Long Term Financial Forecast

2025-2026 to 2034-2035

SCENIC RIM
REGIONAL COUNCIL

CSFIN2021.0002

Scenic Rim Regional Council
Long Term Financial Forecast

STATEMENT OF COMPREHENSIVE INCOME	Revised Budget 2024-2025 $'000	Budget 2025-2026 $'000	Projected Years 2026-2027 $'000	2027-2028 $'000	2028-2029 $'000	2029-2030 $'000	2030-2031 $'000	2031-2032 $'000	2032-2033 $'000	2033-2034 $'000	2034-2035 $'000
Income											
Revenue											
Recurrent Revenue											
Gross Rates and Utility Charges	73,566	79,515	84,103	88,976	92,459	96,079	99,841	102,754	105,753	108,839	112,015
Discounts and Pensioner Remissions	-2,117	-2,255	-2,376	-2,503	-2,591	-2,683	-2,778	-2,859	-2,942	-3,028	-3,116
Fees & Charges	10,125	10,592	11,159	11,757	12,172	12,602	13,047	13,427	13,819	14,222	14,637
Interest Received	4,543	4,158	4,351	4,115	4,249	4,223	4,456	4,541	4,916	5,104	5,054
Sales of Contract and Recoverable Works	6,754	5,964	6,159	6,360	6,568	6,783	7,004	7,212	7,425	7,645	7,872
Share of Profit from Associate	2,721	2,759	2,881	3,101	3,418	3,418	3,418	3,418	3,418	3,418	3,418
Other Revenue	6,337	5,727	5,970	6,251	6,582	6,796	7,019	7,216	7,419	7,630	7,848
Operating Grants, Subsidies, Contributions and Donations	19,424	9,001	9,181	9,365	9,552	9,743	9,938	10,137	10,340	10,546	10,757
Total Recurrent Revenue	**121,353**	**115,461**	**121,428**	**127,421**	**132,408**	**136,961**	**141,945**	**145,847**	**150,149**	**154,377**	**158,484**
Capital Revenue											
Capital Grants, Subsidies, Contributions and Donations	108,660	4,540	7,590	3,140	6,835	3,926	8,303	10,922	7,494	10,100	9,118
Contributions from Developers	3,000	2,586	2,638	2,690	2,744	2,799	2,855	2,912	2,971	3,030	3,091
Total Capital Revenue	111,660	7,126	10,228	5,830	9,579	6,725	11,158	13,834	10,465	13,130	12,209
Total Revenue	**233,013**	**122,587**	**131,656**	**133,251**	**141,987**	**143,686**	**153,103**	**159,681**	**160,614**	**167,507**	**170,693**
Total Income	**233,013**	**122,587**	**131,656**	**133,251**	**141,987**	**143,686**	**153,103**	**159,681**	**160,614**	**167,507**	**170,693**
Expenses											
Recurrent Expenses											
Employee Expenses	46,444	50,845	53,672	56,657	58,657	60,727	62,871	64,705	66,594	68,537	70,537
Employee Expenses Allocated to Capital	-5,053	-7,677	-8,104	-8,555	-8,857	-9,169	-9,493	-9,770	-10,055	-10,348	-10,650
Net Operating Employee Expenses	41,392	43,168	45,569	48,102	49,800	51,558	53,378	54,936	56,539	58,188	59,886
Materials & Services	51,252	46,210	48,107	48,888	49,689	51,767	53,932	55,506	57,125	58,792	60,508
Finance Costs	1,230	1,131	1,077	1,020	966	918	868	817	765	714	665
Depreciation Expense	22,130	27,305	28,397	29,533	30,714	31,943	32,742	33,560	34,399	35,259	36,141
Total Recurrent Expenses	**116,004**	**117,814**	**123,150**	**127,543**	**131,170**	**136,186**	**140,919**	**144,818**	**148,828**	**152,953**	**157,200**
Total Expenses	**116,004**	**117,814**	**123,150**	**127,543**	**131,170**	**136,186**	**140,919**	**144,818**	**148,828**	**152,953**	**157,200**
Net Result	**117,009**	**4,773**	**8,506**	**5,708**	**10,817**	**7,500**	**12,184**	**14,862**	**11,786**	**14,553**	**13,493**
Operating Revenue (Recurrent Revenue)	121,353	115,461	121,428	127,421	132,408	136,961	141,945	145,847	150,149	154,377	158,484
Operating Expenses (Recurrent Expenses)	116,004	117,814	123,150	127,543	131,170	136,186	140,919	144,818	148,828	152,953	157,200
Operating Result (Recurrent Result)	**5,349**	**-2,353**	**-1,722**	**-122**	**1,238**	**775**	**1,026**	**1,028**	**1,321**	**1,423**	**1,284**

