

**District Council of Elliston**  
**Long Term Financial Plan 2019 to 2028**



**Long Term Financial Plan**  
**2019 to 2028**

**Adopted 16 October 2018**

**District Council of Elliston**  
**Long Term Financial Plan 2019 to 2028**  
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# **District Council of Elliston**

## **Long Term Financial Plan 2019 to 2028**

### **1. Introduction**

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.

### **2. 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.

# **District Council of Elliston**

## **Long Term Financial Plan 2019 to 2028**

### **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**

#### *1. Economy*

To actively encourage, support and promote opportunities to increase the prosperity and sustainable growth of the community

#### *2. Infrastructure*

To effectively and efficiently manage and improve our community infrastructure.

#### *3. Environment*

To promote the enjoyment of our natural resources in a prudent and environmentally sustainable manner and ensure that our built environment effectively provides for the long term needs of our communities.

#### *4. Community Services*

To deliver a high standard of essential community services and show leadership in developing positive community spirit.

#### *5. Leadership and Governance*

To provide progressive leadership and good governance which encourages confidence of the community in the Council, and conduct our business in a financially responsible manner.

## **District Council of Elliston**

### **Long Term Financial Plan 2019 to 2028**

#### **3. Financial Strategy**

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

- At this stage Council is intending to increase rates by 3% (plus cpi) per annum for the years ending 30 June 2020 & 2021. An increase of this size will ensure that Council moves from its current underlying operating breakeven position to an operating surplus ratio result of 3% By the year ending 30 June 2021 onwards. The target level of 3% is seen to be reasonable as it will allow an operating buffer of approximately \$130k per annum to cover any unforeseen circumstances.
- At the time of updating this plan legislation was being considered in parliament to implement a rate capping mechanism that would require Council to apply to ESCOSA for the rate increases referred to directly above. As this financial strategy has been in place for a number of years the expectation is that approval would be given to allow the above CPI increases.
- Community Wastewater Management Schemes (CWMS) service charges are set at an appropriate level to ensure whole of life costs are recovered.
- Waste management user charges are set at an appropriate level to ensure the full cost of providing these services is recovered from those who benefit from the service.
- Council will continue to review service delivery to the community to identify any further opportunities to reduce operating costs due to increased operating efficiencies. This will be an ongoing objective for management to ensure the maximum benefit to the community per dollar of rates. Target reductions of \$12k per annum in operating materials, contractors and other expenditure have been built into each of the forecasts for the year ending 30 June 2019, 2020 & 2021. Considerable reductions in total operating expenditure have been achieved since the \$4.6M incurred in the 2016-17 financial year with the current target level of operating expenditure now being \$4.1M per annum representing a \$500k improvement across 3 years.
- 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.

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**Long Term Financial Plan 2019 to 2028**

**4. Key assumptions**

The following assumptions have been built into the forecast calculations:

- The content of the LTFP is based on real (2018-19) dollar values for all future years to facilitate comparisons between years;
- Forecast debt and cash reserves in future years have been discounted by 2% p.a. in recognition of the fact that inflation reduces the real value of financial assets and liabilities;
- 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;
- Capital expenditure renewal levels have been set to ensure assets are renewed in a timely manner that is consistent with Councils asset management plan;
- Commonwealth Roads to Recovery funding is maintained at current levels throughout the planning period.
- Investment income has been calculated at a conservative 2% p.a. on the previous year's closing cash balance.

# District Council of Elliston

## Long Term Financial Plan 2019 to 2028

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

#### Indicator 1A - Operating Surplus Ratio (OSR) – Adjusted to reveal the underlying deficit

The operating surplus ratio expresses the operating surplus (deficit) as a percentage of general and other rates.

