(5,130)	(2,245)	0	0
Insurance expenses	(971,377)	(985,948)	(1,000,737)	(1,015,746)	(1,030,982)	(1,046,446)	(1,062,143)	(1,078,077)	(1,094,249)	(1,110,665)	(1,127,326)	(1,144,231)	(1,161,393)	(1,178,815)	(1,196,499)
Other expenditure	(415,050)	(367,941)	(373,457)	(379,060)	(384,744)	(390,514)	(396,372)	(402,316)	(408,353)	(414,476)	(420,695)	(427,006)	(433,411)	(439,909)	(446,506)
	(18,172,120)	(18,280,442)	(18,537,439)	(18,798,292)	(19,062,544)	(19,330,707)	(19,603,751)	(19,880,416)	(20,161,394)	(20,448,526)	(20,740,625)	(21,043,247)	(21,355,931)	(21,674,000)	(21,999,112)
Net Cash Provided By (Used In) Operating Activities	159,949	2,906,502	3,133,040	3,282,226	3,436,181	3,597,216	3,765,566	3,942,033	3,852,893	4,036,532	4,199,319	4,396,894	4,604,081	4,820,179	5,046,060
Cash Flows from Investing Activities															
Payments for purchase of property, plant & equipment	0	(915,500)	(1,101,500)	(1,204,522)	(1,222,590)	(1,240,929)	(1,259,543)	(1,278,436)	(1,297,612)	(2,317,076)	(1,351,833)	(1,372,111)	(1,392,693)	(1,413,583)	(3,434,787)
Payments for construction of infrastructure	(5,482,735)	(2,476,060)	(2,791,250)	(2,813,169)	(2,835,417)	(2,857,998)	(2,880,919)	(2,904,183)	(2,927,796)	(2,951,763)	(2,976,090)	(3,000,781)	(3,025,843)	(3,051,282)	(3,077,102)
Non-operating grants, subsidies and contributions	4,621,814	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000
Proceeds from sale of plant & equipment	150,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash Provided By (Used In) Investing Activities	(710,921)	(1,841,560)	(2,342,750)	(2,467,691)	(2,508,007)	(2,548,927)	(2,590,462)	(2,632,619)	(2,675,408)	(3,718,839)	(2,777,923)	(2,822,892)	(2,868,536)	(2,914,865)	(4,961,889)
Cash Flows from Financing Activities															
Repayment of debentures	(5,642,803)	(363,709)	(361,381)	(376,532)	(392,409)	(380,539)	(396,085)	(412,353)	(388,833)	(357,307)	(255,008)	(63,531)	(66,415)	0	0
Proceeds from new debentures	2,000,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash Provided By (Used In) Financing Activities	(3,642,803)	(363,709)	(361,381)	(376,532)	(392,409)	(380,539)	(396,085)	(412,353)	(388,833)	(357,307)	(255,008)	(63,531)	(66,415)	0	0
Net Increase (Decrease) in Cash Held	(4,193,775)	701,233	428,909	438,003	535,765	667,750	779,019	897,061	788,652	(39,614)	1,166,388	1,510,471	1,669,130	1,905,314	84,171
Cash at beginning of year	6,383,450	2,189,675	2,890,908	3,319,817	3,757,820	4,293,585	4,961,335	5,740,354	6,637,415	7,426,067	7,386,453	8,552,841	10,063,312	11,732,442	13,637,756
Cash and Cash Equivalents at the End of Year	2,189,675	2,890,908	3,319,817	3,757,820	4,293,585	4,961,335	5,740,354	6,637,415	7,426,067	7,386,453	8,552,841	10,063,312	11,732,442	13,637,756	13,721,927
Reconciliation of Net Cash Provided By Operating Activities to Net Result															
Net Result	(3,907,908)	(4,335,116)	(4,411,071)	(4,605,502)	(4,803,429)	(4,964,551)	(5,162,425)	(5,363,048)	(5,307,983)	(5,027,550)	(5,048,902)	(5,038,601)	(5,021,877)	(4,999,484)	(5,041,065)
Depreciation	8,554,671	8,791,618	9,094,111	9,437,728	9,789,610	10,111,767	10,477,991	10,855,081	10,710,876	10,614,082	10,798,221	10,985,495	11,175,958	11,369,663	11,637,125
(Profit)/Loss on sale of asset	135,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grants/Contributions for the development of assets	(4,621,814)	(1,550,000)	(1,550,000)	(1,550,000)	(1,550,000)	(1,550,000)	(1,550,000)	(1,550,000)	(1,550,000)	(1,550,000)	(1,550,000)	(1,550,000)	(1,550,000)	(1,550,000)	(1,550,000)
Net Cash from Operating Activities	159,949	2,906,502	3,133,040	3,282,226	3,436,181	3,597,216	3,765,566	3,942,033	3,852,893	4,036,532	4,199,319	4,396,894	4,604,081	4,820,179	5,046,060

