Long Term Financial Plan 2024-33

Update for Information June 2023

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1. Introduction and District Profile

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

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

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

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

The District Council of Elliston covers an area of 669,300 hectares and is located on the western seaboard of South Australia on the Eyre Peninsula.

Within the district council area, the two largest townships are the communities of Elliston and Lock with the six smaller towns being Port Kenny, Venus Bay, Bramfield, Sheringa, Tooligie and Murdinga.

Council's office is located in Elliston. Elliston is a delightful seaside town of about 300 people and is located 169 km northwest of Port Lincoln and 641 km west of Adelaide on the Flinders Highway.

Set between rolling hills and sheep and wheat country and within some of the most interesting and dramatic coastline on the Eyre Peninsula, it is a pleasant place for fishing, swimming, surfing and walking along the rugged sandstone cliffs. The nearby boat ramp at Anxious Bay delivers crayfish and a large percentage of the abalone exported from the Eyre Peninsula.

Within close proximity to the Elliston town centre is a sealed all-weather registered aerodrome. The aerodrome is mainly used by the Royal Flying Doctor Service. An unsealed aircraft landing area is located near Lock. Both sites are open to private craft.

The economy of the district is based upon primary production and the fishing and tourism industries. Primary production consists of mainly cereal grain (wheat, barley and oats) and wool. The extensive coastline is a productive fishing ground, which is consequently experiencing increased patronage in recreational fishing, tourism and aquaculture.

Tourism and other economic development opportunities are underdeveloped and significant potential for growth exists across the district.

2. RELEVANT LEGISLATION

Local Government Act 1999

122—Strategic management plans

(1b) The financial projections in a long-term financial plan adopted by a council must be consistent with those in the infrastructure and asset management plan adopted by the council.

(4) A council may review its strategic management plans under this section at any time but must—

(a) undertake a review of—

(i) its long-term financial plan on an annual basis

(4a) A council must, for the purposes of a review under subsection (4), take into account—

(a) in relation to a review under subsection (4)(a)(i)—a report from the chief executive officer on the sustainability of the council's long-term financial performance and position taking into account the provisions of the council's annual business plan and strategic management plans

Local Government (Financial Management) Regulations 2011

5—Long-term financial plans

(1) A long-term financial plan developed and adopted for the purposes of section 122(1a)(a) of the Act must include—

(b) a summary of proposed operating and capital investment activities presented in a manner consistent with the note in the Model Financial Statements entitled Uniform Presentation of Finances; and

(c) estimates and target ranges adopted by the council for each year of the long-term financial plan with respect to an operating surplus ratio, a net financial liabilities ratio and an asset sustainability ratio presented in a manner consistent with the note in the Model Financial Statements entitled Financial Indicators.

(2) A long-term financial plan must be accompanied by a statement which sets out—

(a) the purpose of the long-term financial plan; and

(b) the basis, including key assumptions, on which it has been prepared; and

(c) the key conclusions which may be drawn from the estimates, proposals and other information in the plan.

(3) A statement under sub-regulation (2) must be expressed in plain English and must avoid unnecessary technicality and excessive detail.

The information that follows satisfies the above regulations.

Year 0 of the LTFP is based on the adopted 2022-23 Budget Review #3.

3. Strategic Direction

Our Vision for the community

A viable, cohesive and dynamic community, which supports expanding economic opportunities in a sustainable manner without compromising the natural assets or quality of lifestyle of the community.

Our Mission

As a legislated business, the District Council of Elliston aims to provide leadership, representation, advocacy and prudent management for its communities and visitors, and to work with them to identify asset needs and improve services.

As a Council, we are committed to achieving financial sustainability.

We recognise the benefits and advantages of working with the regional stakeholders and our neighbouring Councils.

Our Core Values

The Elected Members and staff of the District Council of Elliston are guided by the following day-to-day principles to create a positive and dynamic organisational culture:

- Good governance
- Ethical behaviour
- Community focus
- Integrity
- Team Focus
- Openness and Accountability
- Responsibility
- Cohesiveness
- Positive Leadership
- Prudent financial management.

Our Key Strategic Objectives

- Provide transparent, strong and accountable leadership
- Promote wellbeing and happiness of the community
- Develop and maintain infrastructure services
- Protect and enhance our environment and natural resources
- Support economic development and tourism

4. Financial Strategy

The LTFP is based on Councils current operating service levels as well as projected capital renewal expenditure obtained from Council's asset management plan. Roads and plant & equipment account for approximately 80% of Councils total renewal expenditure over time.

