

# Long Term Financial Plan

2025/26 – 2039/40



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Abbreviations	
ABS	Australian Bureau of Statistics
CPI (Perth)	Consumer Price Index - Perth, Western Australia
IFPR	Integrated Financial Planning and Reporting Framework
km	Kilometres
LTFP	Long Term Financial Plan
Shire	Shire of Donnybrook Balingup
WA	Western Australia



## 1. SHIRE PROFILE

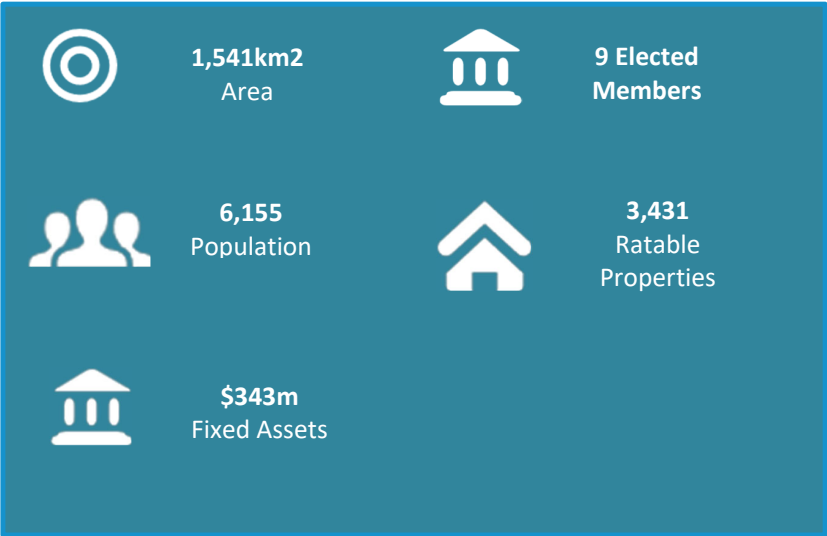
The Donnybrook Balingup region is located among the picturesque Preston and Blackwood Valleys, and is bursting with historic, produce-driven towns and hamlets.

Located 213 kilometres south of Perth and 40 kilometres southeast of Bunbury, the Shire covers 1,541 km<sup>2</sup> of farmland, forests, mining leases and Crown land. The district includes the towns of Donnybrook, Balingup and Kirup, and the localities of Argyle, Brookhampton, Lowden, Mullalyup, Mumballup, Newlands, Noggerup, Yabberup and many more.

Rich red clay and loam soils provide a fertile environment for fruit orchards and other horticulture and viticulture pursuits as well as livestock farming. A high number of small holdings and hobby farms provide opportunities for couples and families who wish to enjoy a change in lifestyle, with an easy commute to nearby areas for employment, including Bunbury, Busselton, Collie and Greenbushes.



2. KEY STATISTICS



Assets	
<u>Land - Freehold</u>	
Freehold Land Parcels	43 Lots
<u>Buildings</u>	
Buildings	132 Structures
<u>Plant &amp; Equipment</u>	
Vehicles	81 vehicles
<u>Infrastructure</u>	
Roads - Sealed	299.70 km
Roads - Unsealed	356.70 km
Bridges	35 bridges
Drainage - Pipes	23.53 km
Footpaths	27.69 km
Equipment on Parks and Reserves	294 items

### 3. INTEGRATED FINANCIAL PLANNING

Long Term Financial Planning (LTFP) is an essential plan within the Integrated Financial Planning and Reporting Framework (IFPR). The LTFP is particularly important in Local Government where there is responsibility for a significant amount of long-lived assets and substantial asset management responsibilities. There are long periods with modest levels of asset renewal requirements, and then other periods when very significant outlays are necessary.

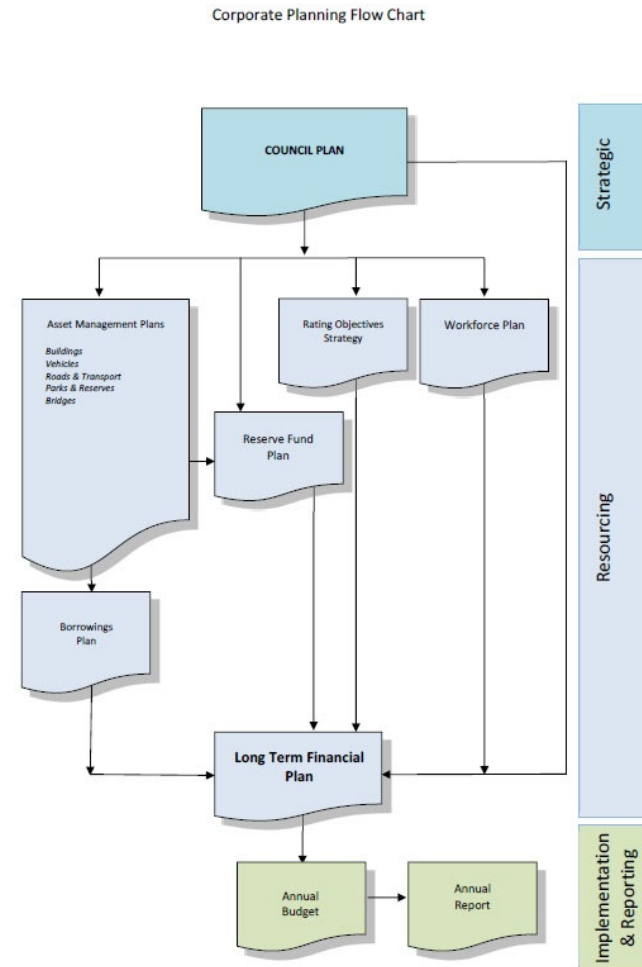
This requires planning to ensure the necessary generation of revenue in a sustainable manner over time to ensure that there is capacity to finance peaks in asset management and other outlays when necessary.

The LTFP consolidates information to guide Council's decisions about the mix and timings of outlays on operating activities and capital expenditure, together with the funding implications of these. Without a soundly based LTFP, Council with its significant asset management responsibilities, is unlikely to have sufficient information to determine sustainable service levels with affordable asset strategies, appropriate revenue targets and reserve fund management.

The LTFP is reviewed annually and provides a financial plan for the next 15 years.

Figure 1 illustrates how the LTFP informs the IFPR Framework.

Figure 1



## 4. COUNCIL PLAN

The Shire of Donnybrook Balingup Council Plan sets out our vision, aspirations, and objectives for our community. It is the Shire's principal strategy document. This means that it governs all the work that the Shire undertakes, either through direct service delivery, partnership arrangements or advocacy on behalf of our community. The direction set through the Council Plan ensures infrastructure and service provision is focused to meet the requirements of our community, now and into the future.

The Council Plan is a 10-year plan for the future. It combines our Strategic Community Plan and Corporate Business Plan into one succinct document. To keep the Council Plan relevant, Council will undertake a minor review of the actions in this plan on an annual basis. A major review will be undertaken every four years.

### Vision

A proud community enjoying our rural lifestyle, cultural heritage and natural environment.

### Priorities

#### People

A healthy, safe and inclusive community.

#### Planet

Shared commitment to sustainability, leaving each place better than we found it.

#### Place

A responsibly planned district with a retained sense of community and country charm.

#### Prosperity

A strong, diverse and resilient economy.

#### Performance

Open, robust conversations and harmonious outcomes.

## 5. FINANCIAL SUSTAINABILITY

The LTFP is a planning tool to project a financially sustainable course to meet the Shire's future objectives and obligations. It presents a financial analysis of strategic objectives and goals set out in the IFPR documents over a 15-year period.

It has been prepared based on several objectives and assumptions that are contained in this document. Council priorities, obligations, strategies, together with the future needs of our community are all dynamic influences in relation to developing plans. Combined with future economic uncertainty, the LTFP is therefore reviewed and adjusted annually to reflect material changes.

This plan addresses the operating and capital requirements of the Shire over the next 15 years and illustrates the connection between specific plans and strategies. It enhances the transparency and responsibility of the Shire towards the community by articulating the future sustainable financial requirements necessary for delivering desired community service levels while also meeting future obligations.

This plan represents a financial solution for meeting the demands of services and facilities to the community. There are numerous ways in which the Shire can achieve its objectives. This plan assesses the historical asset renewal funding gap and the necessary funding needs for future asset renewal as well as provision of new community assets.

This LTFP set out the following sustainable objectives.

- A balanced budget for each financial year, shown in the Statement of Financial Activity (page 19).
- Positive annual net cash flows provided from operating activities that is necessary to fund own source obligations for meeting borrowings (Financing Activities) and capital works (Investing Activities) in the Statement of Cash Flows (page 18).
- Meeting asset renewal obligations as identified in the Shire's Asset Management Plans.

- Provision of identified new assets to meet future community needs.
- Meeting reserve fund transfers that meet future financial obligations as identified in the Shire's Reserve Fund Plan.
- Meeting future planned borrowings as identified in the Shire's Borrowings Plan.

Based on the stated assumptions, objectives, known revenue sources and forecast expenditure, the plan identifies that existing rating yield is approximately 17% (Table 1) below the levels necessary to meet long term objectives and responsibilities of the Shire.

Rates has been used as the metric to measure the sustainable funding gap. The identified funding gap can be mitigated with measures such as (but not limited to).

- Rationalising assets to reduce future asset renewal obligations.
- Reducing existing service levels.
- Increasing cost recovery from user fees.
- Continued efforts to source grants and contributions for capital projects.

