



Long Term Financial Plan

2022 – 2037

Adopted by Council 19 April 2022

Resolution 42/2022

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1.0 Foreword

We are pleased to present the 3BShire of Corrigin Long Term Financial Plan for 2022 – 2037.

This Plan is part of the Shire's ongoing commitment to an integrated approach to planning for the District's future. Despite the current uncertain times, it provides the Council and the community with a picture of the Shire's long term financial circumstances and assists us to meet our strategic outcomes and objectives, both during and beyond the COVID-19 Pandemic.

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

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

The 3BShire of Corrigin's Long Term Financial Plan is an important planning tool as we strive to achieve the strategies set out in the 3BShire of Corrigin Strategic Community Plan 2021 - 2031.

This Plan will be used with the Corporate Business Plan, Asset Management Plan and Workforce Plan to achieve our goals and drive the Shire in achieving its vision of "Strengthening our community now to grow and prosper into the future".

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

Des Hickey
President

Natalie Manton
Chief Executive Officer

Our Vision

*Strengthening our community now
to grow and prosper into the
future*

2.0 Key Information

ASSUMPTIONS

STATISTICS ^{1|2}

FINANCIAL INFORMATION²



2.5%
Inflation Rate



7
Elected
Members

\$2,658,045
Rates Revenue



Stable
Population



31¹
Employees

\$716,132
Fees and Charges



Stable
Levels of Service



827¹
Electors

\$6,043,469
Operating Revenue



Stable
Operations



562¹
Dwellings

\$7,406,511
Operating Expenditure



Balanced
Annual Budget



234km¹
Distance from
Perth

\$157,829,314
Net Assets



2 - 4%
from 2022-23 →
Rates



3,095km¹
Area

\$4,930,126
Cash Backed Reserves



2.5%
from 2022-23 →
Fees and Charges



1146¹
Population

\$1,496,092
Long Term Borrowings



2.5%
Employee Costs

¹WALGA Online Local Government Directory 2020/21, ³BShire of Corrigin

²BShire of Corrigin 2020-21 Annual Financial Report

3.0 Executive Summary

The following information provides a brief summary of the Long Term Financial Plan 2022 – 2037, this should be read in conjunction with the underlying assumptions detailed in this Plan.

3.1 Planning for a Sustainable and Stable Future

The 3BShire of Corrigin is planning for a positive and stable future, despite the current uncertainty in the world. The Shire seeks to maintain, and where possible, improve service levels into the future while ensuring a healthy financial position.

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

3.2 Significant Issues

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

Road maintenance and road renewal remain a high priority for the Shire due to the strategic economic benefit the road network provides to the district and broader region.

Adequate maintenance, renewal and upgrading of the road network remains highly dependent on the receipt of external grants and contributions.

Due to the current world-wide supply chain issues, the economic forecast has an increased level of uncertainty.

Rate revenue is forecast to increase at between 2% - 4% per year from 2022/23 for the duration of the Plan. These increases are to assist in the long term financial stability of the Shire and to increase the level of services to the community where possible. These increases will be reviewed annually when setting future budgets and once the impacts of the COVID-19 Pandemic are more apparent.

3.3 Forecast Capital Projects

A capital works program has been planned over the term of the Plan with a mixture of new/upgrade assets and asset renewals aimed at ensuring the continued provision of high quality community infrastructure to residents of the Shire. External funding is required to undertake these works.

Project by Asset Class	2022 – 2037 Amount (\$)
Infrastructure – Roads	
Corrigin – Bruce Rock Rd	7,612,500
Rabbit Proof Fence Road	3,413,355
Wickepin – Corrigin Road	2,708,000
Bendering Rd	1,483,315
Bullaring – George Rock Rd	1,335,015
Corrigin – Quairading Rd	1,289,600
Other road upgrades and renewal program	13,052,333
Infrastructure -s Roads Total	30,894,118
Infrastructure - Footpaths	
Footpaths renewals	448,000
Infrastructure - Footpaths Total	448,000
Infrastructure - Other	
Swimming Pool Upgrades	716,000
Infrastructure - Other Total	716,000
Plant and Equipment	
Plant replacement program	11,716,966
Plant and Equipment Total	11,716,966
Buildings	
Building renewals Program	6,696,671
Buildings Total	6,696,671
Grand Total	50,471,755

4.0 Community Profile, Vision and Objective

4.1 Location

The 3BShire of Corrigin covers an area of 3,095km², situated in the central wheatbelt region of Western Australia, incorporating the communities and localities of Corrigin, Bullaring, Bulyee and Bilbarin. The Shire administration centre is located in the town of Corrigin, 234km east of Perth.

4.2 Heritage

Prior to the arrival of Europeans, the land was occupied by the Noongar people. One of three major groups in the Wheatbelt, the Njaki Njaki Nyoongar people traditional lands cover Corrigin. The townsite of Corrigin was first gazetted in 1913 as 'Dondakin'. The local name, "Corrigin", was not accepted by railway authorities at first because of the likelihood of confusion with another siding called "Korrijinn". Eventually, due to public protest, Korrijinn was changed to "Bickey", and Dondakin changed to Corrigin on 15 May 1914.

Before 1908, the only connection Corrigin had with the outside world was the railway track which ran to Southern Cross. At that time it was practically impossible to get anyone to take up land near the rabbit proof fence. Sheep were however run in the district as early as the 1860s with the leases for the Parker family extending down into the present Shire of Corrigin Shire area. A boom in sandalwood prices in the early 1880s saw sandalwood cutters move in to cut out as much of the aromatic timber as they could find. However it wasn't until the early part of the twentieth century that significant numbers of people moved into the area to take up land and to settle permanently.

4.3 People

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

Population	2011		2016
Shire of Corrigin	1,063	↑	1,146
WA	2.35m	↑	2.47m

The age demographic of the districts population is reflected by the blue (2011 Census) and green (2016 Census) lines in the chart at the bottom of the page. When compared to the age demographic of the West Australian population reflected by the dotted lines, it is apparent the 3BShire of Corrigin has a higher percentage of older residents.

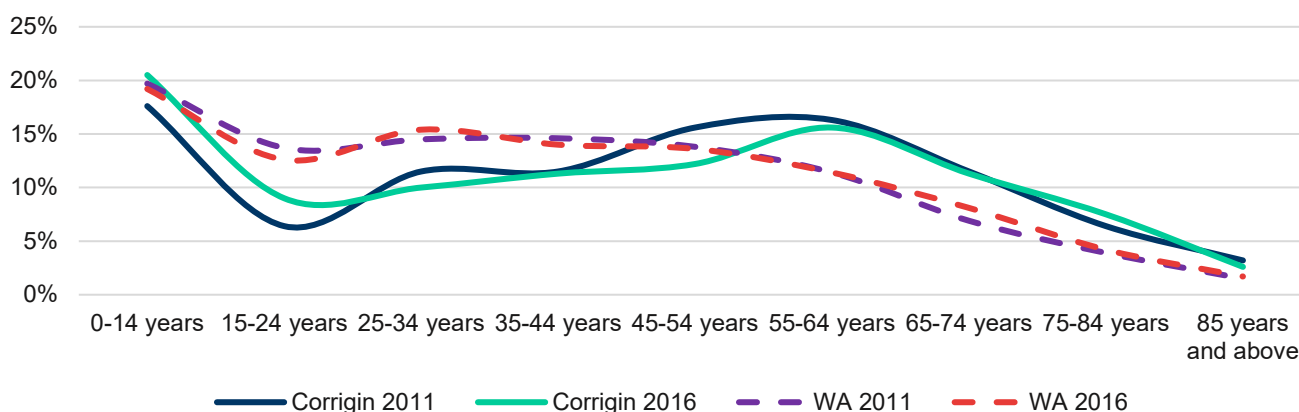
4.4 Vision

The Shire's strategic vision: **Strengthening our community now to grow and prosper into the future**

4.5 Strategic Objectives

The following key themes are identified in the Shire's Strategic Community Plan 2021 - 2031 and considered within the Strategic Resource Plan:

1. **Social:** An effectively serviced, inclusive and resilient community
2. **Economic:** A strong, diverse economy supporting agriculture, local business and attracting new industry
3. **Environment:** An attractive natural and built environment for the benefit of current and future generations
4. **Governance and Leadership:** Strong governance and leadership

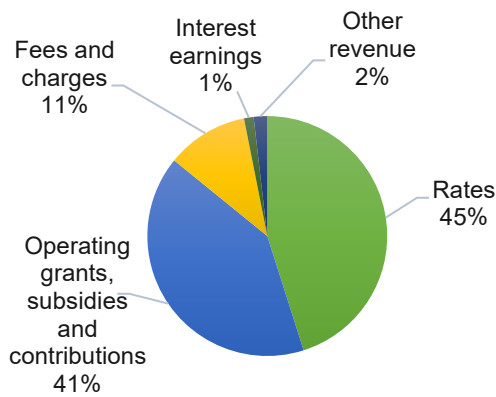


5.0 Long Term Financial Planning Overview

5.1 Forecast Revenue

Rates are expected to generate \$2.84m in 2022-23 before increasing at between 2% to 4% per annum to \$4.13m in 2036-37 and comprise 45% of operating revenue over the term of the Plan. The Shire is reliant on receiving more than \$47.2m over the next 15 years in untied operating grants, subsidies and contributions to maintain the current level of operations and services. Non operating grants are expected to remain relatively stable for road renewal.

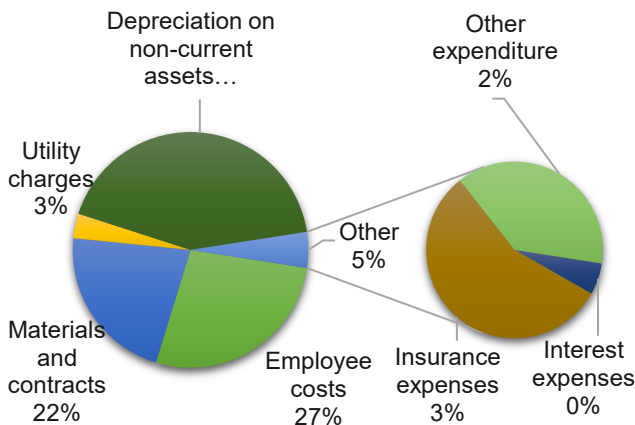
5.1.1 Revenue Composition Year 1 to 15



5.2 Forecast Expenditure

Expenditure is forecast to increase in line with inflation with the exception of depreciation expense which is impacted by the addition of assets over the term of the Plan.

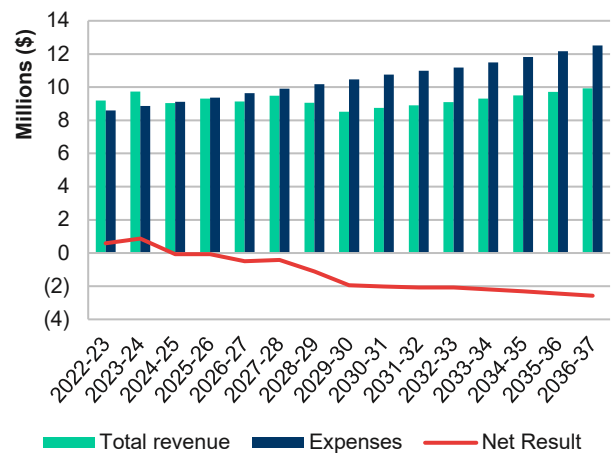
5.2.1 Expenditure Composition Year 1 to 15



5.3 Net Result

The chart below reflects in the columns the steady increase in operating revenue and expenditure forecast over the 15 years, with the red line reflecting the net result.

A negative net result over the long term indicates inflation adjusted asset values may decrease due to a shortfall in asset funding. The nominal value may be masked by continuous revaluation of assets. Improved asset funding or changes to expected useful life of assets as they are better understood may impact the net result.



