



# **Long Term Financial Plan**

**2018/2019 – 2028/2029**

*Adopted by Council at its Ordinary Meeting  
held on 18 December 2018*

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## 1. Introduction

The purpose of this long-term financial plan (LTFP) is to express, in financial terms, the activities that the District Council of Mount Remarkable (Council) proposes to undertake over the medium to longer term to achieve its stated objectives as outlined in its Strategic Management Plan.

It is a guide for future action based on the longer-term impact of revenue and expenditure proposals. The aggregation of future intended outlays and anticipated revenues enables the accumulating overall financial implications to be readily identified and if warranted, for proposed future activities to be revised.

Long-term financial plans are particularly important for local governments as they are responsible for managing a high level of long-lived assets relative to their income base. A council may have long-periods with modest levels of asset renewal requirements and then other periods when very significant outlays are necessary. All councils need to generate revenue in an equitable manner over time and ensure they have capacity to finance peaks in asset management and other outlays when, and including by way of borrowings where, necessary.

The preparation of a LTFP generates improved information to guide decisions about the mix and timing of outlays on operating activities and additional assets and the funding implications of these. Without a soundly based LTFP an organisation with significant asset management responsibilities is unlikely to have sufficient data to determine sustainable service levels and affordable asset stockholding strategies, appropriate revenue targets or optimal treasury management.

## 2. Strategic Direction

The District Council of Mount Remarkable acknowledges that a balanced, robust and well developed set of objectives will serve the Council and community well.

### **Respected, Responsive, Open and Effective Leadership**

With visionary, respected and strong leadership, Council will be in a position to successfully develop constructive partnerships with other levels of government and our communities, to ensure our aspirations are met and our futures are secured.

### **Accountable, Secure and Sustainable Organisation**

It is Council's responsibility to represent the interests of its ratepayers and residents and to efficiently and effectively provide a range of services and facilities. An adequately financed organisation with skilled and qualified employees is required to undertake these duties, over a variety of time periods.

It is equally important that Council delivers "best value" to ratepayers and to other levels of government. It is in the interests of our communities that Council not only be well resourced and financially sustainable in the long term, but that it is continually accountable to all stakeholders.

### **Growing Prosperity**

Our residents and ratepayers enjoy and expect ongoing access to a high level of facilities and services in their communities and high standards of living. For this to continue we require growth in the local and regional economies, jobs and populations.

### **Building Communities and Fostering Creativity**

To survive, compete and grow in the modern world we require creative and entrepreneurial people, businesses and communities. With new people, new jobs, new ideas and new enthusiasm our

communities will be well placed to “get through the tough times” and stake claims as desirable residential, work and holiday locations.

### **Attaining Sustainability**

There is strong evidence, now accepted by the broader community, that mankind’s population growth, industrial expansion and resources use is contributing to climate change and will ultimately make the planet an unfriendly environment for us. We have a duty as custodians for future generations to ensure our environments are healthy and our ways of life are sustainable. We must alter our activities to stop further damage to the environment, and adjust our behaviours and lifestyles accordingly.

### **Developing the Foundation for Our Future**

A range of reliable infrastructure is required to cater for the current and future transportation, communication, water, electricity and quality of life needs of our residents, businesses and communities. We acknowledge that Council has a leadership role in encouraging the adoption of alternative technologies and sharing of facilities and resources, to deliver infrastructure and services in a sustainable and environmentally sensitive manner.

### **Improving Wellbeing**

Members of our District highly value the fact that their communities have low crime rates; they have a good range of essential and emergency services; lifestyles are healthy with high participation rates in sport and ready access to attractive natural environments; they have numerous opportunities for socialising; and they can rely on neighbours and friends in times of need. It is important that these lifestyle advantages are maintained by continuing to provide a safe and healthy local environment.