- Council is intending to increase rates by 2% (plus cpi) for the year ending 30 June 2025. An increase of this size will ensure that Council achieves an operating surplus throughout the life of the plan.
- Council will continue to review service delivery to the community to identify any further opportunities to reduce operating costs due to increased operating efficiencies. This will be an ongoing objective for management to ensure the maximum benefit to the community per dollar of rates.
- Council will not undertake any construction of upgraded or new assets over the next 10 years unless additional revenue is identified that will fund such upgrades. By committing to this strategy Council will be able to allocate resources to replacing existing assets in a timely manner as well as minimising any increases in operating costs associated with additional assets. Should an upgrade program be agreed to, then a complete rework of the Long Term Financial Plan will be required to confirm Council will remain in a financially sustainable position after the completion of these works.
- Grant revenue will be targeted in a strategic manner. This means that grant revenue to build new assets would only be pursued and accepted if the new assets were deemed to have strategic significance, particularly if additional funding was to be contributed by Council. Where an operating grant is sought and additional Council funds are required to be contributed, then careful consideration will be given to long-run benefits and costs. This will ensure activities that may better fit Council's strategic objectives are not being delayed in lieu of the activity being funded by the grant.
- The Long Term Financial Plan will be revised as part of the Annual Business Planning process each year.

5. Key assumptions

The following assumptions have been built into the forecast calculations:

- The content of the LTFP is based on real (2023-24) dollar values for all future years to facilitate comparisons between years.
- Forecast debt and cash reserves in future years have been discounted by 7% p.a. in the 2023-24 year, 3.5% p.a. for the next two years after that and by 2% for the remaining years in the plan in recognition of the fact that inflation reduces the real value of financial assets and liabilities over time.
- Commonwealth Financial Assistance Grant (FAGs) revenue is not expected to vary over the planning period. Timing of receipt of FAGs revenue has been assumed to be quarterly four times each year. Capital and maintenance expenditure on road renewal and plant & equipment matches expenditure requirements from the 10 year renewal programs.
- The supplementary local road funding of $205k per annum is assuming to be continued throughout the life of the plan.
- Capital expenditure renewal levels have been set to ensure assets are renewed in a timely manner that is consistent with Council's most recent asset management data.
- Commonwealth Roads to Recovery funding is maintained at current levels throughout the planning period.
- Investment income has been calculated at 3.5% p.a. in the 2023-24 year, 2.5% p.a. for the next years after that and by 1% for the remaining years in the plan on the previous year's closing cash balance.
- Interest expense has been assumed to be 5% in year 2, 4% in year 3, 3% in year 4 and 2% each year after that.

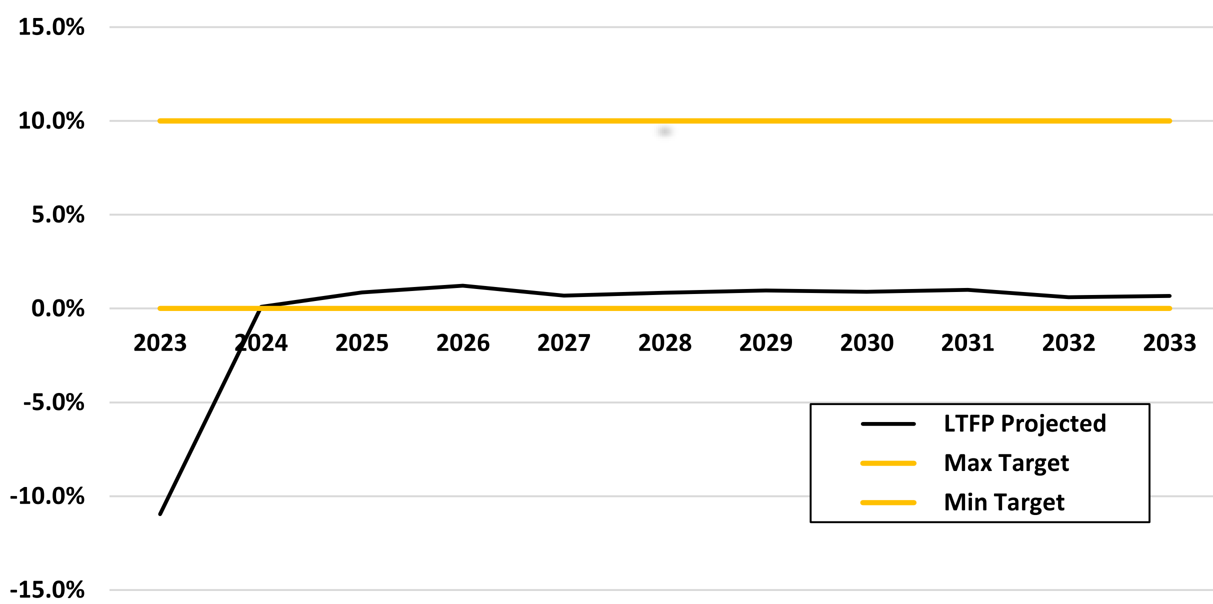
6. Long-term Financial Sustainability - Key Financial Indicators

Indicator 1 - Operating Surplus Ratio (OSR)

The operating surplus ratio expresses the operating surplus (deficit) as a percentage of operating income.