5.4 Depreciation Expense

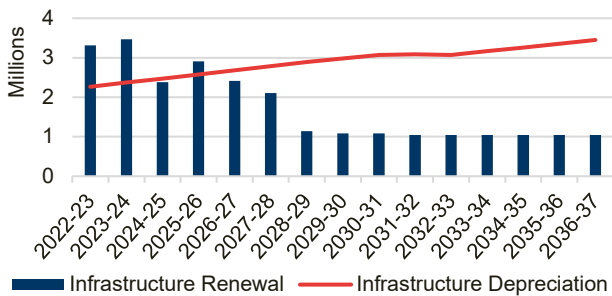
Ideally, the average asset renewal should be in line with depreciation expense over the long term, to ensure the value of assets is maintained. On average, the Shire is planning to renew its infrastructure assets at a lower level than they are depreciating over the term of the Plan.

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

5.0 Long Term Financial Planning Overview (Continued)

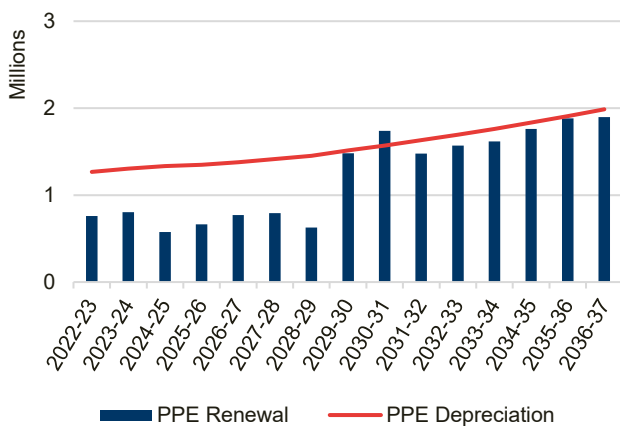
5.4.1 Infrastructure Depreciation Expense -V- Asset Renewal Expenditure

Depreciation expense increases throughout the Plan from \$2.3m in year 1 to \$3.5m in year 15 as assets are revalued and renewed. Depreciation of infrastructure over the 15 years is \$43.5m, shown by the red line in the chart below. The planned level of infrastructure asset renewal expenditure at \$26.2m (reflected by the blue columns) is over the term of the Plan below the level of depreciation.



Further review of asset useful lives for infrastructure assets in future may be required as changes occur in the construction techniques of road pavements occur and traffic loads vary. Planned property, plant and equipment asset renewals of \$1.3m (reflected by the blue columns) over the 15 years is more than the depreciation expense of \$2.0m (reflected by the red line) over the same period as shown in the chart below.

5.4.2 Property, Plant and Equipment Depreciation Expense -V- Asset Renewal Expenditure



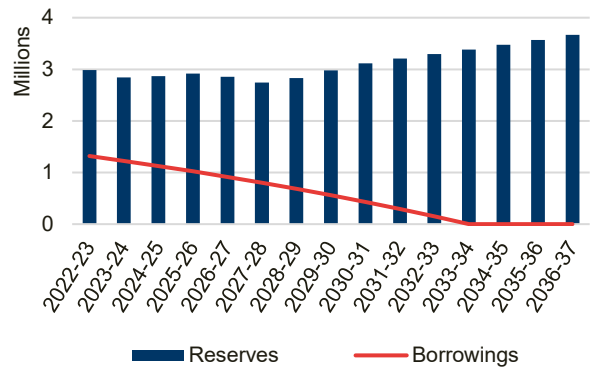
Further improvements in asset management data and the estimation of depreciation expense along with the future renewal of long lived assets may result in a closer alignment between asset renewals and depreciation expense.

5.5 Maintenance Expenditure

The current maintenance expenditure allocated in the annual operating budget is expected to continue at current levels, with inflationary increases occurring each year.

5.6 Forecast Borrowings and Cash Reserves

In general, the finances of the Shire are expected to remain stable over the long term. Reserves will be utilised to save for major forecast asset renewals with no major withdrawals over the life of the plan forecasted other than for the funding of plant replacement. The graph below shows the continuing saving for long term projects.



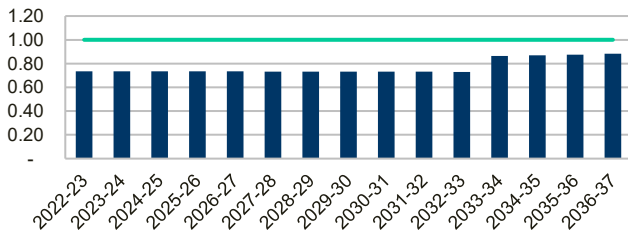
Borrowings are reduced to nil after year 12, this is part of the strategy to allow flexibility to respond to sudden or unexpected expenditure requirements. This strategy also provides scope to leverage off future grant funding opportunities when, and if, they become available. The strategy also includes the use of cash backed reserves to save for significant future asset renewal spikes.

5.0 Long Term Financial Planning Overview (Continued)

5.7 Forecast Operating Ratios 2022 – 2037

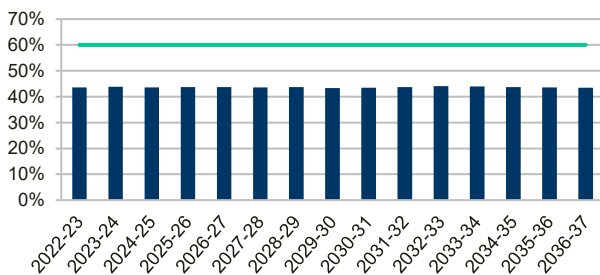
Monitoring the Shire’s financial rigidity and financial position along with its asset management performance is undertaken by preparing and monitoring various statutory ratios. The green line reflects the Department of Local Government, Sport and Cultural Industries’ (the Department) minimum target level of the ratio.

5.7.1 Current Ratio



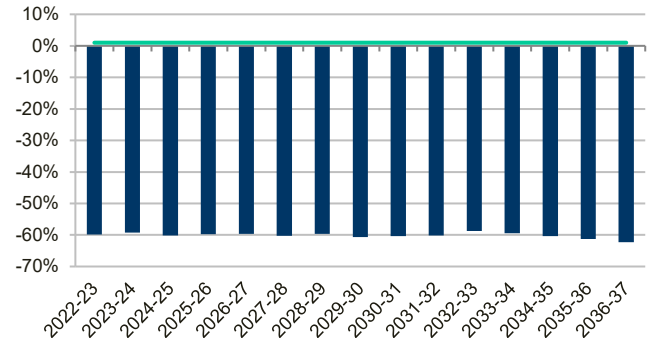
As expected for a Shire with a forecast balanced funding surplus position and current borrowing liabilities, the ratio is less than 1.0 for the term of the plan. The trend is not considered to indicate a threat to the Shire’s long term financial position.

5.7.2 Own Source Revenue Coverage Ratio



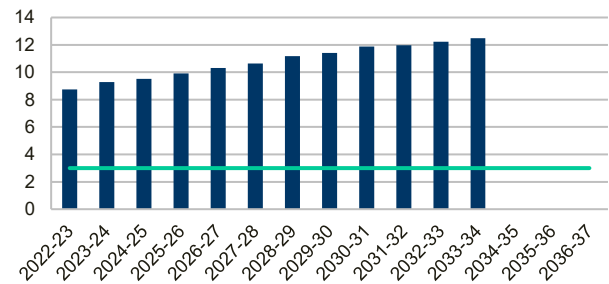
The ratio remains below the target indicating the Shire constant reliance on grants and contributions.

5.7.3 Operating Surplus Ratio



The Operating Surplus Ratio above highlights the Shire’s plans to maintain consistent and stable operations over the term of the plan.

5.7.4 Debt Service Cover Ratio



The ratio indicates the Shire has an increasing capacity to take up borrowings if required, with existing borrowings completely repaid in the thirteenth year of the plan.

An explanation of all ratios is provided at Section 10.1.

6.0 Scenario Modelling

6.1 Scenario Modelling

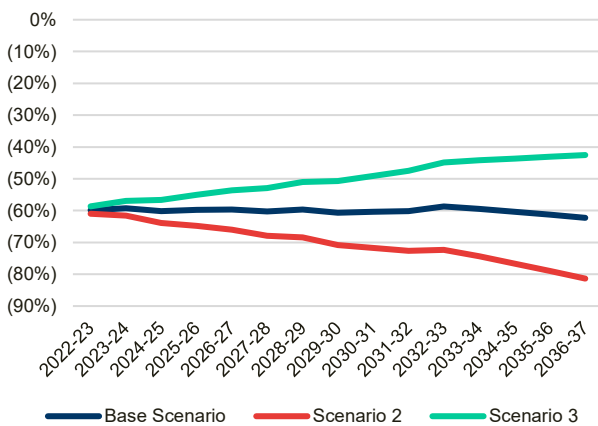
Scenarios were developed to test the financial impact of reduced levels of operating funding. To ascertain the effect of reduced funding levels, modelling of various scenarios was undertaken.

A base scenario was developed with a rates yield of between -0.5% to 1.5% above inflation (2.5%) throughout the life of the Plan. Two alternative scenarios were also developed from this base as shown in the table below. All other assumptions remained the same across the three scenarios.

Scenario	Rates Increase above CPI (2.5%)	Total Increase
Scenario 1 (Base)	-0.5% to 1.5%	2% to 4%
Scenario 2	-1.5% to 0.5%	1% to 3%
Scenario 3	0.5% to 2.5%	3% to 5%

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

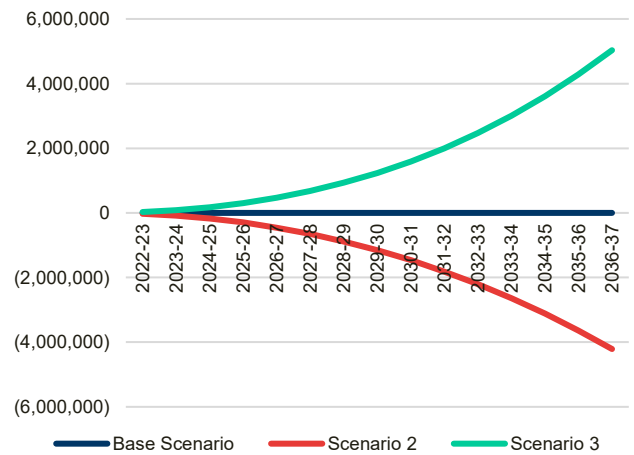
6.1.1 Scenario Comparison – Operating Surplus Ratio



The chart above shows the impact of the same change in total rates yield on the Shire’s Operating Surplus Ratio (other assumptions remaining the same). The base scenario was selected as it improves existing rating levels of the short term and maintains rating levels in the long term.

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

6.2 Estimated Surplus (Deficit) June 30 Carried Forward



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

Scenario 1 (Base) CPI 1.5% + 1%	Estimated Surplus/(Deficit)	
	Scenario 2 CPI 1.5% + 0%	Scenario 3 CPI 1.5% + 2%
\$	\$	\$
0	(27,304)	27,304
0	(84,506)	85,051
0	(173,517)	175,772
0	(296,760)	302,576
0	(456,641)	468,625
0	(653,200)	677,279
0	(886,588)	932,107
0	(1,156,290)	1,234,511
0	(1,464,655)	1,588,996
0	(1,813,131)	1,999,289
0	(2,203,209)	2,469,321
0	(2,636,428)	3,003,228
0	(3,114,370)	3,605,367
0	(3,638,665)	4,280,325
0	(4,210,991)	5,032,926

7.0 Strategic Planning and Policies

7.1 Linkage with Other Plans

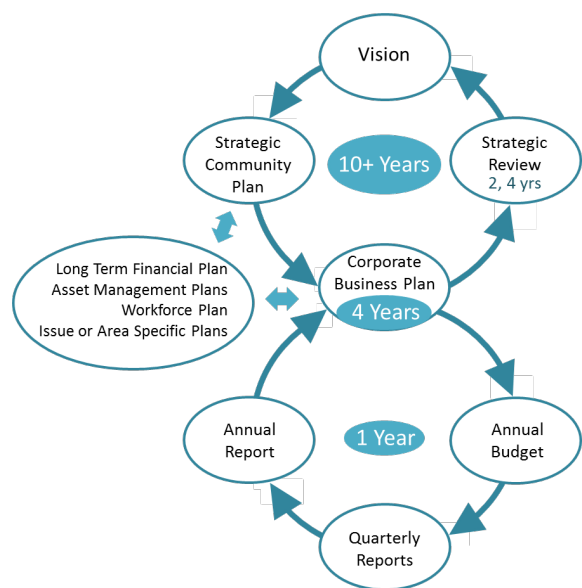
The Strategic Resource Plan is one component of a number of integrated strategic planning practices the Shire has developed. Combining asset management planning and long term financial planning into one document, the Strategic Resource Plan considers, and influences, workforce planning along with other key strategic plans. This Strategic Resource Plan has been prepared to achieve compliance with the *Local Government (Administration) Regulations 1996*.