The LTFP comprises underlying assumptions and forecast estimates. These do not commit the Shire to the financial details of the LTFP rather it is intended to act as a guide towards structurally steering the Annual Budget towards the financially sustainable foundation necessary to meet identified community service levels and future obligations of the Shire.

Table 1

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
	2024/25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40
Rate Revenue	7,840,319	9,160,352	9,835,450	10,330,579	10,794,407	11,227,567	11,712,230	11,931,356	12,622,148	12,728,444	13,435,368	13,557,954	14,047,199	14,829,911	15,425,549	15,905,167
Change (\$)		1,320,033	675,098	495,129	463,828	433,160	484,663	219,126	690,792	106,296	706,924	122,586	489,245	782,712	595,638	479,618
Change (%)		16.84%	7.37%	5.03%	4.49%	4.01%	4.32%	1.87%	5.79%	0.84%	5.55%	0.91%	3.61%	5.57%	4.02%	3.11%
Operating Revenue		15,053,520	15,910,069	16,606,249	17,274,306	17,938,024	18,658,251	19,115,882	20,001,003	20,403,107	21,333,533	21,658,084	22,437,846	23,510,443	24,353,496	25,130,281



Figure 2

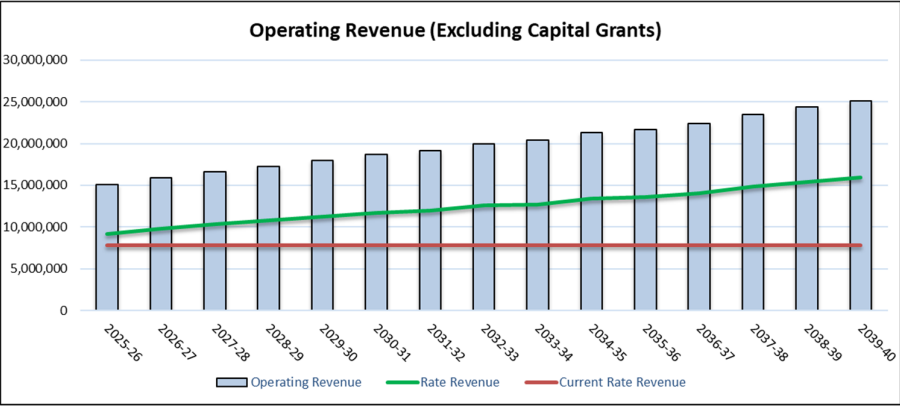
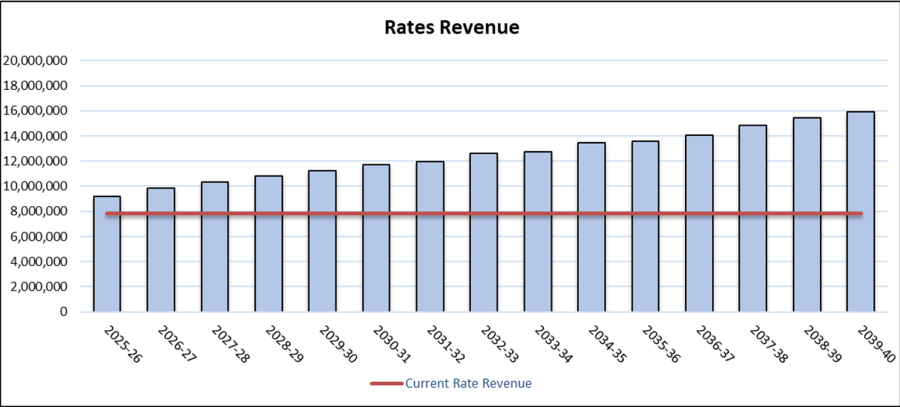


Figure 3





## 6. ASSET MANAGEMENT

Council possesses a substantial portfolio of physical assets to meet the service needs of the community. These assets are categorised into the following major classes:

- Land - Freehold
- Buildings
- Furniture and Equipment
- Plant and Equipment
- Vehicles
- Infrastructure – Roads
- Infrastructure – Bridges
- Infrastructure – Drainage
- Infrastructure – Footpaths
- Infrastructure – Parks & Reserves

By their nature, constructed or built forms deteriorate over the passage of time. These assets (or their components) require renewal or replacement at the end of their economic useful life to sustain a level of service that maintains an appropriate level of.

- a) Asset Safety
- b) Asset Quality
- c) Asset Functionality

A suite of Asset Management Plans has been developed for major asset classes. These are reviewed and updated annually, to identify and forecast,

- a) What works are required
- b) When the works are required
- c) Cost of the works
- d) Funding sources of the works

This information is incorporated into the LTFP to inform Council of the long-term cost of delivering facilities and services to the community.

Identifying sufficient funding for the maintenance and renewal of assets is an essential part of the LTFP. Historical levels of financial allocations have not been sufficient to achieve this, which leaves the Shire with a shortfall in funding. This position cannot be rectified quickly, but over the life of the LTFP allocations have been made that increases own source funded allocation into asset management reserves to ensure future identified works are able to be sustainably funded.

If this does not occur, the Shire may be faced with future financial challenges. The LTFP enables Council to understand its future financial obligations beyond immediate budget considerations. The LTFP helps Council assess the need for early intervention to reduce future risks and associated revenue raising requirements of future generations.



## 7. REVENUE

The suite of plans that forms the Shire's IFPR framework identifies a factual cost of managing the Shire's asset portfolio.

Improving the Shire's revenue is a mainstay of being able to deliver sufficient funding for the initiatives in the LTFP.

### Rates

The generation of 'own source' revenue through property rates is the mainstay of income for all local governments. The LTFP identifies the level of rate revenue yield necessary to sustainably meet the identified long-term cost of meetings the Shire's future service obligations.

The development of robust asset management and longer-term financial planning is enabling a greater level of informed decision making. This information is reporting that historical rating levels are not sufficient to meet the Shire's future obligations, particularly to funds identified future asset renewal.

### Fees and Charges

Fees and charges endeavour to provide either full cost recovery (where applicable) or deliver an equitable contribution to the cost of the service. However, there is a considerable range in the type of services where fees can apply and the level of discretion available to the Shire to set a fee for services.

- a) Fees for statutory services (e.g. town planning, building, health) are predominantly prescribed under legislation. The Shire has limited capability to reflect the cost of providing the service into the fee. Annual indexation of a statutory fee by the State Government may not match indexation of costs of delivering the service.

- b) For some fees the Shire has full discretion to set fees for full cost recovery, however, certain fees for community facilities and programs (building leases, hire of sports facilities etc.) have been set to allow for a social element to pricing and may not achieve full cost recovery.
- c) Existing fees and charges are reviewed annually with consideration of statutory limits, inflation, and Wage Price Index. Each fee category is reviewed annually, and a schedule of fees and charges are published as part of the Annual Budget.
- d) Where revenue from fees is lower than the cost of providing a service the funding gap is funded from general revenue sources. This is predominantly by property rates.

### Grants and Contributions

Except for the Financial Assistance Grants (FAG) provided by the Commonwealth, grants are project or program specific. Where planned for in respective asset management plans, grants available for the development or construction of asset are included in the LTFP.

The Shire continues to advocate for grants from State and/or Federal government and seek contributions from private companies, developers, and other sources towards specific projects.

The Shire explores and maximises grant and contribution funding from sources such as government departments or Lotterywest where a project or program meets their grant funding guidelines.

## 8. FORWARD ESTIMATES

Consideration has been given to the economic drivers that will influence the estimated future cost of providing infrastructure, facilities, and services for the period of the LTFP. This plan is set against future periods of economic uncertainty with the values reported representing estimated future prices and costs.

This plan will be reviewed every 12 months to reflect the prevailing economic conditions together with changing community needs.

*Table 2*

Assumptions	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/25	2035/36	2036/37	2037/38	2038/39	2039/40
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Population Growth (Shire) <sup>1</sup>	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
CPI (Perth) <sup>2</sup>	2.75%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Wage Price Index (WA) <sup>3</sup>	3.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Utilities - Electricity <sup>4</sup>	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Utilities - Water <sup>5</sup>	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Utilities - Sewer <sup>6</sup>	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Insurance (General) <sup>7</sup>	10.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Interest Earnings (Public Bank Account)	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%

<sup>1</sup> Management estimates (Mid-range of estimated future population growth of 0.50%pa - 1.00%pa)

<sup>2</sup> Key Assumptions - 2024/25 WA State Government Mid-Year Financial Projection Statement, December 2024

<sup>3</sup> Key Assumptions - 2024/25 WA State Government Mid-Year Financial Projection Statement, December 2024

<sup>4</sup> Historical Average (5 preceding years) – Shire of Donnybrook Balingup

<sup>5</sup> Historical Average (5 preceding years) – Shire of Donnybrook Balingup

<sup>6</sup> Historical Average (5 preceding years) – Shire of Donnybrook Balingup

<sup>7</sup> Historical Average (5 preceding years) – Shire of Donnybrook Balingup

## Informing Plans

Forward estimates used in developing the LTFP include referencing the following endorsed Council plans.

### Integrated Planning Framework Documents

- Council Plan
- Asset Management Plans
- Reserve Fund Plan
- Borrowings Plan
- 2023/24 Annual Financial Report
- 2024/25 Annual Budget
- 2024/25 Budget Review





## 9. PRINCIPLES

The LTFP is underpinned by the following principles:

- a) The Shire seeks to maintain, and where possible, improve future service levels.
- b) Closing the asset renewal funding gap by meeting future asset management financial commitments through the planned annual setting aside of funds into reserves from own source funds.
- c) Careful use of borrowings planned through the Shire's asset management planning process.
- d) Increasing funding for asset maintenance and renewal in accordance with endorsed Asset Management Plans.
- e) Sourcing external grant funds to develop and upgrade intergenerational community assets.
- f) The development of a rating level that sustainably reflects the cost of meeting,
  - a. community service levels
  - b. statutory obligations of the Shire
- g) Rates have been used as the metric to identify the sustainable funding gap.