Refer to Appendix B15 – Forecast Significant Accounting Policies

Appendix B7 – Forecast Statement of Funding 2019-2034

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
FUNDING FROM OPERATIONAL ACTIVITIES															
Revenues															
Rates	7,285,776	7,489,028	7,751,144	7,944,923	8,143,545	8,347,134	8,555,813	8,769,709	8,988,952	9,213,675	9,444,017	9,680,117	9,922,120	10,170,173	10,424,428
Operating grants, subsidies and contributions	6,823,878	9,400,509	9,541,518	9,684,642	9,829,912	9,977,361	10,127,023	10,278,927	10,433,110	10,589,604	10,748,447	10,909,673	11,073,318	11,239,419	11,408,009
Fees and charges	3,664,340	3,719,314	3,775,103	3,831,733	3,889,215	3,947,552	4,006,767	4,066,868	4,127,868	4,189,785	4,252,636	4,316,420	4,381,169	4,446,884	4,513,587
Interest earnings	320,075	339,110	360,147	373,015	386,155	402,228	422,260	445,631	199,123	222,782	221,594	256,585	301,899	351,973	409,133
Other revenue	238,000	238,983	242,567	246,205	249,898	253,648	257,454	261,314	265,234	269,212	273,250	277,346	281,506	285,730	290,015
	18,332,069	21,186,944	21,670,479	22,080,518	22,498,725	22,927,923	23,369,317	23,822,449	24,014,287	24,485,058	24,939,944	25,440,141	25,960,012	26,494,179	27,045,172
Expenses															
Employee costs	(7,080,355)	(7,186,576)	(7,294,375)	(7,403,793)	(7,514,846)	(7,627,570)	(7,741,971)	(7,858,106)	(7,975,979)	(8,095,617)	(8,217,047)	(8,340,301)	(8,465,405)	(8,592,390)	(8,721,277)
Materials and contracts	(8,434,620)	(8,561,148)	(8,689,565)	(8,819,912)	(8,952,212)	(9,086,500)	(9,222,798)	(9,361,134)	(9,501,546)	(9,644,065)	(9,788,736)	(9,935,560)	(10,084,593)	(10,235,867)	(10,389,404)
Utility charges (electricity, gas, water etc.)	(1,011,098)	(1,026,264)	(1,041,657)	(1,057,284)	(1,073,140)	(1,089,237)	(1,105,573)	(1,122,157)	(1,138,987)	(1,156,073)	(1,173,416)	(1,191,019)	(1,208,884)	(1,227,019)	(1,245,426)
Depreciation on non-current assets	(8,554,671)	(8,791,618)	(9,094,111)	(9,437,728)	(9,789,610)	(10,111,767)	(10,477,991)	(10,855,081)	(10,710,876)	(10,614,082)	(10,798,221)	(10,985,495)	(11,175,958)	(11,369,663)	(11,637,125)
Loss on asset disposal	(135,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest expense	(259,620)	(152,565)	(137,648)	(122,497)	(106,620)	(90,440)	(74,894)	(58,626)	(42,280)	(27,630)	(13,405)	(5,130)	(2,245)	0	0
Insurance expense	(971,377)	(985,948)	(1,000,737)	(1,015,746)	(1,030,982)	(1,046,446)	(1,062,143)	(1,078,077)	(1,094,249)	(1,110,665)	(1,127,326)	(1,144,231)	(1,161,393)	(1,178,815)	(1,196,499)
Other expenditure	(415,050)	(367,941)	(373,457)	(379,060)	(384,744)	(390,514)	(396,372)	(402,316)	(408,353)	(414,476)	(420,695)	(427,006)	(433,411)	(439,909)	(446,506)
	(26,861,791)	(27,072,060)	(27,631,550)	(28,236,020)	(28,852,154)	(29,442,474)	(30,081,742)	(30,735,497)	(30,872,270)	(31,062,608)	(31,538,846)	(32,028,742)	(32,531,889)	(33,043,663)	(33,636,237)
	(8,529,722)	(5,885,116)	(5,961,071)	(6,155,502)	(6,353,429)	(6,514,551)	(6,712,425)	(6,913,048)	(6,857,983)	(6,577,550)	(6,598,902)	(6,588,601)	(6,571,877)	(6,549,484)	(6,591,065)
Funding Position Adjustments															
Depreciation on non-current assets	8,554,671	8,791,618	9,094,111	9,437,728	9,789,610	10,111,767	10,477,991	10,855,081	10,710,876	10,614,082	10,798,221	10,985,495	11,175,958	11,369,663	11,637,125
Net profit and losses on disposal	135,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Funding From Operational Activities	159,949	2,906,502	3,133,040	3,282,226	3,436,181	3,597,216	3,765,566	3,942,033	3,852,893	4,036,532	4,199,319	4,396,894	4,604,081	4,820,179	5,046,060
FUNDING FROM CAPITAL ACTIVITIES															
Inflows															
Proceeds on disposal	150,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-operating grants, subsidies and contributions	4,621,814	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000
Outflows															
Purchase of property plant and equipment	0	(915,500)	(1,101,500)	(1,204,522)	(1,222,590)	(1,240,929)	(1,259,543)	(1,278,436)	(1,297,612)	(2,317,076)	(1,351,833)	(1,372,111)	(1,392,693)	(1,413,583)	(3,434,787)
Purchase of infrastructure	(5,482,735)	(2,476,060)	(2,791,250)	(2,813,169)	(2,835,417)	(2,857,998)	(2,880,919)	(2,904,183)	(2,927,796)	(2,951,763)	(2,976,090)	(3,000,781)	(3,025,843)	(3,051,282)	(3,077,102)
Net Funding From Capital Activities	(710,921)	(1,841,560)	(2,342,750)	(2,467,691)	(2,508,007)	(2,548,927)	(2,590,462)	(2,632,619)	(2,675,408)	(3,718,839)	(2,777,923)	(2,822,892)	(2,868,536)	(2,914,865)	(4,961,889)
FUNDING FROM FINANCING ACTIVITIES															
Inflows															
Transfer from reserves	0	0	0	0	0	0	0	0	0	500,000	0	0	0	0	750,000
New borrowings	2,000,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Outflows															
Transfer to reserves	(288,477)	(701,233)	(428,909)	(438,003)	(535,765)	(667,750)	(779,019)	(897,061)	(788,652)	(460,386)	(1,166,388)	(1,510,471)	(1,669,130)	(1,905,314)	(834,171)
Advances to community groups	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of past borrowings	(5,642,803)	(363,709)	(361,381)	(376,532)	(392,409)	(380,539)	(396,085)	(412,353)	(388,833)	(357,307)	(255,008)	(63,531)	(66,415)	0	0
Net Funding From Financing Activities	(3,931,280)	(1,064,942)	(790,290)	(814,535)	(928,174)	(1,048,289)	(1,175,104)	(1,309,414)	(1,177,485)	(317,693)	(1,421,396)	(1,574,002)	(1,735,545)	(1,905,314)	(84,171)
Estimated Surplus/Deficit July 1 B/Fwd	4,482,252	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