Calculated as: (Operating revenue minus operating expense) divided by operating revenue.

The OSR is used to confirm that Council can cover its operating expenditure and depreciation charge from its operating revenue. A negative result indicates that Council is not doing so.



The above graph is based on the following table of data:

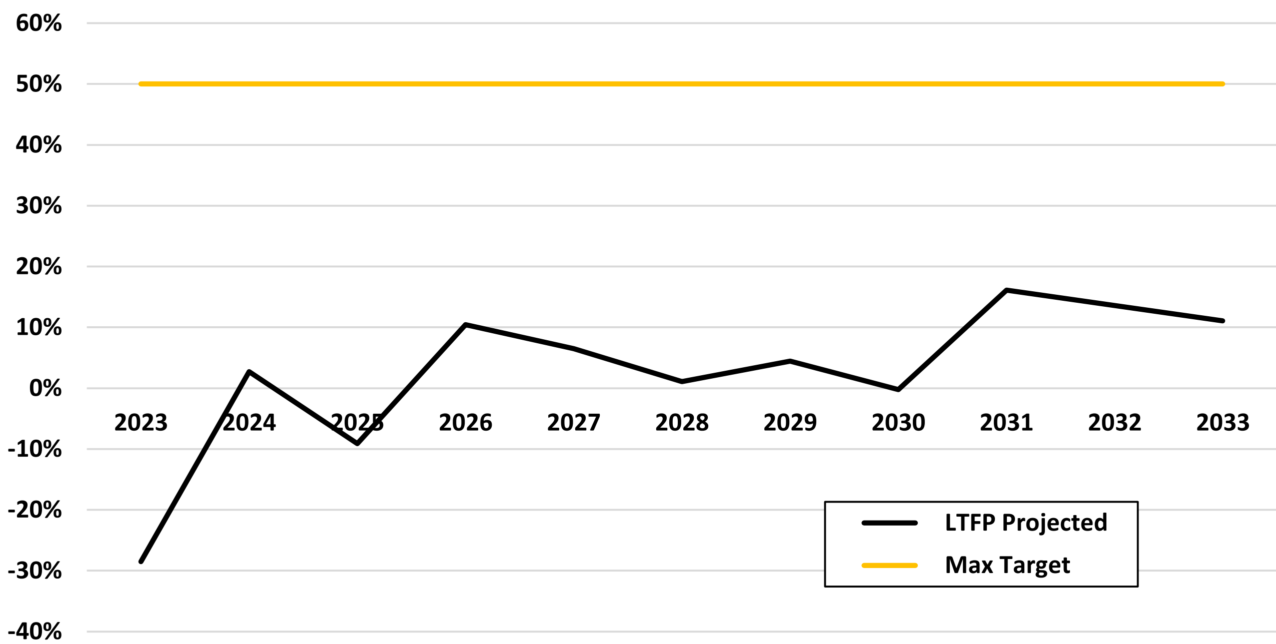
Year Ending 30 June:	2023 Year 0 $,000	2024 Year 1 $,000	2025 Year 2 $,000	2026 Year 3 $,000	2027 Year 4 $,000	2028 Year 5 $,000	2029 Year 6 $,000	2030 Year 7 $,000	2031 Year 8 $,000	2032 Year 9 $,000
Operating Surplus Ratio										
Operating Surplus	(535)	5	46	66	37	45	52	48	54	32
Total Operating Revenue	4,884	5,379	5,381	5,392	5,381	5,381	5,381	5,381	5,381	5,381
	-11.0%	**0.1%**	**0.9%**	**1.2%**	**0.7%**	**0.8%**	**1.0%**	**0.9%**	**1.0%**	**0.6%**

Council has agreed to set the OSR target range to be between minimum results of 0% to a maximum result of 10%. A result of 1% is the equivalent to an operating surplus of approximately $50k per annum, which provides a reasonable buffer for any unforeseen operating expenses that may eventuate that are out of Councils control.

The above graph demonstrates that the financial strategy outlined in section 3 will allow Council to operate in a financially sustainable manner throughout the life of the plan.

Indicator 2 - Net Financial Liabilities Ratio (NFLR)

Net financial liabilities are a comprehensive measure of the indebtedness of the Council as it includes items such as employee long-service leave entitlements and other amounts payable as well as taking account of the level of Council's available cash and investments. Specifically, Net Financial Liabilities equals total liabilities minus financial assets, where financial assets for this purpose includes cash, cash equivalents, trade and other receivables, and other financial assets, but excludes equity held in Council businesses, inventories and land held for resale.