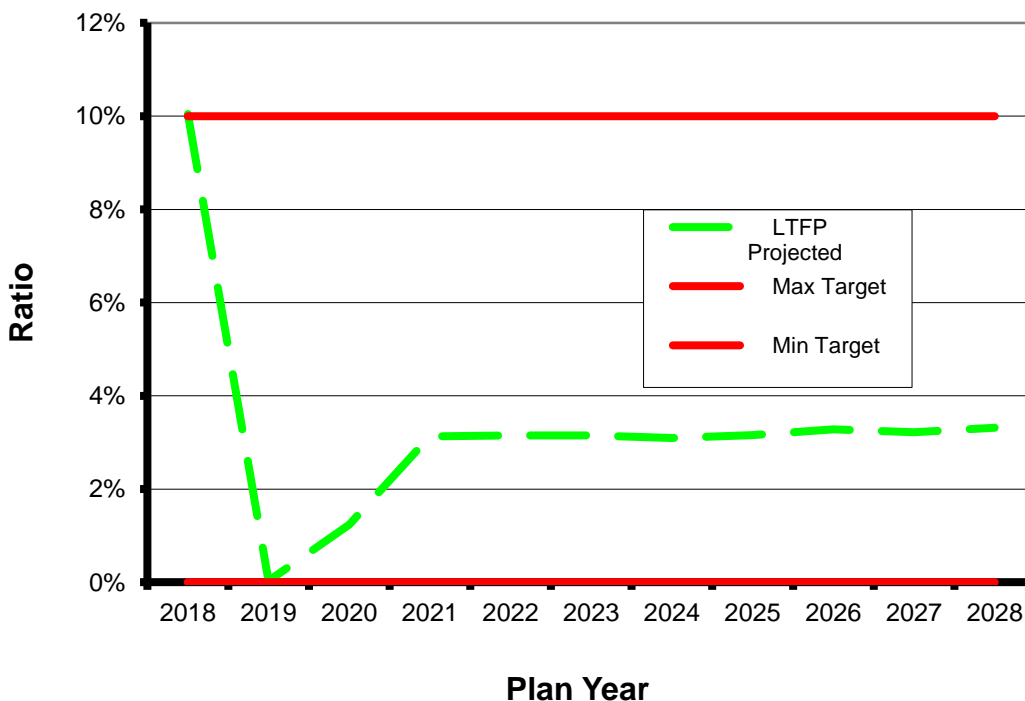
Calculated as: (Operating revenue minus operating expense) divided by operating revenue.

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.

Indicator 1A is a recalculation of the actual OSR (Indicator 1B below) included in this plan to remove the impact of the additional special local roads grant funding that is included in the forecasts for the year ending 30 June 2019.

When this amount is removed from the operating statement it can be seen that this revenue is masking a break even result (compare shaded cells in table 1 & table 2 below) which means in reality Council are not operating with an operating surplus ratio of 10% but rather one of 0%.

Accordingly the increase in rates and reduction in operating expenses as identified in section '3. Financial Strategy' earlier in this document is required to return Council to a position where is earning a target operating surplus result of 3% by the year ending 30 June 2021 at which time it is intended to limit rate rises to CPI only.



# District Council of Elliston

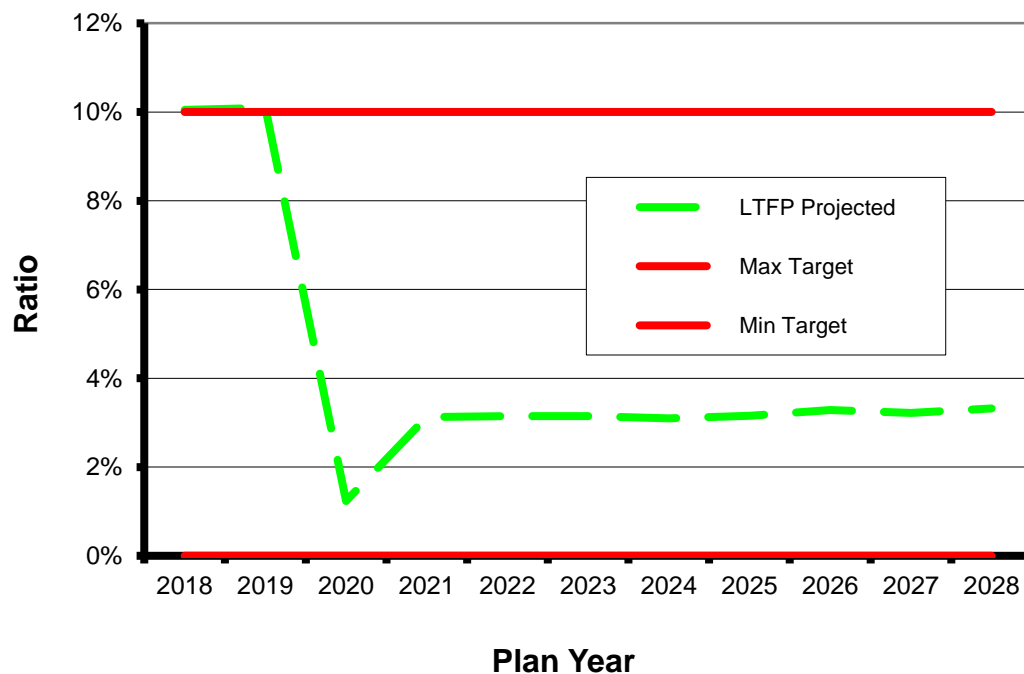
## Long Term Financial Plan 2019 to 2028