## 10. FINANCIAL STATEMENTS

The following Financial Statements have been prepared for the 15 years covered in this plan. These estimates have been prepared based on the assumptions shown previously in this document.

There are 4 key financial statements contained in the LTFP used for reporting the Shire's financial performance over a specific accounting period.

- a) Statement of Comprehensive Income
- b) Statement of Financial Position
- c) Statement of Cash Flow
- d) Statement of Financial Activity

### Statement of Comprehensive Income

The Statement of Comprehensive Income (once known as a Profit and Loss Statement) reports the Shire's day to day operating revenues and expenditures over a specified period. For the LTFP this is for the financial year 1<sup>st</sup> July to 30<sup>th</sup> June.

It reports aggregated transactions that are only utilised or consumed within the financial year. As such, does not include expenditure that is capital in nature that gives rise to future economic benefits across more than one financial year. For example.

- a) Expenditure incurred for the development and construction of assets.
- b) Borrowing principal repayments

### Statement of Financial Position

The Statement of Financial Position (once known as a Balance Sheet) provides an overview of the Shire's;

- a) Assets
- b) Liabilities
- c) Equity

as a snapshot in time. The date at the top of the Statement of Financial Position tells the reader when the snapshot was taken. It reports what the Shire owns and owes at a single point in time. For the LTFP, this is on 30<sup>th</sup> June.

### Statement of Cash Flows

A Statement of Cash Flows is a financial statement that provides aggregate data regarding all cash inflows the Shire receives from its ongoing operations and external investment sources. It also includes all cash outflows that pay for the Shire's activities and investments during a given period.

The Statement of Cash Flows is the most intuitive of all the financial statements because it follows the cash made by the Shire in three main ways

- a) Operating activities
- b) Investing activities
- c) Financing activities

The sum of these three activities reports the Shire's net cash flow in a reporting period.

### ***Cash Flows from Operating Activities***

The first section of the Statement of Cash Flows covers cash flows from day-to-day operating activities. The cash flows from the operations section begins with net income (Operating Income less Operating Expenditure), then reconciles all non-cash items to cash items involving operational activities. In other words, it is the Shire's net income, but in a cash version. This section reports cash inflows and outflows that stem directly from the Shire's day to day business activities.

The Statement of Cash Flows excludes transactions such as unpaid debtor and creditor transactions, depreciation, accrued and prepaid transactions bought to account as revenue or expenses, but with no associated cash flow during the reporting period.

### ***Cash Flows from Investing Activities***

This section includes cash spent on acquisition and development of infrastructure, property, plant, and equipment. This section is where the reader would look to find capital expenditures (capex).

When capex increases, it generally means there is a cash outflow. This is not necessarily an adverse situation, as it indicates investment in asset renewal and future development of new community assets. Entities with high capex tend to be those that are growing and renewing assets.

While positive cash flows within this section can be considered good, it is preferable that entities generate recurring sustainable net cash inflow from operating activities in conjunction with investing and financing activities. Cash inflow within this section is generated by selling equipment or property.

### ***Cash Flows from Financing***

Cash flows from financing activities is the last section of the Statement of Cash Flows. The section provides an overview of net cash used in capital financing activities. The reader can determine how much cash the Shire has obtained or paid out due to capital fundraising, such as borrowings and annual principal repayments.

## **Statement of Financial Activity**

The Statement of Financial Activity reports all revenue and expenditure (capital and operating) that has occurred during a financial period. It further reports.

- a) opening funds for the financial period
- b) the total amount of the general rates imposed
- c) any deficit or surplus (net current assets) remaining after the imposition of the general rates

The format is similar to the Statement of Cash Flows in so far that it reports transactions made by the entity in three main ways.

- a) Operating activities
- b) Capital activities
- c) Financing activities

Unlike the Statement of Cash Flows, all cash and non-cash transactions are included, however, non-cash transactions are eliminated as an aggregated single line item within the report.

The Statement of Financial Activity reports the opening and closing net current assets (surplus or deficit) for the reporting period after the imposition of rates (as opposed to the reporting the balance of total cash in the Statement of Cash Flows).

## Forecast Statement of Comprehensive Income - by Nature or Type

Table 3

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenues</b>															
Rates	9,160,352	9,835,450	10,330,579	10,794,407	11,227,567	11,712,230	11,931,356	12,622,148	12,728,444	13,435,368	13,557,954	14,047,199	14,829,911	15,425,549	15,905,167
Grants, subsidies and contributions	3,079,932	3,180,031	3,283,379	3,390,088	3,500,269	3,614,027	3,731,484	3,852,754	3,977,968	4,107,252	4,240,736	4,378,560	4,520,866	4,667,793	4,819,500
Fees and charges	2,679,502	2,766,585	2,856,495	2,949,334	3,045,193	3,144,159	3,246,344	3,351,844	3,460,777	3,573,252	3,689,382	3,809,288	3,933,091	4,060,918	4,192,902
Interest revenue	133,734	128,003	135,796	140,477	164,995	187,835	206,698	174,257	235,918	217,661	170,012	202,799	226,575	199,236	212,712
	15,053,520	15,910,069	16,606,249	17,274,306	17,938,024	18,658,251	19,115,882	20,001,003	20,403,107	21,333,533	21,658,084	22,437,846	23,510,443	24,353,496	25,130,281
<b>Expenses</b>															
Employee costs	( 6,884,140)	( 7,090,660)	( 7,303,381)	( 7,522,484)	( 7,748,158)	( 7,980,600)	( 8,220,018)	( 8,466,617)	( 8,720,615)	( 8,982,236)	( 9,251,705)	( 9,529,259)	( 9,815,137)	( 10,109,588)	( 10,412,876)
Materials and contracts	( 4,169,431)	( 4,304,938)	( 4,444,841)	( 4,589,304)	( 4,738,465)	( 4,892,462)	( 5,051,477)	( 5,215,633)	( 5,385,134)	( 5,560,154)	( 5,740,848)	( 5,927,422)	( 6,120,080)	( 6,318,999)	( 6,524,372)
Utility charges	( 513,063)	( 564,371)	( 620,813)	( 682,896)	( 751,186)	( 826,308)	( 908,940)	( 999,839)	( 1,099,821)	( 1,209,806)	( 1,330,788)	( 1,463,865)	( 1,610,259)	( 1,771,286)	( 1,948,418)
Depreciation	( 7,697,695)	( 7,919,536)	( 8,116,381)	( 8,359,448)	( 8,584,480)	( 8,751,594)	( 8,938,027)	( 9,159,684)	( 9,392,303)	( 9,668,045)	( 9,907,896)	( 10,147,106)	( 10,398,405)	( 10,656,699)	( 10,922,449)
Finance costs	( 144,989)	( 138,189)	( 136,409)	( 129,009)	( 221,877)	( 263,568)	( 250,937)	( 237,073)	( 228,611)	( 213,993)	( 199,813)	( 190,229)	( 221,065)	( 201,261)	( 182,592)
Insurance	( 537,342)	( 580,331)	( 626,757)	( 676,898)	( 731,052)	( 789,538)	( 852,700)	( 920,916)	( 994,590)	( 1,074,158)	( 1,160,093)	( 1,252,903)	( 1,353,134)	( 1,461,385)	( 1,578,295)
Other expenditure	( 135,172)	( 139,565)	( 144,100)	( 148,783)	( 153,619)	( 158,611)	( 163,765)	( 169,087)	( 174,582)	( 180,256)	( 186,113)	( 192,161)	( 198,406)	( 204,853)	( 211,511)
	( 20,081,832)	( 20,737,590)	( 21,392,682)	( 22,108,822)	( 22,928,837)	( 23,662,681)	( 24,385,864)	( 25,168,849)	( 25,995,656)	( 26,888,648)	( 27,777,256)	( 28,702,945)	( 29,716,486)	( 30,724,071)	( 31,780,513)
	( 5,028,312)	( 4,827,521)	( 4,786,433)	( 4,834,516)	( 4,990,813)	( 5,004,430)	( 5,269,982)	( 5,167,846)	( 5,592,549)	( 5,555,115)	( 6,119,172)	( 6,265,099)	( 6,206,043)	( 6,370,575)	( 6,650,232)
Capital grants, subsidies and contributions	4,691,232	7,448,999	6,243,859	3,380,978	3,566,999	3,793,414	3,687,963	3,771,079	3,884,211	4,000,737	4,120,759	4,299,234	4,371,714	4,518,293	4,637,951
<b>NET RESULT</b>	( 337,080)	2,621,478	1,457,426	( 1,453,538)	( 1,423,814)	( 1,211,016)	( 1,582,019)	( 1,396,767)	( 1,708,338)	( 1,554,378)	( 1,998,413)	( 1,965,865)	( 1,834,329)	( 1,852,282)	( 2,012,281)
<b>Other comprehensive income</b>	5,354,919	5,571,277	5,767,631	5,857,435	6,018,232	6,153,565	6,287,649	6,372,411	6,493,257	6,624,286	6,745,891	6,882,306	7,022,176	7,138,589	7,263,602
<b>TOTAL COMPREHENSIVE INCOME</b>	5,017,839	8,192,755	7,225,057	4,403,897	4,594,418	4,942,549	4,705,630	4,975,644	4,784,919	5,069,908	4,747,478	4,916,441	5,187,847	5,286,307	5,251,321