The above graph is based on the following table of data:

Year Ending 30 June:	2023 Year 0 $,000	2024 Year 1 $,000	2025 Year 2 $,000	2026 Year 3 $,000	2027 Year 4 $,000	2028 Year 5 $,000	2029 Year 6 $,000	2030 Year 7 $,000	2031 Year 8 $,000	2032 Year 9 $,000	2033 Year 10 $,000
Net Financial Liabilities Ratio											
Net Financial Liabilities	(1,393)	145	(490)	562	350	59	240	(13)	868	732	596
Total Operating revenue	4,884	5,379	5,381	5,392	5,381	5,381	5,381	5,381	5,381	5,381	5,381
	-29%	3%	-9%	10%	6%	1%	4%	0%	16%	14%	11%

The NFLR answers the question - Does Council have a manageable level of debt and other liabilities when considering its available revenue and other cash reserves?

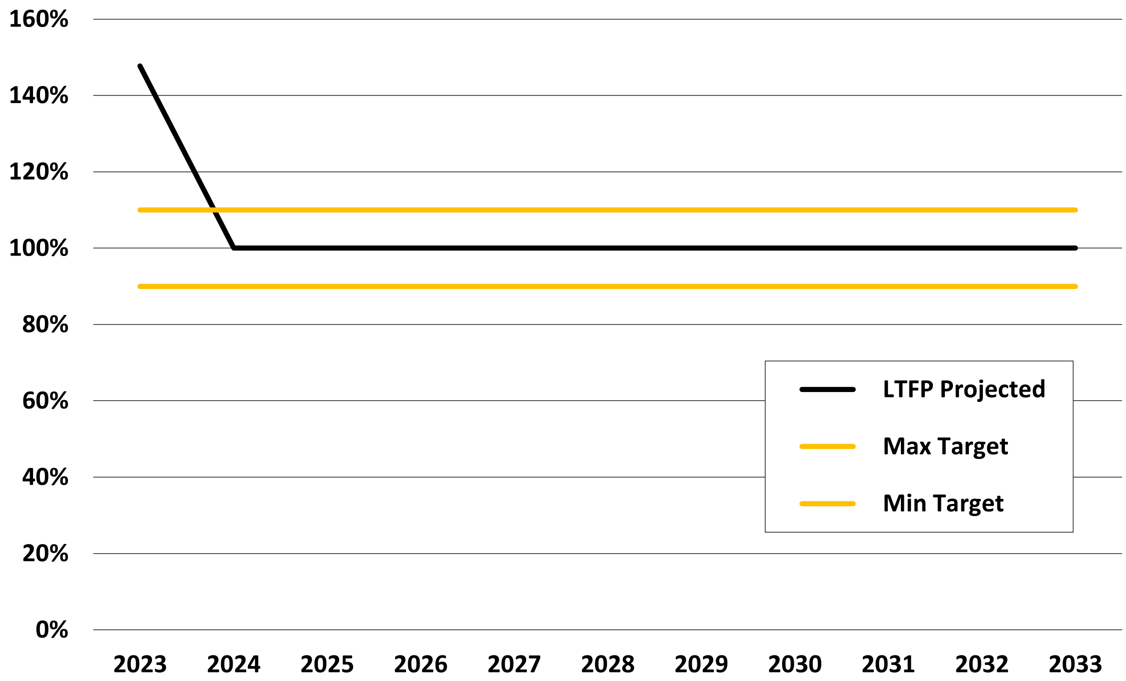
The District Council of Elliston is in a net financial assets situation in years 0 & 2 of the plan, accordingly the net financial liabilities ratio is showing a negative amount for those years.

The NFLR ratio peaks in Years 3 & 8 due to spikes in asset renewals identified in Council's asset renewal program. $3M is forecast to be spent on the renewal of the Locks Well Staircase in year 3. $2M has been included to reseal the Mt Wedge / Kyancutta Road in year 8. Notional grant funding has been included in the plan to offset these large capital costs. The net cost to Council of the projects is included in this plan. Were these notional grants not to eventuate then the NFLR would be much larger than currently forecast in those years.

Indicator 3 - Asset Renewal Funding Ratio

This ratio indicates the extent to which existing non-financial assets are being renewed and replaced, compared with what is needed to cost-effectively maintain service levels. It is calculated by measuring capital expenditure on renewal or replacement of assets, relative to the optimal level of such expenditure determined by Councils asset management data.

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



The asset renewal that underpins the data informing the above graph are included on page 12 of this plan.