**Table 1 - OSR – Underlying Deficit Calculations**

Year Ending 30 June:	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Surplus	472	1	51	132	133	133	131	133	139	136	140
Total Operating Revenue	4,699	4,101	4,151	4,219	4,220	4,220	4,218	4,221	4,226	4,223	4,228
OSR - adjusted	10%	0%	1%	3%	3%	3%	3%	3%	3%	3%	3%

### Indicator 1B - Operating Surplus Ratio (OSR) – Based on actual Long Term Financial Statements as included in Appendix A.

The graph and table that follow reflect the reported situation based on expected grant revenue. This inflates Councils operating performance for the financial years ending 30 June 2019 (and covers up the real break even situation) as there is additional income included in the operating statement whereas the expenses are of a capital nature so they are charged directly to the balance sheet not the operating statement.





## District Council of Elliston

### Long Term Financial Plan 2019 to 2028

**Table 2 - Operating Surplus Ratio (OSR) – Actual calculations from long term financial statements**

Year Ending 30 June:	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Surplus	472	460	51	132	133	133	131	133	139	136	140
Total Operating Revenue	4,699	4,560	4,151	4,219	4,220	4,220	4,218	4,221	4,226	4,223	4,228
OSR - actual	10%	10%	1%	3%	3%	3%	3%	3%	3%	3%	3%

Council has agreed to set the OSR target range to be between minimum results of 0% to a maximum result of 10%.

It should be noted that the specific target set from 30 June 2021 and onwards is 3% which is well below the maximum acceptable level.

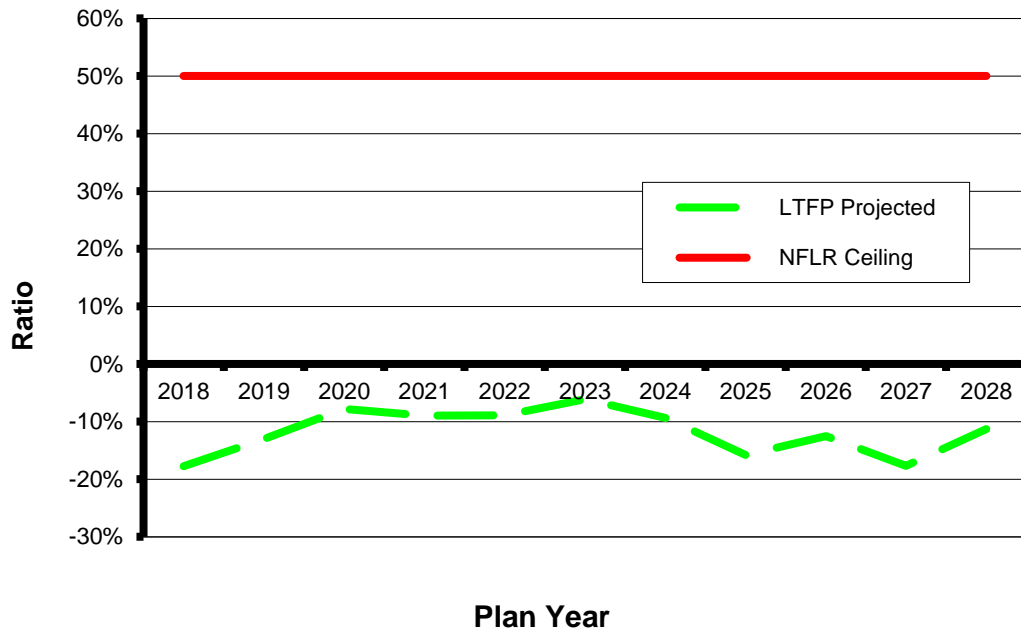
The information in the above tables and graphs indicate that the financial strategy outlined in section 3 is required to allow Council to operate in a financially sustainable manner. Should the proposed rate increases be denied due to rate capping then Council would be forecasting unsustainable deficit operating results, below its minimum target of 0%.