## Forecast Statement of Financial Position

Table 4

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	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	30 June 35	30 June 36	30 June 37	30 June 38	30 June 39	30 June 40
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>CURRENT ASSETS</b>															
Cash and cash equivalents	3,280,267	3,481,942	3,601,974	4,230,635	4,816,270	5,299,955	4,468,116	6,049,178	5,581,049	4,359,293	5,199,964	5,809,604	5,108,626	5,454,149	5,399,775
Financial assets	18,680	13,334	13,334	13,334	13,334	0	0	0	0	0	0	0	0	0	0
Trade and other receivables	2,865,737	2,865,737	2,865,737	2,865,737	2,865,737	2,879,070	2,879,070	2,879,070	2,879,070	2,879,070	2,879,070	2,879,070	2,879,070	2,879,070	2,879,070
Inventories	167,983	167,983	167,983	167,983	167,983	167,983	167,983	167,983	167,983	167,983	167,983	167,983	167,983	167,983	167,983
Other assets	133,551	133,551	133,551	133,551	133,551	133,551	133,551	133,551	133,551	133,551	133,551	133,551	133,551	133,551	133,551
<b>TOTAL CURRENT ASSETS</b>	<b>6,567,564</b>	<b>6,763,893</b>	<b>6,883,925</b>	<b>7,512,586</b>	<b>8,098,221</b>	<b>8,581,905</b>	<b>7,750,066</b>	<b>9,331,128</b>	<b>8,862,999</b>	<b>7,641,243</b>	<b>8,481,914</b>	<b>9,091,554</b>	<b>8,390,576</b>	<b>8,736,099</b>	<b>8,681,725</b>
<b>NON-CURRENT ASSETS</b>															
Financial assets	178,206	178,206	178,206	178,206	178,206	178,206	178,206	178,206	178,206	178,206	178,206	178,206	178,206	178,206	178,206
Other receivables	218,267	218,267	218,267	218,267	218,267	218,267	218,267	218,267	218,267	218,267	218,267	218,267	218,267	218,267	218,267
Inventories	1,973,769	1,973,769	1,973,769	1,973,769	1,973,769	1,973,769	1,973,769	1,973,769	1,973,769	1,973,769	1,973,769	1,973,769	1,973,769	1,973,769	1,973,769
Other assets	600,186	600,186	600,186	600,186	600,186	600,186	600,186	600,186	600,186	600,186	600,186	600,186	600,186	600,186	600,186
Property plant and equipment	57,043,485	57,216,787	58,634,213	61,033,364	62,116,122	62,421,048	63,720,726	63,391,545	64,312,512	65,316,933	65,227,298	64,967,045	66,035,267	66,196,087	66,973,549
Infrastructure	161,618,059	169,249,354	174,752,192	178,197,527	182,182,740	186,041,338	189,970,824	193,372,420	197,371,539	202,311,050	205,944,661	211,505,718	215,874,396	220,182,639	224,219,416
Intangible assets	398,018	398,018	398,018	398,018	398,018	398,018	398,018	398,018	398,018	398,018	398,018	398,018	398,018	398,018	398,018
<b>TOTAL NON-CURRENT ASSETS</b>	<b>222,029,990</b>	<b>229,834,587</b>	<b>236,754,851</b>	<b>242,599,337</b>	<b>247,667,308</b>	<b>251,830,832</b>	<b>257,059,996</b>	<b>260,132,411</b>	<b>265,052,497</b>	<b>270,996,429</b>	<b>274,540,405</b>	<b>279,841,209</b>	<b>285,278,109</b>	<b>289,747,172</b>	<b>294,561,411</b>
<b>TOTAL ASSETS</b>	<b>228,597,554</b>	<b>236,598,480</b>	<b>243,638,776</b>	<b>250,111,923</b>	<b>255,765,529</b>	<b>260,412,737</b>	<b>264,810,062</b>	<b>269,463,539</b>	<b>273,915,496</b>	<b>278,637,672</b>	<b>283,022,319</b>	<b>288,932,763</b>	<b>293,668,685</b>	<b>298,483,271</b>	<b>303,243,136</b>
<b>CURRENT LIABILITIES</b>															
Trade and other payables	3,397,020	3,397,020	3,397,020	3,397,021	3,397,021	3,397,020	3,397,019	3,397,020	3,397,020	3,397,020	3,397,020	3,397,020	3,397,020	3,397,020	3,397,020
Lease liabilities	60,409	53,355	55,416	57,679	56,164	58,143	60,507	59,267	61,439	63,353	52,837	53,868	56,059	57,391	0
Current portion of long-term borrowings	131,420	131,406	136,989	214,551	239,176	250,161	261,661	273,695	286,293	299,478	313,281	398,057	415,662	434,065	453,299
Employee provisions	970,724	970,724	970,724	970,724	970,724	970,724	970,724	970,724	970,724	970,724	970,724	970,724	970,724	970,724	970,724
<b>TOTAL CURRENT LIABILITIES</b>	<b>4,559,573</b>	<b>4,552,505</b>	<b>4,560,149</b>	<b>4,639,975</b>	<b>4,663,085</b>	<b>4,676,048</b>	<b>4,689,911</b>	<b>4,700,706</b>	<b>4,715,476</b>	<b>4,730,575</b>	<b>4,733,862</b>	<b>4,819,669</b>	<b>4,839,465</b>	<b>4,859,200</b>	<b>4,821,043</b>
<b>NON-CURRENT LIABILITIES</b>															
Other liabilities	3,878,500	3,878,500	3,878,500	3,878,500	3,878,500	3,878,500	3,878,500	3,878,500	3,878,500	3,878,500	3,878,500	3,878,500	3,878,500	3,878,500	3,878,500
Non-current liabilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Long-term borrowings	2,716,887	2,585,481	2,448,492	4,495,595	5,587,837	5,337,676	5,076,015	4,802,320	4,516,027	4,216,549	3,903,268	4,865,332	4,449,670	4,015,605	3,562,306
Employee provisions	126,793	126,793	126,793	126,793	126,793	126,793	126,793	126,793	126,793	126,793	126,793	126,793	126,793	126,793	126,793
Other provisions	2,144,958	2,144,958	2,144,958	2,144,958	2,144,958	2,144,958	2,144,958	2,144,958	2,144,958	2,144,958	2,144,958	2,144,958	2,144,958	2,144,958	2,144,958
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>8,787,961</b>	<b>8,603,200</b>	<b>8,410,795</b>	<b>10,400,219</b>	<b>11,436,297</b>	<b>11,127,993</b>	<b>10,805,825</b>	<b>10,472,863</b>	<b>10,125,131</b>	<b>9,762,300</b>	<b>9,396,182</b>	<b>10,304,378</b>	<b>9,832,657</b>	<b>9,341,201</b>	<b>8,887,902</b>
<b>TOTAL LIABILITIES</b>	<b>13,347,534</b>	<b>13,155,705</b>	<b>12,970,944</b>	<b>15,040,194</b>	<b>16,099,382</b>	<b>15,804,041</b>	<b>15,495,736</b>	<b>15,173,569</b>	<b>14,840,607</b>	<b>14,492,875</b>	<b>14,130,044</b>	<b>15,124,047</b>	<b>14,672,122</b>	<b>14,200,401</b>	<b>13,708,945</b>
<b>NET ASSETS</b>	<b>215,250,020</b>	<b>223,442,775</b>	<b>230,667,832</b>	<b>235,071,729</b>	<b>239,666,147</b>	<b>244,608,696</b>	<b>249,314,326</b>	<b>254,289,970</b>	<b>259,074,889</b>	<b>264,144,797</b>	<b>268,892,275</b>	<b>273,808,716</b>	<b>278,996,563</b>	<b>284,282,870</b>	<b>289,534,191</b>
<b>EQUITY</b>															
Retained surplus	33,806,012	36,225,815	37,563,209	35,481,011	33,471,562	31,776,861	31,026,680	28,048,852	26,808,643	26,476,021	23,636,937	21,061,432	19,928,081	17,730,276	15,772,369
Reserves - cash backed	3,165,198	3,366,873	3,486,905	4,115,565	4,701,200	5,184,885	4,353,047	5,934,108	5,465,979	4,244,223	5,084,894	5,694,534	4,993,556	5,339,079	5,284,705
Asset revaluation surplus	178,278,810	183,850,087	189,617,718	195,475,153	201,493,385	207,646,950	213,934,599	220,307,010	226,800,267	233,424,553	240,170,444	247,052,750	254,074,926	261,213,515	268,477,117
<b>TOTAL EQUITY</b>	<b>215,250,020</b>	<b>223,442,775</b>	<b>230,667,832</b>	<b>235,071,729</b>	<b>239,666,147</b>	<b>244,608,696</b>	<b>249,314,326</b>	<b>254,289,970</b>	<b>259,074,889</b>	<b>264,144,797</b>	<b>268,892,275</b>	<b>273,808,716</b>	<b>278,996,563</b>	<b>284,282,870</b>	<b>289,534,191</b>