Refer to Appendix B15 – Forecast Significant Accounting Policies

Appendix B8 – Forecast Statement of Net Current Asset Composition 2019-2034

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Estimated Surplus/Deficit July 1 B/Fwd	4,482,252	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CURRENT ASSETS															
Unrestricted Cash and Equivalents	348,546	348,546	348,546	348,546	348,546	348,546	348,546	348,546	348,546	348,546	348,546	348,546	348,546	348,546	348,546
Restricted Cash and Cash Equivalent	1,841,129	2,542,362	2,971,271	3,409,274	3,945,039	4,612,789	5,391,808	6,288,869	7,077,521	7,037,907	8,204,295	9,714,766	11,383,896	13,289,210	13,373,381
Trade and Other Receivables	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091	3,896,091
Inventories	106,580	106,580	106,580	106,580	106,580	106,580	106,580	106,580	106,580	106,580	106,580	106,580	106,580	106,580	106,580
CURRENT LIABILITIES															
Trade and Other Payables	(4,051,162)	(4,051,162)	(4,051,162)	(4,051,162)	(4,051,162)	(4,051,162)	(4,051,162)	(4,051,162)	(4,051,162)	(4,051,162)	(4,051,162)	(4,051,162)	(4,051,162)	(4,051,162)	(4,051,162)
Reserves	(1,841,129)	(2,542,362)	(2,971,271)	(3,409,274)	(3,945,039)	(4,612,789)	(5,391,808)	(6,288,869)	(7,077,521)	(7,037,907)	(8,204,295)	(9,714,766)	(11,383,896)	(13,289,210)	(13,373,381)
Estimated Surplus/Deficit June 30 C/Fwd	300,055	300,055	300,055	300,055	300,055	300,055	300,055	300,055	300,055	300,055	300,055	300,055	300,055	300,055	300,055