### 3. Financial Strategy

The LTFP is based on Councils current operating service levels as well as projected capital renewal expenditure obtained from Councils existing asset databases and asset management plans. The following is a summary of the financial strategy that will be used by Council to guide its decision making such that it maintains its current financially sustainable outlook:

- Community Wastewater Management Schemes (CWMS) service charges are set at an appropriate level to ensure whole of life costs are recovered.
- Waste management user charges are set at an appropriate level to recover the full cost of providing these services from those who benefit from the service.
- Council will continue to review service delivery to the community to identify any further opportunities to reduce operating costs due to increased operating efficiencies. This will be an ongoing objective for management to ensure the maximum benefit to the community per dollar of rates.
- Grant revenue will be targeted in a strategic manner. This means that grant revenue to build new assets would only be pursued and accepted if the new assets were deemed to be consistent with Councils Strategic Objectives particularly if additional funding is required to be contributed by Council. Where an operating grant is sought and additional Council funds are required to be contributed, then careful consideration will be given to long-run benefits and costs.
- Cash Reserves (including investments) will be brought up to and maintained at a minimum level of \$2M from 2021/2022 for the financial years to 2028/2029.
- The LTFP will be reviewed at any time that significant projects are being considered to ensure that any debt to be incurred will have a revenue stream identified that will facilitate its repayment.

## 4. Key Assumptions

The following assumptions have been built into the forecast calculations:

- The content of the LTFP is based on real (2018/2019) dollar values for all future years to facilitate comparisons between years.
- Commonwealth Financial Assistance Grant (FAGs) revenue is not expected to vary over the planning period other than indexation. Timing of receipt of FAGs revenue has been assumed to be quarterly (four payments each year) in the year that it is due. This assumption may well change in future iterations depending upon federal government policy and budgeting developments relating to this area.
- Capital expenditure on road renewal has been determined based on asset data that has been verified by an independent engineer, maintenance reports and community input.
- Capital expenditure on all other classes is consistent with capital renewals as identified in Councils' Asset Management Plans.
- Any future new assets will be determined by the Council annually.
- Annual Rates increases have been reduced to 4% for the first two years and further reduced to 3% from 2021/2022 to 2028/2029.
- Salaries and wages have been based on 2% increase for the 2019/2020 year and then 2.5% thereafter.





## 5. Long-Term Financial Sustainability - Key Financial Indicators

### Indicator 1 - Operating Surplus Ratio

The operating surplus ratio expresses the operating surplus (deficit) as a percentage of operating income. Calculated as: (operating revenue minus operating expense) divided by total operating revenue, expressed as a percentage.

“A positive ratio indicates the percentage of operating income available to help fund proposed capital expenditure. If the relevant amount is not required for this purpose in a particular year, it can be held for future capital expenditure needs by either increasing financial assets or preferably, where possible, reducing debt in the meantime.

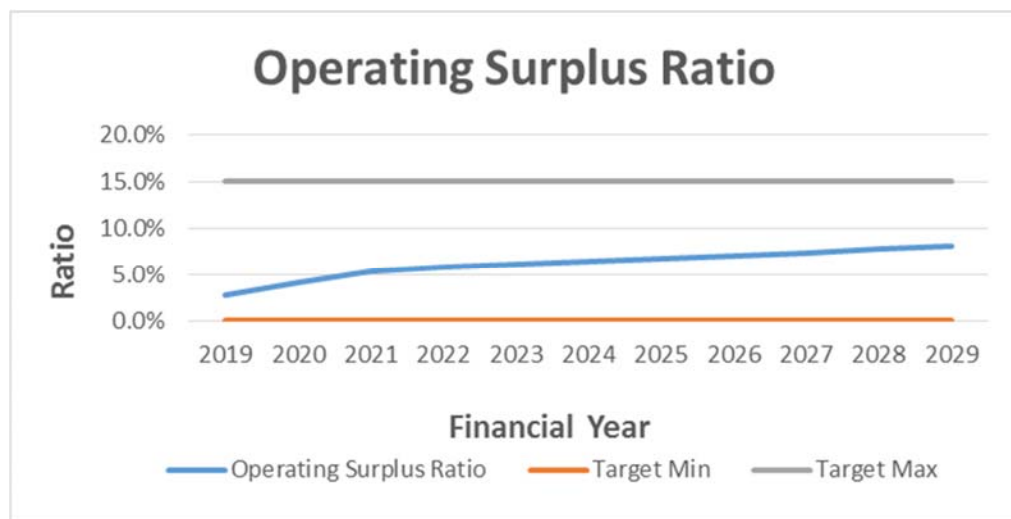
A negative ratio indicates the percentage increase in operating income or the approximate decrease in operating expenses required to achieve a break-even operating result.”