## District Council of Elliston

### Long Term Financial Plan 2019 to 2028

#### Indicator 2 - Net Financial Liabilities Ratio (NFLR)

Net financial liabilities is 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 less 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.



FYE 30 Jun	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
NFL	(700)	(514)	(323)	(377)	(375)	(257)	(393)	(667)	(529)	(747)	(476)
Op' Rev'	3,948	3,949	4,151	4,219	4,220	4,220	4,218	4,221	4,226	4,223	4,228
NFLR	(18%)	(13%)	(8%)	(9%)	(9%)	(6%)	(9%)	(16%)	(13%)	(18%)	(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?

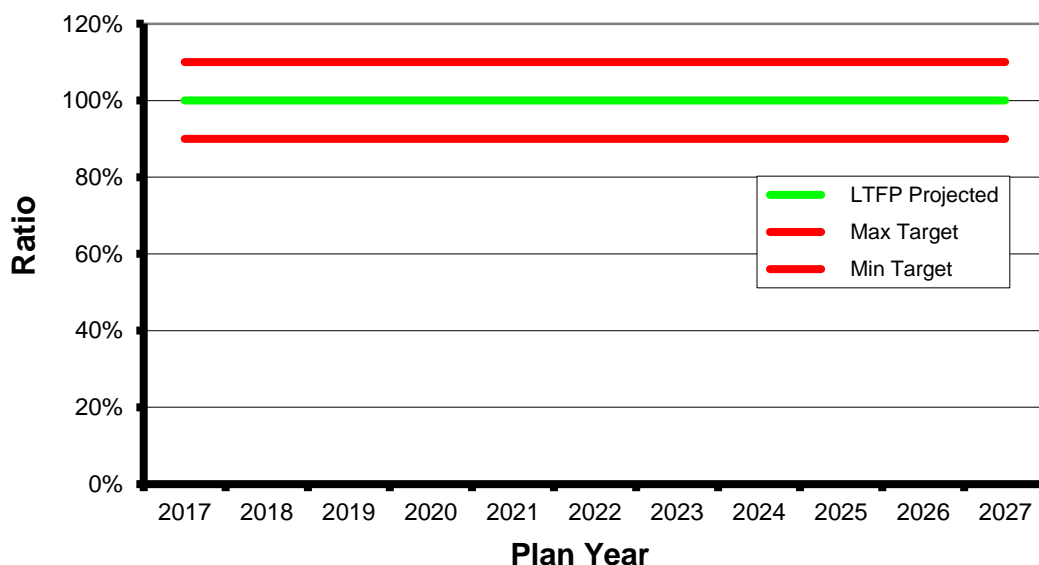
The District Council of Elliston is currently in a net cash situation, accordingly the net financial liabilities ratio is showing a negative amount (effectively Council has net financial assets). In dollar terms cash on hand is forecast to range from \$239k and \$728k throughout the life of this plan

Council has decided to take a conservative approach in relation to setting the ceiling level of 50% as it is conscious of the fact that it has a very small rate base with limited other sources of revenue.

# District Council of Elliston

## Long Term Financial Plan 2019 to 2028

### Indicator 3 - Asset Sustainability Ratio



FYE 30 Jun	2018 \$'000	2019 \$'000	2020 \$'000	2021 \$'000	2022 \$'000	2023 \$'000	2024 \$'000	2025 \$'000	2026 \$'000	2027 \$'000	2028 \$'000
Renewal Expenditure per LTFP	2,023	1,503	1,403	1,242	1,298	1,413	1,160	1,022	1,434	1,078	1,567
Renewal Expenditure per AMP	2,023	1,503	1,403	1,242	1,298	1,413	1,160	1,022	1,434	1,078	1,567
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

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.

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.

## **District Council of Elliston**

### **Long Term Financial Plan 2019 to 2028**

#### **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 indicates 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 Sustainability Ratio demonstrates that Council is replacing its infrastructure in a timely manner.