Refer to Appendix B15 – Forecast Significant Accounting Policies

Appendix B9 – Forecast Statement of Fixed Asset Movements 2019-2034

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
CAPITAL WORKS - INFRASTRUCTURE															
Infrastructure - Roads	4,466,407	2,000,000	2,410,050	2,426,251	2,442,695	2,459,385	2,476,326	2,493,521	2,510,974	2,528,689	2,546,669	2,564,919	2,583,443	2,602,245	2,621,329
Infrastructure - Footpaths	0	27,760	100,000	101,500	103,023	104,568	106,137	107,729	109,345	110,985	112,650	114,340	116,055	117,796	119,563
Infrastructure - Drainage	0	0	125,000	126,875	128,778	130,710	132,671	134,661	136,681	138,731	140,812	142,924	145,068	147,244	149,453
Infrastructure - Parks and Ovals	0	26,500	0	0	0	0	0	0	0	0	0	0	0	0	0
Infrastructure - Airports	502,250	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Infrastructure - Derby Wharf	100,000	60,000	75,000	76,125	77,267	78,426	79,602	80,796	82,008	83,238	84,487	85,754	87,040	88,346	89,671
Structures and Other Infrastructure	414,078	361,800	81,200	82,418	83,654	84,909	86,183	87,476	88,788	90,120	91,472	92,844	94,237	95,651	97,086
Total Capital Works - Infrastructure	5,482,735	2,476,060	2,791,250	2,813,169	2,835,417	2,857,998	2,880,919	2,904,183	2,927,796	2,951,763	2,976,090	3,000,781	3,025,843	3,051,282	3,077,102
Represented by:															
Additions - Renewal	5,482,735	2,476,060	2,791,250	2,813,169	2,835,417	2,857,998	2,880,919	2,904,183	2,927,796	2,951,763	2,976,090	3,000,781	3,025,843	3,051,282	3,077,102
Total Capital Works - Infrastructure	5,482,735	2,476,060	2,791,250	2,813,169	2,835,417	2,857,998	2,880,919	2,904,183	2,927,796	2,951,763	2,976,090	3,000,781	3,025,843	3,051,282	3,077,102
Asset Movement Reconciliation															
Total Capital Works Infrastructure	5,482,735	2,476,060	2,791,250	2,813,169	2,835,417	2,857,998	2,880,919	2,904,183	2,927,796	2,951,763	2,976,090	3,000,781	3,025,843	3,051,282	3,077,102
Depreciation Infrastructure	(6,868,445)	(6,971,474)	(7,076,043)	(7,182,184)	(7,289,918)	(7,399,266)	(7,510,256)	(7,622,910)	(7,737,254)	(7,853,312)	(7,971,112)	(8,090,678)	(8,212,039)	(8,335,219)	(8,460,248)
Revaluation of Infrastructure assets (Inflation)	2,398,540	2,413,734	2,382,506	2,353,973	2,323,748	2,291,787	2,258,044	2,222,476	2,185,031	2,145,664	2,104,328	2,060,967	2,015,532	1,967,974	1,918,232
Net Movement in Infrastructure Assets	1,012,830	(2,081,680)	(1,902,287)	(2,015,042)	(2,130,753)	(2,249,481)	(2,371,293)	(2,496,251)	(2,624,427)	(2,755,885)	(2,890,694)	(3,028,930)	(3,170,664)	(3,315,963)	(3,464,914)
CAPITAL WORKS - PROPERTY, PLANT AND EQUIPMENT															
Buildings	0	452,000	301,500	204,522	207,590	210,704	213,865	217,073	220,329	1,223,634	241,989	245,619	249,304	253,043	2,256,839
Furniture and Equipment	0	10,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	0	453,500	800,000	1,000,000	1,015,000	1,030,225	1,045,678	1,061,363	1,077,283	1,093,442	1,109,844	1,126,492	1,143,389	1,160,540	1,177,948
Total Capital Works Property, Plant and Equipment	0	915,500	1,101,500	1,204,522	1,222,590	1,240,929	1,259,543	1,278,436	1,297,612	2,317,076	1,351,833	1,372,111	1,392,693	1,413,583	3,434,787
Represented by:															
Additions - Renewal	0	915,500	1,101,500	1,204,522	1,222,590	1,240,929	1,259,543	1,278,436	1,297,612	2,317,076	1,351,833	1,372,111	1,392,693	1,413,583	3,434,787
Total Capital Works Property, Plant and Equipment	0	915,500	1,101,500	1,204,522	1,222,590	1,240,929	1,259,543	1,278,436	1,297,612	2,317,076	1,351,833	1,372,111	1,392,693	1,413,583	3,434,787
Asset Movement Reconciliation															
Total Capital Works Property, Plant and Equipment	0	915,500	1,101,500	1,204,522	1,222,590	1,240,929	1,259,543	1,278,436	1,297,612	2,317,076	1,351,833	1,372,111	1,392,693	1,413,583	3,434,787
Depreciation Property, Plant and Equipment	(1,686,226)	(1,820,144)	(2,018,068)	(2,255,544)	(2,499,692)	(2,712,501)	(2,967,735)	(3,232,171)	(2,973,622)	(2,760,770)	(2,827,109)	(2,894,817)	(2,963,919)	(3,034,444)	(3,176,877)
Net Book Value of disposed/Written Off assets	(285,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revaluation of Property, Plant and Equipment (Inflation)	544,619	527,495	521,837	515,917	507,891	499,532	485,031	466,732	575,763	582,189	603,032	609,241	615,371	621,416	627,370
Net Movement in Property, Plant and Equipment	(1,426,607)	(377,149)	(394,731)	(535,105)	(769,211)	(972,040)	(1,223,161)	(1,487,003)	(1,100,247)	138,495	(872,244)	(913,465)	(955,855)	(999,445)	885,280
CAPITAL WORKS - TOTALS															
Capital Works															
Total Capital Works Infrastructure	5,482,735	2,476,060	2,791,250	2,813,169	2,835,417	2,857,998	2,880,919	2,904,183	2,927,796	2,951,763	2,976,090	3,000,781	3,025,843	3,051,282	3,077,102
Total Capital Works Property, Plant and Equipment	0	915,500	1,101,500	1,204,522	1,222,590	1,240,929	1,259,543	1,278,436	1,297,612	2,317,076	1,351,833	1,372,111	1,392,693	1,413,583	3,434,787
Total Capital Works	5,482,735	3,391,560	3,892,750	4,017,691	4,058,007	4,098,927	4,140,462	4,182,619	4,225,408	5,268,839	4,327,923	4,372,892	4,418,536	4,464,865	6,511,889
Fixed Asset Movement															
Net Movement in Infrastructure Assets	1,012,830	(2,081,680)	(1,902,287)	(2,015,042)	(2,130,753)	(2,249,481)	(2,371,293)	(2,496,251)	(2,624,427)	(2,755,885)	(2,890,694)	(3,028,930)	(3,170,664)	(3,315,963)	(3,464,914)
Net Movement in Property, Plant and Equipment	(1,426,607)	(377,149)	(394,731)	(535,105)	(769,211)	(972,040)	(1,223,161)	(1,487,003)	(1,100,247)	138,495	(872,244)	(913,465)	(955,855)	(999,445)	885,280
Net Movement in Fixed Assets	(413,777)	(2,458,829)	(2,297,018)	(2,550,147)	(2,899,964)	(3,221,521)	(3,594,454)	(3,983,254)	(3,724,674)	(2,617,390)	(3,762,938)	(3,942,395)	(4,126,519)	(4,315,408)	(2,579,634)