The Operating Surplus Ratio is a most important financial indicator for councils. Council is projected to consistently achieve a modest positive operational surplus ratio from 2019/2020 into the future, having regard to asset management and community service levels, and therefore financially stable. It answers the following question:

*“Is Council covering its operating expenditure and depreciation charge from its operating revenue?”*

As Council’s operating surplus ratio is above 0% for 2018/2019 through to 2028/2029 indicates that the answer to this question is ‘yes’.

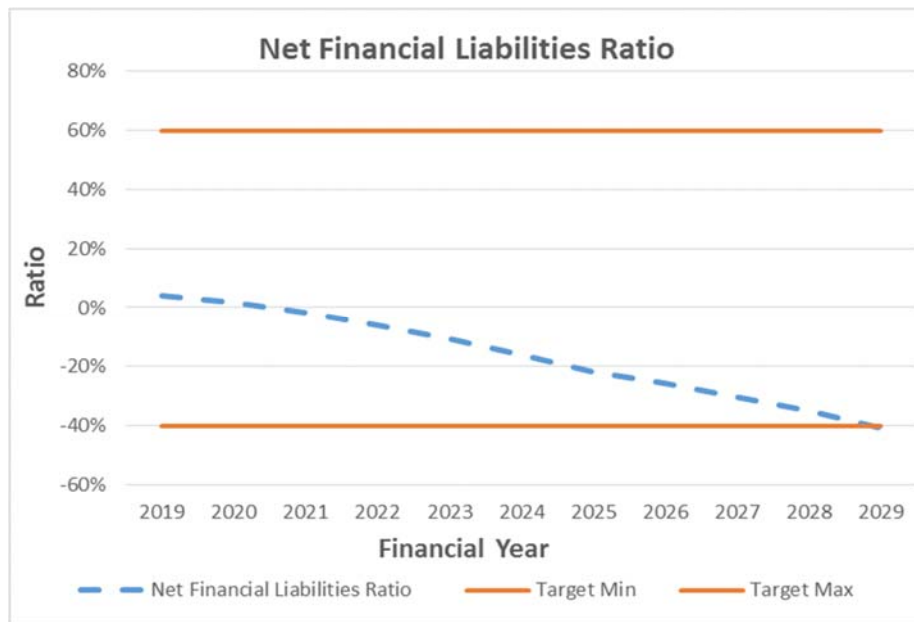
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Operating Surplus Ratio</b>	2.8%	4.2%	5.4%	5.7%	6.1%	6.4%	6.7%	7.1%	7.4%	7.7%	8.0%
<b>Target Min</b>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<b>Target Max</b>	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%



## Indicator 2 - Net Financial Liabilities Ratio

The Net Financial Liabilities Ratio is calculated by expressing net financial liabilities at the end of a financial year as a percentage of operating revenue for the year.

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Net Financial Liabilities Ratio	4%	2%	-2%	-6%	-11%	-16%	-22%	-26%	-30%	-35%	-41%
Target Min	-40%	-40%	-40%	-40%	-40%	-40%	-40%	-40%	-40%	-40%	-40%
Target Max	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%



Net financial liabilities is a broader and more appropriate measure of indebtedness than the level of borrowings, because it includes items such as employee long-service leave entitlements and other amounts payable as well as taking account of a Council's cash and investments.

The net financial liabilities ratio is calculated by expressing net financial liabilities at the end of a financial year as a percentage of operating revenue for the year. If the ratio falls, over time, this indicates that the Council's capacity to meet its financial obligations from operating revenue is strengthening.