Scenic Rim Regional Council
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STATEMENT OF FINANCIAL POSITION	Revised Budget 2024-2025 $'000	Budget 2025-2026 $'000	Projected Years 2026-2027 $'000	2027-2028 $'000	2028-2029 $'000	2029-2030 $'000	2030-2031 $'000	2031-2032 $'000	2032-2033 $'000	2033-2034 $'000	2034-2035 $'000
ASSETS											
Current Assets											
Cash & Cash Equivalents	28,026	33,346	35,362	31,836	33,019	32,122	34,489	35,011	39,217	40,975	39,645
Trade & Other Receivables	12,100	12,100	12,100	12,100	12,100	12,100	12,100	12,100	12,100	12,100	12,100
Inventories	900	900	900	900	900	900	900	900	900	900	900
Other Assets	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total Current Assets	42,026	47,346	49,362	45,836	47,019	46,122	48,489	49,011	53,217	54,975	53,645
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	1,281,220	1,300,869	1,327,911	1,359,382	1,391,832	1,423,641	1,457,452	1,496,406	1,529,322	1,568,478	1,610,392
Investment in Associate	41,994	43,450	44,997	46,733	48,723	50,713	52,703	54,693	56,683	58,673	60,663
Total Non-Current Assets	1,337,890	1,358,995	1,387,584	1,420,791	1,455,231	1,489,030	1,524,831	1,565,775	1,600,681	1,641,827	1,685,731
TOTAL ASSETS	**1,379,916**	**1,406,341**	**1,436,946**	**1,466,627**	**1,502,250**	**1,535,152**	**1,573,320**	**1,614,786**	**1,653,898**	**1,696,802**	**1,739,376**
LIABILITIES											
Current Liabilities											
Trade & Other Payables	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Borrowings	2,465	2,524	2,585	2,381	2,435	2,489	2,545	2,603	2,235	2,289	2,344
Provisions	10,400	10,400	10,400	10,400	10,400	10,400	10,400	10,400	10,400	10,400	10,400
Other liabilities	1,507	1,395	0	0	0	0	0	0	0	0	0
Total Current Liabilities	25,372	25,319	23,985	23,781	23,835	23,889	23,945	24,003	23,635	23,689	23,744
Non-Current Liabilities											
Borrowings	36,863	34,338	31,754	29,373	26,936	24,448	21,903	19,300	17,066	14,777	12,432
Provisions	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219	4,219
Other liabilities	1,395	0	0	0	0	0	0	0	0	0	0
Total Non-Current Liabilities	42,477	38,557	35,973	33,592	31,155	28,667	26,122	23,519	21,285	18,996	16,651
TOTAL LIABILITIES	**67,849**	**63,876**	**59,958**	**57,373**	**54,990**	**52,556**	**50,067**	**47,522**	**44,920**	**42,685**	**40,395**
Net Assets	**1,312,067**	**1,342,465**	**1,376,988**	**1,409,254**	**1,447,260**	**1,482,596**	**1,523,253**	**1,567,264**	**1,608,978**	**1,654,117**	**1,698,981**
EQUITY											
Asset Revaluation Surplus	415,625	441,249	467,266	493,824	521,013	548,849	577,322	606,471	636,399	666,985	698,355
Accumulated Surplus	896,442	901,216	909,722	915,430	926,247	933,747	945,931	960,793	972,579	987,132	1,000,626
Total Equity	**1,312,067**	**1,342,465**	**1,376,988**	**1,409,254**	**1,447,260**	**1,482,596**	**1,523,253**	**1,567,264**	**1,608,978**	**1,654,117**	**1,698,981**

