LONG TERM FINANCIAL FORECAST

2015/16 to 2024/25

Scenic Rim Regional Council
Long Term Financial Forecast

STATEMENT OF COMPREHENSIVE INCOME	Revised Budget	Budget	Projected Years								
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Income											
Revenue											
Recurrent Revenue											
Rates and Utility Charges	41,594	44,260	46,405	48,653	51,011	53,482	56,074	58,791	61,640	64,626	67,758
Fees & Charges	4,197	4,160	4,378	4,608	4,850	5,104	5,372	5,655	5,951	6,264	6,593
Interest Received	1,848	1,818	1,791	1,767	1,768	1,817	1,866	1,903	1,972	2,098	2,056
Sales of Contract and Recoverable Works	3,968	3,739	3,857	3,980	4,106	4,236	4,370	4,508	4,651	4,798	4,950
Share of Profit from Associate	1,263	1,701	1,707	1,810	1,833	1,833	1,833	1,833	1,833	1,833	1,833
Other Revenue	1,995	2,023	2,084	2,193	2,309	2,373	2,440	2,509	2,582	2,656	2,734
Operating Grants, Subsidies, Contributions and Donations	3,376	3,308	3,308	3,308	3,308	3,308	3,308	3,308	3,308	3,308	3,308
Total Recurrent Revenue	**58,241**	**61,008**	**63,530**	**66,319**	**69,184**	**72,154**	**75,262**	**78,507**	**81,937**	**85,584**	**89,232**
Capital Revenue											
Capital Grants, Subsidies, Contributions and Donations	31,790	2,814	1,240	1,265	1,290	1,316	1,342	1,370	1,397	1,424	1,453
Contributions from Developers	1,592	1,640	2,164	2,208	2,252	2,297	2,343	2,390	2,438	2,486	2,536
Total Capital Revenue	33,382	4,454	3,404	3,473	3,542	3,613	3,685	3,760	3,835	3,910	3,989
Total Revenue	**91,623**	**65,462**	**66,934**	**69,792**	**72,726**	**75,767**	**78,947**	**82,267**	**85,772**	**89,494**	**93,221**
Total Income	**91,623**	**65,462**	**66,934**	**69,792**	**72,726**	**75,767**	**78,947**	**82,267**	**85,772**	**89,494**	**93,221**
Expenses											
Recurrent Expenses											
Employee Expenses	25,552	25,990	26,624	27,333	28,061	28,808	29,575	30,363	31,172	32,002	32,854
Materials & Services	17,287	18,406	18,677	19,175	19,685	20,210	20,748	21,690	22,838	24,286	25,553
Finance Costs	835	975	1,079	1,196	1,159	1,109	1,219	1,149	1,068	984	894
Depreciation & Amortisation	11,225	12,417	13,162	13,952	14,789	15,676	16,617	17,614	18,671	19,791	20,978
Total Recurrent Expenses	**54,899**	**57,788**	**59,543**	**61,656**	**63,694**	**65,803**	**68,159**	**70,816**	**73,749**	**77,063**	**80,279**
Total Expenses	**54,899**	**57,788**	**59,543**	**61,656**	**63,694**	**65,803**	**68,159**	**70,816**	**73,749**	**77,063**	**80,279**
Net Result	**36,724**	**7,674**	**7,391**	**8,136**	**9,032**	**9,964**	**10,789**	**11,451**	**12,023**	**12,430**	**12,942**
Operating Revenue (Recurrent Revenue)	58,241	61,008	63,530	66,319	69,184	72,154	75,262	78,507	81,937	85,584	89,232
Operating Expenses (Recurrent Expenses)	54,899	57,788	59,543	61,656	63,694	65,803	68,159	70,816	73,749	77,063	80,279
Operating Result (Recurrent Result)	**3,342**	**3,220**	**3,987**	**4,663**	**5,490**	**6,351**	**7,104**	**7,691**	**8,188**	**8,520**	**8,953**