The Net Financial Liabilities Ratio answers the following question:

*"How significant is the amount owed to others, compared with current financial assets?"*

As Council is predominantly in a negative net financial liabilities situation, meaning that Council has more cash in the bank than it owes in debt and other liabilities, Council can answer 'yes' to this question.

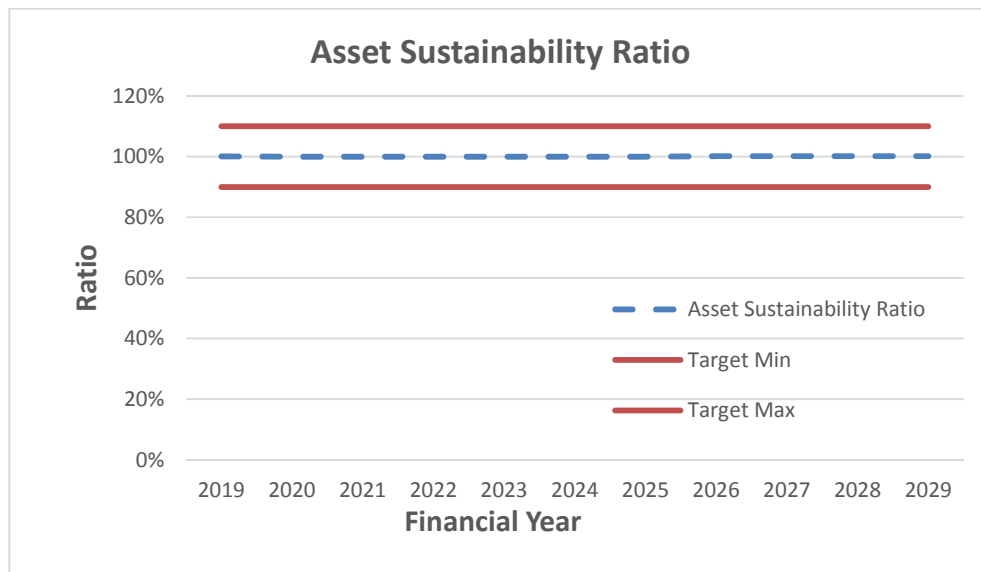
Cash on hand is forecast to be \$1.739M at the end of the 2019 year increasing to \$4.14M by the end of 2029. This indicates that Council is in a position to consider projects or cover unforeseen events such as major storm damage. It is anticipated that projects will arise that will require significant capital to deliver. Future iterations of this plan will incorporate these projects as they eventuate and accurate costing become available. At this stage only known expenditure commitments have been incorporated into the plan.



### Indicator 3 - Asset Sustainability Ratio

The Asset Sustainability Ratio indicates the extent to which Council is renewing and replacing its existing non-financial assets compared with the asset renewal and replacement expenditure identified in Council's infrastructure and asset management plan (IAMP). The ratio is calculated by measuring capital expenditure on renewal or replacement of assets, relative to the optimal level of such expenditure proposed in Council's (IAMP).

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Asset Sustainability Ratio	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Target Min	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
Target Max	110%	110%	110%	110%	110%	110%	110%	110%	110%	110%	110%



If capital expenditure on renewing or replacing existing assets is at least equal to the level proposed by Council's asset data, then Council is ensuring optimal timing of replacement of physical assets to maintain service levels. Any material underspending on renewal and replacement over the medium term is likely to adversely impact on the achievement of preferred, affordable service levels and could potentially progressively undermine Council's financial sustainability.

The Council currently has in place asset data bases for its roads network, CWMS, water supply, buildings, and plant & equipment. The capital expenditure programs from these plans are fully funded; accordingly a result of at least 100% is achieved throughout the life of the plan for this ratio.

The question the Asset Sustainability Ratio answers is:

*"Are Council Assets being renewed and replaced in an optimal way?"*

The answer is again 'yes' as the consistent outcome of replacing assets at 100% indicates that assets are being renewed at the rate required by Council's IAMP.