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

7.2 Strategic Documents Linkage

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

Diagram: Integrated Planning and Reporting Cycle¹



7.3 Strategic Community Plan 2021 - 2031

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

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

7.4 Corporate Business Plan

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

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

7.5 Workforce and Other Strategic Plans

The Workforce Plan and other strategic plans integrate with the Strategic Resource Plan through the workforce requirement for assets and financial resources along with the requirements for a workforce to manage the Shire’s assets and financial resources. As far as possible, these requirements are met in the Plan.

The Shire’s Workforce Plan has been considered in the development of this long-term financial plan. No financial impacts are expected from the Workforce Plan with employee costs forecast to rise at the forecast inflation rate of 2.5%.

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

8.0 Risk Management

8.1 Risk Management

The Shire provides a diverse range of services and facilities to the general public which exposes it to risks. As part of the implementation of Integrated Planning and Reporting, the Shire intends to formalise its risk based management practices to improve the management of identified risks.

The Shire has a practice of conducting a regular review of insurance levels of assets by the Chief Executive Officer to ensure the level is adequate. The Shire's insurer is LGIS.

The Financial Management Regulations require the investment of surplus funds (including cash reserves) to be in term deposits held by authorised deposit taking institutions or Treasury bonds.

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

8.2 Certainty of Assumptions

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

The impact of the assumptions applied to issues identified as carrying a high risk have been separately disclosed, as has the sensitivity of movements in these assumptions on the financial forecasts set out in this Plan.

8.3 Sensitivity Analysis

Where an assessment has been made that a high level of uncertainty applies to the assumptions, sensitivity analysis has been used to help quantify the potential financial impact of a change in the assumption.

Assumptions with a high level of uncertainty and a higher dollar value present the greatest risk that a movement will result in unexpected and detrimental consequences. The details of this analysis are shown adjacent to each assumption on the following pages.

9.0 Assumptions, Risks, Uncertainties and Sensitivity

9.0 Revenue – Assumptions, Risks, Uncertainties and Sensitivity

Disclosure/Assumption	Assessed Financial Risk	Impact of High Financial Risk Assumptions	Level of Uncertainty	Financial Impact and Sensitivity for Assumption with High Level of Uncertainty/Risk
District Growth in Population: The number of residents in the Shire is expected to remain stable.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Rates Level Increase: Annual rates have been based on an increase in the total rate yield of between 2% - 4% from 2021/22 onwards, being in line with forecast inflation rate.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Operating Grants and Contributions: Increases in line with inflation forecast.	High	The road maintenance program and general operations of the Shire are dependent on levels of Federal Financial Assistance Grants. Changes in the levels of these grants would impact directly on the Shire's ability to meet projected service levels.	High	± \$472,010 to the value of operating grants and contributions per 1% movement in the value in the first year of the Plan.
Non-operating Grants and Contributions: Remain in line with funding requirements identified for various capital works.	High	The forecast capital works program is highly dependent on Government grants and contributions. Changes in these levels would impact directly on the amount spent on capital projects and ultimately impact on service levels.	High	± \$229,152 to the value of non-operating grants and contributions per 1% movement in the value over the life of the Plan.
Fees and Charges: Increases in line with inflation forecast.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Interest Earnings: Interest earning of an average rate of 2.5% per annum.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Other Revenue: Increases in line with inflation.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
Profit on Asset Disposal: Profit on asset disposal results from a misallocation of depreciation over the life of the asset. As the level of depreciation is considered appropriate no profit on asset disposals has been included.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.

9.0 Assumptions, Risks, Uncertainties and Sensitivity (Continued)

9.1 Expenditure – Assumptions, Risks, Uncertainties and Sensitivity

Disclosure/Assumption	Assessed Financial Risk	Impact of High Financial Risk Assumptions	Level of Uncertainty	Financial Impact and Sensitivity for Assumption with High Level of Uncertainty/Risk
Employee Costs: Increased annually by forecast inflation.	Medium	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
Materials and Contracts: Increased annually by forecast inflation.	High	The road preservation program and general operations of the Shire are dependent on levels of Federal Financial Assistance Grants. Changes in the levels of these grants would impact directly on the Shire's ability to meet projected service levels. ¹	High	± \$343,197 to the value of materials and contracts per 1% movement in the value over the life of the Plan. A high level of uncertainty exists in relation to current global inflationary pressures.
Depreciation: Depreciation has been calculated using an average depreciation rate based on the estimated useful lives on individual assets.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
Insurance: Base year increased in line with inflation.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Other Expenditure: Base year increased in line with inflation.	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Loss on Asset Disposal: A loss on asset disposal results from a misallocation of depreciation over the life of the asset. As the level of depreciation is considered appropriate in the Plan no loss on asset disposals has been included in the Plan.	Low	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.

9.0 Assumptions, Risks, Uncertainties and Sensitivity (Continued)

9.2 Assets – Assumptions, Risks, Uncertainties and Sensitivity

Disclosure/Assumption	Assessed Financial Risk	Impact of High Financial Risk Assumptions	Level of Uncertainty	Financial Impact and Sensitivity for Assumption with High Level of Uncertainty/Risk
Revaluations: In line with annual inflation.	Low	The revaluation of assets may result in changes in asset ratio analysis and depreciations leading to a change in the net result. The revaluation of assets will have no impact on Cashflows.	High	±\$119,627 to the value of property, plant and equipment per 1% movement in the value over the life of the Plan. ±\$578,270 to the value of infrastructure assets per 1% movement in the value over the life of the Plan.
Impairment of Assets: No impairment of assets has been assumed over the life of the Plan. Impairment of assets usually occurs due to unplanned or unforeseen events such as natural disasters.	High	A widespread major impairment event may result in a requirement for high levels of expenditure to maintain service levels.	Medium	Unable to be quantified.
Infrastructure Assets: Expenditure has been based on historical levels escalated by inflation.	High	The capital works program is highly dependent on Government grants and contributions. Changes in these levels would impact directly on the amount spent on capital projects and ultimately on service levels.	High	±\$472,010 to the value of infrastructure assets per 1% movement in the capital grants received over the life of the Plan.
Property, Plant and Equipment: Building expenditure is in accordance with the 10 Year Capital Plan, and plant expenditure is based on the Plant Replacement Program.	Medium	Not assessed as high financial risk as the frequency of capital grants for buildings is not as pervasive as roadwork's and plant and equipment replacement is not influenced by external grant funds.	Medium	Not assessed as high level of uncertainty.

9.0 Assumptions, Risks, Uncertainties and Sensitivity (Continued)

9.3 Liabilities – Assumptions, Risks, Uncertainties and Sensitivity

Disclosure/Assumption	Assessed Financial Risk	Impact of High Financial Risk Assumptions	Level of Uncertainty	Financial Impact and Sensitivity for Assumption with High Level of Uncertainty/Risk
Borrowings: New borrowings to be considered for capital works where required.	High	If the Shire is not able to secure borrowings in the future, the likely impact will be the cancellation or postponement of related asset acquisitions leading to a reduction in service levels over the short to medium term.	Low	Not assessed as high level of uncertainty.
Employee Entitlements: It has been assumed the Shire will be in a position to meet its obligations in relation to employee entitlements.	Medium	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.

9.0 Assumptions, Risks, Uncertainties and Sensitivity (Continued)

9.4 Equity Risks, Uncertainties and Sensitivity

Disclosure/Assumption	Assessed Financial Risk	Impact of High Financial Risk Assumptions	Level of Uncertainty	Financial Impact and Sensitivity for Assumption with High Level of Uncertainty/Risk
Cash Backed Reserves: It has been assumed the Shire will invest cash reserves in term deposits with banking institutions and these funds will be available for use during the term of the Plan.	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
Revaluation Surplus: Increasing in line with inflation based revaluation.	Low	The revaluation of assets to their fair value may result in changes in asset ratio analysis and depreciation leading to a change in the net result. The revaluations of assets will have no impact on Cashflows.	High	±\$119,627 to the value of property, plant and equipment per 1% movement in the value over the life of the Plan. ±\$578,270 to the value of infrastructure assets per 1% movement in the value over the life of the Plan.

9.0 Assumptions, Risks, Uncertainties and Sensitivity (Continued)

9.5 Other – Assumptions, Risks, Uncertainties and Sensitivity

Disclosure/Assumption	Assessed Financial Risk	Impact of High Financial Risk Assumptions	Level of Uncertainty	Financial Impact and Sensitivity for Assumption with High Level of Uncertainty/Risk
<p>Ownership of Strategic Assets: The Shire has not planned for the ownership of any strategic assets to be transferred to another party over the term of the Plan.</p>	High	Any significant changes to the ownership of strategic assets would require an amendment to this Plan and, depending on the circumstance, be subject to community consultation.	Low	Not assessed as high level of uncertainty.
<p>Inflators: Forecast inflation at 1% per annum.</p>	Medium	Not assessed as high financial risk.	High	± \$1,158,049 to operating revenue per 1% movement in the inflators over the life of the Plan. ± \$1,570,846 to operating expenditure per 1% movement in the inflators over the life of the Plan.
<p>Commercial Activities: The Shire has no plans to undertake a significant commercial activity during the period of the Plan.</p>	Medium	Not assessed as high financial risk.	Low	Not assessed as high level of uncertainty.
<p>General Economic Forecasts for State: The economic forecast for the State is closely linked to the success of the mining industry. Demands for minerals is forecast to remain stable in the short term with a corresponding stability of the state economy.</p>	Medium	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.
<p>General Economic Forecasts for Region: Historically, the region's economy is heavily dependent on agriculture and this remains the assumption for the term of this Plan.</p>	Low	Not assessed as high financial risk.	Medium	Not assessed as high level of uncertainty.

10.0 Monitoring and Performance

10.1 Monitoring

The Plan will be the subject of a desktop review each year to consider changing circumstances, with a full revision scheduled every two years in line with the review of the Strategic Community Plan.

Monitoring the Shire's financial rigidity and financial position along with its asset management performance is undertaken by preparing and monitoring various statutory ratios.

10.2 Ratio Targets

A series of performance indicators, in the form of financial ratios set out in the table below, have been used to assess the financial performance of the Shire.

To maintain comparability across the industry, these ratios and their respective target ranges, have been derived from the Department's Long Term Financial Planning guidelines and *Regulation 50 of Local Government (Financial Management) Regulation 1996*.

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

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

Appendix A1 – Forecast Financial Statements

Financial Statements

The following forecast financial statements have been prepared and are included at the end of the Plan.

These forecast statements have been prepared within a framework which accords with the Australian Accounting Standards.

The statements have been prepared based on a number of forecasts and estimates, and readers should ensure they have read and understood the reliance section under Other Matters at the end of the document.