Council has set a target range of between 90% to 110% for this indicator. The forecast result of 100% indicates that Council is maintaining its assets at the same rate that they are wearing out.

It is important to understand the difference between new/upgraded assets and renewal/ replacement assets. Only expenditure on renewal/replacement is included in the calculation of the asset renewal funding ratio. Minimal capital expenditure has been included in this plan to fund the construction of new assets. Refer to the glossary for a full definition of new/upgraded assets and renewal/replacement assets.

Summary of Council's Long-term Sustainability based on LTFP forecasts

The above key financial indicators point to Council operating in a sustainable manner over the life of the plan.

The Operating Surplus Ratio demonstrates that Council is covering its operating expenses including depreciation over the life of the plan.

The plan funds capital renewal requirements as calculated based on Councils existing asset data. The Asset Renewal Funding Ratio demonstrates that Council is replacing its infrastructure in a timely manner.

The Net Financial Liabilities Ratio remains well below the ceiling level set by Council of 50% of operating revenue, hence it can be determined that the forecast level of debt is manageable.

It is intended to update the long-term financial plan annually as part of the annual business planning process.

Chief executive officer report on the sustainability of the Council's Long Term Financial performance and position

The analysis undertaken above demonstrates that the Council is forecasting to operate within the target ranges set for the three Key Financial Indicators used by the sector to assess financial sustainability throughout the life of the plan. Accordingly, it can be seen that Council is operating in a financially sustainable manner.

The Council is committed to ensuring the Long Term Financial Plan is continually updated when necessary to ensure that it will always have appropriate strategies in place to ensure it is operating in a financially sustainable manner.

Year 0 of the plan represents the 2022-23 Budget Review #3.

The 2023-24 Annual Business Plan and 2024-33 Long Term Financial Plan are consistent with the strategic goals and principal activities of Councils Strategic Management Plan.

7. Statement of Uniform Presentation of Finances

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

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

The Statement of Uniform Presentation of Finances highlights the operating surplus / (deficit) measure which is considered the most critical indicator of a Council's financial performance.

The last line or rather the result of this report is the movement in Net Financial Liabilities (Net Lending / Borrowing) for the year based on Council's planned capital and operating budgets for that year.

Achieving a zero result on the net lending / (borrowing) measure in any one year essentially means that the Council has met all of its expenditure (both operating and capital) from the current year's income (with income including amounts received specifically for new / upgraded assets).

New / Upgraded vs Renewal / Replacement of Assets
A clear understanding of the difference between expenditure incurred to renew or replace existing assets and expenditure incurred to create new or upgraded assets is essential in order to understand the strategic relevance of the Statement of Uniform Presentation of Finances.

A **new asset** is additional to Council's previous asset complement.

E.g. Roads constructed as part of a Council owned subdivision are new assets. Similarly laying footpaths in areas where they did not previously exist are also new assets.

An **upgraded asset** replaces a previously existing asset with enhanced capability or functionality.

Renewal or replacement of an asset occurs where a previously existing asset is replaced without enhancement of the service capability except where this is incidental and unavoidable.

It is possible for capital expenditure to be a *combination of renewal as well as upgrade*. This is particularly prevalent in this Council region due to the increased volume of B-double traffic experienced in recent times. This has required existing roads to be rebuilt to higher standards.

E.g. the replacement of a road that was initially a 6 metre wide sheeted surface with an 8 metre width sheeted surface can be considered part replacement and part upgrade.

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

Capital Expenditure funded by LTFP as identified in the Asset Management Plan

Ten Year Capital Renewal Programs	2023-24 $'000	2024-25 $'000	2025-26 $'000	2026-27 $'000	2027-28 $'000	2028-29 $'000	2029-30 $'000	2030-31 $'000	2031-32 $'000	2032-33 $'000
Sealed Roads	105	0	135	0	0	0	910	1,077	0	0
Unsealed Roads	699	383	758	486	458	981	391	650	650	650
Footpaths, Kerb & Guttering	100	15	15	15	15	15	15	15	15	15
Plant & Equipment	200	295	465	415	510	460	365	615	370	370
Other Assets & CWMS	100	100	100	100	100	100	100	100	100	100
Buildings & Structures	322	0	3,000	200	50	50	40	500	150	150
	1,526	**793**	**4,473**	**1,216**	**1,133**	**1,606**	**1,820**	**2,957**	**1,285**	**1,285**

The above renewals are based on asset data that will be used to update Councils Asset Management Plan in 2023-24.

Readers should refer to the fourth row of the UPF report that follows to see that these amounts have been funded by this Long Term Financial Plan.

New assets are also funded by this LTFP, refer to the relevant section of the UPF and earlier commentary in relation to these projects.