## **Council is Financially Sustainable**

A Council's long-term financial performance and position is sustainable where planned long-term service and infrastructure levels and standards are met. As Council has answered 'yes' to the three questions tested by the three key financial indicators for all years throughout the plan from 2018/2019 to 2028/2029, it has demonstrated that Council is operating in a financially sustainable manner in the short term as well as the medium to long term.

### **Yes, Yes & Yes**

- ✓ *“Is Council covering its operating expenditure and depreciation charge from its operating revenue?”*
- ✓ *“Does Council have a manageable level of debt and other liabilities when considering its available revenue and other cash reserves?”*
- ✓ *“Are Council Assets being renewed and replaced in an optimal way?”*

## **6. Statement of Uniform Presentation of Finances**

The Uniform Presentation of Council Finances together with the results of the Key Financial Indicators provides a summarised report that focuses on Council's finances at a strategic level.

Readers are strongly encouraged to take the time to comprehend how this report is structured and what the implications of the various lines of this report are for the Key Financial Indicator calculations.

The Summary of Financial Position report highlights the operating surplus (deficit) measure which is considered a most critical indicator of a Council's financial performance. The result of this report is the movement in Net Financial Liabilities (Net Lending / Borrowing) for the year based on Council's planned capital and operating budgets for that year. Achieving a zero result on the net lending / (borrowing) measure in any one year essentially means that the Council has met all of its expenditure (both operating and capital) from the current year's income (with income including amounts received specifically for new / upgraded assets).

An important point is that if Council is not able to replace its existing assets in a timely manner then new assets should not be built unless less essential. By building new assets Council is effectively building new liabilities as the assets usually don't generate revenue (e.g. roads), cannot be sold, will need to be maintained and eventually replaced.

The **Uniform Presentation of Finances** is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis. All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis. The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.

## Statement of Uniform Presentation of Finances

Year Ending 30 June:	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
	Budget	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'001
<i>Section 1:</i>											
Operating Revenues	7,538	7,779	8,028	8,237	8,451	8,671	8,897	9,129	9,367	9,613	9,865
less Operating Expenses	7,329	7,454	7,594	7,763	7,937	8,115	8,297	8,485	8,676	8,873	9,075
<b>Operating Surplus/(Deficit) before Capital Amounts</b>	<b>209</b>	<b>325</b>	<b>434</b>	<b>473</b>	<b>514</b>	<b>556</b>	<b>599</b>	<b>644</b>	<b>691</b>	<b>740</b>	<b>790</b>
<i>Section 2:</i>											
<b>LESS: Net Outlays on Existing Assets</b>											
Capital Expenditure on Renewal or Replacement of Existing Assets	1,501	1,550	1,600	1,600	1,600	1,600	1,600	1,800	1,800	1,800	1,800
less Depreciation, Amortisation & Impairment	-2,161	-2,183	-2,204	-2,226	-2,249	-2,271	-2,294	-2,317	-2,340	-2,363	-2,387
less Proceeds from Sale of Replaced Assets	-80	-50	-50	-50	-50	-50	-50	-50	-50	-50	-50
<b>Net Outlays on Existing Assets</b>	<b>-740</b>	<b>-683</b>	<b>-654</b>	<b>-676</b>	<b>-699</b>	<b>-721</b>	<b>-744</b>	<b>-567</b>	<b>-590</b>	<b>-613</b>	<b>-637</b>
<i>Section 3:</i>											
<b>LESS: Net Outlays on New or Upgraded Assets</b>											
Capital Expenditure on New/Upgraded Assets	1,707	750	800	800	800	800	800	800	800	800	800
less Amounts Specifically for New/Upgraded Assets	-140	0	0	0	0	0	0	0	0	0	0
less Proceeds from Sale of Surplus Assets	0	0	0	0	0	0	0	0	0	0	0
<b>Net Outlays on New or Upgraded Assets</b>	<b>1,567</b>	<b>750</b>	<b>800</b>	<b>800</b>	<b>800</b>	<b>800</b>	<b>800</b>	<b>800</b>	<b>800</b>	<b>800</b>	<b>800</b>
<i>Section 4:</i>											
<b>EQUALS: Net Lending / (Borrowing) for Financial Year</b>	<b>-618</b>	<b>257</b>	<b>289</b>	<b>350</b>	<b>412</b>	<b>477</b>	<b>543</b>	<b>411</b>	<b>481</b>	<b>554</b>	<b>628</b>