The Net Financial Liabilities Ratio indicates that no debt will be required at any stage throughout the 10 years of the plan. In any given year Council will have a cash buffer of between \$239k to \$728k.

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

## District Council of Elliston

### Long Term Financial Plan 2019 to 2028

#### 6. 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.

# District Council of Elliston

## Long Term Financial Plan 2019 to 2028

### Statement of Uniform Presentation of Finances

Year Ending 30 June:

	2018 Year 0 Actual \$'000	2019 Year 1 Budget \$'000	2020 Year 2 Plan \$'000	2021 Year 3 Plan \$'000	2022 Year 4 Plan \$'000	2023 Year 5 Plan \$'000	2024 Year 6 Plan \$'000	2025 Year 7 Plan \$'000	2026 Year 8 Plan \$'000	2027 Year 9 Plan \$'000	2028 Year 10 Plan \$'000
<b>Section 1:</b>											
Operating Revenues	4,699	4,560	4,151	4,219	4,220	4,220	4,218	4,221	4,226	4,223	4,228
less Operating Expenses	4,227	4,100	4,099	4,087	4,087	4,087	4,087	4,087	4,087	4,087	4,087
<b>Operating Surplus/(Deficit) before Capital Amounts</b>	<b>472</b>	<b>460</b>	<b>51</b>	<b>132</b>	<b>133</b>	<b>133</b>	<b>131</b>	<b>133</b>	<b>139</b>	<b>136</b>	<b>140</b>
<b>Section 2:</b>											
<b>LESS: Net Outlays on Existing Assets</b>											
Capital Expenditure on Renewal or Replacement of Existing Assets	2,065	1,543	1,603	1,292	1,398	1,563	1,220	1,037	1,594	1,108	1,707
less Depreciation, Amortisation & Impairment	(1,158)	(1,158)	(1,170)	(1,170)	(1,170)	(1,170)	(1,170)	(1,170)	(1,170)	(1,170)	(1,170)
less Proceeds from Sale of Replaced Assets	(42)	(40)	(200)	(50)	(100)	(150)	(60)	(15)	(160)	(30)	(140)
<b>Net Outlays on Existing Assets</b>	<b>865</b>	<b>345</b>	<b>233</b>	<b>72</b>	<b>128</b>	<b>243</b>	<b>(10)</b>	<b>(148)</b>	<b>264</b>	<b>(92)</b>	<b>396</b>
<b>Section 3:</b>											
<b>LESS: Net Outlays on New or Upgraded Assets</b>											
Capital Expenditure on New/Upgraded Assets	887	300	0	0	0	0	0	0	0	0	0
less Amounts Specifically for New/Upgraded Assets	0	0	0	0	0	0	0	0	0	0	0
less Proceeds from Sale of Surplus Assets	0	0	0	0	0	0	0	0	0	0	0
<b>Net Outlays on New or Upgraded Assets</b>	<b>887</b>	<b>300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Section 4:</b>											
<b>EQUALS: Net Lending / (Borrowing) for Financial Year</b>	<b>(1,279)</b>	<b>(185)</b>	<b>(182)</b>	<b>60</b>	<b>5</b>	<b>(110)</b>	<b>140</b>	<b>281</b>	<b>(125)</b>	<b>228</b>	<b>(256)</b>

## **District Council of Elliston**

### **Long Term Financial Plan 2019 to 2028**

#### **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 taking into account 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 Councils 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.