Statement of Uniform Presentation of Finances

Year Ending 30 June:	2023 Year 0 Actual $'000	2024 Year 1 BR#1 $'000	2025 Year 2 Plan $'000	2026 Year 3 Plan $'000	2027 Year 4 Plan $'000	2028 Year 5 Plan $'000	2029 Year 6 Plan $'000	2030 Year 7 Plan $'000	2031 Year 8 Plan $'000	2032 Year 9 Plan $'000	2033 Year 10 Plan $'000
Section 1:											
Operating Revenues	4,884	5,379	5,381	5,392	5,381	5,381	5,381	5,381	5,381	5,381	5,381
less Operating Expenses	5,419	5,374	5,335	5,327	5,344	5,336	5,329	5,333	5,327	5,349	5,345
Operating Surplus/(Deficit) before Capital Amounts	**(535)**	**5**	**46**	**66**	**37**	**45**	**52**	**48**	**54**	**32**	**36**
Section 2:											
LESS: Net Outlays on Existing Assets											
Capital Expenditure on Renewal or Replacement of Existing Assets	1,495	1,526	793	1,473	1,216	1,133	1,606	1,820	2,957	1,285	1,285
less Depreciation, Amortisation & Impairment	(1,185)	(1,168)	(1,371)	(1,371)	(1,371)	(1,371)	(1,371)	(1,371)	(1,371)	(1,371)	(1,371)
less Proceeds from Sale of Replaced Assets	(50)	(60)	0	0	0	0	0	0	0	0	0
Net Outlays on Existing Assets	**260**	**298**	**(578)**	**101**	**(155)**	**(238)**	**235**	**449**	**1,586**	**(86)**	**(86)**
Section 3:											
LESS: Net Outlays on New or Upgraded Assets											
Capital Expenditure on New/Upgraded Assets	468	2,031	0	3,000	0	0	0	0	0	0	0
less Amounts Specifically for New/Upgraded Assets	(2,275)	(785)	0	(2,000)	0	0	0	(650)	(650)	0	0
less Proceeds from Sale of Surplus Assets	0	0	0	0	0	0	0	0	0	0	0
Net Outlays on New or Upgraded Assets	**(1,807)**	**1,246**	**0**	**1,000**	**0**	**0**	**0**	**(650)**	**(650)**	**0**	**0**
Section 4:											
EQUALS: Net Lending / (Borrowing) for Financial Year	**1,012**	**(1,538)**	**625**	**(1,036)**	**192**	**283**	**(182)**	**249**	**(882)**	**119**	**122**

Conclusion from Section 4 results

The ‘Net Lending / (Borrowings) for the Financial Year’, represents the movement in Councils’ net financial liabilities from one year to the next.

If the result for any given year is in brackets, then this identifies the amount of cash that is required to fund the capital and operating expenditure budgets after considering all available cash inflows for the year. Such a result would lead to a reduction in cash at bank.

Alternatively, any amounts that are not in brackets identify the amount of money that is surplus to Councils needs for the year as the forecast cash inflows would be greater than the forecast operating and capital expenditure requirements. Such a result would lead to an increase in cash at bank.

The above report shows depending on the cash requirements of each year, some years will lead to an increase in cash reserves whilst other years will lead to a decrease in cash reserves. The main item that influences Council’s cash movement for any given year from the report above is the level of capital expenditure forecast to be incurred as identified in Councils asset management plans.

Explanation / Examples of Components of Summary of Financial Position

Operating Revenue and Expenditure: Represent the totals from the relevant lines of the Statement of Comprehensive Income (operating statement) for the year being reported on.

Capital Expenditure on renewal and replacement of Existing Assets: e.g. Roads reseals, replacement tractor, building renovations, replacement computer hardware.

Proceeds from sale of replaced assets: e.g. trade in value of a tractor or motor vehicle being replaced.

Capital Expenditure on New & Upgraded Assets: e.g. constructing a new building, constructing a new catchment pond, purchasing a piece of machinery that was not previously on hand.

Amounts specifically for new or upgraded Assets: e.g. Capital grants to partly fund a new CWMS, funds received to build new footpaths that did not previously exist.

Proceeds from Sale of Surplus Assets: Proceeds from the sale of a council building that was no longer required, sale of surplus land.