Scenic Rim Regional Council
Long Term Financial Forecast

STATEMENT OF FINANCIAL POSITION	Revised Budget 2014/15 $'000	Budget 2015/16 $'000	Projected Years 2016/17 $'000	2017/18 $'000	2018/19 $'000	2019/20 $'000	2020/21 $'000	2021/22 $'000	2022/23 $'000	2023/24 $'000	2024/25 $'000
ASSETS											
Current Assets											
Cash & Cash Equivalents	14,892	16,041	15,760	15,549	15,743	17,338	18,750	20,312	21,795	23,955	22,302
Trade & Other Receivables	5,563	5,563	5,563	5,563	5,563	5,563	5,563	5,563	5,563	5,563	5,563
Inventories	900	900	900	900	900	900	900	900	900	900	900
Other Assets	700	700	700	700	700	700	700	700	700	700	700
Total Current Assets	22,055	23,204	22,923	22,712	22,906	24,501	25,913	27,475	28,958	31,118	29,465
Non-Current Assets											
Trade & Other Receivables	14,676	14,676	14,676	14,676	14,676	14,676	14,676	14,676	14,676	14,676	14,676
Property, Plant & Equipment	746,271	775,763	807,458	837,435	868,468	903,385	936,484	970,822	1,006,723	1,043,310	1,085,189
Investment in Associate	31,407	32,386	33,388	34,423	35,480	36,537	37,594	38,651	39,708	40,765	41,822
Total Non-Current Assets	792,354	822,825	855,522	886,534	918,624	954,598	988,754	1,024,149	1,061,107	1,098,751	1,141,687
TOTAL ASSETS	**814,409**	**846,029**	**878,445**	**909,246**	**941,529**	**979,099**	**1,014,667**	**1,051,624**	**1,090,065**	**1,129,869**	**1,171,152**
LIABILITIES											
Current Liabilities											
Trade & Other Payables	4,435	4,435	4,435	4,435	4,435	4,435	4,435	4,435	4,435	4,435	4,435
Borrowings	672	829	977	1,034	1,086	1,569	1,652	1,735	1,822	1,915	2,011
Employee Benefits	8,707	8,707	8,707	8,707	8,707	8,707	8,707	8,707	8,707	8,707	8,707
Total Current Liabilities	13,814	13,971	14,118	14,176	14,227	14,711	14,794	14,877	14,963	15,056	15,153
Non-Current Liabilities											
Borrowings	17,248	19,394	21,774	20,965	19,880	21,817	20,315	18,579	16,757	14,843	12,832
Employee Benefits	725	725	725	725	725	725	725	725	725	725	725
Provisions	3,332	3,332	3,332	3,332	3,332	3,332	3,332	3,332	3,332	3,332	3,332
Total Non-Current Liabilities	21,304	23,451	25,831	25,022	23,937	25,874	24,371	22,636	20,814	18,900	16,889
TOTAL LIABILITIES	**35,118**	**37,422**	**39,950**	**39,198**	**38,164**	**40,584**	**39,166**	**37,513**	**35,778**	**33,956**	**32,041**
Net Assets	**779,291**	**808,607**	**838,496**	**870,048**	**903,365**	**938,515**	**975,502**	**1,014,110**	**1,054,287**	**1,095,913**	**1,139,110**
EQUITY											
Asset Revaluation Surplus	233,242	254,883	277,381	300,797	325,082	350,268	376,466	403,624	431,778	460,973	491,229
Accumulated Surplus	546,050	553,724	561,115	569,251	578,283	588,247	599,036	610,486	622,509	634,940	647,881
Total Equity	**779,291**	**808,607**	**838,496**	**870,048**	**903,365**	**938,515**	**975,502**	**1,014,110**	**1,054,287**	**1,095,913**	**1,139,110**

Scenic Rim Regional Council
Long Term Financial Forecast

STATEMENT OF CASH FLOWS	Revised Budget 2014/15 $'000	Budget 2015/16 $'000	Projected Years 2016/17 $'000	2017/18 $'000	2018/19 $'000	2019/20 $'000	2020/21 $'000	2021/22 $'000	2022/23 $'000	2023/24 $'000	2024/25 $'000
Cash Flows from Operating Activities											
Receipts from Customers	55,156	54,181	56,724	59,434	62,275	65,196	68,256	71,463	74,823	78,345	82,035
Payments to Suppliers and Employees	-44,940	-44,499	-45,407	-46,615	-47,856	-49,129	-50,437	-52,169	-54,128	-56,408	-58,530
	10,216	9,682	11,318	12,818	14,419	16,066	17,819	19,294	20,695	21,936	23,505
Receipts:											
Interest Received	1,848	1,818	1,791	1,767	1,768	1,817	1,866	1,903	1,972	2,098	2,056
Operating Grants, Subsidies, Contributions and Donations	3,376	3,308	3,308	3,308	3,308	3,308	3,308	3,308	3,308	3,308	3,308
Payments:											
Interest Expense	-735	-872	-974	-1,089	-1,049	-998	-1,105	-1,033	-950	-864	-771
Net Cash Inflow / (Outflow) from Operating Activities	**14,704**	**13,936**	**15,442**	**16,805**	**18,446**	**20,194**	**21,887**	**23,471**	**25,026**	**26,478**	**28,098**
Cash Flows from Investing Activities											
Receipts:											
Proceeds from Sale of Property, Plant & Equipment	1,268	1,305	1,329	789	796	839	745	886	938	905	776
Dividend Received from Associate	560	722	705	775	776	776	776	776	776	776	776
Capital Grants, Subsidies, Contributions and Donations	38,168	4,454	3,404	3,473	3,542	3,613	3,685	3,760	3,835	3,910	3,989
Payments:											
Payments for Property, Plant & Equipment	-57,539	-21,572	-23,689	-21,301	-22,332	-26,247	-24,263	-25,679	-27,356	-28,088	-33,377
Net Cash Inflow / (Outflow) from Investing Activities	**-17,542**	**-15,091**	**-18,251**	**-16,264**	**-17,218**	**-21,019**	**-19,057**	**-20,257**	**-21,807**	**-22,497**	**-27,836**
Cash Flows from Financing Activities											
Receipts:											
Proceeds from Borrowings	4,000	3,000	3,357	225	0	3,506	150	0	0	0	0
Payments:											
Repayment of Borrowings	-604	-697	-829	-977	-1,034	-1,086	-1,569	-1,652	-1,735	-1,822	-1,915
Net Cash Flow inflow / (Outflow) from Financing Activities	**3,396**	**2,303**	**2,528**	**-752**	**-1,034**	**2,420**	**-1,419**	**-1,652**	**-1,735**	**-1,822**	**-1,915**
Net Increase/(Decrease) in Cash	558	1,149	-281	-211	194	1,595	1,412	1,562	1,483	2,159	-1,653
plus: Cash & Cash Equivalents - beginning of year	14,334	14,892	16,041	15,760	15,549	15,743	17,338	18,750	20,312	21,795	23,955
Cash & Cash Equivalents - end of the year	**14,892**	**16,041**	**15,760**	**15,549**	**15,743**	**17,338**	**18,750**	**20,312**	**21,795**	**23,955**	**22,302**