Scenic Rim Regional Council
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STATEMENT OF CASH FLOWS	Revised Budget 2024-2025 $'000	Budget 2025-2026 $'000	Projected Years 2026-2027 $'000	2027-2028 $'000	2028-2029 $'000	2029-2030 $'000	2030-2031 $'000	2031-2032 $'000	2032-2033 $'000	2033-2034 $'000	2034-2035 $'000
Cash Flows from Operating Activities											
Receipts from Customers	113,832	98,036	103,620	110,840	115,189	119,577	124,134	127,751	131,475	135,308	139,255
Payments to Suppliers and Employees	-109,915	-89,604	-93,905	-97,224	-99,728	-103,569	-107,558	-110,695	-113,922	-117,244	-120,663
	3,917	8,432	9,715	13,616	15,461	16,008	16,576	17,056	17,553	18,064	18,592
Receipts:											
Interest Received	4,543	4,158	4,351	4,115	4,249	4,223	4,456	4,541	4,916	5,104	5,054
Operating Grants, Subsidies, Contributions and Donations	19,424	9,001	9,181	9,365	9,552	9,743	9,938	10,137	10,340	10,546	10,757
Payments:											
Interest Expense	-1,010	-906	-847	-786	-728	-674	-620	-564	-506	-450	-396
Net Cash Inflow / (Outflow) from Operating Activities	**26,874**	**20,685**	**22,400**	**26,310**	**28,534**	**29,300**	**30,350**	**31,170**	**32,303**	**33,264**	**34,007**
Cash Flows from Investing Activities											
Receipts:											
Proceeds from Sale of Property, Plant & Equipment	18,363	7,762	6,439	1,675	1,712	1,673	1,744	1,916	1,855	1,885	1,923
Dividend Received from Associate	1,042	1,303	1,334	1,365	1,428	1,428	1,428	1,428	1,428	1,428	1,428
Capital Grants, Subsidies, Contributions and Donations	111,660	7,126	10,228	5,830	9,579	6,725	11,158	13,834	10,465	13,130	12,209
Payments:											
Payments for Property, Plant & Equipment	-174,619	-29,091	-35,861	-36,121	-37,689	-37,588	-39,824	-45,281	-39,242	-45,714	-48,608
Net Cash Inflow / (Outflow) from Investing Activities	**-43,554**	**-12,900**	**-17,860**	**-27,251**	**-24,970**	**-27,762**	**-25,494**	**-28,103**	**-25,494**	**-29,271**	**-33,048**
Cash Flows from Financing Activities											
Receipts:											
Proceeds from Borrowings	0	0	0	0	0	0	0	0	0	0	0
Payments:											
Repayment of Borrowings	-3,980	-2,465	-2,524	-2,585	-2,381	-2,435	-2,489	-2,545	-2,603	-2,235	-2,289
Net Cash Flow inflow / (Outflow) from Financing Activities	**-3,980**	**-2,465**	**-2,524**	**-2,585**	**-2,381**	**-2,435**	**-2,489**	**-2,545**	**-2,603**	**-2,235**	**-2,289**
Net Increase/(Decrease) in Cash	-20,660	5,320	2,016	-3,526	1,183	-897	2,367	522	4,206	1,758	-1,330
plus: Cash & Cash Equivalents - beginning of year	48,686	28,026	33,346	35,362	31,836	33,019	32,122	34,489	35,011	39,217	40,975
Cash & Cash Equivalents - end of the year	**28,026**	**33,346**	**35,362**	**31,836**	**33,019**	**32,122**	**34,489**	**35,011**	**39,217**	**40,975**	**39,645**

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STATEMENT OF CHANGES IN EQUITY