STATEMENT OF COMPREHENSIVE INCOME	2023 Year 0 $,000	2024 Year 1 $,000	2025 Year 2 $,000	2026 Year 3 $,000	2027 Year 4 $,000	2028 Year 5 $,000	2029 Year 6 $,000	2030 Year 7 $,000	2031 Year 8 $,000	2032 Year 9 $,000	2033 Year 10 $,000
Income											
Rates	2,835	3,102	3,164	3,164	3,164	3,164	3,164	3,164	3,164	3,164	3,164
Statutory charges	49	34	34	34	34	34	34	34	34	34	34
User charges	180	200	200	200	200	200	200	200	200	200	200
Grants, subsidies and contributions	1,735	1,983	1,948	1,948	1,948	1,948	1,948	1,948	1,948	1,948	1,948
Investment income	30	25	(0)	11	0	0	0	0	0	0	0
Reimbursements	40	24	24	24	24	24	24	24	24	24	24
Other income	16	12	12	12	12	12	12	12	12	12	12
Total Operating Revenue	**4,884**	**5,379**	**5,381**	**5,392**	**5,381**	**5,381**	**5,381**	**5,381**	**5,381**	**5,381**	**5,381**
Expenses											
Employee Costs	1,552	1,703	1,703	1,703	1,703	1,703	1,703	1,703	1,703	1,703	1,703
Material, Contractors & Other	2,683	2,502	2,252	2,252	2,252	2,252	2,252	2,252	2,252	2,252	2,252
Depreciation, Amortisation & Impairment	1,185	1,168	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371	1,371
Finance Charges	0	0	8	0	17	9	2	6	0	22	18
Total Operating Expenses	**5,419**	**5,374**	**5,335**	**5,327**	**5,344**	**5,336**	**5,329**	**5,333**	**5,327**	**5,349**	**5,345**
Operating Surplus / (Deficit)	**(535)**	**5**	**46**	**66**	**37**	**45**	**52**	**48**	**54**	**32**	**36**
Amounts Specifically for New or Upgraded Assets	2,275	785	0	2,000	0	0	0	650	650	0	0
Total Comprehensive Income	**1,740**	**790**	**46**	**2,066**	**37**	**45**	**52**	**698**	**704**	**32**	**36**

STATEMENT OF FINANCIAL POSITION	2023 Year 0 $,000	2024 Year 1 $,000	2025 Year 2 $,000	2026 Year 3 $,000	2027 Year 4 $,000	2028 Year 5 $,000	2029 Year 6 $,000	2030 Year 7 $,000	2031 Year 8 $,000	2032 Year 9 $,000	2033 Year 10 $,000
Assets											
Current Assets											
Cash and Cash Equivalents	1,374	0	472	0	0	0	0	0	0	0	0
Trade & Other Receivables	495	495	495	495	495	495	495	495	495	495	495
Inventories	14	14	14	14	14	14	14	14	14	14	14
Total Current Assets	**1,883**	**509**	**981**	**509**	**509**	**509**	**509**	**509**	**509**	**509**	**509**
Non Current Assets											
Infrastructure, Property, Plant & Equipment	43,089	45,418	44,839	47,941	47,786	47,548	47,782	48,232	49,817	49,731	49,645
Total Non-current Assets	**43,089**	**45,418**	**44,839**	**47,941**	**47,786**	**47,548**	**47,782**	**48,232**	**49,817**	**49,731**	**49,645**
Total Assets	**44,973**	**45,927**	**45,820**	**48,450**	**48,295**	**48,057**	**48,291**	**48,741**	**50,326**	**50,240**	**50,154**
Liabilities											
Current Liabilities											
Trade & Other Payables	242	242	242	242	242	242	242	242	242	242	242
Borrowings	0	0	0	0	0	0	0	0	0	0	0
Provisions	202	202	202	202	202	202	202	202	202	202	202
Total Current Liabilities	**444**	**444**	**444**	**444**	**444**	**444**	**444**	**444**	**444**	**444**	**444**
Non-current Liabilities											
Trade & Other Payables	0	0	0	0	0	0	0	0	0	0	0
Borrowings	0	163	0	580	368	78	259	5	886	750	614
Provisions	33	33	33	33	33	33	33	33	33	33	33
Total Non-Current Liabilities	**33**	**197**	**33**	**613**	**401**	**111**	**292**	**38**	**919**	**783**	**647**
Total Liabilities	**477**	**640**	**477**	**1,057**	**845**	**555**	**736**	**482**	**1,363**	**1,227**	**1,091**
Net Assets	**44,496**	**45,286**	**45,343**	**47,393**	**47,450**	**47,502**	**47,556**	**48,259**	**48,963**	**49,012**	**49,063**
Equity											
Accumulated Surplus	12,682	13,473	13,519	15,585	15,622	15,667	15,719	16,417	17,121	17,153	17,189
Asset Revaluation Reserves	31,386	31,386	31,386	31,386	31,386	31,386	31,386	31,386	31,386	31,386	31,386
Other Reserves	427	427	427	427	427	427	427	427	427	427	427
Adjustment to Cash & Borrowings for effects of inflation	0	0	11	(5)	14	22	23	28	28	46	60
Total Equity	**44,496**	**45,286**	**45,343**	**47,393**	**47,450**	**47,502**	**47,556**	**48,259**	**48,963**	**49,012**	**49,063**