## Forecast Statement of Cashflows

Table 5

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40
<b>Cash flows from operating activities</b>															
<b>Receipts</b>															
Rates	9,160,352	9,835,450	10,330,579	10,794,407	11,227,567	11,712,230	11,931,356	12,622,148	12,728,444	13,435,368	13,557,954	14,047,199	14,829,911	15,425,549	15,905,167
Grants, subsidies and contributions	3,079,932	3,180,031	3,283,379	3,390,088	3,500,269	3,614,027	3,731,484	3,852,754	3,977,968	4,107,252	4,240,736	4,378,560	4,520,866	4,667,793	4,819,500
Fees and charges	2,679,502	2,766,585	2,856,495	2,949,334	3,045,193	3,144,159	3,246,344	3,351,844	3,460,777	3,573,252	3,689,382	3,809,288	3,933,091	4,060,918	4,192,902
Interest revenue	133,734	128,003	135,796	140,477	164,995	187,835	206,698	174,257	235,918	217,661	170,012	202,799	226,575	199,236	212,712
	15,053,520	15,910,069	16,606,249	17,274,306	17,938,024	18,658,251	19,115,882	20,001,003	20,403,107	21,333,533	21,658,084	22,437,846	23,510,443	24,353,496	25,130,281
<b>Payments</b>															
Employee costs	( 6,884,140)	( 7,090,660)	( 7,303,381)	( 7,522,484)	( 7,748,158)	( 7,980,600)	( 8,220,018)	( 8,466,617)	( 8,720,615)	( 8,982,236)	( 9,251,705)	( 9,529,259)	( 9,815,137)	( 10,109,588)	( 10,412,876)
Materials and contracts	( 4,169,431)	( 4,304,938)	( 4,444,841)	( 4,589,304)	( 4,738,465)	( 4,892,462)	( 5,051,477)	( 5,215,633)	( 5,385,134)	( 5,560,154)	( 5,740,848)	( 5,927,422)	( 6,120,080)	( 6,318,999)	( 6,524,372)
Utility charges	( 513,063)	( 564,371)	( 620,813)	( 682,896)	( 751,186)	( 826,308)	( 908,940)	( 999,839)	( 1,099,821)	( 1,209,806)	( 1,330,788)	( 1,463,865)	( 1,610,259)	( 1,771,286)	( 1,948,418)
Finance costs	( 144,989)	( 138,189)	( 136,409)	( 129,009)	( 221,877)	( 263,568)	( 250,937)	( 237,073)	( 228,611)	( 213,993)	( 199,813)	( 190,229)	( 221,065)	( 201,261)	( 182,592)
Insurance	( 537,342)	( 580,331)	( 626,757)	( 676,898)	( 731,052)	( 789,538)	( 852,700)	( 920,916)	( 994,590)	( 1,074,158)	( 1,160,093)	( 1,252,903)	( 1,353,134)	( 1,461,385)	( 1,578,295)
Other expenditure	( 135,172)	( 139,565)	( 144,100)	( 148,783)	( 153,619)	( 158,611)	( 163,765)	( 169,087)	( 174,582)	( 180,256)	( 186,113)	( 192,161)	( 198,406)	( 204,853)	( 211,511)
	( 12,384,137)	( 12,818,054)	( 13,276,301)	( 13,749,374)	( 14,344,357)	( 14,911,087)	( 15,447,837)	( 16,009,165)	( 16,603,353)	( 17,220,603)	( 17,869,360)	( 18,555,839)	( 19,318,081)	( 20,067,372)	( 20,858,064)
<b>Net cash provided by (used in) operating activities</b>	2,669,383	3,092,015	3,329,948	3,524,932	3,593,667	3,747,164	3,668,045	3,991,838	3,799,754	4,112,930	3,788,724	3,882,007	4,192,362	4,286,124	4,272,217
<b>Cash flows from investing activities</b>															
Payments for development of land held for resale	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Payments for purchase of property, plant & equipment	( 3,351,497)	( 849,077)	( 2,365,305)	( 3,432,274)	( 1,852,009)	( 1,095,086)	( 2,265,776)	( 445,940)	( 2,076,814)	( 2,053,157)	( 938,060)	( 761,427)	( 2,322,307)	( 1,442,815)	( 2,095,972)
Payments for construction of infrastructure	( 4,243,350)	( 9,388,651)	( 7,261,544)	( 5,286,768)	( 5,876,111)	( 5,823,545)	( 5,965,018)	( 5,517,623)	( 6,188,420)	( 7,253,042)	( 6,010,992)	( 7,987,815)	( 6,878,515)	( 6,907,380)	( 6,736,693)
Proceeds from capital grants, subsidies and contributions	4,691,232	7,448,999	6,243,859	3,380,978	3,566,999	3,793,414	3,687,963	3,771,079	3,884,211	4,000,737	4,120,759	4,299,234	4,371,714	4,518,293	4,637,951
Proceeds from self supporting loans	10,477	5,346	0	0	0	0	0	0	0	0	0	0	0	0	0
Proceeds from sale of plant & equipment	274,598	84,872	357,835	372,543	93,901	157,078	351,252	103,875	446,102	318,508	243,071	183,638	387,693	363,022	359,579
<b>Net cash provided by (used in) investing activities</b>	( 2,618,540)	( 2,698,511)	( 3,025,155)	( 4,965,521)	( 4,067,220)	( 2,968,139)	( 4,191,579)	( 2,088,609)	( 3,934,921)	( 4,986,954)	( 2,585,222)	( 4,266,370)	( 4,441,415)	( 3,468,880)	( 3,835,135)
<b>Cash flows from financing activities</b>															
Repayment of debentures	( 131,459)	( 131,420)	( 131,406)	( 136,989)	( 214,551)	( 239,176)	( 250,161)	( 261,661)	( 273,695)	( 286,293)	( 299,478)	( 313,281)	( 398,057)	( 415,662)	( 434,065)
Repayment of leases	( 58,921)	( 60,409)	( 53,355)	( 55,416)	( 57,679)	( 56,164)	( 58,143)	( 60,507)	( 59,267)	( 61,439)	( 63,353)	( 52,837)	( 53,868)	( 56,059)	( 57,391)
Proceeds from new debentures	0	0	0	2,261,654	1,331,418	0	0	0	0	0	0	1,360,121	0	0	0
<b>Net cash provided by (used in) financing activities</b>	( 190,380)	( 191,829)	( 184,761)	2,069,249	1,059,188	( 295,340)	( 308,304)	( 322,168)	( 332,962)	( 347,732)	( 362,831)	994,003	( 451,925)	( 471,721)	( 491,456)
<b>Net increase (decrease) in cash held</b>	( 139,537)	201,675	120,032	628,660	585,635	483,685	( 831,838)	1,581,061	( 468,129)	( 1,221,756)	840,671	609,640	( 700,978)	345,523	( 54,374)
Cash at beginning of year	3,419,804	3,280,267	3,481,942	3,601,974	4,230,635	4,816,270	5,299,955	4,468,116	6,049,178	5,581,049	4,359,293	5,199,964	5,809,604	5,108,626	5,454,149
<b>Cash and cash equivalents at the end of year</b>	3,280,267	3,481,942	3,601,974	4,230,634	4,816,270	5,299,955	4,468,117	6,049,177	5,581,049	4,359,293	5,199,964	5,809,604	5,108,626	5,454,149	5,399,775