Statements of Comprehensive Income

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

Statement of Financial Position

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

Statement of Changes in Equity

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

Statement of Cashflows

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

Statement of Funding

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

Statement of Net Current Asset Composition

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

Statement of Fixed Asset Movements

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

Statement of Fixed Asset Funding

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

Forecast Ratios

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

Nature or Type

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

Appendix A1 – Forecast Financial Statements (Continued)

Service Programs

The Shire provides a wide variety of services to the community in order to achieve its vision and objectives. The following service program descriptions as per the *Local Government (Financial Management) Regulations 1996* are used in the Plan to represent these services, however not all services listed may be provided by the 3BShire of Corrigin.

Objectives	Services
Governance	Members of Council
	Governance – general
General purpose funding	Rates
	Other general purpose funding
Law, order, public safety	Fire prevention
	Animal control
	Other law, order, public safety
Health	Maternal and infant health
	Preventative services
	- Immunisation
	- Meat inspection
	- Administration and inspection
	- Pest control
	- Other
	Other health
Education and welfare	Pre-school
	Other education
	Care of families and children
	Aged and disabled
	- Senior citizens centres
	- Meals on wheels
Other welfare	
Housing	Staff housing
	Other housing
Community amenities	Sanitation
	- Household refuse
	- Other
	Sewerage
	Urban stormwater drainage
	Protection of environment
	Town planning and regional development
	Other community amenities

Objectives	Services
Recreation and culture	Public halls, civic centre
	Swimming areas
	Other recreation and sport
	Television and radio re-broadcasting
	Libraries
	Other culture
Transport	Streets, roads, bridges, depots
	- Construction (not capitalised)
	- Maintenance
	Road plant purchase (if not capitalised)
	Parking facilities
	Traffic control
	Aerodromes
	Water transport facilities
Economic services	Rural services
	Tourism and area promotion
	Building control
	Sale yards and markets
	Plant nursery
	Other economic services
Other property and services	Private works
	Public works overheads
	Plant operation
	Salaries and wages
	Unclassified
	Town Planning Schemes

Appendix A2 – Forecast Statement of Comprehensive Income by Nature or Type 2022 – 2037

	2018-19	2019-20	2020-21	Base	2022-23	2023-24	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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues																			
Rates	2,561,546	2,649,963	2,624,929	2,730,415	2,839,632	2,953,218	3,027,048	3,117,859	3,211,395	3,307,736	3,406,967	3,475,107	3,561,985	3,651,035	3,742,310	3,835,868	3,931,764	4,030,058	4,130,810
Operating grants, subsidies and contributions	2,391,843	2,490,720	2,368,566	1,409,081	2,603,726	2,676,823	2,752,267	2,830,151	2,910,575	2,993,634	3,079,443	3,168,107	3,259,746	3,293,772	3,368,816	3,445,738	3,524,583	3,605,398	3,688,235
Fees and charges	657,438	704,083	749,248	694,792	712,173	729,979	748,232	766,937	786,116	805,767	825,916	846,565	867,725	889,418	911,654	934,442	957,802	981,744	1,006,290
Interest earnings	74,902	78,539	33,637	41,660	83,833	83,609	78,935	80,683	80,750	67,721	81,838	83,882	102,765	119,266	122,263	125,122	127,280	130,337	132,634
Other revenue	3,943,603	425,123	148,964	114,766	117,638	120,579	123,594	126,684	129,851	133,095	136,423	139,836	143,331	146,915	150,587	154,350	158,209	162,163	166,218
	9,629,332	6,348,428	5,925,344	4,990,714	6,357,002	6,564,208	6,730,076	6,922,314	7,118,687	7,307,953	7,530,587	7,713,497	7,935,552	8,100,406	8,295,630	8,495,520	8,699,638	8,909,700	9,124,187
Expenses																			
Employee costs	(2,039,676)	(2,169,366)	(2,309,159)	(2,332,392)	(2,390,706)	(2,450,469)	(2,511,731)	(2,574,522)	(2,638,892)	(2,704,866)	(2,772,484)	(2,841,793)	(2,912,841)	(2,985,664)	(3,060,298)	(3,136,795)	(3,215,219)	(3,295,600)	(3,377,995)
Materials and contracts	(4,237,952)	(1,037,007)	(1,040,576)	(1,867,137)	(1,913,873)	(1,961,736)	(2,010,775)	(2,061,027)	(2,112,574)	(2,165,390)	(2,219,542)	(2,275,045)	(2,331,910)	(2,390,190)	(2,449,941)	(2,511,186)	(2,573,972)	(2,638,306)	(2,704,284)
Utility charges	(252,595)	(266,804)	(256,157)	(288,875)	(296,113)	(303,516)	(311,107)	(318,881)	(326,855)	(335,024)	(343,400)	(351,989)	(360,789)	(369,806)	(379,050)	(388,523)	(398,235)	(408,190)	(418,403)
Depreciation on non-current assets	(2,964,279)	(3,046,645)	(3,214,165)	(3,398,229)	(3,532,562)	(3,676,931)	(3,809,696)	(3,928,528)	(4,059,367)	(4,203,970)	(4,343,941)	(4,493,014)	(4,637,626)	(4,721,292)	(4,768,634)	(4,924,669)	(5,091,411)	(5,261,563)	(5,437,199)
Interest expenses	(81,020)	(74,234)	(72,092)	(68,432)	(64,388)	(60,157)	(55,726)	(51,087)	(46,230)	(41,146)	(35,823)	(30,250)	(24,416)	(18,307)	(11,912)	(5,217)	0	0	0
Insurance expenses	(221,968)	(208,701)	(197,043)	(235,165)	(241,047)	(247,073)	(253,254)	(259,581)	(266,072)	(272,722)	(279,542)	(286,534)	(293,702)	(301,047)	(308,575)	(316,286)	(324,197)	(332,301)	(340,607)
Other expenditure	(58,490)	(124,813)	(149,444)	(159,278)	(163,263)	(167,344)	(171,527)	(175,811)	(180,207)	(184,713)	(189,331)	(194,065)	(198,915)	(203,887)	(208,983)	(214,211)	(219,566)	(225,054)	(230,679)
	(9,855,980)	(6,927,570)	(7,238,636)	(8,349,508)	(8,601,952)	(8,867,226)	(9,123,816)	(9,369,437)	(9,630,197)	(9,907,831)	(10,184,063)	(10,472,690)	(10,760,199)	(10,990,193)	(11,187,393)	(11,496,887)	(11,822,600)	(12,161,014)	(12,509,167)
	(226,648)	(579,142)	(1,313,292)	(3,358,794)	(2,244,950)	(2,303,018)	(2,393,740)	(2,447,123)	(2,511,510)	(2,599,878)	(2,653,476)	(2,759,193)	(2,824,647)	(2,889,787)	(2,891,763)	(3,001,367)	(3,122,962)	(3,251,314)	(3,384,980)
Non-operating grants, subsidies and contributions	526,918	2,806,391	2,305,305	4,343,146	2,838,502	3,173,632	2,315,757	2,383,400	2,011,875	2,176,825	1,533,055	810,275	810,275	810,275	810,275	810,275	810,275	810,275	810,275
Fair value adjustments to financial assets at fair value through profit or loss	70,068	1,153	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit on asset disposals	111,425	63,621	38,889	88,304	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loss on asset disposal	(29,784)	(3,745)	(117,891)	(66,977)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NET RESULT	451,979	2,288,278	913,011	1,005,679	593,552	870,614	(77,983)	(63,723)	(499,635)	(423,053)	(1,120,421)	(1,948,918)	(2,014,372)	(2,079,512)	(2,081,488)	(2,191,092)	(2,312,687)	(2,441,039)	(2,574,705)
Other comprehensive income	0	0	0	0	3,736,784	3,842,320	3,963,843	4,064,216	4,158,262	4,248,114	4,347,065	4,419,475	4,462,847	4,603,003	4,663,278	4,723,434	4,784,259	4,842,632	4,903,197
TOTAL COMPREHENSIVE INCOME	451,979	2,288,278	913,011	1,005,679	4,330,336	4,712,934	3,885,860	4,000,493	3,658,627	3,825,061	3,226,644	2,470,557	2,448,475	2,523,491	2,581,790	2,532,342	2,471,572	2,401,593	2,328,492