## APPENDIX A – FINANCIAL STATEMENTS

### Statement of Comprehensive Income

Year Ending 30 June:	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
	Budget	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income</b>											
Rates	3,779	3,930	4,087	4,210	4,336	4,466	4,600	4,738	4,880	5,027	5,178
Statutory charges	81	81	81	81	81	81	81	81	81	82	82
User charges	689	716	745	767	790	814	838	863	889	916	943
Grants, subsidies and contributions	2,655	2,708	2,762	2,817	2,874	2,931	2,990	3,050	3,110	3,173	3,236
Investment income	67	68	69	69	70	71	71	72	73	74	74
Reimbursements	129	130	131	132	134	135	136	138	139	141	142
Other income	139	146	153	160	166	173	180	187	194	202	210
<b>Total Operating Revenue</b>	<b>7,538</b>	<b>7,779</b>	<b>8,028</b>	<b>8,237</b>	<b>8,451</b>	<b>8,671</b>	<b>8,897</b>	<b>9,129</b>	<b>9,367</b>	<b>9,613</b>	<b>9,865</b>
<b>Expenses</b>											
Employee Costs	2,470	2,520	2,582	2,647	2,713	2,781	2,851	2,922	2,995	3,070	3,147
Material, Contractors & Other	2,550	2,601	2,653	2,733	2,815	2,899	2,986	3,076	3,168	3,263	3,361
Depreciation, Amortisation & Impairment	2,161	2,183	2,204	2,226	2,249	2,271	2,294	2,317	2,340	2,363	2,387
Finance Charges	148	151	154	157	160	163	167	170	173	177	180
<b>Total Operating Expenses</b>	<b>7,329</b>	<b>7,454</b>	<b>7,594</b>	<b>7,763</b>	<b>7,937</b>	<b>8,115</b>	<b>8,297</b>	<b>8,485</b>	<b>8,676</b>	<b>8,873</b>	<b>9,075</b>
<b>Operating Surplus / (Deficit)</b>	<b>209</b>	<b>325</b>	<b>434</b>	<b>473</b>	<b>514</b>	<b>556</b>	<b>599</b>	<b>644</b>	<b>691</b>	<b>740</b>	<b>790</b>
Amounts specifically for new or upgraded assets	140	0	0	0	0	0	0	0	0	0	0
Asset disposal & fair value adjustments	0	0	0	0	0	0	0	0	0	0	0
<b>Net Surplus / (Deficit)</b>	<b>349</b>	<b>325</b>	<b>434</b>	<b>473</b>	<b>514</b>	<b>556</b>	<b>599</b>	<b>644</b>	<b>691</b>	<b>740</b>	<b>790</b>