## Forecast Statement of Financial Activity

Table 6

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40
<b>FUNDING FROM OPERATIONAL ACTIVITIES</b>															
<b>Revenues</b>															
Rates	9,160,352	9,835,450	10,330,579	10,794,407	11,227,567	11,712,230	11,931,356	12,622,148	12,728,444	13,435,368	13,557,954	14,047,199	14,829,911	15,425,549	15,905,167
Grants, subsidies and contributions	3,079,932	3,180,031	3,283,379	3,390,088	3,500,269	3,614,027	3,731,484	3,852,754	3,977,968	4,107,252	4,240,736	4,378,560	4,520,866	4,667,793	4,819,500
Fees and charges	2,679,502	2,766,585	2,856,495	2,949,334	3,045,193	3,144,159	3,246,344	3,351,844	3,460,777	3,573,252	3,689,382	3,809,288	3,933,091	4,060,918	4,192,902
Interest revenue	133,734	128,003	135,796	140,477	164,995	187,835	206,698	174,257	235,918	217,661	170,012	202,799	226,575	199,236	212,712
	15,053,520	15,910,069	16,606,249	17,274,306	17,938,024	18,658,251	19,115,882	20,001,003	20,403,107	21,333,533	21,658,084	22,437,846	23,510,443	24,353,496	25,130,281
<b>Expenses</b>															
Employee costs	( 6,884,140)	( 7,090,660)	( 7,303,381)	( 7,522,484)	( 7,748,158)	( 7,980,600)	( 8,220,018)	( 8,466,617)	( 8,720,615)	( 8,982,236)	( 9,251,705)	( 9,529,259)	( 9,815,137)	( 10,109,588)	( 10,412,876)
Materials and contracts	( 4,169,431)	( 4,304,938)	( 4,444,841)	( 4,589,304)	( 4,738,465)	( 4,892,462)	( 5,051,477)	( 5,215,633)	( 5,385,134)	( 5,560,154)	( 5,740,848)	( 5,927,422)	( 6,120,080)	( 6,318,999)	( 6,524,372)
Utility charges (electricity, gas, water etc.)	( 513,063)	( 564,371)	( 620,813)	( 682,896)	( 751,186)	( 826,308)	( 908,940)	( 999,839)	( 1,099,821)	( 1,209,806)	( 1,330,788)	( 1,463,865)	( 1,610,259)	( 1,771,286)	( 1,948,418)
Depreciation	( 7,697,695)	( 7,919,536)	( 8,116,381)	( 8,359,448)	( 8,584,480)	( 8,751,594)	( 8,938,027)	( 9,159,684)	( 9,392,303)	( 9,668,045)	( 9,907,896)	( 10,147,106)	( 10,398,405)	( 10,656,699)	( 10,922,449)
Finance costs	( 144,989)	( 138,189)	( 136,409)	( 129,009)	( 121,877)	( 126,568)	( 125,937)	( 123,073)	( 122,611)	( 123,993)	( 119,813)	( 190,229)	( 221,065)	( 201,261)	( 182,592)
Insurance	( 537,342)	( 580,331)	( 626,757)	( 676,898)	( 731,052)	( 789,538)	( 852,700)	( 920,916)	( 994,590)	( 1,074,158)	( 1,160,093)	( 1,252,903)	( 1,353,134)	( 1,461,385)	( 1,578,295)
Other expenditure	( 135,172)	( 139,565)	( 144,100)	( 148,783)	( 153,619)	( 158,611)	( 163,765)	( 169,087)	( 174,582)	( 180,256)	( 186,113)	( 192,161)	( 198,406)	( 204,853)	( 211,511)
	( 20,081,832)	( 20,737,590)	( 21,392,682)	( 22,108,822)	( 22,928,837)	( 23,662,681)	( 24,385,864)	( 25,168,849)	( 25,995,656)	( 26,888,648)	( 27,777,256)	( 28,702,945)	( 29,716,486)	( 30,724,071)	( 31,780,513)
	( 5,028,312)	( 4,827,521)	( 4,786,433)	( 4,834,516)	( 4,990,813)	( 5,004,430)	( 5,269,982)	( 5,167,846)	( 5,592,549)	( 5,555,115)	( 6,119,172)	( 6,265,099)	( 6,206,043)	( 6,370,575)	( 6,650,232)
<b>Funding position adjustments</b>															
Depreciation	7,697,695	7,919,536	8,116,381	8,359,448	8,584,480	8,751,594	8,938,027	9,159,684	9,392,303	9,668,045	9,907,896	10,147,106	10,398,405	10,656,699	10,922,449
<b>Net funding from operational activities</b>	2,669,383	3,092,015	3,329,948	3,524,932	3,593,667	3,747,164	3,668,045	3,991,838	3,799,754	4,112,930	3,788,724	3,882,007	4,192,362	4,286,124	4,272,217
<b>FUNDING FROM CAPITAL ACTIVITIES</b>															
<b>Inflows</b>															
Proceeds on disposal	274,598	84,872	357,835	372,543	93,901	157,078	351,252	103,875	446,102	318,508	243,071	183,638	387,693	363,022	359,579
Capital grants, subsidies and contributions	4,691,232	7,448,999	6,243,859	3,380,978	3,566,999	3,793,414	3,687,963	3,771,079	3,884,211	4,000,737	4,120,759	4,299,234	4,371,714	4,518,293	4,637,951
<b>Outflows</b>															
Purchase of property plant and equipment	( 3,351,497)	( 849,077)	( 2,365,305)	( 3,432,274)	( 1,852,009)	( 1,095,086)	( 2,265,776)	( 445,940)	( 2,076,814)	( 2,053,157)	( 938,060)	( 761,427)	( 2,322,307)	( 1,442,815)	( 2,095,972)
Purchase of infrastructure	( 4,243,350)	( 9,388,651)	( 7,261,544)	( 5,286,768)	( 5,876,111)	( 5,823,545)	( 5,965,018)	( 5,517,623)	( 6,188,420)	( 7,253,042)	( 6,010,992)	( 7,987,815)	( 6,878,515)	( 6,907,380)	( 6,736,693)
<b>Net funding from capital activities</b>	( 2,629,017)	( 2,703,857)	( 3,025,155)	( 4,965,521)	( 4,067,220)	( 2,968,139)	( 4,191,579)	( 2,088,609)	( 3,934,921)	( 4,986,954)	( 2,585,222)	( 4,266,370)	( 4,441,415)	( 3,468,880)	( 3,835,135)
<b>FUNDING FROM FINANCING ACTIVITIES</b>															
<b>Inflows</b>															
Transfer from reserves	1,909,317	1,838,606	2,050,469	1,652,831	1,792,476	1,881,555	3,280,737	902,469	3,003,152	3,726,752	1,491,963	1,761,528	3,112,041	2,047,374	2,455,234
New borrowings	0	0	0	2,261,654	1,331,418	0	0	0	0	0	0	1,360,121	0	0	0
Self supporting loan	10,477	5,346	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Outflows</b>															
Transfer to reserves	( 1,894,937)	( 2,040,281)	( 2,170,501)	( 2,281,491)	( 2,378,111)	( 2,365,240)	( 2,448,899)	( 2,483,530)	( 2,535,023)	( 2,504,996)	( 2,332,634)	( 2,371,168)	( 2,411,063)	( 2,392,897)	( 2,400,860)
Repayment of past borrowings	( 131,459)	( 131,420)	( 131,406)	( 136,989)	( 214,551)	( 239,176)	( 250,161)	( 261,661)	( 273,695)	( 286,293)	( 299,478)	( 313,281)	( 398,057)	( 415,662)	( 434,065)
Principal elements of finance lease payments	( 58,921)	( 60,409)	( 53,355)	( 55,416)	( 57,679)	( 56,164)	( 58,143)	( 60,507)	( 59,267)	( 61,439)	( 63,353)	( 52,837)	( 53,868)	( 56,059)	( 57,391)
<b>Net funding from financing activities</b>	( 165,523)	( 388,158)	( 304,793)	1,440,589	473,553	( 779,025)	523,534	( 1,903,229)	135,167	874,024	( 1,203,502)	384,363	249,053	( 817,244)	( 437,082)
Estimated surplus/deficit July 1 B/Fwd	125,157	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Estimated surplus/deficit June 30 C/Fwd</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Funding available/(to be sourced)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

## 11. CAPITAL WORKS PROGRAM

The capital works program aims to meet infrastructure service requirements of the Shire. Renewal or upgrade of existing infrastructure and the creation of new assets identified in the Shire's asset management plans have been included in developing this plan.

Providing sufficient funding for the maintenance and renewal of assets is an essential part of the LTFP. The development and continued maturing of the Shire's asset management planning framework has identified that historical funding levels have not been sufficient to meet future asset renewal obligations. Unless this is addressed, it leaves the Shire with a shortfall of sustainable own source funding to adequately maintain its asset portfolio, and to develop new assets to remain responsive to evolving community expectations.

This position cannot be regained quickly, the LTFP identifies a long-term strategy to inform the formulation of future Annual Budgets.