Appendix A3 – Forecast Statement of Comprehensive Income by Program 2022 – 2037

	2018-19	2019-20	2020-21	Base	2022-23	2023-24	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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue																			
Governance	2,297	1,507	6,095	1,500	1,538	1,576	1,615	1,655	1,696	1,738	1,781	1,826	1,872	1,919	1,967	2,016	2,066	2,118	2,171
General purpose funding	4,511,947	4,709,868	4,577,089	3,707,522	5,024,130	5,190,009	5,312,995	5,460,729	5,610,887	5,752,167	5,924,933	6,056,020	6,224,206	6,393,743	6,553,600	6,717,243	6,884,203	7,056,182	7,231,626
Law, order, public safety	40,799	55,651	32,899	56,623	58,041	59,493	60,981	62,506	64,069	65,670	67,312	68,995	70,718	72,487	74,299	76,155	78,059	80,010	82,011
Health	189,943	214,001	245,131	220,389	225,898	231,544	237,334	243,267	249,348	255,581	261,970	268,518	275,232	282,113	289,166	296,396	303,804	311,400	319,186
Education and welfare	153,964	164,011	172,219	154,819	158,693	162,661	166,728	170,894	175,168	179,548	184,040	188,640	193,354	198,188	203,143	208,220	213,426	218,759	224,230
Housing	136,266	136,066	130,081	134,890	138,263	141,719	145,263	148,895	152,620	156,436	160,348	164,359	168,467	172,678	176,995	181,419	185,955	190,603	195,366
Community amenities	218,720	227,381	281,881	288,171	295,377	302,762	310,331	318,089	326,042	334,192	342,548	351,113	359,889	368,887	378,109	387,560	397,249	407,180	417,360
Recreation and culture	50,080	41,484	64,108	56,510	57,926	59,374	60,859	62,380	63,940	65,537	67,177	68,856	70,578	72,343	74,152	76,006	77,906	79,854	81,850
Transport	4,080,441	522,618	197,240	206,356	229,100	242,832	257,427	272,941	289,433	306,965	325,606	345,425	366,498	328,193	329,099	330,027	330,979	331,954	332,954
Economic services	42,707	76,974	96,582	81,834	83,882	85,979	88,127	90,331	92,591	94,905	97,276	99,708	102,201	104,754	107,372	110,058	112,810	115,630	118,522
Other property and services	202,168	198,867	122,019	82,100	84,154	86,259	88,416	90,627	92,893	95,214	97,596	100,037	102,537	105,101	107,728	110,420	113,181	116,010	118,911
	9,629,332	6,348,428	5,925,344	4,990,714	6,357,002	6,564,208	6,730,076	6,922,314	7,118,687	7,307,953	7,530,587	7,713,497	7,935,552	8,100,406	8,295,630	8,495,520	8,699,638	8,909,700	9,124,187
Expenses excluding finance costs																			
Governance	(607,320)	(598,272)	(614,390)	(836,098)	(857,018)	(878,465)	(900,438)	(922,952)	(946,034)	(969,694)	(993,952)	(1,018,811)	(1,044,296)	(1,070,393)	(1,097,135)	(1,124,570)	(1,152,695)	(1,181,532)	(1,211,076)
General purpose funding	(27,561)	(79,120)	(57,516)	(76,649)	(78,566)	(80,530)	(82,543)	(84,607)	(86,723)	(88,891)	(91,114)	(93,393)	(95,727)	(98,119)	(100,572)	(103,087)	(105,664)	(108,305)	(111,013)
Law, order, public safety	(121,139)	(123,021)	(125,696)	(184,079)	(188,906)	(193,879)	(198,906)	(203,982)	(209,229)	(214,650)	(220,173)	(225,862)	(231,652)	(237,300)	(242,916)	(249,152)	(255,573)	(262,152)	(268,904)
Health	(555,875)	(570,256)	(582,344)	(647,445)	(664,230)	(681,513)	(699,048)	(716,806)	(735,120)	(754,017)	(773,295)	(793,115)	(813,334)	(833,272)	(853,250)	(875,026)	(897,430)	(920,382)	(943,924)
Education and welfare	(283,774)	(322,708)	(338,669)	(383,027)	(393,951)	(405,331)	(416,577)	(427,636)	(439,216)	(451,370)	(463,604)	(476,301)	(489,086)	(500,429)	(511,012)	(524,790)	(539,101)	(553,744)	(568,791)
Housing	(120,675)	(149,434)	(129,489)	(164,313)	(169,914)	(175,836)	(181,453)	(186,679)	(192,331)	(198,441)	(204,443)	(210,759)	(217,003)	(221,459)	(224,883)	(231,604)	(238,708)	(245,959)	(253,433)
Community amenities	(552,402)	(530,407)	(641,214)	(693,600)	(711,339)	(729,572)	(748,140)	(767,031)	(786,472)	(806,476)	(826,919)	(847,914)	(869,367)	(890,845)	(912,550)	(935,660)	(959,402)	(983,728)	(1,008,677)
Recreation and culture	(1,497,126)	(1,448,984)	(1,371,578)	(1,644,344)	(1,696,227)	(1,750,844)	(1,803,504)	(1,853,728)	(1,907,179)	(1,964,243)	(2,020,944)	(2,080,291)	(2,139,322)	(2,185,778)	(2,225,026)	(2,288,668)	(2,355,390)	(2,423,598)	(2,493,802)
Transport	(5,738,211)	(2,699,095)	(2,752,210)	(3,043,437)	(3,144,762)	(3,252,025)	(3,354,194)	(3,450,100)	(3,553,027)	(3,663,888)	(3,773,306)	(3,888,324)	(4,002,028)	(4,085,581)	(4,151,598)	(4,274,198)	(4,403,340)	(4,535,320)	(4,671,240)
Economic services	(266,200)	(332,039)	(355,793)	(470,995)	(484,925)	(499,484)	(513,747)	(527,611)	(542,221)	(557,648)	(573,101)	(589,191)	(605,318)	(619,048)	(631,454)	(648,835)	(666,951)	(685,484)	(704,542)
Other property and services	(4,677)	0	(197,645)	(137,089)	(147,726)	(159,590)	(169,540)	(177,218)	(186,415)	(197,367)	(207,389)	(218,479)	(228,650)	(229,662)	(225,085)	(236,080)	(248,346)	(260,810)	(273,765)
	(9,774,960)	(6,853,336)	(7,166,544)	(8,281,076)	(8,537,564)	(8,807,069)	(9,068,090)	(9,318,350)	(9,583,967)	(9,866,685)	(10,148,240)	(10,442,440)	(10,735,783)	(10,971,886)	(11,175,481)	(11,491,670)	(11,822,600)	(12,161,014)	(12,509,167)
Finance costs																			
Community amenities	(1,517)	1,288	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Recreation and culture	(79,503)	(75,522)	(72,092)	(68,432)	(64,388)	(60,157)	(55,726)	(51,087)	(46,230)	(41,146)	(35,823)	(30,250)	(24,416)	(18,307)	(11,912)	(5,217)	0	0	0
	(81,020)	(74,234)	(72,092)	(68,432)	(64,388)	(60,157)	(55,726)	(51,087)	(46,230)	(41,146)	(35,823)	(30,250)	(24,416)	(18,307)	(11,912)	(5,217)	0	0	0
Non operating grants, subsidies and contributions																			
Law, order, public safety	9,548	0	0	450,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Education and welfare	0	0	400,103	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Recreation and culture	0	0	91,275	324,115	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transport	512,725	2,806,391	1,251,583	2,134,647	2,838,502	3,173,632	2,315,757	2,383,400	2,011,875	2,176,825	1,533,055	810,275	810,275	810,275	810,275	810,275	810,275	810,275	810,275
Economic services	4,645	0	562,344	1,434,384	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	526,918	2,806,391	2,305,305	4,343,146	2,838,502	3,173,632	2,315,757	2,383,400	2,011,875	2,176,825	1,533,055	810,275	810,275	810,275	810,275	810,275	810,275	810,275	810,275
Profit/(loss) on disposal of assets																			
Law, order, public safety	0	0	0	(44,620)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Health	0	(3,745)	1,089	(17,357)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Education and welfare	0	173	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Community amenities	0	0	37,800	18,900	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transport	30,332	48,903	(73,070)	69,404	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Economic services	0	0	(42,556)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other property and services	51,309	14,545	(2,265)	(5,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	81,641	59,876	(79,002)	21,327	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fair value adjustments to financial assets at fair value through profit or loss	70,068	1,153	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NET RESULT	451,979	2,288,278	913,011	1,005,679	593,552	870,614	(77,983)	(63,723)	(499,635)	(423,053)	(1,120,421)	(1,948,918)	(2,014,372)	(2,079,512)	(2,081,488)	(2,191,092)	(2,312,687)	(2,441,039)	(2,574,705)
Other comprehensive income	0	0	0	0	3,736,784	3,842,320	3,963,843	4,064,216	4,158,262	4,248,114	4,347,065	4,419,475	4,462,847	4,603,003	4,663,278	4,723,434	4,784,259	4,842,632	4,903,197
TOTAL COMPREHENSIVE INCOME	451,979	2,288,278	913,011	1,005,679	4,330,336	4,712,934	3,885,860	4,000,493	3,658,627	3,825,061	3,226,644	2,470,557	2,448,475	2,523,491	2,581,790	2,532,342	2,471,572	2,401,593	2,328,492

Refer to Appendix B12 – Forecast Significant Accounting Policies

Appendix A4 – Forecast Statement of Financial Position 2022 – 2037

	2019	2020	2021	Base	30 June 23	30 June 24	30 June 25	30 June 26	30 June 27	30 June 28	30 June 29	30 June 30	30 June 31	30 June 32	30 June 33	30 June 34	30 June 35	30 June 36	30 June 37
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
CURRENT ASSETS																			
Unrestricted cash and cash equivalents	1,933,947	1,760,355	1,310,581	357,390	357,390	357,390	357,390	357,390	357,390	357,390	357,390	357,390	357,390	357,390	357,390	357,390	357,390	357,390	357,390
Restricted cash and cash equivalent	1,500,079	1,351,410	4,930,126	2,995,923	2,986,975	2,842,583	2,869,944	2,913,925	2,854,982	2,746,279	2,828,115	2,977,926	3,115,802	3,207,057	3,294,158	3,383,437	3,474,944	3,568,736	3,667,278
Financial assets	586,704	2,386,467	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Trade and other receivables	200,537	391,897	202,269	290,751	290,751	290,751	290,751	290,751	290,751	290,751	290,751	290,751	290,751	290,751	290,751	290,751	290,751	290,751	290,751
Inventories	142,537	168,256	162,704	82,704	82,704	82,704	82,704	82,704	82,704	82,704	82,704	82,704	82,704	82,704	82,704	82,704	82,704	82,704	82,704
TOTAL CURRENT ASSETS	4,363,804	6,058,385	6,605,680	3,726,768	3,717,820	3,573,428	3,600,789	3,644,770	3,585,827	3,477,124	3,558,960	3,708,771	3,846,647	3,937,902	4,025,003	4,114,282	4,205,789	4,299,581	4,398,123
NON-CURRENT ASSETS																			
Financial assets	70,068	71,221	73,807	73,807	73,807	73,807	73,807	73,807	73,807	73,807	73,807	73,807	73,807	73,807	73,807	73,807	73,807	73,807	73,807
Other receivables	7,620	13,367	11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348
Inventories	1,540,000	1,520,000	1,440,000	1,460,000	1,460,000	1,460,000	1,460,000	1,460,000	1,460,000	1,460,000	1,460,000	1,460,000	1,460,000	1,460,000	1,460,000	1,460,000	1,460,000	1,460,000	1,460,000
Property plant and equipment	26,275,852	25,044,886	24,977,138	25,577,221	25,232,532	24,896,518	24,377,020	23,893,364	23,516,794	23,115,884	22,567,410	22,739,660	22,934,017	23,177,524	23,405,050	23,609,748	23,939,377	24,238,573	24,505,123
Infrastructure	121,646,221	123,152,605	123,590,560	126,645,533	131,239,342	136,338,286	140,617,456	144,954,158	148,939,976	153,161,244	156,735,797	158,759,990	160,746,095	162,798,578	164,923,101	167,012,131	169,062,567	171,071,172	173,034,572
TOTAL NON-CURRENT ASSETS	149,539,761	149,802,079	150,092,853	153,767,909	158,017,029	162,779,959	166,539,631	170,392,677	174,001,925	177,822,283	180,848,362	183,044,805	185,225,267	187,521,257	189,873,306	192,167,034	194,547,099	196,854,900	199,084,850
TOTAL ASSETS	153,903,565	155,860,464	156,698,533	157,494,677	161,734,849	166,353,387	170,140,420	174,037,447	177,587,752	181,299,407	184,407,322	186,753,576	189,071,914	191,459,159	193,898,309	196,281,316	198,752,888	201,154,481	203,482,973
CURRENT LIABILITIES																			
Trade and other payables	171,785	393,306	673,660	730,845	730,845	730,845	730,845	730,845	730,845	730,845	730,845	730,845	730,845	730,845	730,845	730,845	730,845	730,845	730,845
Contract liabilities	0	214,388	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Current portion of long-term liabilities	78,572	82,260	86,121	0	94,396	98,827	103,466	108,322	113,406	118,729	124,303	130,137	136,246	142,640	149,335	0	0	0	0
Provisions	337,242	345,627	302,829	345,627	345,627	345,627	345,627	345,627	345,627	345,627	345,627	345,627	345,627	345,627	345,627	345,627	345,627	345,627	345,627
TOTAL CURRENT LIABILITIES	587,599	1,035,581	1,062,610	1,076,472	1,170,868	1,175,299	1,179,938	1,184,794	1,189,878	1,195,201	1,200,775	1,206,609	1,212,718	1,219,112	1,225,807	1,076,472	1,076,472	1,076,472	1,076,472
NON-CURRENT LIABILITIES																			
Long-term borrowings	1,578,356	1,496,092	1,409,971	1,409,971	1,225,411	1,126,584	1,023,118	914,796	801,390	682,661	558,358	428,221	291,975	149,335	0	0	0	0	0
Provisions	58,432	50,456	44,737	44,737	44,737	44,737	44,737	44,737	44,737	44,737	44,737	44,737	44,737	44,737	44,737	44,737	44,737	44,737	44,737
TOTAL NON-CURRENT LIABILITIES	1,636,788	1,546,548	1,454,708	1,454,708	1,270,148	1,171,321	1,067,855	959,533	846,127	727,398	603,095	472,958	336,712	194,072	44,737	44,737	44,737	44,737	44,737
TOTAL LIABILITIES	2,224,387	2,582,129	2,517,318	2,531,180	2,441,016	2,346,620	2,247,793	2,144,327	2,036,005	1,922,599	1,803,870	1,679,567	1,549,430	1,413,184	1,270,544	1,121,209	1,121,209	1,121,209	1,121,209
NET ASSETS	151,679,178	153,278,335	154,181,215	154,963,497	159,293,833	164,006,767	167,892,627	171,893,120	175,551,747	179,376,808	182,603,452	185,074,009	187,522,484	190,045,975	192,627,765	195,160,107	197,631,679	200,033,272	202,361,764
EQUITY																			
Retained surplus	32,086,650	32,851,772	32,351,906	35,068,391	35,670,891	36,685,897	36,580,553	36,472,849	36,032,157	35,717,807	34,515,550	32,416,821	30,264,573	28,093,806	25,925,217	23,644,846	21,240,652	18,705,821	16,032,574
Reserves - cash backed	2,044,734	3,521,979	4,930,126	2,995,923	2,986,975	2,842,583	2,869,944	2,913,925	2,854,982	2,746,279	2,828,115	2,977,926	3,115,802	3,207,057	3,294,158	3,383,437	3,474,944	3,568,736	3,667,278
Asset revaluation surplus	117,547,794	116,904,584	116,899,183	116,899,183	120,635,967	124,478,287	128,442,130	132,506,346	136,664,608	140,912,722	145,259,787	149,679,262	154,142,109	158,745,112	163,408,390	168,131,824	172,916,083	177,758,715	182,661,912
TOTAL EQUITY	151,679,178	153,278,335	154,181,215	154,963,497	159,293,833	164,006,767	167,892,627	171,893,120	175,551,747	179,376,808	182,603,452	185,074,009	187,522,484	190,045,975	192,627,765	195,160,107	197,631,679	200,033,272	202,361,764