Refer to Appendix B15 – Forecast Significant Accounting Policies

Appendix B10 – Forecast Statement of Capital Funding 2019-2034

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Capital Expenditure															
Infrastructure - Roads	4,466,407	2,000,000	2,410,050	2,426,251	2,442,695	2,459,385	2,476,326	2,493,521	2,510,974	2,528,689	2,546,669	2,564,919	2,583,443	2,602,245	2,621,329
Infrastructure - Footpaths	0	27,760	100,000	101,500	103,023	104,568	106,137	107,729	109,345	110,985	112,650	114,340	116,055	117,796	119,563
Infrastructure - Drainage	0	0	125,000	126,875	128,778	130,710	132,671	134,661	136,681	138,731	140,812	142,924	145,068	147,244	149,453
Infrastructure - Parks and Ovals	0	26,500	0	0	0	0	0	0	0	0	0	0	0	0	0
Infrastructure - Airports	502,250	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Infrastructure - Derby Wharf	100,000	60,000	75,000	76,125	77,267	78,426	79,602	80,796	82,008	83,238	84,487	85,754	87,040	88,346	89,671
Structures and Other Infrastructure	414,078	361,800	81,200	82,418	83,654	84,909	86,183	87,476	88,788	90,120	91,472	92,844	94,237	95,651	97,086
Buildings	0	452,000	301,500	204,522	207,590	210,704	213,865	217,073	220,329	1,223,634	241,989	245,619	249,304	253,043	2,256,839
Furniture and Equipment	0	10,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	0	453,500	800,000	1,000,000	1,015,000	1,030,225	1,045,678	1,061,363	1,077,283	1,093,442	1,109,844	1,126,492	1,143,389	1,160,540	1,177,948
Total - Capital Expenditure	5,482,735	3,391,560	3,892,750	4,017,691	4,058,007	4,098,927	4,140,462	4,182,619	4,225,408	5,268,839	4,327,923	4,372,892	4,418,536	4,464,865	6,511,889
Funded By:															
Capital Grants & Contributions															
Infrastructure - Roads	4,032,736	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000
Infrastructure - Airports	175,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Structures and Other Infrastructure	414,078	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total - Capital Grants & Contributions	4,621,814	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000
Own Source Funding															
Infrastructure - Roads	433,671	450,000	860,050	876,251	892,695	909,385	926,326	943,521	960,974	978,689	996,669	1,014,919	1,033,443	1,052,245	1,071,329
Infrastructure - Footpaths	0	27,760	100,000	101,500	103,023	104,568	106,137	107,729	109,345	110,985	112,650	114,340	116,055	117,796	119,563
Infrastructure - Drainage	0	0	125,000	126,875	128,778	130,710	132,671	134,661	136,681	138,731	140,812	142,924	145,068	147,244	149,453
Infrastructure - Parks and Ovals	0	26,500	0	0	0	0	0	0	0	0	0	0	0	0	0
Infrastructure - Airports	327,250	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Infrastructure - Derby Wharf	100,000	60,000	75,000	76,125	77,267	78,426	79,602	80,796	82,008	83,238	84,487	85,754	87,040	88,346	89,671
Structures and Other Infrastructure	0	361,800	81,200	82,418	83,654	84,909	86,183	87,476	88,788	90,120	91,472	92,844	94,237	95,651	97,086
Buildings	(150,000)	452,000	301,500	204,522	207,590	210,704	213,865	217,073	220,329	1,223,634	241,989	245,619	249,304	253,043	2,256,839
Furniture and Equipment	0	10,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Plant and Equipment	0	453,500	800,000	1,000,000	1,015,000	1,030,225	1,045,678	1,061,363	1,077,283	1,093,442	1,109,844	1,126,492	1,143,389	1,160,540	1,177,948
Total - Own Source Funding	710,921	1,841,560	2,342,750	2,467,691	2,508,007	2,548,927	2,590,462	2,632,619	2,675,408	3,718,839	2,777,923	2,822,892	2,868,536	2,914,865	4,961,889
Borrowings															
Total - Borrowings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (Disposals & C/Fwd)															
Buildings	150,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total - Other (Disposals & C/Fwd)	150,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Capital Funding	5,482,735	3,391,560	3,892,750	4,017,691	4,058,007	4,098,927	4,140,462	4,182,619	4,225,408	5,268,839	4,327,923	4,372,892	4,418,536	4,464,865	6,511,889