# District Council of Elliston

## Long Term Financial Plan 2018 to 2027

### Appendix A – Financial Statements

#### Statement of Comprehensive Income

Year Ending 30 June:	2018 Year 0 Actual \$'000	2019 Year 1 Budget \$'000	2020 Year 2 Plan \$'000	2021 Year 3 Plan \$'000	2022 Year 4 Plan \$'000	2023 Year 5 Plan \$'000	2024 Year 6 Plan \$'000	2025 Year 7 Plan \$'000	2026 Year 8 Plan \$'000	2027 Year 9 Plan \$'000	2028 Year 10 Plan \$'000
<b>Income</b>											
Rates	2,206	2,340	2,410	2,482	2,482	2,482	2,482	2,482	2,482	2,482	2,482
Statutory charges	23	19	19	19	19	19	19	19	19	19	19
User charges	67	62	62	62	62	62	62	62	62	62	62
Grants, subsidies and contributions	2,150	2,075	1,616	1,616	1,616	1,616	1,616	1,616	1,616	1,616	1,616
Investment income	30	30	10	6	7	7	5	7	13	10	14
Reimbursements	215	35	35	35	35	35	35	35	35	35	35
Other income	9	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Revenue</b>	<b>4,699</b>	<b>4,560</b>	<b>4,151</b>	<b>4,219</b>	<b>4,220</b>	<b>4,220</b>	<b>4,218</b>	<b>4,221</b>	<b>4,226</b>	<b>4,223</b>	<b>4,228</b>
<b>Expenses</b>											
Employee Costs	1,294	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313
Material, Contractors & Other	1,775	1,629	1,616	1,604	1,604	1,604	1,604	1,604	1,604	1,604	1,604
Depreciation, Amortisation & Impairment	1,158	1,158	1,170	1,170	1,170	1,170	1,170	1,170	1,170	1,170	1,170
Finance Charges	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Expenses</b>	<b>4,227</b>	<b>4,100</b>	<b>4,099</b>	<b>4,087</b>	<b>4,087</b>	<b>4,087</b>	<b>4,087</b>	<b>4,087</b>	<b>4,087</b>	<b>4,087</b>	<b>4,087</b>
<b>Operating Surplus / (Deficit)</b>	<b>472</b>	<b>460</b>	<b>51</b>	<b>132</b>	<b>133</b>	<b>133</b>	<b>131</b>	<b>133</b>	<b>139</b>	<b>136</b>	<b>140</b>
Physical Resources Free of Charge	0	0	0	0	0	0	0	0	0	0	0
Amounts specifically for new or upgraded assets	0	0	0	0	0	0	0	0	0	0	0
Gain / loss on disposal of asset	0	0	0	0	0	0	0	0	0	0	0
Fair value adjustments	0	0	0	0	0	0	0	0	0	0	0
<b>Net Surplus / (Deficit)</b>	<b>472</b>	<b>460</b>	<b>51</b>	<b>132</b>	<b>133</b>	<b>133</b>	<b>131</b>	<b>133</b>	<b>139</b>	<b>136</b>	<b>140</b>
Other Comprehensive Income	0	0	0	0	0	0	0	0	0	0	0
<b>Total Comprehensive Income</b>	<b>472</b>	<b>460</b>	<b>51</b>	<b>132</b>	<b>133</b>	<b>133</b>	<b>131</b>	<b>133</b>	<b>139</b>	<b>136</b>	<b>140</b>



# District Council of Elliston

## Long Term Financial Plan 2019 to 2028

### Statement of Financial Position

As at 30 June:

	2018 Year 0 Actual \$'000	2019 Year 1 Budget \$'000	2020 Year 2 Plan \$'000	2021 Year 3 Plan \$'000	2022 Year 4 Plan \$'000	2023 Year 5 Plan \$'000	2024 Year 6 Plan \$'000	2025 Year 7 Plan \$'000	2026 Year 8 Plan \$'000	2027 Year 9 Plan \$'000	2028 Year 10 Plan \$'000
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash and Cash Equivalents	681	496	304	358	356	239	374	648	510	728	458
Trade & Other Receivables	285	285	285	285	285	285	285	285	285	285	285
Inventories	5	5	5	5	5	5	5	5	5	5	5
<b>Total Current Assets</b>	<b>971</b>	<b>786</b>	<b>594</b>	<b>648</b>	<b>646</b>	<b>528</b>	<b>664</b>	<b>938</b>	<b>800</b>	<b>1,018</b>	<b>747</b>
<b>Non Current Assets</b>											
Financial Assets	0	0	0	0	0	0	0	0	0	0	0
Infrastructure, Property, Plant & Equipment	34,540	35,186	35,419	35,491	35,619	35,862	35,853	35,705	35,969	35,877	36,273
<b>Total Non-current Assets</b>	<b>34,540</b>	<b>35,186</b>	<b>35,419</b>	<b>35,491</b>	<b>35,619</b>	<b>35,862</b>	<b>35,853</b>	<b>35,705</b>	<b>35,969</b>	<b>35,877</b>	<b>36,273</b>
<b>Total Assets</b>	<b>35,511</b>	<b>35,971</b>	<b>36,013</b>	<b>36,139</b>	<b>36,265</b>	<b>36,391</b>	<b>36,517</b>	<b>36,643</b>	<b>36,769</b>	<b>36,895</b>	<b>37,021</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Trade & Other Payables	150	150	150	150	150	150	150	150	150	150	150
Borrowings	0	0	0	0	0	0	0	0	0	0	0
Provisions	96	96	96	96	96	96	96	96	96	96	96
<b>Total Current Liabilities</b>	<b>246</b>	<b>246</b>	<b>246</b>	<b>246</b>	<b>246</b>	<b>246</b>	<b>246</b>	<b>246</b>	<b>246</b>	<b>246</b>	<b>246</b>
<b>Non-current Liabilities</b>											
Borrowings	0	0	0	0	0	0	0	0	0	0	0
Provisions	21	21	21	21	21	21	21	21	21	21	21
<b>Total Liabilities</b>	<b>267</b>	<b>267</b>	<b>267</b>	<b>267</b>	<b>267</b>	<b>267</b>	<b>267</b>	<b>267</b>	<b>267</b>	<b>267</b>	<b>267</b>
<b>Net Assets</b>	<b>35,244</b>	<b>35,705</b>	<b>35,746</b>	<b>35,872</b>	<b>35,998</b>	<b>36,124</b>	<b>36,250</b>	<b>36,376</b>	<b>36,502</b>	<b>36,628</b>	<b>36,754</b>
<b>EQUITY</b>											
Accumulated Surplus	9,482	9,942	9,993	10,125	10,258	10,391	10,522	10,655	10,794	10,930	11,070
Asset Revaluation Reserves	25,324	25,324	25,324	25,324	25,324	25,324	25,324	25,324	25,324	25,324	25,324
Other Reserves	438	438	438	438	438	438	438	438	438	438	438
Adjustment to Cash & Borrowings for effects of inflation			(10)	(16)	(23)	(30)	(34)	(42)	(54)	(64)	(79)
<b>Total Equity</b>	<b>35,244</b>	<b>35,705</b>	<b>35,746</b>	<b>35,872</b>	<b>35,998</b>	<b>36,124</b>	<b>36,250</b>	<b>36,376</b>	<b>36,502</b>	<b>36,628</b>	<b>36,754</b>

# District Council of Elliston

## Long Term Financial Plan 2019 to 2028

### Statement of Equity

Year Ending 30 June:

	2018 Year 0 Actual \$'000	2019 Year 1 Budget \$'000	2020 Year 2 Plan \$'000	2021 Year 3 Plan \$'000	2022 Year 4 Plan \$'000	2023 Year 5 Plan \$'000	2024 Year 6 Plan \$'000	2025 Year 7 Plan \$'000	2026 Year 8 Plan \$'000	2027 Year 9 Plan \$'000	2028 Year 10 Plan \$'000
<b>ACCUMULATED SURPLUS</b>											
Balance at end of previous reporting period	9,010	9,482	9,942	9,993	10,125	10,258	10,391	10,522	10,655	10,794	10,930
Net Result for Year	472	460	51	132	133	133	131	133	139	136	140
Transfer to/from Asset Revaluation Reserve	0	0	0	0	0	0	0	0	0	0	0
Transfer from Reserves	0	0	0	0	0	0	0	0	0	0	0
Transfer to Other Reserves	0	0	0	0	0	0	0	0	0	0	0
Balance at end of period	<b>9,482</b>	<b>9,942</b>	<b>9,993</b>	<b>10,125</b>	<b>10,258</b>	<b>10,391</b>	<b>10,522</b>	<b>10,655</b>	<b>10,794</b>	<b>10,930</b>	<b>11,070</b>
<b>ASSET REVALUATION RESERVE</b>											
Balance at end of previous reporting period	25,324	25,324	25,324	25,324	25,324	25,324	25,324	25,324	25,324	25,324	25,324
Gain on Revaluation of Property Plant & Equipment	0	0	0	0	0	0	0	0	0	0	0
Balance at end of period	<b>25,324</b>	<b>25,324</b>	<b>25,324</b>	<b>25,324</b>	<b>25,324</b>	<b>25,324</b>	<b>25,324</b>	<b>25,324</b>	<b>25,324</b>	<b>25,324</b>	<b>25,324</b>
<b>OTHER RESERVES</b>											
Balance at end of previous reporting period	438	438	438	438	438	438	438	438	438	438	438
Transfers from Accumulated Surplus	0	0	0	0	0	0	0	0	0	0	0
Transfers to Accumulated Surplus	0	0	0	0	0	0	0	0	0	0	0
Balance at end of period	<b>438</b>	<b>438</b>	<b>438</b>	<b>438</b>	<b>438</b>	<b>438</b>	<b>438</b>	<b>438</b>	<b>438</b>	<b>438</b>	<b>438</b>
<b>Adjustment to Cash &amp; Borrowings for effects of inflation</b>	<b>0</b>	<b>0</b>	<b>(10)</b>	<b>(16)</b>	<b>(23)</b>	<b>(30)</b>	<b>(34)</b>	<b>(42)</b>	<b>(54)</b>	<b>(64)</b>	<b>(79)</b>
<b>TOTAL EQUITY AT END OF REPORTING PERIOD</b>	<b>35,244</b>	<b>35,705</b>	<b>35,746</b>	<b>35,872</b>	<b>35,998</b>	<b>36,124</b>	<b>36,250</b>	<b>36,376</b>	<b>36,502</b>	<b>36,628</b>	<b>36,754</b>