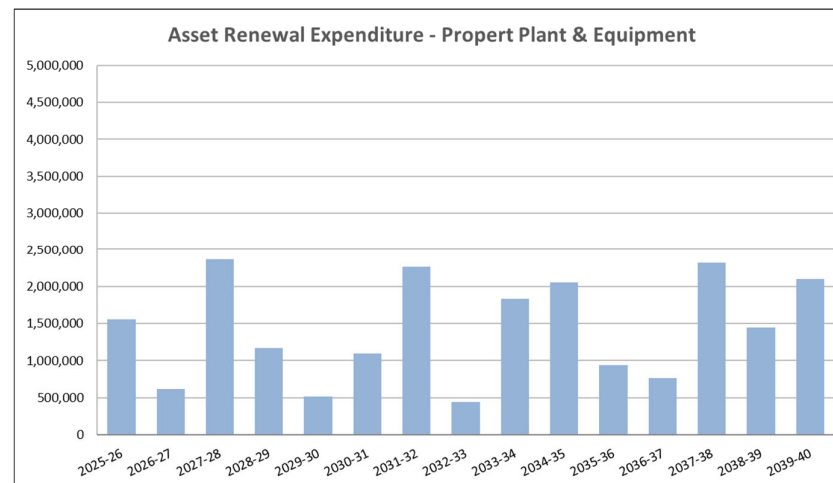


Figure 4

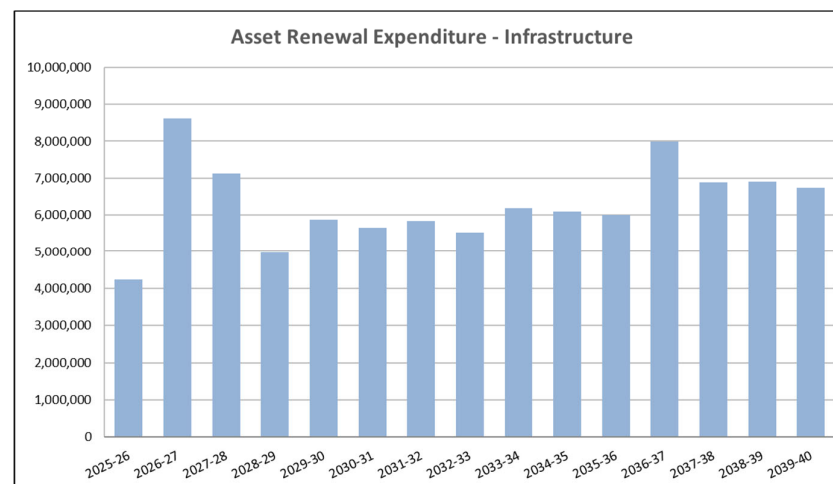


Figure 5



## Forecast Statement of Movements in Fixed Assets

Table 7

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40
<b>CAPITAL WORKS - INFRASTRUCTURE</b>															
<b>Total capital works - infrastructure</b>	<b>4,243,350</b>	<b>9,388,651</b>	<b>7,261,544</b>	<b>5,286,768</b>	<b>5,876,111</b>	<b>5,823,545</b>	<b>5,965,018</b>	<b>5,517,623</b>	<b>6,188,420</b>	<b>7,253,042</b>	<b>6,010,992</b>	<b>7,987,815</b>	<b>6,878,515</b>	<b>6,907,380</b>	<b>6,736,693</b>
<b>Represented by:</b>															
Additions - expansion, upgrades and new	0	775,399	128,942	321,119	0	161,728	130,477	0	0	1,148,954	0	0	0	0	0
Additions - renewal	4,243,350	8,613,252	7,132,602	4,965,649	5,876,111	5,661,817	5,834,541	5,517,623	6,188,420	6,104,088	6,010,992	7,987,815	6,878,515	6,907,380	6,736,693
<b>Total Capital Works - Infrastructure</b>	<b>4,243,350</b>	<b>9,388,651</b>	<b>7,261,544</b>	<b>5,286,768</b>	<b>5,876,111</b>	<b>5,823,545</b>	<b>5,965,018</b>	<b>5,517,623</b>	<b>6,188,420</b>	<b>7,253,042</b>	<b>6,010,992</b>	<b>7,987,815</b>	<b>6,878,515</b>	<b>6,907,380</b>	<b>6,736,693</b>
<b>Asset movement reconciliation</b>															
Total capital works infrastructure	4,243,350	9,388,651	7,261,544	5,286,768	5,876,111	5,823,545	5,965,018	5,517,623	6,188,420	7,253,042	6,010,992	7,987,815	6,878,515	6,907,380	6,736,693
Depreciation infrastructure	( 5,838,400)	( 6,013,139)	( 6,168,254)	( 6,334,378)	( 6,492,738)	( 6,661,060)	( 6,832,429)	( 7,003,238)	( 7,178,321)	( 7,400,421)	( 7,585,432)	( 7,775,069)	( 7,969,445)	( 8,168,682)	( 8,372,898)
Net book value of disposed/written off assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revaluation of infrastructure assets (inflation)	4,084,304	4,255,783	4,409,548	4,492,945	4,601,840	4,696,113	4,796,897	4,887,211	4,989,020	5,086,890	5,208,051	5,348,311	5,459,608	5,569,545	5,672,982
<b>Net movement in infrastructure assets</b>	<b>2,489,254</b>	<b>7,631,295</b>	<b>5,502,838</b>	<b>3,445,335</b>	<b>3,985,213</b>	<b>3,858,598</b>	<b>3,929,486</b>	<b>3,401,596</b>	<b>3,999,119</b>	<b>4,939,511</b>	<b>3,633,611</b>	<b>5,561,057</b>	<b>4,368,678</b>	<b>4,308,243</b>	<b>4,036,777</b>
<b>CAPITAL WORKS - PROPERTY, PLANT AND EQUIPMENT</b>															
<b>Total capital works property, plant and equipment</b>	<b>3,351,497</b>	<b>849,077</b>	<b>2,365,305</b>	<b>3,432,274</b>	<b>1,852,009</b>	<b>1,095,086</b>	<b>2,265,776</b>	<b>445,940</b>	<b>2,076,814</b>	<b>2,053,157</b>	<b>938,060</b>	<b>761,427</b>	<b>2,322,307</b>	<b>1,442,815</b>	<b>2,095,972</b>
<b>Represented by:</b>															
Additions - expansion, upgrades and new	1,800,000	234,281	0	2,261,654	1,331,418	0	0	0	248,625	0	0	0	0	0	0
Additions - renewal	1,551,497	614,796	2,365,305	1,170,620	520,591	1,095,086	2,265,776	445,940	1,828,189	2,053,157	938,060	761,427	2,322,307	1,442,815	2,095,972
<b>Total capital works property, plant and equipment</b>	<b>3,351,497</b>	<b>849,077</b>	<b>2,365,305</b>	<b>3,432,274</b>	<b>1,852,009</b>	<b>1,095,086</b>	<b>2,265,776</b>	<b>445,940</b>	<b>2,076,814</b>	<b>2,053,157</b>	<b>938,060</b>	<b>761,427</b>	<b>2,322,307</b>	<b>1,442,815</b>	<b>2,095,972</b>
<b>Asset movement reconciliation</b>															
Total capital works property, plant and equipment	3,351,497	849,077	2,365,305	3,432,274	1,852,009	1,095,086	2,265,776	445,940	2,076,814	2,053,157	938,060	761,427	2,322,307	1,442,815	2,095,972
Depreciation property, plant and equipment	( 1,805,421)	( 1,853,592)	( 1,899,933)	( 1,976,737)	( 2,043,409)	( 2,040,006)	( 2,054,931)	( 2,105,779)	( 2,161,121)	( 2,214,624)	( 2,269,464)	( 2,325,676)	( 2,383,293)	( 2,442,350)	( 2,502,884)
Net book value of disposed/written off assets	( 274,598)	( 84,872)	( 357,835)	( 372,543)	( 93,901)	( 157,078)	( 351,252)	( 103,875)	( 446,102)	( 318,508)	( 243,071)	( 183,638)	( 387,693)	( 363,022)	( 359,579)
Revaluation of property, plant and equipment (inflation)	1,270,615	1,315,494	1,358,083	1,364,490	1,416,392	1,457,452	1,490,752	1,485,200	1,504,237	1,537,396	1,537,840	1,533,995	1,562,568	1,569,044	1,590,620
<b>Net movement in property, plant and equipment</b>	<b>2,542,093</b>	<b>226,107</b>	<b>1,465,620</b>	<b>2,447,484</b>	<b>1,131,091</b>	<b>355,454</b>	<b>1,350,345</b>	<b>( 278,514)</b>	<b>973,828</b>	<b>1,057,421</b>	<b>( 36,635)</b>	<b>( 213,892)</b>	<b>1,113,889</b>	<b>206,487</b>	<b>824,129</b>

## Forecast Statement of Movements in Fixed Assets (cont.)

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>PLANNED CAPITAL EXPENDITURE</b>															
Expansion, Upgrades and New	1,800,000	1,009,680	128,942	2,582,773	1,331,418	161,728	130,477	0	248,625	1,148,954	0	0	0	0	0
Renewal	5,794,847	9,228,048	9,497,907	6,136,269	6,396,702	6,756,903	8,100,317	5,963,563	8,016,609	8,157,245	6,949,052	8,749,242	9,200,822	8,350,195	8,832,665
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>7,594,847</b>	<b>10,237,728</b>	<b>9,626,849</b>	<b>8,719,042</b>	<b>7,728,120</b>	<b>6,918,631</b>	<b>8,230,794</b>	<b>5,963,563</b>	<b>8,265,234</b>	<b>9,306,199</b>	<b>6,949,052</b>	<b>8,749,242</b>	<b>9,200,822</b>	<b>8,350,195</b>	<b>8,832,665</b>
<b>CAPITAL WORKS - TOTALS</b>															
<b>Capital works</b>															
Total capital works infrastructure	4,243,350	9,388,651	7,261,544	5,286,768	5,876,111	5,823,545	5,965,018	5,517,623	6,188,420	7,253,042	6,010,992	7,987,815	6,878,515	6,907,380	6,736,693
Total capital works property, plant and equipment	3,351,497	849,077	2,365,305	3,432,274	1,852,009	1,095,086	2,265,776	445,940	2,076,814	2,053,157	938,060	761,427	2,322,307	1,442,815	2,095,972
<b>Total capital works</b>	<b>7,594,847</b>	<b>10,237,728</b>	<b>9,626,849</b>	<b>8,719,042</b>	<b>7,728,120</b>	<b>6,918,631</b>	<b>8,230,794</b>	<b>5,963,563</b>	<b>8,265,234</b>	<b>9,306,199</b>	<b>6,949,052</b>	<b>8,749,242</b>	<b>9,200,822</b>	<b>8,350,195</b>	<b>8,832,665</b>

## 12. BORROWINGS

The majority of the Shire's assets are long life assets, and the future benefit of these assets are used for future generations. Therefore, borrowings are considered as a funding source to support the provision of these intergenerational projects and distribute the development cost across future periods to those who benefit from the asset.

The LTFP provides for borrowings for the following over the period of the plan.

Table 8

Year	Project	Amount
2028/29	Administration Centre – Upgrade / Extensions	\$2,261,654
2029/30	Transfer Station Development – Donnybrook Waste Management Facility	\$1,331,418
2036/37	Apple Funpark – Renewal of Equipment	\$1,360,121

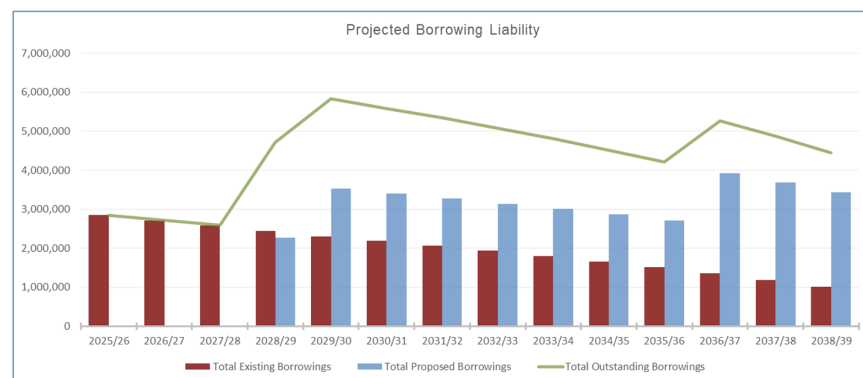


Figure 7

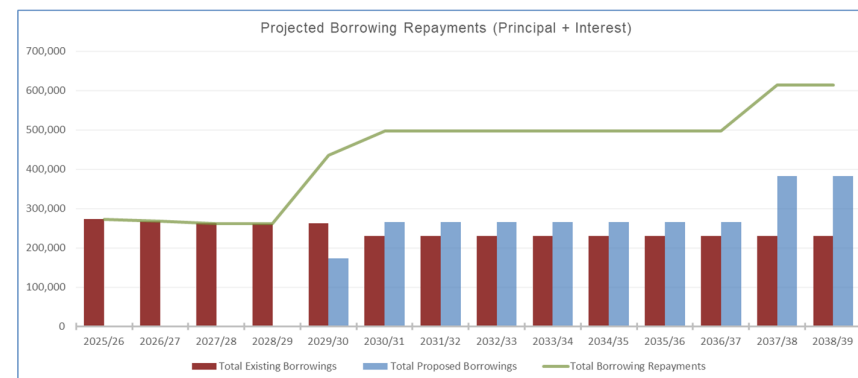


Figure 6

## 13. CASH RESERVES

The Shire maintains cash reserves for a variety of purposes.