Refer to Appendix B15 – Forecast Significant Accounting Policies

Appendix B11 – Forecast Ratios 2019-2034

	Target Range		Average	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
LIQUIDITY RATIOS																		
Current Ratio	> 1.00	> 1.20	0.95	0.92	0.92	0.92	0.92	0.92	0.92	0.91	0.92	0.92	0.94	0.99	0.98	1.00	1.00	1.00
OPERATING RATIOS																		
Operating Surplus Ratio	> 1.00%	> 15.00%	(49.60%)	(74.12%)	(49.93%)	(49.15%)	(49.66%)	(50.15%)	(50.30%)	(50.69%)	(51.04%)	(50.50%)	(47.34%)	(46.50%)	(45.34%)	(44.15%)	(42.93%)	(42.15%)
Own Source Revenue Coverage Ratio	> 40.00%	> 60.00%	44.54%	43.28%	43.54%	43.90%	43.90%	43.91%	43.99%	44.02%	44.06%	43.99%	44.73%	45.00%	45.37%	45.76%	46.17%	46.49%
BORROWINGS RATIOS																		
Debt Service Cover Ratio	> 3	> 5	16.72	0.05	5.93	6.55	6.82	7.10	7.83	8.15	8.49	9.04	10.56	15.69	64.11	67.09	-	-
FIXED ASSET RATIOS																		
Asset Sustainability Ratio	> 90.00%	> 110.00%	43.46%	64.09%	38.58%	42.81%	42.57%	41.45%	40.54%	39.52%	38.53%	39.45%	49.64%	40.08%	39.81%	39.54%	39.27%	55.96%
Asset Consumption Ratio	> 50.00%	> 60.00%	77.09%	98.48%	95.43%	92.47%	89.43%	86.31%	83.15%	79.91%	76.61%	73.52%	70.68%	67.76%	64.86%	61.98%	59.11%	56.56%
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

Refer to Appendix B15 – Forecast Significant Accounting Policies

Appendix B12 – Forecast Planned and Required Asset Renewals 2019-2034

Required Asset Renewals 2019-2034

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Asset Class															
Buildings - non-specialised															
Furniture and equipment															
Plant and equipment															
Infrastructure - Roads															
Infrastructure - Other															
Infrastructure - Bridges															
Total															

Planned Asset Renewals 2019-2034

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Asset Class															
Buildings - non-specialised															
Furniture and equipment															
Plant and equipment															
Infrastructure - Roads															
Infrastructure - Other															
Total															

Asset Renewal Funding Surplus (Deficit) 2019-2034

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Asset Class															
Buildings - non-specialised															
Plant and equipment															
Infrastructure - Roads															
Infrastructure - Other															
Infrastructure - Bridges															
Total															

Refer to Appendix B15 – Forecast Significant Accounting Policies

Appendix B13 – Forecast Significant Accounting Policies

Basis of Preparation

The Long Term Financial Plan (the Plan) comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretation of the Australian Accounting Standards Board, and the Local Government Act 1995 and accompanying regulations.

The Local Government (Financial Management) Regulations 1996 take precedence over Australian Accounting Standards. Regulation 16 prohibits a local government from recognising as assets Crown land that is a public thoroughfare, such as land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets, including land under roads acquired on or after 1 July 2008, have not been recognised in this Plan. This is not in accordance with the requirements of AASB 1051 Land Under Roads paragraph 15 and AASB 116 Property, Plant and Equipment paragraph 7.