Refer to Appendix B12 – Forecast Significant Accounting Policies

Appendix A5 – Forecast Statement of Changes in Equity 2022 – 2037

	2019	2020	2021	Base	30 June 23	30 June 24	30 June 25	30 June 26	30 June 27	30 June 28	30 June 29	30 June 30	30 June 31	30 June 32	30 June 33	30 June 34	30 June 35	30 June 36	30 June 37
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
RETAINED SURPLUS																			
Opening balance	31,634,671	32,040,739	32,847,042	32,128,509	35,068,391	35,670,891	36,685,897	36,580,553	36,472,849	36,032,157	35,717,807	34,515,550	32,416,821	30,264,573	28,093,806	25,925,217	23,644,846	21,240,652	18,705,821
Net result	451,979	2,288,278	913,011	1,005,679	593,552	870,614	(77,983)	(63,723)	(499,635)	(423,053)	(1,120,421)	(1,948,918)	(2,014,372)	(2,079,512)	(2,081,488)	(2,191,092)	(2,312,687)	(2,441,039)	(2,574,705)
Amount transferred (to)/from reserves		(1,477,245)	(1,408,147)	1,934,203	8,948	144,392	(27,361)	(43,981)	58,943	108,703	(81,836)	(149,811)	(137,876)	(91,255)	(87,101)	(89,279)	(91,507)	(93,792)	(98,542)
Closing balance	32,086,650	32,851,772	32,351,906	35,068,391	35,670,891	36,685,897	36,580,553	36,472,849	36,032,157	35,717,807	34,515,550	32,416,821	30,264,573	28,093,806	25,925,217	23,644,846	21,240,652	18,705,821	16,032,574
RESERVES - CASH/INVESTMENT BACKED																			
Opening balance	2,044,734	2,044,734	3,521,979	4,930,126	2,995,923	2,986,975	2,842,583	2,869,944	2,913,925	2,854,982	2,746,279	2,828,115	2,977,926	3,115,802	3,207,057	3,294,158	3,383,437	3,474,944	3,568,736
Amount transferred to/(from) retained surplus	0	1,477,245	1,408,147	(1,934,203)	(8,948)	(144,392)	27,361	43,981	(58,943)	(108,703)	81,836	149,811	137,876	91,255	87,101	89,279	91,507	93,792	98,542
Closing balance	2,044,734	3,521,979	4,930,126	2,995,923	2,986,975	2,842,583	2,869,944	2,913,925	2,854,982	2,746,279	2,828,115	2,977,926	3,115,802	3,207,057	3,294,158	3,383,437	3,474,944	3,568,736	3,667,278
ASSET REVALUATION SURPLUS																			
Opening balance	117,547,794	116,904,584	116,899,183	116,899,183	116,899,183	120,635,967	124,478,287	128,442,130	132,506,346	136,664,608	140,912,722	145,259,787	149,679,262	154,142,109	158,745,112	163,408,390	168,131,824	172,916,083	177,758,715
Total other comprehensive income	0	0	0	0	3,736,784	3,842,320	3,963,843	4,064,216	4,158,262	4,248,114	4,347,065	4,419,475	4,462,847	4,603,003	4,663,278	4,723,434	4,784,259	4,842,632	4,903,197
Closing balance	117,547,794	116,904,584	116,899,183	116,899,183	120,635,967	124,478,287	128,442,130	132,506,346	136,664,608	140,912,722	145,259,787	149,679,262	154,142,109	158,745,112	163,408,390	168,131,824	172,916,083	177,758,715	182,661,912
TOTAL EQUITY	151,679,178	153,278,335	154,181,215	154,963,497	159,293,833	164,006,767	167,892,627	171,893,120	175,551,747	179,376,808	182,603,452	185,074,009	187,522,484	190,045,975	192,627,765	195,160,107	197,631,679	200,033,272	202,361,764

Appendix A6 – Forecast Statement of Cashflows 2022 – 2037

	2022-23	2023-24	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	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Cash flows from operating activities																
Receipts																
Rates	2,839,632	2,953,218	3,027,048	3,117,859	3,211,395	3,307,736	3,406,967	3,475,107	3,561,985	3,651,035	3,742,310	3,835,868	3,931,764	4,030,058	4,130,810	
Operating grants, subsidies and contributions	2,603,726	2,676,823	2,752,267	2,830,151	2,910,575	2,993,634	3,079,443	3,168,107	3,259,746	3,293,772	3,368,816	3,445,738	3,524,583	3,605,398	3,688,235	
Fees and charges	712,173	729,979	748,232	766,937	786,116	805,767	825,916	846,565	867,725	889,418	911,654	934,442	957,802	981,744	1,006,290	
Interest earnings	83,833	83,609	78,935	80,683	80,750	67,721	81,838	83,882	102,765	119,266	122,263	125,122	127,280	130,337	132,634	
Other revenue	117,638	120,579	123,594	126,684	129,851	133,095	136,423	139,836	143,331	146,915	150,587	154,350	158,209	162,163	166,218	
	6,357,002	6,564,208	6,730,076	6,922,314	7,118,687	7,307,953	7,530,587	7,713,497	7,935,552	8,100,406	8,295,630	8,495,520	8,699,638	8,909,700	9,124,187	
Payments																
Employee costs	(2,390,706)	(2,450,469)	(2,511,731)	(2,574,522)	(2,638,892)	(2,704,866)	(2,772,484)	(2,841,793)	(2,912,841)	(2,985,664)	(3,060,298)	(3,136,795)	(3,215,219)	(3,295,600)	(3,377,995)	
Materials and contracts	(1,913,873)	(1,961,736)	(2,010,775)	(2,061,027)	(2,112,574)	(2,165,390)	(2,219,542)	(2,275,045)	(2,331,910)	(2,390,190)	(2,449,941)	(2,511,186)	(2,573,972)	(2,638,306)	(2,704,284)	
Utility charges	(296,113)	(303,516)	(311,107)	(318,881)	(326,855)	(335,024)	(343,400)	(351,989)	(360,789)	(369,806)	(379,050)	(388,523)	(398,235)	(408,190)	(418,403)	
Interest expenses	(64,388)	(60,157)	(55,726)	(51,087)	(46,230)	(41,146)	(35,823)	(30,250)	(24,416)	(18,307)	(11,912)	(5,217)	0	0	0	
Insurance expenses	(241,047)	(247,073)	(253,254)	(259,581)	(266,072)	(272,722)	(279,542)	(286,534)	(293,702)	(301,047)	(308,575)	(316,286)	(324,197)	(332,301)	(340,607)	
Other expenditure	(163,263)	(167,344)	(171,527)	(175,811)	(180,207)	(184,713)	(189,331)	(194,065)	(198,915)	(203,887)	(208,983)	(214,211)	(219,566)	(225,054)	(230,679)	
	(5,069,390)	(5,190,295)	(5,314,120)	(5,440,909)	(5,570,830)	(5,703,861)	(5,840,122)	(5,979,676)	(6,122,573)	(6,268,901)	(6,418,759)	(6,572,218)	(6,731,189)	(6,899,451)	(7,071,968)	
Net cash provided by (used in) operating activities	1,287,612	1,373,913	1,415,956	1,481,405	1,547,857	1,604,092	1,690,465	1,733,821	1,812,979	1,831,505	1,876,871	1,923,302	1,968,449	2,010,249	2,052,219	
Cash flows from investing activities																
Payments for purchase of property, plant & equipment	(760,100)	(802,344)	(573,713)	(664,048)	(769,228)	(790,886)	(625,199)	(1,482,606)	(1,739,538)	(1,478,512)	(1,570,361)	(1,615,972)	(1,760,061)	(1,883,131)	(1,897,938)	
Payments for construction of infrastructure	(3,693,260)	(4,191,808)	(3,345,724)	(3,400,459)	(3,043,775)	(3,287,427)	(2,638,465)	(1,085,275)	(1,085,275)	(1,047,775)	(1,047,775)	(1,047,775)	(1,047,775)	(1,047,775)	(1,047,775)	
Proceeds from non-operating grants, subsidies and contributions	2,838,502	3,173,632	2,315,757	2,383,400	2,011,875	2,176,825	1,533,055	810,275	810,275	810,275	810,275	810,275	810,275	810,275	810,275	
Proceeds from sale of plant & equipment	408,462	396,611	313,912	347,149	302,650	302,099	240,709	297,899	469,572	112,008	160,731	168,784	120,619	204,174	181,761	
Net cash provided by (used in) investing activities	(1,206,396)	(1,423,909)	(1,289,768)	(1,333,958)	(1,498,478)	(1,599,389)	(1,489,900)	(1,459,707)	(1,544,966)	(1,604,004)	(1,647,130)	(1,684,688)	(1,876,942)	(1,916,457)	(1,953,677)	
Cash flows from financing activities																
Repayment of debentures	(90,164)	(94,396)	(98,827)	(103,466)	(108,322)	(113,406)	(118,729)	(124,303)	(130,137)	(136,246)	(142,640)	(149,335)	0	0	0	
Net cash provided by (used in) financing activities	(90,164)	(94,396)	(98,827)	(103,466)	(108,322)	(113,406)	(118,729)	(124,303)	(130,137)	(136,246)	(142,640)	(149,335)	0	0	0	
Net increase (decrease) in cash held	(8,948)	(144,392)	27,361	43,981	(58,943)	(108,703)	81,836	149,811	137,876	91,255	87,101	89,279	91,507	93,792	98,542	
Cash at beginning of year	3,353,313	3,344,365	3,199,973	3,227,334	3,271,315	3,212,372	3,103,669	3,185,505	3,335,316	3,473,192	3,564,447	3,651,548	3,740,827	3,832,334	3,926,126	
Cash and cash equivalents at the end of year	3,344,365	3,199,973	3,227,334	3,271,315	3,212,372	3,103,669	3,185,505	3,335,316	3,473,192	3,564,447	3,651,548	3,740,827	3,832,334	3,926,126	4,024,668	
Reconciliation of net cash provided by operating activities to net result																
Net result	593,552	870,614	(77,983)	(63,723)	(499,635)	(423,053)	(1,120,421)	(1,948,918)	(2,014,372)	(2,079,512)	(2,081,488)	(2,191,092)	(2,312,687)	(2,441,039)	(2,574,705)	
Depreciation	3,532,562	3,676,931	3,809,696	3,928,528	4,059,367	4,203,970	4,343,941	4,493,014	4,637,626	4,721,292	4,768,634	4,924,669	5,091,411	5,261,563	5,437,199	
Grants/contributions for the development of assets	(2,838,502)	(3,173,632)	(2,315,757)	(2,383,400)	(2,011,875)	(2,176,825)	(1,533,055)	(810,275)	(810,275)	(810,275)	(810,275)	(810,275)	(810,275)	(810,275)	(810,275)	
Net cash from operating activities	1,287,612	1,373,913	1,415,956	1,481,405	1,547,857	1,604,092	1,690,465	1,733,821	1,812,979	1,831,505	1,876,871	1,923,302	1,968,449	2,010,249	2,052,219	