- a) to set aside funds to meet obligations in future financial periods.
- b) to provide funds for future asset renewal / development.
- c) to reduce the reliance on borrowings by accumulating funds for specific projects.

Where relevant, reserves are supported by comprehensive plans that detail future funding requirements and the necessary annual allocations to reserves.

### Information Technology Reserve

**Purpose** - To accumulate funds for the acquisition and replacement of Information Technology equipment and software.

**Funding** - Per adopted Annual Budget allocation.

### Recreation Centre Equipment Reserve

**Purpose** - To accumulate funds for the acquisition and replacement of fitness equipment at the Recreation Centre.

**Funding** - Per adopted Annual Budget allocation.

### Vehicle Reserve

**Purpose** - To accumulate funds for the acquisition and replacement of Council's vehicle fleet.

**Funding** - Per adopted Annual Budget allocation.

### Building Reserve

**Purpose** - To accumulate funds for the construction, renewal and major maintenance of Council buildings.

**Funding** - Per adopted Annual Budget allocation.

### Pathways Reserve

**Purpose** - To accumulate funds for the construction, renewal and major maintenance of pathways.

**Funding** - Per adopted Annual Budget allocation.

### Small Plant & Equipment (Works) Reserve

**Purpose** - Established to accumulate funds for the acquisition and replacement of Council's small works plant & equipment.

**Funding** - Per adopted Annual Budget allocation.

### Drainage & Storm Water Reserve

**Purpose** - Established to accumulate funds for the construction, renewal and major maintenance of drainage infrastructure.

**Funding** - Per adopted Annual Budget allocation.

### Parks & Reserves Reserve

**Purpose** - Established to accumulate funds for the construction, renewal and major maintenance of parks & reserves infrastructure.

**Funding** - Per adopted Annual Budget allocation.

### Roadworks Reserve

**Purpose** - Established to accumulate funds for the construction, renewal and major maintenance of road infrastructure.

**Funding** - Per adopted Annual Budget allocation.

### Employee Entitlements Reserve

**Purpose** - Established to provide for the payment of annual leave, long service leave, personal leave, and grandfathered gratuity scheme entitlements.

**Funding** - Per adopted Annual Budget allocation.



### 27 Pay Periods

**Purpose** - Established to provide funds for the additional cash outlay in each eleventh year when 27 pay fortnights occur instead of the normal 26.

**Funding** - Per adopted Annual Budget allocation.

### Revaluation Reserve

**Purpose** - Established to accumulate funds for;

a) Asset Revaluations

b) Rates Gross Rental Valuation - General Revaluation

**Funding** - Per adopted Annual Budget allocation.

### Strategic Planning Studies Reserve

**Purpose** - Established to accumulate funds for engaging strategic studies / reports.

**Funding** - Per adopted Annual Budget allocation.

### Council Elections Reserve

**Purpose** - Established to accumulate funds for Council postal elections

**Funding** - Per adopted Annual Budget allocation.

### Waste Management Reserve

**Purpose** - To receive funds collected from Council's Waste Management Levy for the purpose of providing waste management facilities.

**Funding** - Per adopted Annual Budget allocation.

### Arbuthnott Scholarship Reserve

**Purpose** - To fund the payment of the Arbuthnott Scholarship

**Funding** - Actual investment interest revenue from funds held in the Arbuthnott Scholarship Reserve account.

### Land Development Reserve

**Purpose** - To fund the purchase of land for future community purposes

**Funding** - Net surplus from land development activities undertaken by the Shire.

### Preston Village Exit Deferred Management Fee Reserve

**Purpose** - Established to accumulate Preston Village Exit Deferred Management Fees as contribution towards funding the lease liability.

**Funding** - Net surplus from land development activities undertaken by the Shire.

### Preston Village Reserve Fund Contribution Reserve

**Purpose** - To accumulate the Preston Village Reserve Fund Contribution for purposes prescribed within the Residence Contract.

**Funding** - Actual Reserve Fund Contribution paid by the resident under the Retirement Villages Regulations 1992 and Residence Contract.

### Minninup Cottages 1-4 Surplus Reserve

**Purpose** - To accumulate surplus income of units 1-4 for the purposes of unit maintenance, renewal and upgrades.

**Funding** - Actual annual operating surplus of Minninup Cottages 1-4.

### Minninup Cottages 5-12 Surplus Reserve

**Purpose** - To accumulate surplus income of units 5-12 for the purposes of unit maintenance, renewal and upgrades.

**Funding** - Actual annual operating surplus of Minninup Cottages 5-12.

### Langley Villas 1-9 Surplus Reserve

**Purpose** - To accumulate surplus income of units 1-9 for purposes prescribed in the Joint Venture Agreement.

**Funding** - Actual annual operating surplus of Langley Villas 1-9.

#### **Minninup Cottages 5-12 Long Term Maintenance Reserve**

**Purpose** - To accumulate funds for units 5-12 prescribed under the Joint Venture Agreement for the purposes of property maintenance.

**Funding** - Annual Budget allocation per prescribed amount in Joint Venture Agreement for units 5-12.

#### **Langley Villas 1-9 Long Term Maintenance Reserve**

**Purpose** - To accumulate funds for units 1-9 prescribed under the Joint Venture Agreement for the purposes of property maintenance.

**Funding** - Annual Budget allocation per prescribed amount in Joint Venture Agreement for units 1-9.

#### **POS – Donnybrook**

**Purpose** - To hold payments in lieu of public open space for the general locality of the Donnybrook townsite in accordance with the Planning and Development Act 2005.

**Funding** - Payments received in lieu of public open space for the general locality of the Donnybrook townsite in accordance with the Planning and Development Act 2005.

#### **POS – Balingup**

**Purpose** - To hold payments in lieu of public open space for the general locality of the Balingup townsite in accordance with the Planning and Development Act 2005.

**Funding** - Payments received in lieu of public open space for the general locality of the Balingup townsite in accordance with the Planning and Development Act 2005.

#### **POS – Kirup**

**Purpose** - To hold payments in lieu of public open space for the general locality of the Kirup townsite in accordance with the Planning and Development Act 2005.

**Funding** - Payments received in lieu of public open space for the general locality of the Kirup townsite in accordance with the Planning and Development Act 2005.

#### **COVID-19 Reserve**

**Purpose** - To fund initiatives and activities associated with the Shire's response and recovery from the COVID-19 pandemic.

**Funding** - Per adopted Annual Budget allocation. (Annual Budget informed by the Source Plan).

#### **Carried Forward Projects Reserve**

**Purpose** - Established to accumulate funds from projects carried into future financial years.

**Funding** - Unspent project funds carried forward into future financial year.

#### **Bridges Reserve**

**Purpose** - Established to accumulate funds for the construction, renewal and maintenance of bridge infrastructure.

**Funding** - Actual project expenditure funded by the reserve fund per adopted Annual Budget.



Figure 8

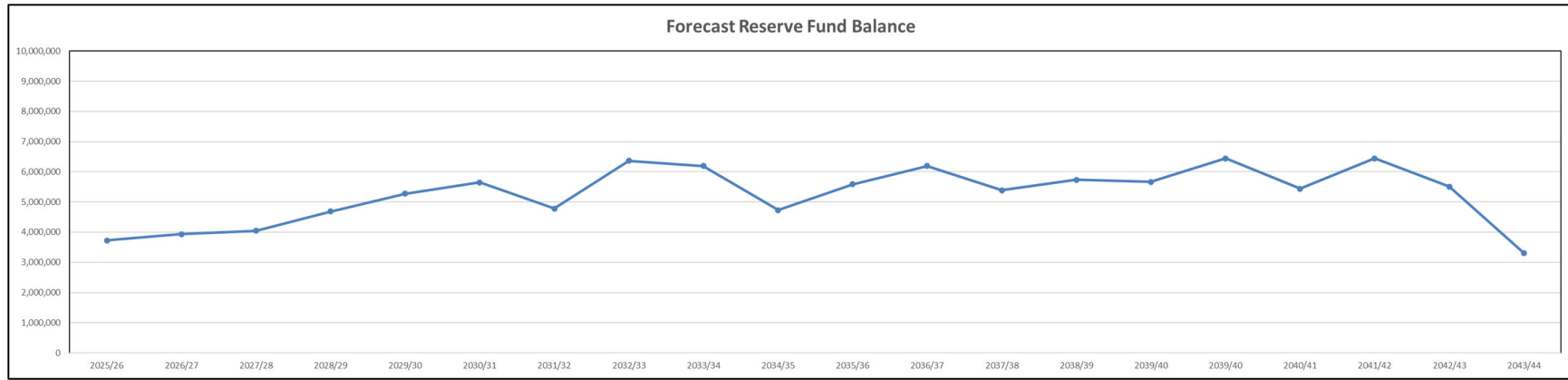


Figure 9





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