

Lockyer Valley Regional Council
2018/2019 Budget and Long Term Financial Forecast 2019 to 2028
Statement of Income and Expenditure

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Revenue										
Recurrent revenue:										
Rates & Utility Charges	41.55M	43.24M	44.88M	46.55M	48.28M	50.08M	51.94M	53.88M	55.89M	57.97M
Less Discounts	(1.63M)	(1.69M)	(1.75M)	(1.82M)	(1.88M)	(1.95M)	(2.02M)	(2.09M)	(2.16M)	(2.24M)
Net rates and utility charges	39.92M	41.54M	43.13M	44.74M	46.40M	48.13M	49.93M	51.79M	53.73M	55.73M
Fees and charges	4.98M	5.31M	5.46M	5.62M	5.79M	5.96M	6.14M	6.32M	6.51M	6.70M
Sales, contract and recoverable works	1.18M	0.87M	0.89M	0.92M	0.94M	0.96M	0.99M	1.01M	1.04M	1.06M
Operational Grants & subsidies	5.99M	6.07M	6.20M	6.33M	6.46M	6.60M	6.75M	6.90M	7.06M	7.22M
Interest received	1.55M	1.50M	1.48M	1.48M	1.56M	1.67M	1.75M	1.86M	2.02M	2.22M
Other recurrent income	5.31M	4.83M	4.96M	5.09M	5.23M	5.37M	5.51M	5.66M	5.81M	5.96M
Total recurrent revenue	58.92M	60.12M	62.13M	64.18M	66.38M	68.69M	71.06M	73.55M	76.16M	78.90M
Capital revenue:										
Capital Grants	4.77M	0.63M	0.44M	0.44M	0.44M	0.44M	0.60M	0.60M	0.60M	0.60M
Developer Contributions	0.19M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M	0.50M
Gain/(loss) on sale of property, plant & equipment	0.23M	(0.04M)	0.49M	0.29M	0.31M	0.25M	0.23M	0.19M	0.09M	0.09M
Total capital revenue	5.19M	1.09M	1.43M	1.23M	1.24M	1.19M	1.33M	1.29M	1.19M	1.19M
Total income	64.11M	61.22M	63.55M	65.41M	67.63M	69.88M	72.38M	74.84M	77.35M	80.09M
Expenses										
Recurrent expenses:										
Employee costs	24.46M	25.17M	26.10M	26.75M	27.80M	29.05M	30.51M	31.42M	32.97M	34.26M
Materials and services	18.29M	17.64M	18.03M	18.44M	18.85M	19.30M	19.75M	20.24M	20.73M	21.24M
Depreciation and amortisation	12.61M	13.40M	13.86M	15.00M	15.42M	14.00M	13.77M	14.17M	14.53M	15.53M
Finance costs	1.32M	1.25M	1.18M	1.10M	1.02M	0.94M	0.85M	0.76M	0.66M	0.56M
Total expenses	56.67M	57.46M	59.17M	61.28M	63.10M	63.29M	64.88M	66.58M	68.90M	71.59M
Result from ordinary activities	7.44M	3.76M	4.38M	4.13M	4.52M	6.59M	7.50M	8.25M	8.45M	8.50M
Operating Result										
Adj for Capital Income	2.25M	2.67M	2.96M	2.90M	3.28M	5.40M	6.17M	6.96M	7.26M	7.31M

Lockyer Valley Regional Council
2018/2019 Budget and Long Term Financial Forecast 2019 to 2028
Statement of Financial Position