# District Council of Elliston

## Long Term Financial Plan 2019 to 2028

### Statement of Cash Flows

Year Ending 30 June:

	2018 Year 0 Actual \$'000	2019 Year 1 Budget \$'000	2020 Year 2 Plan \$'000	2021 Year 3 Plan \$'000	2022 Year 4 Plan \$'000	2023 Year 5 Plan \$'000	2024 Year 6 Plan \$'000	2025 Year 7 Plan \$'000	2026 Year 8 Plan \$'000	2027 Year 9 Plan \$'000	2028 Year 10 Plan \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Operating Receipts	4,605	4,530	4,141	4,213	4,213	4,213	4,213	4,213	4,213	4,213	4,213
Investment Receipts	30	30	10	6	7	7	5	7	13	10	14
<b>Payments</b>											
Operating Payments to Suppliers & Employees	3,069	2,942	2,939	2,923	2,924	2,924	2,922	2,925	2,930	2,927	2,932
Finance Payments	0	0	0	0	0	0	0	0	0	0	0
<b>Net Cash provided by (or used in) Operating Activities</b>	<b>1,566</b>	<b>1,618</b>	<b>1,212</b>	<b>1,296</b>	<b>1,296</b>	<b>1,296</b>	<b>1,296</b>	<b>1,296</b>	<b>1,296</b>	<b>1,296</b>	<b>1,296</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Grants specifically for new or upgraded assets	0	0	0	0	0	0	0	0	0	0	0
Sale of replaced Assets	42	40	200	50	100	150	60	15	160	30	140
<b>Payments</b>											
Expenditure on renewal/replaced assets	2,065	1,543	1,603	1,292	1,398	1,563	1,220	1,037	1,594	1,108	1,707
Expenditure on new/upgraded assets	887	300	0	0	0	0	0	0	0	0	0
<b>Net cash provided by (used in) Investing Activities</b>	<b>(2,909)</b>	<b>(1,804)</b>	<b>(1,403)</b>	<b>(1,242)</b>	<b>(1,298)</b>	<b>(1,413)</b>	<b>(1,160)</b>	<b>(1,022)</b>	<b>(1,434)</b>	<b>(1,078)</b>	<b>(1,567)</b>
<b>Net Increase / (Decrease) in Cash</b>	<b>(1,343)</b>	<b>(185)</b>	<b>(192)</b>	<b>54</b>	<b>(2)</b>	<b>(117)</b>	<b>136</b>	<b>274</b>	<b>(138)</b>	<b>218</b>	<b>(270)</b>
Cash and Cash Equivalents at start of reporting period	2,025	682	496	304	358	356	239	374	648	510	728
<b>Cash &amp; Cash Equivalents at the end of the reporting period</b>	<b>682</b>	<b>496</b>	<b>304</b>	<b>358</b>	<b>356</b>	<b>239</b>	<b>374</b>	<b>648</b>	<b>510</b>	<b>728</b>	<b>458</b>

**District Council of Elliston**  
**Long Term Financial Plan 2018 to 2027**

**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