Accounting policies which have been adopted in the preparation of this Plan have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

Critical Accounting Estimates

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

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

The Local Government Reporting Entity

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

Base Year Balances

Balances shown in the Plan as Base Year are as forecast at the time of preparation of the Plan and are based on the current budget and prior year annual financial reporting and may be subject to variation.

Rounding Off Figures

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

Comparative Figures

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

Forecast Fair Value Adjustments

All fair value adjustments relating to re-measurement of financial assets at fair value through profit or loss (if any) and changes on revaluation of non-current assets are impacted upon by external forces and not able to be reliably estimated at the time preparation.

Fair value adjustments relating to the re-measurement of financial assets at fair value through profit or loss will be assessed at the time they occur and have not been estimated within the Plan.

It is anticipated, in all instances, any changes upon revaluation of non-current assets will relate to non-cash transactions and as such have been estimated as an inflation adjustment to Other Comprehensive Income, based on the value of the non-current assets forecasted to be held by the Shire.

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.

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.

Appendix B13 – Forecast Significant Accounting Policies (Continued)

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank, 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.

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.

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 less, where applicable, any accumulated depreciation and impairment losses.

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.

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the 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.

An effective average depreciation rate for each class of asset has been utilised to estimate the forecast depreciation expense for each year. These are provided in the table below:

Appendix B13 – Forecast Significant Accounting Policies (Continued)

Fixed Assets (Continued)

Asset Class	Effective average depreciation rate
Buildings	3.52%
Infrastructure - Roads	4.05%
Infrastructure - Footpaths	5.00%
Infrastructure – Drainage	5.00%
Infrastructure – Parks and Ovals	5.00%
Infrastructure – Airports	5.00%
Infrastructure – Derby Wharf	4.00%
Furniture and Equipment	20.00%
Plant and Equipment	20.00%
Computer Equipment	20.00%
Street Furniture	5.00%
Structures and Other Infrastructure	4.55%

Depreciation (Continued)

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.

Impairment of Assets

In accordance with Australian Accounting Standards the Shire'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 the preparation of the Plan, it is not possible to estimate the amount of impairment losses.

Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire 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 Shire'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 Shire'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 Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other Long-Term Employee Benefits

The Shire's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

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 of 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 remeasurements 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 Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire 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.

Refer to Appendix B15 – Forecast Significant Accounting Policies

Appendix B13 – Forecast Significant Accounting Policies (Continued)

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 Shire 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 Shire, 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.

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 Shire's operational cycle. In the case of liabilities where the Shire 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 Shire's intentions to release for sale.

Appendix C1 – Glossary

Funding Gap

A funding gap exists whenever an entity has insufficient capacity to fund asset renewal and other expenditure necessary to be able to appropriately maintain the range and level of services its existing asset stock was originally designed and intended to deliver. The service capability of the existing asset stock should be determined assuming no additional operating revenue, productivity improvements, or net financial liabilities above levels currently planned or projected. A current funding gap means service levels have already or are currently falling. A projected funding gap if not addressed will result in a future diminution of existing service levels.

Infrastructure Assets

Physical assets that contribute to meeting the needs of organisations or the need for access to major economic and social facilities and services, eg. properties, drainage, footpaths and cycleways. These are typically large, interconnected networks or portfolios of composite assets. The components of these assets may be separately maintained, renewed or replaced individually so that the required level and standard of service from the network of assets is continuously sustained. Generally, the components and hence the assets have long lives. They are fixed in place and often have no separate market value.

Key Performance Indicator

A qualitative or quantitative measure of a service or activity used to compare actual performance against a standard or other target. Performance indicators commonly relate to statutory limits, safety, responsiveness, cost, comfort, asset performance, reliability, efficiency, environmental protection and customer satisfaction.

Level of Service

The defined service quality for a particular activity or service area (ie street lighting) against which service performance can be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environment, acceptability and cost.

Maintenance

All actions necessary for retaining an asset as near as practicable to its original condition, but excluding rehabilitation or renewal. Maintenance occurs on a routine (at least annual) basis.

Planned Maintenance

Repair work that is identified and managed through a maintenance management system (MMS). MMS activities include inspection, assessing the condition against failure/breakdown criteria/experience, prioritising scheduling, actioning the work and reporting what was done to develop a maintenance history and improve maintenance and service delivery performance.

Reactive Maintenance

Unplanned repair work that is carried out in response to service requests and management/supervisory directions.

Significant Maintenance

Maintenance work to repair components or replace sub-components that need to be identified as a specific maintenance item in the maintenance budget.

Unplanned Maintenance

Corrective work required in the short-term to restore an asset to working condition so it can continue to deliver the required service or to maintain its level of security and integrity.