Scenic Rim Regional Council
Long Term Financial Forecast

STATEMENT OF CHANGES IN EQUITY

	Revised Budget 2014/15 $'000	Budget 2015/16 $'000	Projected Years 2016/17 $'000	2017/18 $'000	2018/19 $'000	2019/20 $'000	2020/21 $'000	2021/22 $'000	2022/23 $'000	2023/24 $'000	2024/25 $'000
Accumulated Surplus											
Opening Balance	509,326	546,050	553,724	561,115	569,251	578,283	588,247	599,036	610,486	622,509	634,940
Net Operating Result for the Year	36,724	7,674	7,391	8,136	9,032	9,964	10,789	11,451	12,023	12,430	12,942
Closing Balance	546,050	553,724	561,115	569,251	578,283	588,247	599,036	610,486	622,509	634,940	647,881
Asset Revaluation Surplus											
Opening Balance	214,047	233,242	254,883	277,381	300,797	325,082	350,268	376,466	403,624	431,778	460,973
Asset Revaluation Adjustments	19,194	21,642	22,497	23,416	24,286	25,186	26,198	27,158	28,154	29,195	30,256
Closing Balance	233,242	254,883	277,381	300,797	325,082	350,268	376,466	403,624	431,778	460,973	491,229
Total Equity											
Opening Balance	723,373	779,291	808,607	838,496	870,048	903,365	938,515	975,502	1,014,110	1,054,287	1,095,913
Net Operating Result for the Year	36,724	7,674	7,391	8,136	9,032	9,964	10,789	11,451	12,023	12,430	12,942
Asset Revaluation Adjustments	19,194	21,642	22,497	23,416	24,286	25,186	26,198	27,158	28,154	29,195	30,256
Closing Balance	779,291	808,607	838,496	870,048	903,365	938,515	975,502	1,014,110	1,054,287	1,095,913	1,139,110

Scenic Rim Regional Council
Long Term Financial Forecast

RELEVANT MEASURES OF FINANCIAL SUSTAINABILITY	Revised Budget 2014/15	Budget 2015/16	Projected Years 2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Measures per S169(5) of the Local Government Regulation 2012											
Operating Surplus Ratio (Target 0 - 10%)	5.7%	5.3%	6.3%	7.0%	7.9%	8.8%	9.4%	9.8%	10.0%	10.0%	10.0%
(Net result (excluding capital item) / recurrent revenue)											
Net Financial Liabilities Ratio (Target <= 60%)	22.4%	23.3%	26.8%	24.9%	22.1%	22.3%	17.6%	12.8%	8.3%	3.3%	2.9%
((Total liabilities less current assets) / recurrent revenue)											
Asset Sustainability Ratio (Target > 90%)	435.7%	130.3%	128.3%	116.8%	114.1%	115.9%	117.0%	119.6%	124.7%	120.6%	116.2%
(Capital renewals on infrastructure assets / infrastructure depreciation)											
Additional measures per SRRC Financial Sustainability Strategy 2016-2025											
Cash Holdings Ratio (Target > 3)	4.1	4.2	4.1	3.9	3.9	4.2	4.4	4.6	4.7	5.0	4.5
(Cash / ((Operating Expenditure less Depreciation Expense)/12 months))											
Current Ratio (Target > 1.1)	1.6	1.7	1.6	1.6	1.6	1.7	1.8	1.8	1.9	2.1	1.9
(Current Assets / Current Liabilities)											
Debt Servicing Ratio (Target < 10%)	2.3%	2.6%	2.8%	3.1%	3.0%	2.9%	3.6%	3.4%	3.3%	3.1%	3.0%
(Principle and interest repayments / recurrent revenue)											