	2019 \$ Budget	2020 \$ Forecast	2021 \$ Forecast	2022 \$ Forecast	2023 \$ Forecast	2024 \$ Forecast	2025 \$ Forecast	2026 \$ Forecast	2027 \$ Forecast	2028 \$ Forecast
Current assets										
Cash assets and cash equivalents	16.88M	16.19M	13.63M	14.05M	16.58M	18.61M	19.51M	23.16M	28.08M	33.97M
Other inventory	2.86M	2.86M	2.86M	2.86M	2.86M	2.86M	2.86M	2.86M	2.86M	2.86M
Receivables	3.02M	3.09M	3.21M	3.32M	3.43M	3.54M	3.67M	3.80M	3.93M	4.05M
Prepayments	0.51M	0.51M	0.51M	0.51M	0.51M	0.51M	0.51M	0.51M	0.51M	0.51M
Total current assets	23.26M	22.66M	20.21M	20.74M	23.38M	25.52M	26.55M	30.32M	35.38M	41.39M
Non-current assets										
Land held for development or sale	1.85M	1.85M	1.85M	1.85M	1.85M	1.85M	1.85M	1.85M	1.85M	1.85M
Joint Ventures & Associates	31.78M	32.98M	34.21M	35.47M	36.76M	38.08M	39.43M	40.82M	42.25M	43.71M
Property, plant and equipment	582.02M	584.23M	626.46M	628.32M	628.55M	670.19M	672.05M	673.44M	716.27M	721.83M
Intangible assets	6.55M	6.56M	6.43M	5.52M	4.41M	4.14M	5.79M	5.76M	5.22M	4.71M
Capital works in progress	6.55M	6.08M	6.03M	6.03M	6.03M	6.03M	6.03M	6.03M	5.96M	-
Other non-current assets	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M	14.74M
Total non-current assets	643.49M	646.43M	689.72M	691.92M	692.32M	735.03M	739.89M	742.64M	786.28M	786.83M
Total assets	666.75M	669.09M	709.93M	712.65M	715.71M	760.55M	766.44M	772.96M	821.66M	828.23M
Current liabilities										
Trade and other payables	3.95M	3.86M	3.98M	4.07M	4.18M	4.29M	4.43M	4.54M	4.68M	4.80M
Borrowings	1.54M	1.62M	1.69M	1.78M	1.86M	1.95M	2.05M	2.15M	2.25M	2.36M
Employee payables/provisions	5.02M	5.20M	5.39M	5.58M	5.77M	5.96M	6.15M	6.34M	6.53M	6.72M
Other provisions	0.11M	0.11M	0.11M	0.11M	0.11M	0.11M	0.11M	0.11M	0.11M	0.11M
Total current liabilities	10.62M	10.80M	11.17M	11.54M	11.92M	12.31M	12.74M	13.14M	13.57M	13.99M
Non-current liabilities										
Borrowings	23.31M	21.70M	20.00M	18.23M	16.37M	14.41M	12.37M	10.22M	7.98M	5.62M
Employee payables/provisions	0.28M	0.30M	0.31M	0.32M	0.33M	0.34M	0.35M	0.36M	0.37M	0.38M
Other provisions	28.70M	28.70M	28.70M	28.70M	28.70M	28.70M	28.70M	28.70M	28.70M	28.70M
Total non-current liabilities	52.30M	50.69M	49.01M	47.24M	45.39M	43.45M	41.41M	39.28M	37.04M	34.70M
Total liabilities	62.91M	61.49M	60.18M	58.78M	57.31M	55.76M	54.15M	52.42M	50.62M	48.69M
Net community assets	603.84M	607.60M	649.75M	653.87M	658.40M	704.79M	712.29M	720.54M	771.04M	779.54M
Community equity										
Asset revaluation reserve	213.04M	213.04M	250.81M	250.81M	250.81M	290.61M	290.61M	290.61M	332.66M	332.66M
Retained surplus (deficiency)	390.80M	394.56M	398.94M	403.07M	407.59M	414.18M	421.68M	429.93M	438.38M	446.87M
Total community equity	603.84M	607.60M	649.75M	653.87M	658.40M	704.79M	712.29M	720.54M	771.04M	779.54M

Lockyer Valley Regional Council
2018/2019 Budget and Long Term Financial Forecast 2019 to 2028
Statement of Cash Flows