	Revised Budget	Budget	Projected Years								
	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	2032-2033	2033-2034	2034-2035
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Accumulated Surplus											
Opening Balance	779,433	896,443	901,216	909,722	915,430	926,247	933,747	945,931	960,793	972,579	987,133
Net Operating Result for the Year	117,009	4,773	8,506	5,708	10,817	7,500	12,184	14,862	11,786	14,553	13,493
Closing Balance	896,442	901,216	909,722	915,430	926,247	933,747	945,931	960,793	972,579	987,132	1,000,626
Asset Revaluation Surplus											
Opening Balance	392,095	415,625	441,249	467,266	493,825	521,012	548,849	577,322	606,471	636,399	666,985
Asset Revaluation Adjustments	23,530	25,624	26,017	26,558	27,188	27,837	28,473	29,149	29,928	30,586	31,370
Closing Balance	415,625	441,249	467,266	493,824	521,013	548,849	577,322	606,471	636,399	666,985	698,355
Total Equity											
Opening Balance	1,171,528	1,312,068	1,342,465	1,376,988	1,409,255	1,447,259	1,482,596	1,523,253	1,567,264	1,608,978	1,654,118
Net Operating Result for the Year	117,009	4,773	8,506	5,708	10,817	7,500	12,184	14,862	11,786	14,553	13,493
Asset Revaluation Adjustments	23,530	25,624	26,017	26,558	27,188	27,837	28,473	29,149	29,928	30,586	31,370
Closing Balance	1,312,067	1,342,465	1,376,988	1,409,254	1,447,260	1,482,596	1,523,253	1,567,264	1,608,978	1,654,117	1,698,981

Scenic Rim Regional Council
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RELEVANT MEASURES OF FINANCIAL SUSTAINABILITY	Revised Budget 2024-2025	Budget 2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Projected Years 2030-2031	2031-2032	2032-2033	2033-2034	2034-2035
Measures per Financial Management (Sustainability) Guideline 2024											
Contextual Ratios (Unaudited)											
Council Controlled Revenue Ratio (Contextual only; no target)	67.2%	76.1%	76.5%	77.1%	77.1%	77.4%	77.6%	77.7%	77.7%	77.8%	77.9%
((Net rates, levies and charges + fees and charges) / total operating revenue)											
Population Growth Ratio (Contextual only; no target)	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%
(Prior year estimated population / previous year estimated population)											
Asset Renewal Funding Ratio (Contextual only; no target)	NA	49.7%	NA	NA	NA	NA	NA	NA	NA	NA	NA
(Total planned capital expenditure on infrastructure asset renewals over 10 years / total required capital expenditure on infrastructure asset renewals over 10 years)											
Audited Ratios											
Operating Surplus Ratio (Target > 0%)	4.4%	-2.0%	-1.4%	-0.1%	0.9%	0.6%	0.7%	0.7%	0.9%	0.9%	0.8%
(Operating result / total operating revenue)											
Operating Cash Ratio (Target > 0%)	21.4%	20.2%	20.5%	21.4%	22.3%	22.1%	22.0%	21.9%	22.0%	22.0%	21.9%
((Operating result + depreciation and amortisation + finance costs - profit from equity accounted investment) / total operating revenue)											
Unrestricted Cash Expense Cover Ratio (Target > 3 months)	4.5	4.4	4.8	4.2	4.1	4.1	4.2	4.1	4.1	3.8	4.0
*((Total cash and cash equivalents + current investments + available on-going QTC working capital facility - externally restricted cash) / (total operating expenditure - depreciation and amortisation - finance costs))*12*											
Asset Sustainability Ratio (Target > 80%)	496.1%	76.4%	85.5%	82.7%	83.6%	59.1%	70.8%	71.7%	62.6%	68.7%	45.7%
(Capital expenditure on replacement of infrastructure assets (renewals) / Depreciation expenditure on infrastructure assets)											
Asset Consumption Ratio (Target > 60%)	71.3%	71.0%	70.6%	70.3%	70.0%	69.7%	69.1%	68.5%	67.9%	67.3%	66.6%
(Written down replacement cost of depreciable infrastructure assets / Current replacement cost of depreciable infrastructure assets)											
Leverage Ratio (Target 0 - 3 Times)	1.4	1.5	1.3	1.1	0.9	0.8	0.7	0.6	0.5	0.5	0.4
(Book value of debt / (total operating revenue - total operating expenditure + depreciation and amortisation))											