## Statement of Financial Position

Year Ending 30 June:	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
	Budget	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash and Cash Equivalents	1,739	1,796	1,885	2,035	2,247	2,524	2,867	3,078	3,359	3,713	4,140
Trade & Other Receivables	683	650	650	650	650	650	650	650	650	650	650
Inventories	40	40	40	40	40	40	40	40	40	40	40
<b>Total Current Assets</b>	<b>2,462</b>	<b>2,486</b>	<b>2,575</b>	<b>2,725</b>	<b>2,937</b>	<b>3,214</b>	<b>3,557</b>	<b>3,768</b>	<b>4,049</b>	<b>4,403</b>	<b>4,830</b>
<b>Non Current Assets</b>											
Financial Assets	20	30	30	30	30	30	30	30	30	30	30
Infrastructure, Property, Plant & Equipment	67,409	66,906	67,051	67,174	67,276	67,354	67,410	67,643	67,853	68,040	68,203
<b>Total Non-current Assets</b>	<b>67,429</b>	<b>66,936</b>	<b>67,081</b>	<b>67,204</b>	<b>67,306</b>	<b>67,384</b>	<b>67,440</b>	<b>67,673</b>	<b>67,883</b>	<b>68,070</b>	<b>68,233</b>
<b>Total Assets</b>	<b>69,891</b>	<b>69,422</b>	<b>69,656</b>	<b>69,929</b>	<b>70,243</b>	<b>70,598</b>	<b>70,997</b>	<b>71,441</b>	<b>71,932</b>	<b>72,473</b>	<b>73,063</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Trade & Other Payables	253	253	253	253	253	253	253	253	253	253	253
Borrowings	140	200	200	200	200	200	200	200	200	200	200
Provisions	107	107	107	107	107	107	107	107	107	107	107
<b>Total Current Liabilities</b>	<b>500</b>	<b>560</b>	<b>560</b>	<b>560</b>	<b>560</b>	<b>560</b>	<b>560</b>	<b>560</b>	<b>560</b>	<b>560</b>	<b>560</b>
<b>Non-current Liabilities</b>											
Borrowings	2170	1970	1770	1570	1370	1170	970	770	570	370	170
Provisions	86	86	86	86	86	86	86	86	86	86	86
<b>Total Non-Current Liabilities</b>	<b>2256</b>	<b>2056</b>	<b>1856</b>	<b>1656</b>	<b>1456</b>	<b>1256</b>	<b>1056</b>	<b>856</b>	<b>656</b>	<b>456</b>	<b>256</b>
<b>Total Liabilities</b>	<b>2,756</b>	<b>2,616</b>	<b>2,416</b>	<b>2,216</b>	<b>2,016</b>	<b>1,816</b>	<b>1,616</b>	<b>1,416</b>	<b>1,216</b>	<b>1,016</b>	<b>816</b>
<b>Net Assets</b>	<b>67,135</b>	<b>66,806</b>	<b>67,240</b>	<b>67,713</b>	<b>68,227</b>	<b>68,782</b>	<b>69,381</b>	<b>70,025</b>	<b>70,716</b>	<b>71,457</b>	<b>72,247</b>
<b>EQUITY</b>											
Accumulated Surplus	37,069	37,394	37,828	38,301	38,815	39,370	39,969	40,614	41,304	42,045	42,835
Asset Revaluation Reserves	30,066	28,724	28,724	28,724	28,724	28,724	28,724	28,724	28,724	28,724	28,724
Other Reserves		688	688	688	688	688	688	688	688	688	688
<b>Total Equity</b>	<b>67,135</b>	<b>66,806</b>	<b>67,240</b>	<b>67,713</b>	<b>68,226</b>	<b>68,782</b>	<b>69,381</b>	<b>70,025</b>	<b>70,716</b>	<b>71,457</b>	<b>72,247</b>

## Statement of Equity

Year Ending 30 June:	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
	Budget	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>ACCUMULATED SURPLUS</b>											
Balance at end of previous reporting period	36,720	37,069	37,394	37,828	38,301	38,815	39,370	39,969	40,614	41,304	42,045
Net Result for Year	349	325	434	473	514	556	599	644	691	740	790
Transfers to other reserves											
<b>Balance at end of period</b>	<b>37,069</b>	<b>37,394</b>	<b>37,828</b>	<b>38,301</b>	<b>38,815</b>	<b>39,370</b>	<b>39,969</b>	<b>40,614</b>	<b>41,304</b>	<b>42,045</b>	<b>42,835</b>
<b>ASSET REVALUATION RESERVE</b>											
Balance at end of previous reporting period	30,066	29,412	29,412	29,412	29,412	29,412	29,412	29,412	29,412	29,412	29,412
<b>Balance at end of period</b>	<b>30,066</b>	<b>29,412</b>	<b>29,412</b>	<b>29,412</b>	<b>29,412</b>	<b>29,412</b>	<b>29,412</b>	<b>29,412</b>	<b>29,412</b>	<b>29,412</b>	<b>29,412</b>
<b>TOTAL EQUITY AT END OF REPORTING PERIOD</b>	<b>67,135</b>	<b>66,806</b>	<b>67,240</b>	<b>67,713</b>	<b>68,227</b>	<b>68,782</b>	<b>69,381</b>	<b>70,026</b>	<b>70,716</b>	<b>71,457</b>	<b>72,247</b>