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Cash flows from operating activities:										
Receipts from customers	57.24M	56.49M	58.42M	60.42M	62.49M	64.65M	66.85M	69.17M	71.56M	74.05M
Payment to suppliers and employees	(45.41M)	(42.80M)	(43.93M)	(45.00M)	(46.46M)	(48.15M)	(50.03M)	(51.46M)	(53.49M)	(55.30M)
Interest received	1.55M	1.50M	1.48M	1.48M	1.56M	1.67M	1.75M	1.86M	2.02M	2.22M
Finance costs	(1.22M)	(1.15M)	(1.07M)	(0.99M)	(0.91M)	(0.83M)	(0.73M)	(0.64M)	(0.54M)	(0.44M)
Net cash inflow (outflow) from operating activities	12.17M	14.04M	14.90M	15.91M	16.68M	17.33M	17.83M	18.93M	19.56M	20.53M
Cash flows from investing activities:										
Payments for property, plant and equipment	(26.61M)	(15.01M)	(17.87M)	(15.78M)	(14.19M)	(15.22M)	(16.92M)	(15.17M)	(14.34M)	(14.26M)
Subsidies, donations and contributions for new capital expenditure	4.77M	0.63M	0.44M	0.44M	0.44M	0.44M	0.60M	0.60M	0.60M	0.60M
Proceeds from sale of property, plant and equipment	1.24M	0.34M	0.70M	0.64M	0.45M	0.39M	0.37M	0.33M	0.23M	0.23M
Net transfer (to) from cash investments	0.84M	0.86M	0.88M	0.90M	0.93M	0.95M	0.97M	1.00M	1.02M	1.05M
Net cash inflow (outflow) from investing activities	(19.76M)	(13.18M)	(15.85M)	(13.81M)	(12.37M)	(13.44M)	(14.98M)	(13.24M)	(12.49M)	(12.38M)
Cash flows from financing activities										
Proceeds from borrowings	-	-	-	-	-	-	-	-	-	-
Repayment of borrowings	(1.48M)	(1.54M)	(1.62M)	(1.69M)	(1.78M)	(1.86M)	(1.95M)	(2.05M)	(2.15M)	(2.25M)
Net cash inflow (outflow) from financing activities	(1.48M)	(1.54M)	(1.62M)	(1.69M)	(1.78M)	(1.86M)	(1.95M)	(2.05M)	(2.15M)	(2.25M)
Net increase (decrease) in cash held	(9.07M)	(0.68M)	(2.56M)	0.42M	2.53M	2.03M	0.90M	3.65M	4.92M	5.89M
Cash at beginning of reporting period	25.94M	16.88M	16.19M	13.63M	14.05M	16.58M	18.61M	19.51M	23.16M	28.08M
Cash Balance	16.88M	16.19M	13.63M	14.05M	16.58M	18.61M	19.51M	23.16M	28.08M	33.97M

Lockyer Valley Regional Council
2018/2019 Budget and Long Term Financial Forecast 2019 to 2028
Statement of Changes in Equity

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Asset revaluation surplus										
Opening balance	213.04M	213.04M	213.04M	250.81M	250.81M	250.81M	290.61M	290.61M	290.61M	332.66M
Increase in asset revaluation surplus	-	-	37.76M	-	-	39.80M	-	-	42.05M	-
Closing balance	213.04M	213.04M	250.81M	250.81M	250.81M	290.61M	290.61M	290.61M	332.66M	332.66M
Retained surplus										
Opening balance	383.35M	390.80M	394.56M	398.94M	403.07M	407.59M	414.18M	421.68M	429.93M	438.38M
Net result	7.44M	3.76M	4.38M	4.13M	4.52M	6.59M	7.50M	8.25M	8.45M	8.50M
Closing balance	390.80M	394.56M	398.94M	403.07M	407.59M	414.18M	421.68M	429.93M	438.38M	446.87M
Total										
Opening balance	596.40M	603.84M	607.60M	649.75M	653.87M	658.40M	704.79M	712.29M	720.54M	771.04M
Net result	7.44M	3.76M	4.38M	4.13M	4.52M	6.59M	7.50M	8.25M	8.45M	8.50M
Increase in asset revaluation surplus	-	-	37.76M	-	-	39.80M	-	-	42.05M	-
Closing balance	603.84M	607.60M	649.75M	653.87M	658.40M	704.79M	712.29M	720.54M	771.04M	779.54M

Lockyer Valley Regional Council
2018/2019 Budget and Long Term Financial Forecast 2019 to 2028
Relevant Measures of Financial Sustainability

	Target	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Average
1 Operating Surplus Ratio	Between 0% and 10%	3.8%	4.4%	4.8%	4.5%	4.9%	7.9%	8.7%	9.5%	9.5%	9.3%	6.7%
(Net Operating Surplus / Total Operating Revenue) (%)												
2 Net Financial Asset / Liability Ratio	<= 60%	67.3%	64.6%	64.3%	59.3%	51.1%	44.0%	38.8%	30.0%	20.0%	9.2%	44.9%
((Total Liabilities - Current Assets) / Total Operating Revenue)												
3 Asset Sustainability Ratio	>90%	187.1%	92.2%	108.9%	98.1%	85.9%	95.8%	96.9%	94.6%	89.9%	82.5%	103.2%
(Capital Expenditure on the Replacement of Assets (renewals) / Depreciation Expense)												