Maintenance Expenditure

Recurrent expenditure, which is periodically or regularly required as part of the anticipated schedule of works required to ensure that the asset achieves its useful life and provides the required level of service. It is expenditure which was anticipated in determining the asset's useful life.

Modern Equivalent Asset

Assets that replicate what is in existence with the most cost-effective asset performing the same level of service. It is the most cost efficient, currently available asset which will provide the same stream of services as the existing asset is capable of producing. It allows for technology changes and improvements and efficiencies in production and installation techniques.

Net Present Value (NPV)

The value to the organisation of the cash flows associated with an asset, liability, activity or event calculated using a discount rate to reflect the time value of money. It is the net amount of discounted total cash inflows after deducting the value of the discounted total cash outflows arising from the continued use and subsequent disposal of the asset after deducting the value of the discounted total cash outflows.

Appendix C1 – Glossary (Continued)

Non-Revenue Generating Investments

Investments for the provision of goods and services to sustain or improve services to the community that are not expected to generate any savings or revenue to the Council, for example parks and playgrounds, footpaths, properties and bridges, libraries, etc.

Operations Expenditure

Recurrent expenditure, which is continuously required to provide a service. In common use the term typically includes power, fuel, staff, plant equipment, on-costs and overheads but excludes maintenance and depreciation. Maintenance and depreciation is on the other hand included in operating expenses.

Pavement Management System

A systematic process for measuring and predicting the condition of property pavements and wearing surfaces over time and recommending corrective actions.

Recoverable Amount

The higher of an asset's fair value, less costs to sell and its value in use.

Recurrent Expenditure

Relatively small (immaterial) expenditure or that which has benefits expected to last less than 12 months. Recurrent expenditure includes operations and maintenance expenditure.

Recurrent Funding

Funding to pay for recurrent expenditure.

Remaining Useful Life

The time remaining until an asset ceases to provide the required service level or economic usefulness. Age plus remaining useful life is useful life.

Renewal

Works to upgrade refurbish or replace existing facilities with facilities of equivalent capacity or performance capability.

Residual Value

The estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Revenue Generating Investments

Investments for the provision of goods and services to sustain or improve services to the community that are expected to generate some savings or revenue to offset operating costs, eg public halls and theatres, childcare centres, sporting and recreation facilities, tourist information centres, etc.

Risk Management

The application of a formal process to the range of possible values relating to key factors associated with a risk in order to determine the resultant ranges of outcomes and their probability of occurrence.

Section or Segment

A self-contained part or piece of an infrastructure asset.

Service Potential

The total future service capacity of an asset. It is normally determined by reference to the operating capacity and economic life of an asset. A measure of service potential is used in the not-for-profit sector/public sector to value assets, particularly those not producing a cash flow.

Service Potential Remaining

A measure of the future economic benefits remaining in assets. It may be expressed in dollar values (Fair Value) or as a percentage of total anticipated future economic benefits. It is also a measure of the percentage of the asset's potential to provide services that are still available for use in providing services (Depreciated Replacement Cost/Depreciable Amount).

Specific Maintenance

Replacement of higher value components/sub-components of assets that is undertaken on a regular cycle including repainting, building roof replacement, replacement of air conditioning equipment, etc. This work generally falls below the capital/maintenance threshold and needs to be identified in a specific maintenance budget allocation.

Sub-Component

Smaller individual parts that make up a component part.

Useful Life

May be expressed as either:

- (a) The period over which a depreciable asset is expected to be used; or
- (b) The number of production or similar units (ie intervals, cycles) that is expected to be obtained from the asset.

Other Matters

Preparation

This Plan was prepared for the Shire of Derby West / Kimberley by Moore Stephens.

Reliance

This Plan has been prepared for the exclusive use of the Shire of Derby West / Kimberley and for the purposes specified in our letter of engagement and is not to be used for any other purpose or distributed to any other party without Moore Stephen's prior consent. This Plan is supplied in good faith and reflects the knowledge, expertise and experience of the engagement consultant and is based on the information and representations provided by the Shire of Derby West / Kimberley. We accept no responsibility for any loss occasioned by any person acting or refraining from action as a result of reliance on the report, other than the Shire of Derby West / Kimberley.

This Plan contains quantitative and qualitative statements, including projections, estimates, opinions and forecasts concerning the anticipated future performance of Shire of Derby West / Kimberley and the environment in which it operates ('Forward Looking Statements').

None of these Forward Looking Statements are or will be representations as to future matters. The Forward Looking Statements are, and will be, based on a large number of assumptions and are, and will be, subject to significant uncertainties and contingencies, many, if not all, of which are outside the control of the Shire of Derby West / Kimberley. Actual future events may vary significantly from the Forward Looking Statements. Recipients should make their own investigations and enquiries regarding assumptions, uncertainties and contingencies which may affect the Shire of Derby West / Kimberley and the impact that a variation in future outcomes may have on the Plan and the Shire of Derby West / Kimberley.

Disclaimer

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