## Statement of Cash Flows

Year Ending 30 June:

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
	Budget	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Operating Receipts	7,471	7,711	7,960	8,167	8,381	8,600	8,825	9,057	9,294	9,540	9,791
Investment Receipts	67	68	69	69	70	71	71	72	73	74	74
<b>Payments</b>											
Operating Payments to Suppliers & Employees	5,020	5,121	5,236	5,380	5,528	5,680	5,837	5,998	6,163	6,333	6,507
Finance Payments	148	151	154	157	160	163	167	170	173	177	180
<b>Net Cash provided by (or used in) Operating Activities</b>	<b>2,370</b>	<b>2,507</b>	<b>2,639</b>	<b>2,700</b>	<b>2,762</b>	<b>2,827</b>	<b>2,893</b>	<b>2,961</b>	<b>3,031</b>	<b>3,104</b>	<b>3,178</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Grants specifically for new or upgraded assets	140	0	0	0	0	0	0	0	0	0	0
Sale of replaced Assets	80	50	50	50	50	50	50	50	50	50	50
Repayment of Loans Community Groups											
<b>Payments</b>											
Expenditure on renewal/replaced assets	1,501	1,550	1,600	1,600	1,600	1,600	1,600	1,800	1,800	1,800	1,800
Expenditure on new/upgraded assets	1707	750	800	800	800	800	800	800	800	800	800
Loans made to Community Groups											
<b>Net cash provided by (used in) Investing Activities</b>	<b>-2,988</b>	<b>-2,250</b>	<b>-2,350</b>	<b>-2,350</b>	<b>-2,350</b>	<b>-2,350</b>	<b>-2,350</b>	<b>-2,550</b>	<b>-2,550</b>	<b>-2,550</b>	<b>-2,550</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds from Borrowings	928	0	0	0	0	0	0	0	0	0	0
<b>Payments</b>											
Repayment of Borrowings	-200	-200	-200	-200	-200	-200	-200	-200	-200	-200	-200
<b>Net Cash Provided by (used in) Financing Activities</b>	<b>728</b>	<b>-200</b>	<b>-200</b>	<b>-200</b>	<b>-200</b>	<b>-200</b>	<b>-200</b>	<b>-200</b>	<b>-200</b>	<b>-200</b>	<b>-200</b>
<b>Net Increase / (Decrease) in Cash</b>	<b>110</b>	<b>57</b>	<b>89</b>	<b>150</b>	<b>212</b>	<b>277</b>	<b>343</b>	<b>211</b>	<b>281</b>	<b>354</b>	<b>428</b>
Cash and Cash Equivalents at start of reporting period	1,629	1,739	1,796	1,885	2,035	2,247	2,524	2,867	3,078	3,359	3,713
<b>Cash &amp; Cash Equivalents at the end of the reporting period</b>	<b>1,739</b>	<b>1,796</b>	<b>1,885</b>	<b>2,035</b>	<b>2,247</b>	<b>2,524</b>	<b>2,867</b>	<b>3,078</b>	<b>3,359</b>	<b>3,713</b>	<b>4,140</b>

## **Reference Material**

IPWEA Practice Note 6 – Long-term Financial Planning

LGA Information Paper 8 – Long Term Financial Plans

LGA Information Paper 9 – Local Government Financial Indicators

LGA Information Paper 12 – Targets for Local Government Financial Indicators

South Australian Local Government Model Financial Statements 2018