STATEMENT OF CHANGES IN EQUITY	2023 Year 0 $,000	2024 Year 1 $,000	2025 Year 2 $,000	2026 Year 3 $,000	2027 Year 4 $,000	2028 Year 5 $,000	2029 Year 6 $,000	2030 Year 7 $,000	2031 Year 8 $,000	2032 Year 9 $,000	2033 Year 10 $,000
Accumulated Surplus											
Balance at end of previous reporting period	10,942	12,682	13,473	13,519	15,585	15,622	15,667	15,719	16,417	17,121	17,153
Net Result for Year	1,740	790	46	2,066	37	45	52	698	704	32	36
Balance at end of period	**12,682**	**13,473**	**13,519**	**15,585**	**15,622**	**15,667**	**15,719**	**16,417**	**17,121**	**17,153**	**17,189**
Asset Revaluation Reserve											
Balance at end of previous reporting period	31,386	31,386	31,386	31,386	31,386	31,386	31,386	31,386	31,386	31,386	31,386
Balance at end of period	**31,386**	**31,386**	**31,386**	**31,386**	**31,386**	**31,386**	**31,386**	**31,386**	**31,386**	**31,386**	**31,386**
Other Reserves											
Balance at end of previous reporting period	427	427	427	427	427	427	427	427	427	427	427
Balance at end of period	**427**	**427**	**427**	**427**	**427**	**427**	**427**	**427**	**427**	**427**	**427**
Adjustment to Cash & Borrowings for effects of inflation	0	0	11	(5)	14	22	23	28	28	46	60
Total Equity at End of Reporting Period	**44,496**	**45,286**	**45,343**	**47,393**	**47,450**	**47,502**	**47,556**	**48,259**	**48,963**	**49,012**	**49,063**

STATEMENT OF CASH FLOWS	2023 Year 0 $,000	2024 Year 1 $,000	2025 Year 2 $,000	2026 Year 3 $,000	2027 Year 4 $,000	2028 Year 5 $,000	2029 Year 6 $,000	2030 Year 7 $,000	2031 Year 8 $,000	2032 Year 9 $,000	2033 Year 10 $,000
Cash Flow from Operating Activities											
Receipts											
Operating Receipts	4,853	5,354	5,381	5,381	5,381	5,381	5,381	5,381	5,381	5,381	5,381
Investment Receipts	30	25	(0)	11	0	0	0	0	0	0	0
Payments											
Operating Payments to Suppliers & Employees	4,235	4,206	3,945	3,972	3,936	3,949	3,954	3,951	3,956	3,938	3,941
Finance Payments	0	0	8	0	17	9	2	6	0	22	18
Net Cash provided by (or used in) Operating Activities	**649**	**1,173**	**1,428**	**1,421**	**1,428**	**1,424**	**1,425**	**1,424**	**1,425**	**1,421**	**1,422**
Cash Flow from Investing Activities											
Receipts											
Grants specifically for new or upgraded assets	999	785	0	2,000	0	0	0	650	650	0	0
Sale of replaced Assets	50	60	0	0	0	0	0	0	0	0	0
Payments											
Expenditure on renewal/replaced assets	1,495	1,526	793	1,473	1,216	1,133	1,606	1,820	2,957	1,285	1,285
Expenditure on new/upgraded assets	468	2,031	0	3,000	0	0	0	0	0	0	0
Net cash provided by (used in) Investing Activities	**(914)**	**(2,712)**	**(793)**	**(2,473)**	**(1,216)**	**(1,133)**	**(1,606)**	**(1,170)**	**(2,307)**	**(1,285)**	**(1,285)**
Cash Flows from Financing Activities											
Receipts											
Proceeds from Borrowings	0	163	0	580	0	0	181	0	881	0	0
Payments											
Repayment of Borrowings	0	0	163	0	212	290	0	254	0	136	137
Net Cash Provided by (used in) Financing Activities	**0**	**163**	**(163)**	**580**	**(212)**	**(290)**	**181**	**(254)**	**881**	**(136)**	**(137)**
Net Increase / (Decrease) in Cash	**(265)**	**(1,375)**	**472**	**(472)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Cash and Cash Equivalents at start of reporting period	1,639	1,374	0	472	0	0	0	0	0	0	0
Cash & Cash Equivalents at the end of the reporting period	**1,374**	**0**	**472**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Reference Material

IPWEA Practice Note 6 – Long-term Financial Planning.

LGA Information Paper 9 – Local Government Financial Indicators

LGA Information Paper 12 – Targets for Local Government Financial Indicators

South Australian Local Government Model Financial Statements