Refer to Appendix B12 – Forecast Significant Accounting Policies

Appendix A7 – Forecast Statement of Funding 2022 – 2037

	2022-23	2023-24	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	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
FUNDING FROM OPERATIONAL ACTIVITIES																
Revenues																
Rates	2,839,632	2,953,218	3,027,048	3,117,859	3,211,395	3,307,736	3,406,967	3,475,107	3,561,985	3,651,035	3,742,310	3,835,868	3,931,764	4,030,058	4,130,810	
Operating grants, subsidies and contributions	2,603,726	2,676,823	2,752,267	2,830,151	2,910,575	2,993,634	3,079,443	3,168,107	3,259,746	3,293,772	3,368,816	3,445,738	3,524,583	3,605,398	3,688,235	
Fees and charges	712,173	729,979	748,232	766,937	786,116	805,767	825,916	846,565	867,725	889,418	911,654	934,442	957,802	981,744	1,006,290	
Interest earnings	83,833	83,609	78,935	80,683	80,750	67,721	81,838	83,882	102,765	119,266	122,263	125,122	127,280	130,337	132,634	
Other revenue	117,638	120,579	123,594	126,684	129,851	133,095	136,423	139,836	143,331	146,915	150,587	154,350	158,209	162,163	166,218	
	6,357,002	6,564,208	6,730,076	6,922,314	7,118,687	7,307,953	7,530,587	7,713,497	7,935,552	8,100,406	8,295,630	8,495,520	8,699,638	8,909,700	9,124,187	
Expenses																
Employee costs	(2,390,706)	(2,450,469)	(2,511,731)	(2,574,522)	(2,638,892)	(2,704,866)	(2,772,484)	(2,841,793)	(2,912,841)	(2,985,664)	(3,060,298)	(3,136,795)	(3,215,219)	(3,295,600)	(3,377,995)	
Materials and contracts	(1,913,873)	(1,961,736)	(2,010,775)	(2,061,027)	(2,112,574)	(2,165,390)	(2,219,542)	(2,275,045)	(2,331,910)	(2,390,190)	(2,449,941)	(2,511,186)	(2,573,972)	(2,638,306)	(2,704,284)	
Utility charges (electricity, gas, water etc.)	(296,113)	(303,516)	(311,107)	(318,881)	(326,855)	(335,024)	(343,400)	(351,989)	(360,789)	(369,806)	(379,050)	(388,523)	(398,235)	(408,190)	(418,403)	
Depreciation on non-current assets	(3,532,562)	(3,676,931)	(3,809,696)	(3,928,528)	(4,059,367)	(4,203,970)	(4,343,941)	(4,493,014)	(4,637,626)	(4,721,292)	(4,768,634)	(4,924,669)	(5,091,411)	(5,261,563)	(5,437,199)	
Interest expense	(64,388)	(60,157)	(55,726)	(51,087)	(46,230)	(41,146)	(35,823)	(30,250)	(24,416)	(18,307)	(11,912)	(5,217)	0	0	0	
Insurance expense	(241,047)	(247,073)	(253,254)	(259,581)	(266,072)	(272,722)	(279,542)	(286,534)	(293,702)	(301,047)	(308,575)	(316,286)	(324,197)	(332,301)	(340,607)	
Other expenditure	(163,263)	(167,344)	(171,527)	(175,811)	(180,207)	(184,713)	(189,331)	(194,065)	(198,915)	(203,887)	(208,983)	(214,211)	(219,566)	(225,054)	(230,679)	
	(8,601,952)	(8,867,226)	(9,123,816)	(9,369,437)	(9,630,197)	(9,907,831)	(10,184,063)	(10,472,690)	(10,760,199)	(10,990,193)	(11,187,393)	(11,496,887)	(11,822,600)	(12,161,014)	(12,509,167)	
	(2,244,950)	(2,303,018)	(2,393,740)	(2,447,123)	(2,511,510)	(2,599,878)	(2,653,476)	(2,759,193)	(2,824,647)	(2,889,787)	(2,891,763)	(3,001,367)	(3,122,962)	(3,251,314)	(3,384,980)	
Funding position adjustments																
Depreciation on non-current assets	3,532,562	3,676,931	3,809,696	3,928,528	4,059,367	4,203,970	4,343,941	4,493,014	4,637,626	4,721,292	4,768,634	4,924,669	5,091,411	5,261,563	5,437,199	
Net funding from operational activities	1,287,612	1,373,913	1,415,956	1,481,405	1,547,857	1,604,092	1,690,465	1,733,821	1,812,979	1,831,505	1,876,871	1,923,302	1,968,449	2,010,249	2,052,219	
FUNDING FROM CAPITAL ACTIVITIES																
Inflows																
Proceeds on disposal	408,462	396,611	313,912	347,149	302,650	302,099	240,709	297,899	469,572	112,008	160,731	168,784	120,619	204,174	181,761	
Non-operating grants, subsidies and contributions	2,838,502	3,173,632	2,315,757	2,383,400	2,011,875	2,176,825	1,533,055	810,275	810,275	810,275	810,275	810,275	810,275	810,275	810,275	
Outflows																
Purchase of property plant and equipment	(760,100)	(802,344)	(573,713)	(664,048)	(769,228)	(790,886)	(625,199)	(1,482,606)	(1,739,538)	(1,478,512)	(1,570,361)	(1,615,972)	(1,760,061)	(1,883,131)	(1,897,938)	
Purchase of infrastructure	(3,693,260)	(4,191,808)	(3,345,724)	(3,400,459)	(3,043,775)	(3,287,427)	(2,638,465)	(1,085,275)	(1,085,275)	(1,047,775)	(1,047,775)	(1,047,775)	(1,047,775)	(1,047,775)	(1,047,775)	
Net funding from capital activities	(1,206,396)	(1,423,909)	(1,289,768)	(1,333,958)	(1,498,478)	(1,599,389)	(1,489,900)	(1,459,707)	(1,544,966)	(1,604,004)	(1,647,130)	(1,684,688)	(1,876,942)	(1,916,457)	(1,953,677)	
FUNDING FROM FINANCING ACTIVITIES																
Inflows																
Transfer from reserves	83,846	219,066	45,649	77,068	139,692	188,544	0	0	0	0	0	0	0	0	0	
Outflows																
Transfer to reserves	(74,898)	(74,674)	(73,010)	(121,049)	(80,749)	(79,841)	(81,836)	(149,811)	(137,876)	(91,255)	(87,101)	(89,279)	(91,507)	(93,792)	(98,542)	
Repayment of past borrowings	(90,164)	(94,396)	(98,827)	(103,466)	(108,322)	(113,406)	(118,729)	(124,303)	(130,137)	(136,246)	(142,640)	(149,335)	0	0	0	
Net funding from financing activities	(81,216)	49,996	(126,188)	(147,447)	(49,379)	(4,703)	(200,565)	(274,114)	(268,013)	(227,501)	(229,741)	(238,614)	(91,507)	(93,792)	(98,542)	
Estimated surplus/deficit July 1 B/Fwd	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Estimated surplus/deficit June 30 C/Fwd	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

Appendix A8 – Forecast Statement of Net Current Asset Composition 2022 – 2037

	2022-23	2023-24	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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Estimated surplus/deficit July 1 B/Fwd	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CURRENT ASSETS															
Unrestricted cash and equivalents	357,390	357,390	357,390	357,390	357,390	357,390	357,390	357,390	357,390	357,390	357,390	357,390	357,390	357,390	357,390
Restricted cash and cash equivalent	2,986,975	2,842,583	2,869,944	2,913,925	2,854,982	2,746,279	2,828,115	2,977,926	3,115,802	3,207,057	3,294,158	3,383,437	3,474,944	3,568,736	3,667,278
Trade and other receivables	290,751	290,751	290,751	290,751	290,751	290,751	290,751	290,751	290,751	290,751	290,751	290,751	290,751	290,751	290,751
Inventories	82,704	82,704	82,704	82,704	82,704	82,704	82,704	82,704	82,704	82,704	82,704	82,704	82,704	82,704	82,704
CURRENT LIABILITIES															
Trade and other payables	(730,845)	(730,845)	(730,845)	(730,845)	(730,845)	(730,845)	(730,845)	(730,845)	(730,845)	(730,845)	(730,845)	(730,845)	(730,845)	(730,845)	(730,845)
Reserves	(2,986,975)	(2,842,583)	(2,869,944)	(2,913,925)	(2,854,982)	(2,746,279)	(2,828,115)	(2,977,926)	(3,115,802)	(3,207,057)	(3,294,158)	(3,383,437)	(3,474,944)	(3,568,736)	(3,667,278)
Estimated surplus/deficit June 30 C/Fwd	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Appendix A9 – Forecast Statement of Fixed Asset Movements 2022 – 2037

	2022-23	2023-24	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	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
CAPITAL WORKS - INFRASTRUCTURE																
Infrastructure - roads	3,579,260	4,077,808	3,233,724	3,292,459	2,937,775	3,185,427	2,530,465	1,035,275	1,035,275	997,775	997,775	997,775	997,775	997,775	997,775	997,775
Infrastructure - Footpaths	64,000	64,000	64,000	64,000	64,000	64,000	64,000	0	0	0	0	0	0	0	0	0
Infrastructure - Other	50,000	50,000	48,000	44,000	42,000	38,000	44,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Total capital works - infrastructure	3,693,260	4,191,808	3,345,724	3,400,459	3,043,775	3,287,427	2,638,465	1,085,275	1,085,275	1,047,775	1,047,775	1,047,775	1,047,775	1,047,775	1,047,775	1,047,775
Represented by:																
Additions - expansion, upgrades and new	378,000	721,500	967,775	492,040	630,500	1,181,550	1,500,465	0	0	0	0	0	0	0	0	0
Additions - renewal	3,315,260	3,470,308	2,377,949	2,908,419	2,413,275	2,105,877	1,138,000	1,085,275	1,085,275	1,047,775	1,047,775	1,047,775	1,047,775	1,047,775	1,047,775	1,047,775
Total Capital Works - Infrastructure	3,693,260	4,191,808	3,345,724	3,400,459	3,043,775	3,287,427	2,638,465	1,085,275	1,085,275	1,047,775	1,047,775	1,047,775	1,047,775	1,047,775	1,047,775	1,047,775
Asset movement reconciliation																
Total capital works infrastructure	3,693,260	4,191,808	3,345,724	3,400,459	3,043,775	3,287,427	2,638,465	1,085,275	1,085,275	1,047,775	1,047,775	1,047,775	1,047,775	1,047,775	1,047,775	1,047,775
Depreciation infrastructure	(2,265,589)	(2,373,847)	(2,475,011)	(2,579,195)	(2,681,811)	(2,789,659)	(2,892,944)	(2,979,476)	(3,068,170)	(3,090,321)	(3,074,181)	(3,164,812)	(3,257,707)	(3,352,926)	(3,450,526)	(3,450,526)
Revaluation of infrastructure assets (inflation)	3,166,138	3,280,983	3,408,457	3,515,438	3,623,854	3,723,500	3,829,032	3,918,394	3,969,000	4,095,029	4,150,929	4,206,067	4,260,368	4,313,756	4,366,151	4,366,151
Net movement in infrastructure assets	4,593,809	5,098,944	4,279,170	4,336,702	3,985,818	4,221,268	3,574,553	2,024,193	1,986,105	2,052,483	2,124,523	2,089,030	2,050,436	2,008,605	1,963,400	1,963,400
CAPITAL WORKS - PROPERTY, PLANT AND EQUIPMENT																
Buildings - non-specialised	100,000	100,000	0	100,000	100,000	100,000	65,328	786,289	574,662	677,179	693,231	704,474	897,113	882,040	916,355	916,355
Plant and equipment	660,100	702,344	573,713	564,048	669,228	690,886	559,871	696,317	1,164,876	801,333	877,130	911,498	862,948	1,001,091	981,583	981,583
Total capital works property, plant and equipment	760,100	802,344	573,713	664,048	769,228	790,886	625,199	1,482,606	1,739,538	1,478,512	1,570,361	1,615,972	1,760,061	1,883,131	1,897,938	1,897,938
Represented by:																
Additions - renewal	760,100	802,344	573,713	664,048	769,228	790,886	625,199	1,482,606	1,739,538	1,478,512	1,570,361	1,615,972	1,760,061	1,883,131	1,897,938	1,897,938
Total capital works property, plant and equipment	760,100	802,344	573,713	664,048	769,228	790,886	625,199	1,482,606	1,739,538	1,478,512	1,570,361	1,615,972	1,760,061	1,883,131	1,897,938	1,897,938
Asset movement reconciliation																
Total capital works property, plant and equipment	760,100	802,344	573,713	664,048	769,228	790,886	625,199	1,482,606	1,739,538	1,478,512	1,570,361	1,615,972	1,760,061	1,883,131	1,897,938	1,897,938
Depreciation property, plant and equipment	(1,266,973)	(1,303,084)	(1,334,685)	(1,349,333)	(1,377,556)	(1,414,311)	(1,450,997)	(1,513,538)	(1,569,456)	(1,630,971)	(1,694,453)	(1,759,857)	(1,833,704)	(1,908,637)	(1,986,673)	(1,986,673)
Net book value of disposed/written off assets	(408,462)	(396,611)	(313,912)	(347,149)	(302,650)	(302,099)	(240,709)	(297,899)	(469,572)	(112,008)	(160,731)	(168,784)	(120,619)	(204,174)	(181,761)	(181,761)
Revaluation of property, plant and equipment (inflation)	570,646	561,337	555,386	548,778	534,408	524,614	518,033	501,081	493,847	507,974	512,349	517,367	523,891	528,876	537,046	537,046
Net movement in property, plant and equipment	(344,689)	(336,014)	(519,498)	(483,656)	(376,570)	(400,910)	(548,474)	172,250	194,357	243,507	227,526	204,698	329,629	299,196	266,550	266,550
CAPITAL WORKS - TOTALS																
Capital works																
Total capital works infrastructure	3,693,260	4,191,808	3,345,724	3,400,459	3,043,775	3,287,427	2,638,465	1,085,275	1,085,275	1,047,775	1,047,775	1,047,775	1,047,775	1,047,775	1,047,775	1,047,775
Total capital works property, plant and equipment	760,100	802,344	573,713	664,048	769,228	790,886	625,199	1,482,606	1,739,538	1,478,512	1,570,361	1,615,972	1,760,061	1,883,131	1,897,938	1,897,938
Total capital works	4,453,360	4,994,152	3,919,437	4,064,507	3,813,003	4,078,313	3,263,664	2,567,881	2,824,813	2,526,287	2,618,136	2,663,747	2,807,836	2,930,906	2,945,713	2,945,713
Fixed asset movement																
Net movement in infrastructure assets	4,593,809	5,098,944	4,279,170	4,336,702	3,985,818	4,221,268	3,574,553	2,024,193	1,986,105	2,052,483	2,124,523	2,089,030	2,050,436	2,008,605	1,963,400	1,963,400
Net movement in property, plant and equipment	(344,689)	(336,014)	(519,498)	(483,656)	(376,570)	(400,910)	(548,474)	172,250	194,357	243,507	227,526	204,698	329,629	299,196	266,550	266,550
Net movement in fixed assets	4,249,120	4,762,930	3,759,672	3,853,046	3,609,248	3,820,358	3,026,079	2,196,443	2,180,462	2,295,990	2,352,049	2,293,728	2,380,065	2,307,801	2,229,950	2,229,950

Appendix A10 – Forecast Statement of Capital Funding 2022 – 2037

	2022-23	2023-24	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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Capital expenditure															
Infrastructure - roads	3,579,260	4,077,808	3,233,724	3,292,459	2,937,775	3,185,427	2,530,465	1,035,275	1,035,275	997,775	997,775	997,775	997,775	997,775	997,775
Infrastructure - Footpaths	64,000	64,000	64,000	64,000	64,000	64,000	64,000	0	0	0	0	0	0	0	0
Infrastructure - Other	50,000	50,000	48,000	44,000	42,000	38,000	44,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Buildings - non-specialised	100,000	100,000	0	100,000	100,000	100,000	65,328	786,289	574,662	677,179	693,231	704,474	897,113	882,040	916,355
Plant and equipment	660,100	702,344	573,713	564,048	669,228	690,886	559,871	696,317	1,164,876	801,333	877,130	911,498	862,948	1,001,091	981,583
Total - Capital expenditure	4,453,360	4,994,152	3,919,437	4,064,507	3,813,003	4,078,313	3,263,664	2,567,881	2,824,813	2,526,287	2,618,136	2,663,747	2,807,836	2,930,906	2,945,713
Funded by:															
Capital grants & contributions															
Infrastructure - roads	2,806,502	3,141,632	2,283,757	2,351,400	1,979,875	2,144,825	1,501,055	810,275	810,275	810,275	810,275	810,275	810,275	810,275	810,275
Infrastructure - Footpaths	32,000	32,000	32,000	32,000	32,000	32,000	32,000	0	0	0	0	0	0	0	0
Total - Capital grants & contributions	2,838,502	3,173,632	2,315,757	2,383,400	2,011,875	2,176,825	1,533,055	810,275	810,275	810,275	810,275	810,275	810,275	810,275	810,275
Own source funding															
Infrastructure - roads	772,758	936,176	949,967	941,059	957,900	1,040,602	1,029,410	225,000	225,000	187,500	187,500	187,500	187,500	187,500	187,500
Infrastructure - Footpaths	32,000	32,000	32,000	32,000	32,000	32,000	32,000	0	0	0	0	0	0	0	0
Infrastructure - Other	50,000	50,000	48,000	44,000	42,000	38,000	44,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Buildings - non-specialised	100,000	100,000	0	100,000	100,000	100,000	65,328	786,289	574,662	677,179	693,231	704,474	897,113	882,040	916,355
Plant and equipment	251,638	305,733	259,801	216,899	366,578	388,787	319,162	398,418	695,304	689,325	716,399	742,714	742,329	796,917	799,822
Total - Own source funding	1,206,396	1,423,909	1,289,768	1,333,958	1,498,478	1,599,389	1,489,900	1,459,707	1,544,966	1,604,004	1,647,130	1,684,688	1,876,942	1,916,457	1,953,677
Other (disposals & C/Fwd)															
Plant and equipment	408,462	396,611	313,912	347,149	302,650	302,099	240,709	297,899	469,572	112,008	160,731	168,784	120,619	204,174	181,761
Total - Other (disposals & C/Fwd)	408,462	396,611	313,912	347,149	302,650	302,099	240,709	297,899	469,572	112,008	160,731	168,784	120,619	204,174	181,761
Total Capital Funding	4,453,360	4,994,152	3,919,437	4,064,507	3,813,003	4,078,313	3,263,664	2,567,881	2,824,813	2,526,287	2,618,136	2,663,747	2,807,836	2,930,906	2,945,713
Unfunded - capital works															
Total - Unfunded - capital works	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Appendix A11 – Forecast Ratios 2022 – 2037

	Target Range		Average	2022-23	2023-24	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
Current ratio	> 1.00	> 1.20	0.77	0.73	0.73	0.73	0.73	0.73	0.73	0.73	0.73	0.73	0.73	0.73	0.86	0.87	0.88	0.88
Operating surplus ratio	> 1.00%	> 15.00%	(60.12%)	(59.81%)	(59.24%)	(60.18%)	(59.80%)	(59.68%)	(60.26%)	(59.61%)	(60.70%)	(60.41%)	(60.12%)	(58.69%)	(59.44%)	(60.35%)	(61.30%)	(62.27%)
Own source revenue coverage ratio	> 40.00%	> 60.00%	43.67%	43.63%	43.84%	43.60%	43.68%	43.70%	43.54%	43.71%	43.40%	43.45%	43.74%	44.04%	43.92%	43.77%	43.62%	43.46%
Debt service cover ratio	> 3	> 5	10.80	8.75	9.28	9.52	9.92	10.31	10.65	11.17	11.41	11.89	11.97	12.22	12.48	-	-	-
Asset sustainability ratio	> 90.00%	> 110.00%	68.90%	115.37%	116.20%	77.48%	90.94%	78.40%	68.91%	40.59%	57.15%	60.91%	53.51%	54.90%	54.09%	55.15%	55.70%	54.18%
Asset consumption ratio	> 50.00%	> 60.00%	79.04%	89.97%	88.34%	86.68%	85.04%	83.48%	81.96%	80.38%	78.76%	77.24%	75.79%	74.38%	72.98%	71.59%	70.21%	68.82%
Asset renewal funding ratio	> 75.00%	> 95.00%	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Appendix A12 – Forecast Significant Accounting Policies

Basis of Preparation

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

The Local Government Act 1995 and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The Local Government (Financial Management) Regulations 1996 specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Shire to measure any vested improvements at zero cost.

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

Judgements, estimates and assumptions

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

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

The Local Government Reporting Entity

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

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated.

All monies held in the trust fund are excluded from the forecast financial statements.

Base Year Balances

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

Rounding Off Figures

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

Comparative Figures

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

Forecast Fair Value Adjustments

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

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

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

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Appendix A12 – Forecast Significant Accounting Policies (Continued)

Goods and Services Tax (GST) (continued)

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

Superannuation

The Council contributes to a number of superannuation funds on behalf of employees. All funds to which the Council contributes are defined contribution plans.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks, other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Trade and Other Receivables

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Trade receivables are held with the objective to collect the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

The Shire applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

Inventories

General

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land held for resale

Land purchased for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

Land held for sale is classified as current except where it is held as non-current based on Council's intention to release for sale.

Fixed Assets

Each class of fixed assets within either property, plant and equipment or infrastructure, is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Revaluation

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

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

Asset Class	Effective average depreciation rate
Buildings	3.49%
Plant and equipment	6.80%
Furniture and equipment	13.58%
Infrastructure - roads	1.15%
Infrastructure - footpaths	3.78%
Infrastructure – drainage	3.03%
Infrastructure - parks and ovals	7.78%
Infrastructure - other	4.60%

Appendix A12 – Forecast Significant Accounting Policies (Continued)

Depreciation (continued)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and Losses on Disposal

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss in the period which they arise.

Employee Benefits

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

Short-Term Employee Benefits

Provision is made for the Shire's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other Long-Term Employee Benefits

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Shire's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Shire does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

Provisions

Provisions are recognised when the Shire has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Current and Non-Current Classification

An asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Shire's operational cycle. In the case of liabilities where the Shire does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the Shire's intentions to release for sale.

Other Matters

Preparation

This Plan was prepared for the 3BShire of Corrigin by Moore Australia (WA) Pty Ltd.

Reliance

This Plan has been prepared for the exclusive use of the 3BShire of Corrigin and for the purposes specified in our letter of engagement and is not to be used for any other purpose or distributed to any other party without Moore Australia WA's prior consent. This Plan is supplied in good faith and reflects the knowledge, expertise and experience of the engagement consultant and is based on the information and representations provided by the 3BShire of Corrigin. We accept no responsibility for any loss occasioned by any person acting or refraining from action as a result of reliance on the report, other than the 3BShire of Corrigin.

This Plan contains quantitative and qualitative statements, including projections, estimates, opinions and forecasts concerning the anticipated future performance of 3BShire of Corrigin and the environment in which it operates ('Forward Looking Statements').

None of these Forward Looking Statements are or will be representations as to future matters. The Forward Looking Statements are, and will be, based on a large number of assumptions and are, and will be, subject to significant uncertainties and contingencies, many, if not all, of which are outside the control of the 3BShire of Corrigin. Actual future events may vary significantly from the Forward Looking Statements. Recipients should make their own investigations and enquiries regarding assumptions, uncertainties and contingencies which may affect the 3BShire of Corrigin and the impact that a variation in future outcomes may have on the Plan and the 3BShire of Corrigin

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